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Tourists to SA still flowing in

BY PATRICK WADULA

Tourism to South Africa continues to grow, with close to 950,000 foreign tourists expected to visit the country this year. Figures released by the South African Tourism Board indicate that the number of overseas visitors entering the country increased by 11% in May and 6% in June respectively.

"These figures reflect a trend which began in January and the recent Rugby World Cup tournament had a tremendous effect on the number of tourists arriving in the country during May and June," said Satour's deputy executive director Dr Ernie Heath.

Heath said most visitors had come from France, Ireland, Italy, the UK, Australia, New Zealand, Canada, Argentina and Japan during those two months.

Heath attributed the growth in the tourism industry to a combination of factors such as the new political climate in SA and growing trade and investment interest.

"Moreover, foreign airlines are constantly introducing additional flights into South Africa," he said.
Visitors flock to SA — Satour

Staff Reporter

OVERSEAS visitors flooded into South Africa in May and June when the World Rugby Cup tournament took place, according to the latest figures released by Satour, but rugby wasn’t the only attraction.

Figures for May were up by 114 percent and 64.2 percent in June over the corresponding periods last year, Satour says.

In some categories, there have been dramatic increases in the number of visitors, particularly from the Far East, who represent a growth in economic links with those countries.

For example, 550 percent more people from Hong Kong visited South Africa in May this year, 238 percent more from Malaysia and 201 percent from Singapore in the same month.

But the fact that Irish visitors soared by 488 percent in May was no doubt rugby related as were the increases from Britain (143 percent), Canada (117 percent), Argentina (277 percent) and New Zealand (330 percent) for the same month.

Satour’s executive director said the figures reflected a trend which began in January. The figures for May and June illustrated “how hosting of international events can boost the tourism industry.”

Satour has also attributed the growth to increasing trade and investment interest.

It predicts that nearly 950,000 visitors can be expected to come to South Africa this year, an increase over last year of about 35 percent.
Theme park plan — it’s up to Kriel

WILLEM STEENKAMP
Staff Reporter

CENTURY CITY, the multi-million rand Disney-style theme park planned near Milnerton, may collapse under bureaucratic red tape.

A Cape Metropolitan Council spokesman denied reports that the rezoning application to allow the development had been approved by Milnerton City Council.

Peter Tomalin of the CMC said the Milnerton local authority did not have the delegated power to approve the rezoning application.

Mr Tomalin said the final authority to approve the development was in the hands of Western Cape Premier Hernus Kriel.

"The application was served before the CMC this week to allow the Metropolitan Council time to consider whether the development would fit in with the Cape Metropolitan Framework Plan.

"But, even the CMC does not have the authority to approve the rezoning application. The council would simply make certain recommendations on a specific project and their comment would then be passed on to Mr Kriel for his decision," said Mr Tomalin.

When the rezoning application was served before the CMC this week, several questions were raised by councillors and the application was referred back to the planning committee.

Reports that a Disney-style theme park near Milnerton has been approved are untrue — the final decision on the project rests with Western Cape Premier Hernus Kriel.

for further clarification.

The application will now be served before the CMC again by the end of this month, after which it will be sent to Mr Kriel for his decision.

A spokesman for the Milnerton City Council confirmed the council did not have the authority to approve the rezoning application.

The spokesman said that when the application was served before the council on August 15, the council had simply recommended that the rezoning be approved. Its recommendation will be sent to Mr Kriel.

The Century City land lies between Koeberg Road and the Atlantis goods railway line. The development on 192 ha of land includes a theme park with a resort, shopping centre, a conference centre and up to 15 hotels.

Because of the high water table, a large section of the land is due to be turned into an inland lake with waterways and water features. The developers are also keen to develop a casino on the site.
Tourist boom hinders SA travellers

BY AUDREY D'ANGELO

A huge increase in tourism is good news for the economy, but it is also creating difficulties for South Africans trying to get to Europe, the Far East or the United States.

Travel agents say almost every airline is fully booked for the next 10 days at least by foreign visitors returning home at the end of the European and American holiday seasons, and they are battling to get seats for local clients going overseas. We are going through a very busy phase in overseas travel.

Roger Mackie, the chairman of the retail division of the Association of Southern African Travel Agents, said this had become a major problem, for which the only solution was extra flights.

"We have had a tremendous influx of foreign tourists, and now only about 24 percent of seats on international flights are available for local clients going overseas. We are going through a very busy phase in overseas travel."

Although there had been an increase in the number of flights offered by SAA, British Airways and continental European airlines in the past year, bilateral agreements limited the number of flights foreign airlines can put on to South Africa.

Simone Wickenhagen, the general manager for KLM in southern Africa, said her airline, which flew to South Africa four times a year, would introduce a fifth flight in November, and would like to offer a daily service to help alleviate the problem.

But, she said, KLM could not do so because of existing restrictions which were designed to protect SAA, and which, in effect, prevented other airlines from increasing their services to meet demand.
Increase in tourism to SA curbs local travellers

BY AUDREY D'ANGELO

A huge increase in tourism is good news for the economy, but it is also creating difficulties for South African airlines.

In the past year, bilateral agreements limiting the number of flights between South Africa and European and Far Eastern airlines have been lifted, allowing passengers to travel through British Airways and Continental to Europe and Asia. The result has been a significant increase in demand for flights to Europe and Asia.

However, the increase in demand has put pressure on local airlines to provide additional services. Some airlines have responded by increasing the number of flights and offering more seats on existing flights.

Travel agents say the current situation is leading to increased demand for holidays in Europe and Asia, with many clients expressing a desire to travel to these destinations.

Roger Mackie, the chairman of the retail division of the Association of South African Travel Agents, said that the current situation is leading to increased demand for holidays in Europe and Asia, with many clients expressing a desire to travel to these destinations.

"We have had a tremendous influx of foreign tourists and now we are seeing a growth in demand," he said. "Referring to the recent collapse of Ansett, which has left many tourists stranded, we are seeing an increase in demand for flights to Europe and Asia. We are seeing a lot of clients who are now looking for alternative destinations and are willing to pay extra for additional flights."
IOC okays Cape Town’s Olympic bid logo

ANDREA WEISS
Municipal Reporter

The International Olympic Committee has given the nod to the Cape Town 2004 Olympic bid logo, which means the coveted Olympic rings may now be added.

This was disclosed at a press briefing today attended by Chris Ball, chief executive officer of the bid, and Sam Ramsamy, president of the National Olympic Committee of South Africa.

The IOC has given verbal agreement for the logo, which means the rings and their words “candidate city, may also be added.”

Mr Ramsamy today also scotched rumours that he was not fully behind Cape Town’s bid for 2004. He said if Noosa had “wished” to back Cape Town it would not have chosen the city in the first place.

He was very surprised of people who at this stage, raised rumours that he was behind Johannesburg for 2008.

Mr Ball said that a bid from Johannesburg was unrealistic and that the “window of opportunity for Cape Town lay until 2004.”

Mr Ramsamy said Noosa and the new bid company were enjoying “an extremely close working relationship.” He and Mr Ball were in daily contact.

He described Mr Ball’s team as efficient and committed and it had a high level of expertise.

“Now is extremely happy with the present bid structure. There must be total synergy between Noosa and the bid which is what we’ve got now.”

He said Mr Ball and his team had been introduced to many members of the international sporting family as well as the IOC.

Mr Ramsamy said: “My commitment has increased and the determination has been magnified.

“I believe that the bid has never been in a better position than now.”
African hoteliers view future with optimism

DENNIS CAVERNELIS
Staff Reporter

DESPITE problems with infrastructure, staff, a drop in tourism, and malaria, African hoteliers remain optimistic about the future.

Protea Hotels’ regional managers, representing the group’s 84 hotels in Africa — 60 in South Africa and 24 in 11 countries in the rest of the continent — attended their annual conference in Sea Point this week.

Ian Dougan, general manager for the five Tanzanian hotels, was previously general manager of the Hilton in the United Kingdom, and also worked in Kenya.

“Managing a hotel in the UK is different to managing one in Africa, but at the end of the day we are there to look after our guests.”

Wayne Colpitts, general manager of Pinewood Village in Kenya, is the drop in tourism.

“Last year Kenya was the most visited sub-Saharan country, but now more people are going to South Africa,” said Mr Colpitts.

Most Kenyan visitors were from the United Kingdom, Germany, France and South Africa.

Mr Colpitts also faces infrastructure problems, especially with water and power supplies, but on the positive side, he described Kenyans as “a fantastic people, very hospitable”.

Botswana is probably one of the most stable and viable of all African countries, said Jo Huse, manager of the Grand Palm Hotel in Botswana.

Mr Huse, who has lived in all parts of Africa for 25 years, said running a hotel in Botswana was “very similar” to running one in South Africa: “You can get everything there.”

Ahmed Ezzelarab, a partner in the Egypt’s El Sokhnah Hotel, expects a bumper tourism season this year and next year.

El Sokhnah (Arabic for “the hot”) is one of the group’s newest hotels and opened in April. The name refers to a hot spring which “according to legend God asked (the spring) to flow for Moses and the children of Israel when he led them through the Red Sea”, said Mr Ezzelarab.

“Most visitors to Egypt are from Europe, and we expect a very good season in 1995/6. The link between South Africa and Egypt is very strong, and with three weekly flights between South Africa and Cairo we expect an increase in the number of South African tourists,” said Mr Ezzelarab.
Tourism policy paper launched

Edward West

CAPE TOWN — SA's tourism industry, which currently contributed 3.6% of GDP, was conservatively expected to grow by more than a third by the turn of the century and could become SA's biggest industry, Environment Affairs and Tourism Minister Dawie de Villiers said yesterday.

He was speaking at the release of a Green Paper on a new tourism policy for SA.

It was hoped that public consultation on the document — to be discussed at workshops during October and November at 12 centres nationwide — would be complete by the end of November. A final White Paper could then be released by mid-1996.

"If we can't get 3-million tourists by the end of the century we will be very disappointed. This year we are hoping for about 1.1-million tourists," said De Villiers. Tourism's international average contribution to GDP was 7%, compared with SA's 3.6%, indicating that the sector in SA was underperforming.

The discussion document was drawn up by an interim tourism task team, which included representatives from national and provincial governments, business, labour and "urban and rural communities".

The document outlines a policy framework and role of national and provincial government to promote and market tourism; the need for strategic planning; the formation of a special cabinet committee on tourism; the creation of a new national tourism council to become the main body responsible for SA tourism policy and provincial tourism organisations, which would include provincial and other local stakeholders.
SA ‘could double revenue’ from tourism industry

Political Staff

THE Rugby World Cup tournament earned the South African tourism industry between R5 million and R8 million in just a few weeks, proving the industry’s vast potential to contribute substantially to the gross domestic product.

This is the view of David Wigley, chairman of the business caucus on the Interim Tourism Task Team which has produced a green paper on tourism.

The document will form the basis of consultation between the Department of Environmental Affairs and Tourism and all those with a stake in tourism, from disadvantaged communities to the business sector, specifically the tourism industry.

The green paper was introduced at a media conference yesterday by Environmental Affairs and Tourism Minister Dewie de Villiers and his deputy, Bantu Holomisa.

Dr De Villiers said tourism accounted for 3.6 percent of the gross domestic product but could, if fully exploited, produce at least twice this.

He said the international average was seven percent of GDP and there were many countries where the figure was as high as 10 percent.

“We shouldn’t compare ourselves with that seven percent. We should aspire for the best.”

The green paper notes that South Africa offers domestic and foreign tourists landscapes, beaches, wildlife, wilderness experiences and indigenous cultural attractions comparable with the best in the world.

Yet the country attracts only 0.2 percent of the world’s reported 300 million annual tourists and earns R6 billion in foreign currency each year.

It says this under-performance is probably mainly because of previous political isolation and ineffective strategies.

Dr De Villiers appealed to all South Africans with any interest in tourism to scrutinise the green paper carefully and to comment.

The government will finance several national and regional workshops on the document between October and December but comment has to be made by the end of November.

For copies of the green paper and comment on it, write to Tourism Green Paper, c/o Department of Environmental Affairs and Tourism, Private Bag X447, Pretoria 0001.
OARS INCLUDED: Peter Claxton, right, and Todd Lane are the men responsible for bringing the restored and rebuilt De Havilland Beaver to South Africa, for tourist flights around the Peninsula from the end of the month.

Tourist flights by seaplane planned for Peninsula

Staff Reporter

The idea of a light aircraft landing in a Boland dam sounds like a disaster, but there is nothing to fear when the aircraft is an amphibious De Havilland Beaver.

A flight by the 1954 seaplane yesterday was a prelude to the launching of regular tourist flights over the Peninsula.

Peter Claxton, the seaplane's pilot and one of the directors of the aircraft charter company Flamingo Flights, said the flights would begin at the end of the month.

The seaplane, the only one of its type in South Africa, will take off from Bertie's Landing at the Waterfront.

The Beaver's first flight in the Western Cape was over the Boland and west coast, with a brief, and very smooth, water landing and take-off from the Tweewaterskloof Dam near Villiersdorp.

The aircraft, which boasts 450 horsepower supercharged engines, was rebuilt in 1988 before being sold to Flamingo Flights and adapted for amphibious use. Seven-metre silver floats were added, complete with paintings of dolphins and oars.

A flight will cost R270 for an hour and R145 for half an hour.
Olympic bid is ‘just big business’

CAPE TOWN either has an Olympic bid which benefits the poor, or the Games will not take place in the city in 2004, a coalition of organisations has warned.

Slamming the initiative as a “big business bid”, the Coalition for Sustainable Cities (CSC), representing 35 trade union, political, environmental and development organisations, this week said it had no faith in the Olympic Bid Company’s ability to deliver Games that will benefit the people of Cape Town and their environment.

It claims the company reneged on an agreement to start a process towards drawing up an Olympic Charter, which would define the conditions under which the bid would go ahead. “The ‘developmental’ nature of the bid process must be exposed for the sham it is,” a CSC statement read.

“The process continues to lack legitimacy: The bid company’s response to this real concern has been limited to launching a public relations campaign.

“Community participation in the process is virtually non-existent. There is no plan for ensuring the bid benefits the poor. No resources appear to have been allocated or channelled for developmental purposes.”

CSC spokesman Marlene Laros said: “We don’t just want a public relations exercise, we want real participation, especially by marginalised communities.

“If this does not happen, then the Olympics is not going to happen in Cape Town.”

Olympic bid spokesman David Butler said they made continuous efforts to involve participation within the bid process and all communities would benefit from the result.

A community/public involvement task team was being assembled and a second public workshop on the bid would be held in October.

“This is a bid for all the people of Cape Town and must represent a joint effort between all sectors of the community,” Butler said.
Cableway set to scale new heights

WILLEM STEENKAMP
Staff Reporter

NEGOTIATIONS between the Table Mountain Aerial Cableway Company and the Cape Town City Council have reached a final stage—a R35 million facelift, which will double the capacity of the cableway, is set to be completed by December next year.

Earlier this year the Cableway Company won a court battle against the city council which wanted to evict the company.

Company chairman Louis de Waal said lawyers from the council and the company were now finalising the finer details of the lease contract.

The company has decided to buy two Swiss-designed circular cable cars which have rotating floors, offering 360 degree views. Each car can carry 65 people.

These are the largest circular cable cars in the world and Cape Town is only the second city that will operate this particular type of car. The other is in use on Mount Titlis near Lucerne, Switzerland. It has proved to be tremendously popular with tourists.

A double cable will be used to ensure stability of the cars in windy conditions. As opposed to the cars now in use, which are controlled from the cableway station itself, the new cars will have on-board drivers with a back-up controller in one of the stations.

Another unique feature of the circular cars is the fact that four tons of fresh water can be carried to the top of the mountain in the base of each car.

With the expected increase of visitors to the mountain via the larger cars, this water will ease demand on the water resource in the reservoir on top of the mountain.

The wrangle over Table Mountain’s famous cableway has been resolved and the company has exciting plans for the future.

Each car, with 65 passengers on board, will weigh about 16 tons. The new cables drawing the cars up and down the mountain will have a total weight of about 100 tons.

It is estimated that about 1400 passengers an hour will be transported up and down the mountain with the new larger cars. In good weather conditions the windows of the cars can be removed.

The drivers will be able to communicate with each other and special display monitors will pass on information to passengers. There are four independent emergency brake systems for each car.

Mr De Waal said most of the work would be done internally and would not affect the environment on the mountain.

“We are currently talking to a wide range of interest groups, including environmentalists, to ensure that the upgrading programme meets their approval.”

Mr De Waal said under the new agreement with the council, 10 percent of income from ticket sales would go to the council.

“On current sales this will mean that the council will receive an income of about R600 000 per year. Under the agreement a large portion of this money will go towards a Table Mountain Maintenance trust fund.”

Mr De Waal said if everything went according to plan, upgrading the cableway would start in June next year which meant that the station would be closed for between four and five months and would open in December next year.
CABLE KING: Table Mountain Aerial Cableway Company chairman Louis de Waal holds up a scale model of one of the circular cable cars with which the company plans to replace the old cable cars. Each car can hold 85 people — and slung beneath it is a tank that can hold four tons of fresh water.
Olympics: City takes inside lane

9/14/88

Sat. Weekend Argus, September 9/10, 1988
PROVISIONAL budgets for the Cape Town 2004 Olympic bid will be available in about 10 days, in anticipation of meeting the company has with the Cabinet at the end of the month.

And while the bid company is working around the clock on its new plans, a large delegation from the city leaves for Harare this weekend to lobby support for Cape Town as Africa’s Olympic city at the All-Africa Games.

In Harare are the 19 African International Olympic Committee members whose votes will be crucial if Cape Town is to swing the vote in its favour.

Included in the delegation are Cape Town mayor William Bantum, chairman of the Cape Metropolitan Council’s executive committee David Diali, national Sports Minister Steve Tshwete, and local Sports Minister Lerumo Kalako.

Four members of the bid company will also be travelling to make presentations on Cape Town’s bid, as well as host receptions — one of which will take place at the home of the South African High Commissioner.

Speaking at a Press briefing at the bid company’s new offices in the Waterfront yesterday, chief executive officer Chris Ball, who assumed control about two months ago, said the bid was now “very much on track.”

“We’re busy and becoming more and more productive as we get through the basics,” he said.

Serious work in relation to the concept plan was being done, including linking Olympic facilities to a metropolitan transport plan.

In about 10 days the provisional plans would also have updated figures attached to outline the costs.

He said the trick was to separate what was Olympic spending and what would otherwise have been spent on the city in any event.

He reiterated the assurance that the bid Cape Town put forward should not be a burden to the ratepayers.

The Games had to be profitable, and infrastructure-spending should come out of capital budgets, he added.

Peter de Tolly, who has been seconded

Plans for the Cape Town 2004 Olympic bid are being refined for a presentation to the Cabinet — with figures attached.

The issue of whether the main Olympic stadium will be sited at Wingfield or Culemborg was still undecided, but the main criteria for making the decision were being worked on.

Mr De Tolly said that large tracts of land which lay between dormitory suburbs and townships were being pinpointed for the development of new “mixed-use” centres incorporating leisure facilities with commercial use.

Rail transport was being regarded as the most important mode of public transport.

Other information released at the conference:

Business support now also included Panasonic, IBM and the Transnet Group, along with the bid’s lead sponsors Mercedes Benz SA. Mr Ball said contracts involving large amounts of money were not “laid up in a couple of minutes”, but several companies were about to “come on board”, and announcements would follow.

Two of the directorships on the bid company still had to be filled. These were from the non-governmental sector as well as organized labour, and,

Work on setting up an environmental task team to guide the environmental approach to the bid would get underway next week. The bid company also recently sent Marlene Lares of the Wildlife Society and Howard Firth and Sandra Hustwick from the Cape Town City Council to Switzerland to an International Olympics Committee conference on sport and the environment.
A study is being conducted to assess the market and available facilities for disabled and elderly tourists. The study is the first of its kind in South Africa.

The study by the South African Tourism Board will provide information about the age, distribution, and socio-economic status of disabled holiday-makers.
Ball warns of high Olympic tab

CAPE TOWN — Cape Town Olympic Bid Company CEO Chris Ball has warned of a seemingly high bill for SA to host the Games in 2004 when the updated estimate of the costs involved are made available in 10 days' time.

"The figures might appear to be high, but bear in mind it is for 10 years in the future," Ball said during a briefing at the weekend.

The plan would not, however, be drawn up so that it would be a burden to Cape Town ratepayers, he said.

Infrastructure costs for the Games would be drawn from capital budgets, such as the Airport Company's upgrading of the city's airport. The company had budgeted R1,3bn to upgrade airports nationally.

The bid company was mapping the bid's future based on existing facilities and a development programme for metropolitan communities. The draft plans would be made public for consultation with the Cape Town public and central government this month, said Ball.

Cape Town's bid budget was being drawn up in line with that of Sydney and would be financed by the private sector. Ball said the Cape metropolitan area had an infrastructure which, in outline, had the capability of hosting the Games.

Bid company planning and environment director Peter de Tolly said the new plan was developmental and it was grounded in the RDP and the city's metropolitan and spatial development framework document.

The document envisaged a series of new centres which would contribute to the upgrading of presently fragmented, disadvantaged areas. These would be linked by urban corridors, focusing on public transport, he said.

"They should be multifunctional centres to which will be added as many of the required Olympic facilities as possible in order to add to the value of the centres," said de Tolly.

An approach for community-based sports facilities, which were badly needed in poorer areas, and the ways in which these community-based facilities could integrate sports, educational and even commercial requirements, was being undertaken in the planning for the bid, said de Tolly.
New tourism organisation proposed

Nicola Jenvey

DURBAN - Proposals intended to afford KwaZulu-Natal control over its own tourism marketing and ensuring regional focus for tourist attractions will be gazetted in a provincial Green Paper this week.

The major restructuring of the province's tourism marketing include assuming control of the SA Tourism Board's (Satoz) regional operation and integrating it with the KwaZulu-Natal department of economic affairs and tourism.

The new organisation, which would be based in Durban, would be co-ordinated and directed by the economic affairs department and tourism acting deputy director-general.

A Section 21 company, Tourism KZN, would be formed to direct and co-ordinate regional tourism measures. This company would administer tourism operations pending legislation which would enact a tourism structure.

It was also proposed that an interim provincial tourism steering committee be formed. This committee would ensure a continuity in current tourism activities, co-ordinate the restructuring of tourism activities and evolve and implement new structures identified by the recommended task groups.

Economic affairs and tourism portfolio committee chairman Alex Hamilton believed the new policy would give the province a long-awaited opportunity to market itself - with only itself to blame should the initiatives fail.

KwaZulu-Natal tourism policy task group member Martin Edwards said these developments were proof that provincial and national governments were "synchronised" on their tourism policies.

He believed the new policy would streamline planning and development application processes, which would in turn make it easier for the private sector to initiate projects and receive speedy approval.
MILLIONS of rands are to be paid to businessman Mr Raymond Ackerman to re-imburse him for money he spent on Cape Town's 2004 Olympic bid, but the new Olympic Bid Company will not divulge the exact amount.

A joint statement from Mr Ackerman, former leader of the Cape Town 2004 Bid, and Mr Chris Ball, chief executive officer of the Cape Town 2004 Olympic Bid Company, said arrangements have been made for payment for the work done by consultants and the funds advanced by Mr Ackerman for the various Cape Town 2004 Olympic Bid committees.

Bid spokesman Mr Nell Duffle said all parties were satisfied with the arrangement but part of the settlement was that pay-out figures would not be made public.

Mr Ackerman and Mr Ball said: "We are delighted that the issues relating to the development of the bid up until June this year have now been resolved. "We want the bid to proceed in a spirit of full co-operation and in support of the goals of Olympism."

They said modern Olympic Games can be profitable when they are tightly controlled.

The ratepayers of Cape Town were well-represented on the board of the bid committee and senior council officials had been seconded to the bid to secure the city's interests.

"We urge all South Africans and our neighbours in Africa to take advantage of this opportunity and support the 2004 bid," the statement said.
Olympic Bid Committee unveils plan for city

SPECIAL CORRESPONDENT

JOHANNESBURG: The Cape Town Olympic Bid Committee yesterday unveiled the beginnings of a strategy to generate the energy and excitement needed to take Cape Town in the running for the Olympic Games. The announcement was made here by the committee's chief executive, Mike Basson.

Basson said the actual Olympic bid, if Cape Town is selected as host, would have to be "realistic and pragmatic". We are carrying out an impact study with concept plans for the city," he said.

The public in Cape Town and the government will be consulted on the plans. Mr Basson said greater Cape Town would require infrastructure which would cope with the strains of the Games. "The plan sets out how the metropolitan areas in Cape Town will cope with 10 years of growth and overcome the legacies of apartheid and a colonial past," Mr De Toit said.

Remuneration

In a joint statement, Mr Basson and Mr Raymond Ackerman, leader of the original Cape Town 2004 bid committee, said arrangements on remuneration for work done by consultants had been agreed upon to the satisfaction of all parties.
Lion's share for local hotels

HOTELS in the Cape Peninsula and the winelands had the highest number of foreign visitors countrywide staying in hotels between June 1994 and June 1995, according to the Central Statistical Service (CSS).

In that time, 23% of bednights sold to foreign visitors in hotels were in this region, compared with 15% in Johannesburg, 13% in Pretoria and 14% in the rest of Gauteng. Greater Durban and North-West Province had 5.9%.

A total of 193 881 bednights were sold to foreign tourists in June this year — during the Rugby World Cup — compared to 89 446 last year. — Staff Reporter.
Tourist numbers doubled in June

BY DEREK TOMMIE

The Rugby World Cup helped to double the number of foreign tourists visiting South Africa in June, figures compiled and released yesterday by the Central Statistical Service show.

Bed nights sold in June by the hotel industry to foreign tourists jumped to 193,881, more than double the 89,446 sold in June last year.

Most of the additional visitors came from the United Kingdom and Australasia, with New Zealanders showing the biggest increase.

New Zealanders bought 16,092 bed nights in June from 3,577 in June last year, Australians bought 17,445 from 10,384 and Britons bought 51,184 from 14,311.

However, although these figures look impressive, tourist officials say that when the figure for the extra 104,425 bed nights sold in June this year is recalculated on a daily basis it shows that an additional 3,461 tourists were visiting South Africa a day, which is far below the country’s potential.

Nil-star hotels benefited the most from the June tourists, suggesting that many of them had no intention of being big spenders.

However, three-star hotels did more business than the nil-star hotels, with 34,674 bed nights sold from 28,175 in June last year.

One- and two-star hotels sold 12,602 bed nights in June from 4,562 in June last year. Four-star hotels had sales of 49,082 bed nights from 28,086 last year.

Five-star bed nights sold rose from 20,125 in June last year to 28,882 this year.

Top destinations for foreigners were Cape Town, the Cape Peninsula and the winelands. The area sold 45,756 bed nights to foreigners in June, up from 18,247 last year. But industry sources say the increase in the number of bed nights sold this year may reflect the increased importance of parliament, resulting in more foreign non-tourists visiting Cape Town.

In June last year Johannesburg was the favourite destination, selling 20,662 bed nights. It was still a popular destination this June, selling 29,470 bed nights, an increase of 42.6 percent.

Bed nights sold in Pretoria rose from 9,215 in June last year to 26,368 in June this year.
Olympics: Boost for city bid

Cape Town's Olympic hopes scaled another hurdle yesterday when International Olympic Committee president Mr Juan Antonio Samaranch said he was not sure Beijing — regarded as the city's leading competitor — would submit a bid for the 2004 Games.

Speaking at the All Africa Games in Harare, also attended by Olympic bid chief Mr Chris Ball and South African National Olympic Committee president Mr Sam Ramsamy, Mr Samaranch reiterated that bringing the Olympics to Africa was a priority.

"It is the only continent to have held a Summer Games. I am not 100% optimistic that Beijing will put in a bid," the 75-year-old veteran Olympic chief said.

"I think and I hope that Cape Town will be very strong! The important thing for Cape Town is not that it is Cape Town but that it is Africa," he added.

Mr Samaranch, however, warned All Africa Games' organisers not to try and copy the Olympics because "they do not have the money and it is simply too big for them to organise."

Mr Samaranch's comments were warmly welcomed last night by Olympic bid company chairman Mr Clive Keegan as "extremely encouraging."

For Cape Town to win the Olympics would be symbolic at the most appropriate way of acknowledging South Africa's return to the international community," he said.

Cape Town is one of 10 cities who have put their names forward as potential hosts to the 2004 Games and it is strongly tipped to win selection."
Southern African regional plan needed, says NPB head

Ecotourism could lead the RDP into the future

EBY ANITA ALLEN
SCIENCE WRITER

Conservation and tourism authorities need to come together to draw up a southern African regional plan and strategy as a matter of urgency, according to Dr George Hughes, chief executive of the Natal Parks Board (NPB).

Speaking to The Star at a briefing for tourism and travel agents in Johannesburg this week, Hughes said that ecotourism had the potential to be the driving force behind reconstruction and development, but it lacked a patron.

Asked what he would do if he were in the driving seat, Hughes said: "would bring all conservation and tourism authorities together in one forum to draw up a regional tourism plan and strategy to provide the framework for development."

Unlike other provinces, a regional approach to nature conservation and tourism planning had been in place in KwaZulu-Natal for a long time, he said. The NPB and the KwaZulu-Natal Department of Nature Conservation worked in close co-operation and their amalgamation into a single body would be completed by April 1 next year.

He said that the NPB would oppose "to the last person" proposals from certain quarters to downgrade its authority and have certain parks under its jurisdiction transferred to a national authority.

"KwaZulu-Natal has a bizarre view of central government and a long tradition of resisting central government," he said.

"The NPB is different from all other conservation authorities. We not only look after parks and rest camps, but all other wildlife from the Drakensberg mountains to the sea."

This approach had made the NPB the leading conservation authority in the country with a proud record of innovation and the involvement of farmers and local communities in conservation long before it was fashionable elsewhere, he said.

Natal was the first province in South Africa to realise that things did not look good for the conservation of wildlife, and was celebrating 100 years of conservation this year.

Components of the Greater St Lucia Wetland Park and the Hluhluwe-Imfolozi Game Reserves, were the oldest protected areas in Africa.

The NPB's claim to fame was the white rhino, with 30% of the world's population concentrated in a single reserve. In 1898, there were only 14 white rhino left and today the numbers worldwide had increased to about 7,000.

"The NPB decision to protect white rhino was one of the world's greatest business decisions," Hughes said.

In addition to its Big Five and other wildlife, the region offered tourists bio-diversity options ranging from Alpine-type snow to coral reefs and more than 300 rock art sites in its Drakensberg mountains.

The briefing was part of a NPB campaign to promote the tourist potential of the KwaZulu-Natal region.
Hotel occupation increase during World Cup up a paltry 16.2%
Tourism is the world’s largest and fastest growing industry and has been identified as a core industry in terms of further development in the Southern African region.

Everything points to southern Africa’s potential as an ecotourism mecca – increasing ease of international and domestic travel, rising levels of disposable incomes of tourists, a growing interest in conservation, and the unique biodiversity of the region. Africa remains the only place on earth where one can go on a safari and see the Big Five.

On its own, the tourism industry in South Africa is the largest in Africa, yet the country captures only 0.3% of the international market and only one in 25 jobs are linked to tourism, compared to one in 15 internationally.

Currently, tourism contributes 3.9% of GDP and is expected to grow by more than a third by the year 2000. Eventually it could become South Africa’s largest industry.

But southern Africa as a tourist destination is just a vision thing at the moment and doomed to ad hoc initiatives unless there are fundamental changes.

Firstly, no one can take the tourism industry seriously while government does not. Traditionally, its always been tagged on to other portfolios in the Cabinet where it has rated third class attention.

Minister of Environment and Tourism Dawie de Villiers has yet to table any new legislation in Parliament. He continues to show his willingness to postpone motions on the parliamentary agenda in deference to matters considered to be more important.

A case in point is the dissolution of the board of the National Parks Board and the Council for the Environment and De Villiers’ failure to reappoint them, which requires revisions to parliamentary Acts.

Before the tourists arrive, there needs to be specific world class attractions. At the moment, it is limited to Kruger Park and, if possible, Sun City because most foreign tourists have heard of it. Cape Town and Durban, and then as a last option the Garden Route.

But who decides what areas should be developed as ecotourist destinations as a priority over other areas?

The truth is that South Africa has no overall conservation/tourist strategy and participation in regional initiatives to develop southern Africa as a tourist destination are even more remote.

On the one hand, extensive plans can be made for the creation of a transfrontier park, as has been done in the Dongola and Limpopo areas of the Northern Province, but at the same time mining prospecting rights have been granted for the same region and the SANDF retains exclusive control of these important wilderness areas, with no questions being asked.

At Lake St Lucia, plans to create a world-class destination in the Greater St Lucia Wetlands Park, as a World Heritage site, have been on hold since 1998, due to an application to mine the dunite.

The decision on mining, in turn, has been delayed pending the outcome of land claims.

In the Western Cape, a regional conservation/tourist plan exists with the West Coast National Park identified as a core conservation area around which tourism would be developed.

Even this regional plan has not enabled decision-makers to turn down Iscor’s Saldanha Steel project which the National Parks Board has said endangers its entire conservation/tourism plans in the region.

Conservation areas, everyone agrees, are the drawcards for tourists, but the various conservation authorities are more divided than ever.

At least one funding agency in South Africa, the Industrial Development Corporation, is willing to release literally hundreds of millions of rand for the development of ecotourism infrastructure, but there have been very few applications for funding.

A draft Green Paper on a new tourism policy for South Africa was released earlier this month. Workshops on the Green Paper will be held during October and November at 12 centres nationwide.

All interested parties are invited to make inputs towards formulating a tourism policy. Copies of the working document are available free from the Department of Environmental Affairs and Tourism, Private Bag X447, Pretoria, 0001, telephone (012) 310-3550 or fax (012) 320-4740.
One million tourists expected
date: 18/9/95
by Derek Tomney (288)

Overseas visitors to South Africa were expected to number a million this year—a 35 percent increase on last year's 750 000, said Murray Winckler, the head of research at stockbrokers Ivo Jones, Roy and Company.

Conservative projections indicate the number could reach 2.3 million by 2000, a growth rate of about 19 percent a year.

Speaking during a discussion on tourism in Johannesburg last week, Winckler said tourism's contribution to the South African economy was below the international norm.

Last year the industry generated about R7 billion in foreign exchange while the total earning of the local industry was about R15 billion, equal to about 3 percent of GDP. But overseas, tourism's contribution was about 6 percent.

He said the tourism industry was fragile and very small disruptions could cause a sharp drop in numbers, as seen in the period leading up to last year's election.

Colin Reeve, a top American Express official, said it was estimated that the world travel industry would employ 212 million people this year. By 2005, the figure was expected to reach 38 billion.

Its turnover was about $8.4 trillion. This was predicted to grow to $7.5 trillion in 2005, and rise from 10.9 to 11.4 percent of the world's GDP.

Reeve said travel paid 10 percent of the world's taxes and accounted for 10 percent of the world's jobs.

American Express saw the deregulation of the airline industry as a boost for tourism.

Peter Bacon, the head of Sun International South Africa, said the industry had huge growth potential. He said it was the job of the government to ensure tourists had a safe and secure environment.
Outrage over brutal attack

Fivaz moves to protect tourists in SA

BY CHeryl HUNTER

The brutal gang-rape of two tourists last week has prompted Police Commissioner George Fivaz to meet leaders of the tourism industry to discuss strategies to prevent such attacks on visitors to the country.

"Fivaz said yesterday he was "appalled by the sheer brutality and inhumanity" of the attack on three British tourists and one New Zealander in the Eastern Cape on Thursday night.

According to police, the four tourists - three women and a man - were abducted, assaulted and raped on a lonely stretch of road near Lasikiziski.

The four tourists, aged between 20 and 56, had been traveling from Durban to Cape Town and had planned to spend the night in Port St Johns.

But a white four-wheel-drive bakkie followed them from the service station where they had stopped to ask for directions and opened fire on them.

The tourists crumpled into a fence and were dragged from their car by about 10 armed men who looked like "black druids". They were then attacked and raped by a 20-year-old fellow Briton and the New Zealand woman for about four hours.

Dorchester resident Shirley Dickinson (24) narrowly escaped a similar ordeal by convincing her attacker, who had dragged her into bushes along the side of the road, that rape was not a Christian act and that he would not want this to happen to one of his sisters.

He protected her by pretending to have sex with her whenever one of the other men came near.

They were finally all stripped naked and their possessions, including cameras and video equipment, and their watches, were stolen before the gang left, driving in both vehicles.

Villagers from nearby Mumbulala told the traumatised victims that and fed and clothed them before putting them on a bus to the nearest police station.

Natal Parks Board chairman Pat Goos flew the tourists to Durban in his company's private aircraft to receive medical attention.

Fivaz said the SAPS, including the Port Elizabeth murder and robbery unit, Lasikiziski police and the Umtata anti-riot unit, were investigating the incident. They were being assisted by the local community.

A black patrol car and "Dinkie" had also been enabled to search for the stolen white Sentra, registration number CA760883.

"Attacks such as these must be seen in an extremely serious light by the entire community because they hamper the RDP's efforts, especially with regard to foreign investment and tourism in South Africa," Fivaz said.

He said he would initiate discussions with tourist industry representatives this week to find better methods of protecting tourists, especially in rural areas.

According to reports, the British Foreign Office has indicated that, as a result of this attack, it may be forced to issue more specific warnings to citizens planning to travel to South Africa.
Task force to probe ‘evil’ tourist attack

Cape premier condemns attack as British media highlight dangers of SA

PORT ELIZABETH — A special police task force has been set up to investigate the murder and gang attack on four foreign tourists in Transkei. Eastern Cape Premier Raymond Mhlaba said today: "A reward of R50,000 has been offered in connection with the attack, which occurred near Port St John's. The tourists were from Namibia and their bodies were found near Sibonjoni."

Mr Mhlaba said the attack was a serious crime and that the police were doing everything possible to solve it. "We want to send a message to the world that we are a peaceful people and that our tourism is safe," he said.

The attack took place on July 30, 2000, when a group of tourists from Namibia were staying at the Sibonjoni Safari Lodge. They were attacked by a group of young men who were staying at the lodge and who had been identified by the police as being involved in the attack.

The tourists were shot and killed and their bodies were dumped in a nearby river. The police are still investigating the attack and are appealing to anyone who has information to come forward.

In an interview with the Herald, Mr Mhlaba said the attack was a blight on the tourism industry and that the police were doing everything possible to solve it. "We want to send a message to the world that we are a peaceful people and that our tourism is safe," he said.

The attack has prompted a major review of security measures in the Eastern Cape and the police are working with the tourism industry to ensure that tourists feel safe when they visit the province.

The Herald has learned that the police have been working with the tourism industry to ensure that tourists feel safe when they visit the province. "We have been working with the tourism industry to ensure that tourists feel safe when they visit the province," Mr Mhlaba said.

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One million tourists expected this year

BY DEBRE TORSEY

Overseas visitors to South Africa are expected to number a million this year — a 35 percent increase on last year's 750,000, said Murray Winkler, the head of research at stockbrokers Loth Jones & Company.

And conservative projections indicate the number could reach 2.3 million by 2000, a growth rate of about 19 percent a year.

Speaking during a discussion on tourism in Johannesburg last week, Winkler said tourism's contribution to the South African economy was below international norms.

Last year the industry generated about R7 billion in foreign exchange while the total earning of the local industry was about R15 billion, equal to about 3 percent of GDP. But overseas, tourism's contribution was about 6 percent.

He said the tourism industry was fragile and very small disruptions could cause a sharp drop in numbers, as seen in the period leading up to last year's election.

Colin Reeve, a top American Express official, said it was estimated that the world travel industry would employ 212 million people this year. By 2005, the figure was expected to reach 338 million. In other words, the industry was creating a new job every 2.5 seconds.

Its current turnover was about $3.4 million. This was predicted to grow to $7.5 trillion in 2005, and rise from 10.9 to 11.4 percent of the world's GDP.

Reeve said travel paid 10 percent of the world's taxes and accounted for 10 percent of the world's jobs.

American Express saw the deregulation of the airline industry as a major boost for tourism. The increased competition and resultant lower airfares would provide the industry with increased opportunities and make the customer more price conscious.

Reeve said the role of the travel agent of the future would be to provide maximum service for minimum cost. "The industry's margins will get narrower. Previously airline fares were fixed. Now travel agents can negotiate everything, with the airlines."

Peter Bacon, the head of Sun International, South Africa, said the industry had huge growth potential. He said it was the job of the government to ensure tourists had a safe and secure environment; but the major players in the industry must take the lead in marketing South Africa.

The British Foreign Office said this weekend it may, issue "more specific" warnings to its citizens wanting to travel in South Africa, following the brutal rape and attack on a party of three Britons and a New Zealander near Port St Johns.
Philippi may get Olympic site

The proposed location to build the city's Olympic standard indoor sports complex will be announced by the end of this week, the bid company announced at the weekend.

A local transport ministry, Mr. Leonard Ramatulane, noted the advice he was getting came from two diametrically opposed schools of thought—one which backed the MSDP proposals, the other which was critical of it and seemed to place more emphasis on major roads and privately-owned cars.

Mr. Ramatulane asked former attorney-general Mr. Neil Rossouw and others to serve on a committee to look into the matter, which they did. The committee made various recommendations, but most of the road controversies have been handed over to another committee of transport planning experts.

The latter committee has agreed on 24 out of 30 of the originally proposed road projects, but will not yet say which ones these are. Yet, it is also possible to guess here.

It seems, from what bid company chief executive officer Mr. Chris Hare and his lieutenants are saying, that the politically slightly self-serving planners who picked the MSDP are far more influential now than they were in the days when Mr. Raymond Ackerman and the firms he appointed as consultants were running the bid.

This is probably good, as it was one of the major obstacles to accessing the fund, the government approved for the company's plan.

It is difficult to imagine the present government not funding the transport plan that fits nicely with the MSDP proposals. The company is well placed to win its most significant victory yet.
Fivaz seeks ways to protect tourists

PORT ELIZABETH: The gang-rape of two tourists has prompted Police Commissioner Mr George Fivaz to call a meeting with tourist industry stakeholders to discuss strategies to prevent similar attacks.

Mr Fivaz said yesterday he was “appalled by the sheer brutality” of the attack on three tourists from Britain and one from New Zealand in the Eastern Cape on Thursday night.

The British Foreign Office says it is to review its advice to nationals visiting South Africa. The incident made headlines in most of the British Sunday papers yesterday.

Minister of Environmental Affairs and Tourism Dr Dawie de Villiers, however, said the incident was isolated and took place in a remote area. “For 99% of the tourists who come here, South Africa is as safe as New York.”

The police said the three women and man, aged between 20 and 28, were assaulted on a lonely stretch of road near Ludskildi.

They were travelling from Durban to Cape Town and planned to spend the night in Port St Johns. A bakkie followed them from a service station and opened fire on them. The tourists’ car crashed into a dune and the gang of about 10 armed men smashed the windows and dragged the four out.

The gang-raped Mr Dino Drudi, a medical student from Britain, in the boot of the car and during the next four hours repeatedly raped his 20-year-old compatriot and the New Zealand woman.

One of the attackers dragged Miss Michelle Dickinson, 24, of Dorchester, into bushes alongside the road. She persuaded him not to rape her by telling him his mother would be ashamed of him and he would not want a similar fate to befall his sister.

He protected her from the rest of the gang by pretending to be having sex with her whenever one of the other men came near.

Later, the tourists were stripped of their clothes and possessions and the gang drove off in the bakkie and the car.

Villagers

Villagers from nearby Mambalala found the visitors. They fed and clothed them and put them on a bus to the nearest police station.

Mr Pat Gote, businessman and chairman of the Natal Parks Board, flew the tourists to Durban in his company’s aircraft for treatment.

Mr Fivaz said that the local community was helping the SA Police Service’s investigation.

In a telephone interview with PA News in London, Miss Dickinson said: “We have seen two sides of South Africa. On the one side, people were kind and on the other, they were brutish.”
OLYMPIC PLAN TO BE PUT TO CABINET

Key presentation may unlock roads money

THE GOVERNMENT is expected to make the first payment from the R470m promised for Western Cape roads if it accepts the Olympic Bid plan. PETER DENNEHY reports.

A CRUCIAL presentation of the Olympic Bid plan to the cabinet on September 27 will clear the way for the first payment from the R470 million promised by the government for transport improvements — if the plan is accepted.

It is expected that almost all this amount will have been spent by the time the Olympic candidate city is chosen late in 1997.

Proposals for new roads are being examined, but final decisions have yet to be taken. Of the 30 road projects mentioned in the budget, however, 24 have been approved by an interim advisory steering committee composed of transport planning experts.

Among the 30 projects are:

- Extending the R300 to link Vanguard Drive with Kromboom Parkway (MS);

Bridge

- Building a bridge over the Black and Liesbeek rivers to link Liesbeek Parkway with the Maitland interchange on the Black River Parkway;
- Linking Prestige Drive in Maitland with Section Street in Paarden Eiland and providing access from here to the N1. This should alleviate the congested Koeberg Interchange.

Other proposals include: direction signs, park and ride facilities, extending Borchardt’s Quarry Road to provide a link between Mollerdam Road and Klipfontein Road at Crossroads, rebuilding various public transport routes in Nyanga, installing taxi and bus lanes on the N1 and N2 and Vanguard Drive, upgrading the airport access road, building extra lanes on Vanguard Drive, connecting Frans Conradie Drive to the N1, upgrading Liesbeek Parkway, improving Koeberg Interchange on the N1, building extra lanes on Kromboom Parkway, introducing taxi lanes on the Foreshore freeways and Stellenbosch Arterial road, and upgrading De Waal Drive and Kendal Road.
‘New’ Sun will be positioned to grow

Amanda Vermeulen

THE proposed restructuring of Sun International into one listed entity, Sun International (SA), will position the group for expansion in the future, according to MD Peter Bacon.

Speaking at the weekend after the announcement of a scheme of arrangement outlining the restructuring, Bacon said the new, streamlined, leisure group would operate more cost effectively.

In terms of the scheme, Sun Ciskei, Transun, and the unlisted Vende Sun, would be subsidiaries of Sun Bop. The rationale for the restructuring was to create synergies in the operating and accounting functions and lower the investor risk profile.

Other motives included giving shareholders the opportunity to take part in new investment ventures, and the advantages to be gained from an enhanced ability to fund future expansion.

The new structure would leave the group well positioned to deal with possible rationalisation in the face of changes necessary under government’s proposed new gambling legislation, Bacon said.

“The proposed schemes achieve equal treatment for all shareholders and will facilitate the financing of the group’s expansion.” And the new company would remove any possible conflict of interest between the four companies.

John Awbrey from Price Waterhouse’s hospitality consultancy said the merger of the four companies was common sense.

It would consolidate the group, he said, after having operated as four separate entities to cater for the now-defunct independent homeland policy.

A new streamlined group would have one board and therefore greater operating efficiencies, Awbrey said.

The Lotteries and Gambling Bills, which were to have been passed during the parliamentary session which wrapped up on Friday, will now be delayed to November, when a special session may be held, or until January, when the next session of Parliament commences.
Committee plans to transform Durban

Nicola Jervey

DURBAN — Transforming Durban into SA’s economic hub operating as a prime tourism destination in southern Africa was the main goal laid down by the metropolitan central council economic development committee at the weekend.

In a bid to develop a starting point from which to evaluate the worth of future projects, the committee elected that its work be dedicated to motivating “a good quality of life for all Durban citizens in a clean, safe and secure environment”.

Meeting these goals would include ensuring full employment “at a living wage”, promoting a cross-section of employment opportunities, improving the infrastructure between the city centre and outlying areas, and balancing development of large, medium, small and microenterprise businesses.

The city’s economic development committee needs a clear direction when selecting worthwhile projects to ensure an equitable distribution that promotes economic development throughout the region,” councillor Gill Fleurie said.

Future projects would take into consideration primarily the effects on job creation, small, medium and microenterprise development and the infrastructural and service impact on rural areas.

Local authorities should promote labour-intensive projects that preferably linked employment creation to housing development.

The national public works programme would also be used to create jobs.

As part of promoting small, medium and microenterprise development, at least 50% of city tenders would be awarded to businesses owned by people “from disadvantaged areas”.

Tenders should favour joint ventures between established and emerging businesses.

The committee would concentrate on developing the infrastructure and services in outlying areas.
Police to combat crimes against tourism industry

PRETORIA. — All available resources must be co-ordinated and deployed as effectively as possible to counter threats against the South African tourism industry, Police Commissioner George Fivaz said in a statement today.

Last week's "inhuman" attack on British and New Zealand tourists at Lusikisiki in the Eastern Cape highlighted the issue of crimes against tourists visiting South Africa.

Although this was an isolated incident, crimes against the tourism industry — which was of critical importance to the reconstruction and development of South Africa — had to be combated.

"All available resources, including those of the SAPS, government, the tourism industry and the community at large, must be co-ordinated and deployed as effectively as possible to counter threats against the tourism industry," said Mr. Fivaz.

He had directed that the prevention of attacks on tourists be declared a priority of the Community Safety Plan.

Deputy Police Commissioner John Manuel would initiate and co-ordinate discussions and strategies between the SAPS and other role-players in the tourism industry.

He would be helped by SAPS divisional chief of management services, Andre Fruts, who was responsible for implementing the Community Safety Plan. — Sapa.
SOUTHERN Sun and international hotel group Inter-Continental Hotels concluded a joint venture agreement yesterday as part of an expansion plan to develop jointly more than 10 five-star hotels in sub-Saharan Africa during the next 10 to 15 years.

The two groups would each have a 50% share in the new joint venture company, Southern Sun Inter-Continental Africa.

"The deal provides Southern Sun with access to global infrastructure, technology and branding. This is in line with the group’s goal to globalise its successful branding strategy," said Southern Sun MD Ron Stringfellow.

The newly formed company would develop at least one new hotel in the region within the next two years but he declined to disclose the area.

He said, however, the company would look at Madagascar, Nigeria, Seychelles and Kenya for future development prospects.

Neither Stringfellow nor Inter-Continental Hotels joint MD Robert Collier would put figures on the amounts budgeted for the projects, saying it was difficult to estimate as it would be "a continuing process and would take time".

Another part of the deal involved the re-branding of three of Southern Sun’s premier properties with the Inter-Continental name. The Cape Sun in Cape Town, the Beverly Hills Sun in Durban and the Sandton Sun and Towers in Johannesburg have carried joint branding since Monday. Southern Sun is to maintain operational control.
Mercedes backs bid

MERCEDES-Benz backed its support for the Cape Town 2004 bid yesterday with the signing of a R10m sponsorship agreement, lasting until September 1997, when the International Olympic Committee decides the host city for the 2004 Olympic Games.

Cape Town 2004 bid company CEO Chris Ball said Mercedes would become the lead sponsor. Nine other exclusive sponsors were envisaged, as were several smaller non-exclusive sponsors.

BD 20/9/95

Business Day Reporter
Fewer tourists predicted

BY TAMSEN DE BEER

Experts of the tourist industry have warned that the brutal attack on four tourists near Lasiklud will affect the tourism industry throughout South Africa. "Incidents like these normally affect the whole industry," Satour spokesman Martin van Niekerk said yesterday.

Van Niekerk said it would take some time to feel the effect of a general decline in foreign visitors, because South Africa was regarded as a "long-haul" destination.

This means visitors planning to visit the country in the short-term would be discouraged from cancelling after already investing money in their holidays.

Tourists are more likely to cancel trips they have planned far in advance, Van Niekerk said.

"An incident like this will have a negative impact on tourism, and tourism is extremely fragile. The impact will be less severe than in the past, though, ... Satour is doing everything in its power to put it into perspective, saying that it is an isolated incident," he said.

Dave Wilson of the East London tourist office said Port St Johns, near Lasiklud, had been a "viable, busy town in the Sixties."

Today there are no viable hotels left, and tourists are few.

He said the area where the incident had happened was isolated and added that visitors should "check with the police on the security aspects of a remote area, before visiting it."

He encouraged tourists to travel through the Transkei, "without any qualms", but said they should stick to the main roads and travel during the day.

"The Transkei resorts are fabulous, It's God's own country, but tourists must make sure they know where and when they are going," Wilson said.

Spokesmen for Transkei hotels said there had been no cancellations following the weekend's incident, and that bookings, as usual, are full.

An SAA spokesman said it would be difficult to "pick up" on an increase in tourist cancellations, and doubted that any impact would be felt immediately.

Political conflict in the former Transkei made the area a hotseat of violence in the country for many years, with numerous warnings in the foreign press to tourists not to venture off the beaten track.

Shortly prior to elections, attacks on tourists and motorists numbered in the dozens, with eight attacks between May and April of 1990 alone.

The tourism industry in the area suffered as a result of the attacks, until recent reports of a boom on the Wild Coast after last year.
Hotel joint venture deal

BY CHARLOTTE MATHEWS

The new joint venture agreement between International hotel group Inter-Continental Hotels and Resorts and South Africa's Southern Sun Hotels will see 15 co-branded hotels established in Africa over the next 15 years.

Ron Stringfellow, the managing director of Southern Sun Hotels, and Robert Collier, the joint managing director of Inter-Continental Hotels, said in an interview yesterday that it was difficult to put a figure on the value of the deal.

The "present" co-branded hotels in Africa include Southern Sun's three premier hotels - the Cape Sun, Beverly Hills Sun in Durban and the Sandton Sun and Towers - as well as Inter-Continental's 11 other hotels in Africa.

The other arm of the deal will be the new hotels established under the joint venture plans are for six hotels in the first five years, 11 after 10 years and 15 hotels after 15 years. These may be new ventures or existing hotels that convert to the brand.

Reservations

Southern Sun is already online with Inter-Continental's international reservation system, Global II, and has experienced a significant increase in electronic bookings, partly because Inter-Continental's "IC" symbol is better known to international travellers than Southern Sun's "SU" code.

Southern Sun will also offer the Inter-Continental loyalty programmes in conjunction with its own Frequent Guest programme.

Inter-Continental Hotels, which has revenue of over $2 billion a year, was founded in 1946 by Pan American World Airlines and is now owned by one of Japan's largest hotel and retailing conglomerates, the Saison Group.

Inter-Continental has more than 180 hotels in 60 countries and some of the famous hotels it manages include the Grand in Paris and the Amstel in Amsterdam.

Collier said although the big hotel groups were talking about the Asia, eastern Europe and Latin America, not many had recognised that getting into Africa, specifically South Africa, "is a smart move."
Post rugby, tourists still flocking to SA

BY RONNY TSHABALALA

The Rugby World Cup tourist euphoria that gripped South Africa in June, has lasted, but overseas visitors are still flocking to the country.

The largest increase in the number of visitors in July came from Hong Kong, where visitors tripled to 2,506, compared with 777 in July last year.

More than 98,296 overseas visitors entered South Africa in July through Johannesburg, Cape Town and Durban international airports, according to figures which were released by the Central Statistical Service yesterday.

This represents an increase of approximately 37.3 percent over the July period last year. Of those visitors, 88.3 percent came on vacation, proving the country is still a favourable holiday destination.

Of the total number, 18 percent came to do business, 4.1 percent to look for work, and 1 percent to study, while 8.5 percent were in transit.

Britain contributed the largest number of visitors (13,915) to South Africa. This indicates a 2,174 or 12.9 percent rise on last year’s figures for the same period.

Travellers from Japan numbered 894, down from last year’s 915.

Visitors from other African countries amounted to 16,957, virtually unchanged from last year’s 16,490.
Big scramble for prime hotel sites around Jo’burg

By Cheryl Hunter
City Reporter

Dozens of new upmarket hotels, costing hundreds of millions of rand, are being planned and built by both international and local investors in the Greater Johannesburg area.

The SA hotel industry is thriving and expanding at a phenomenal rate, if developers and hoteliers are to be believed, but few will reveal their closely-guarded plans.

Johannesburg regional director of the Protea Hotel Group William Ford said yesterday that vested-interest parties would remain cagey to “keep the competition out of playing in the same theatre”.

SA Tourism Board promotions director Greg McMullan was less inhibited: “There are new developments going up on a daily basis and we (the tourism board) are not even aware of many of the plans by major corporations.”

Most of the development was taking place towards Sandton and Midrand with the demand for hotels constantly increasing, McMullan said.

“Tourism is up considerably and this has had an effect on the industry.”

Developers have realised that they have to build now in order to accommodate tourists in 1999 and everyone has joined the rush,” McMullan said.

Two new international bodies recently moved into the country: Intercontinental Hotels – which has signed with Southern Sun Hotels which is gearing up at the lower end of the market while its five-star hotels are being reflagged under the Intercontinental brand – and American group Hyatt Hotels.

Some of the new projects include the Twin Towers Holiday Inn in Sandton which is almost complete, the erection by Southern Sun of another 10 Formula 1 hotels – which cater for mostly domestic customers and a plan to establish a new chain of hotels.

Hilton, new to South Africa, have plans for a R300-million hotel on Greenstone Drive, Sandton, and Hyatt has completed construction of a large hotel in Rosebank, behind The Mews.

Three proposals have been made by private investors who want to establish smaller, more exclusive hotels with between 20 and 100 rooms only in the Sandton area.

There is the new Sandton Holiday Inn Garden Court and a massive plan for a R72-million hotel at the Randburg Waterfront. Construction is supposed to begin some time next April.

Other plans include new Town and City lodges, a R250-million complex, possibly in Pretoria, to be built by a Singapore-based company, further developments from the Hilton group and a possible Indian investment following several recent enquiries.

The newly opened Cullinan Hotel off Grayston Drive allegedly also has plans for a similar development in the same road.

A leading property developer said it was a “developer’s market”: “We can find enough affordable sites for hotels. Tourism is booming and buildings have to be erected now or we will not have enough rooms in a few years’ time,” he said.

But the process is not without problems. According to Ford, the majority of sites which are available have exorbitant price tags.

He said land, whether council or private, was being over-priced.

“A property which we recently priced in Rivonia Road, Sandton, was being marketed at R17-million. This is just for the land, before we even begin building.”

To absorb such costs, Ford said they would have to build a hotel with at least 600 rooms.

McMullan said this had encouraged many refurbishments as opposed to new developments, especially in Sandton and Randburg.

“Old buildings are being revamped and repaired because it’s cheaper than building a new complex,” he said.

Southern Sun allegedly has a R16-million plan to upgrade all of its existing Garden Court Hotels.

“Two years ago it cost R250 000 per room to build a hotel. Now, the least one pays is R420 000.”

This has resulted in pension funds and construction companies investing in buildings and leasing them to hotel chains.

There is another new one – Stocks and Stocks (a construction company) recently started building the Leonardo da Vinci hotel in Sandton Square,” McMullan said.
Joint venture plans 15 new co-branded hotels in Africa

BY CHARLOTTE MATHEWS

The new joint venture agreement between international hotel groups Inter-Continental Hotels and Resorts and South Africa’s Southern Sun Hotels will see 15 co-branded hotels established in Africa over the next 15 years.

Ron Stringfellow, the managing director of Southern Sun Hotels, and Robert Cöller, the joint managing director of Inter-Continental Hotels, announced the agreement yesterday. It is one of the largest in the hospitality industry.

The joint venture will begin in Africa, where the group will operate three Southern Sun properties, including the Cape Sun, Sun City Sun in Durban and Sandton Sun and Towers, as well as Inter-Continental’s 11 other hotels in Africa.

The other arm of the deal will see the two hotel chains establish joint ventures in other countries. Plans are for six hotels in the first five years, 11 after 10 years and 15 hotels after 15 years. These may be new ventures or existing hotels that convert to the brand.

Southern Sun is already on line with Inter-Continental’s international reservation system, Global II, and has experienced a significant increase in bookings partly because Inter-Continental’s "IC" symbol is better known to international travellers than Southern Sun’s "SS" code.

"Southern Sun will also offer the Inter-Continental Loyalty Programmes in conjunction with its own Frequent Guest programme," Cöller said.

Inter-Continental Hotels, which has revenue of over $2 billion a year, was founded in 1946 by Pan American World Airways and is now owned by one of Japan’s largest hotel and retailing conglomerates, the Saison Group.

Inter-Continental has more than 160 hotels in 60 countries and some of the famous hotels it manages include the Grand in Paris and the Amstel in Amsterdam.

Cöller said although the big hotel groups were talking about the potential of Asia, eastern Europe and Latin America, not many had recognised that getting into Africa, and specifically South Africa, was a "smart move".

"There seems to be a growing awareness among political leaders around the world that they should develop travel and tourism because it brings investment into the country and creates jobs."

Stringfellow said it was estimated that the number of international travellers to South Africa had grown from about 750,000 at present from 450,000 four years ago, and it was projected to exceed 1 million by the year 2000.

Although this seemed like rapid growth, it was "off a low base, and was being limited by factors such as the level of violence and crime, political uncertainty, the speed of growing the infrastructure and the lack of skilled staff."

See Page 3
Victims were warned not to drive at night

CT 20/9/95

OWN CORRESPONDENT

DURBAN: Four foreign tourists who were attacked last week were warned not to travel through Transkei at night by an employee of the company who hired the car to them.

Mrs Lee de Wel, manageress of Alisa Car Hire, said their driver, who had delivered the car to the group at Tekweni Backpackers Lodge, said he had warned them not to travel through Transkei at night.

Last night Mrs Bridget Bland, with whom the victims are staying, pleaded with the local and foreign press to "leave the children alone". She said the four could stay at her home as long as they wished. They were resting, taking in the sun in the garden, swimming in the family pool and playing with the Bland children. She said: "Leave them alone... to pick up the pieces of their lives."

Mr J. A. Waterton, the British consul, here said last night that the four had not yet decided when to leave the country.
TRANSKEI ATTACK ‘ISOLATED’

Govt may spotlight
dangerous tour areas

SATOUR offices have been inundated with inquiries from concerned potential tourists, after the vicious attack on four visitors in Transkei. ANTHONY JOHNSON reports.

The government is investigating publicising dangerous areas and travel routes for tourists in South Africa.

The drastic step — which could be a major blow to the country’s R15 billion-a-year tourist industry — comes in the wake of the mounting outcry here and abroad at the recent vicious attack on tourists in the Transkei.

A SATOUR spokesman in Pretoria told the Cape Times last night that its offices in Britain and Australia were inundated with inquiries yesterday by prospective tourists concerned about the security situation in the country.

Tourism minister Dr Dawle de Villiers will hold a meeting today with top police officials in Pretoria.

The minister said yesterday that in the light of the Transkei attack — “a deplorable deed which has brought disgrace on the country” — tourism authorities should consider publicising potentially dangerous areas or routes. He said the government would also look into flagging problem areas.

He said it was regrettable that the Transkei incident created the impression that crime was rising in SA, whereas the recently launched community policing strategy was already showing positive results.

Tourism ministry spokeswoman Ms Louise Nicholson said the police tourism unit in Cape Town had been particularly effective.

Plainclothes policemen attached to the unit shadowed tourists who might fall prey to attackers or pickpockets, particularly after dark in high-risk areas like Strand Street.

Premature

SATOUR spokesman Mr Martin van Niekerk said it was premature to estimate what effect the extensive media coverage of the incident would have on the tourism industry. However, SATOUR had not yet received news of cancellations.
Focus on Tourism

More three-star hotels needed for UK visitors

By Andrea D'Angelo, Chief Business Editor

South Africa needs more three-star hotels to cope with increasing numbers of British holidaymakers, says Derek Shanks, the holiday product manager of British Airways (BA) Worldwide.

He heads the airline's holiday-package division catering for British tourists going overseas.

This year, for the first time, BA holidays has produced a brochure on South Africa, with a varied selection of destinations and accommodation.

This includes the Palace of the Lost City, the historic Mount Nelson hotel in Cape Town, self-catering apartments, game reserves and the wine route.

Shanks said demand for holidays in South Africa had exceeded expectations.

But, Shanks said, customers going on these packages expected value for money, and the price and quality of three-star hotels was what most of them wanted.

He feared there were not enough of these hotels to meet demand, and warned that if major chains upgraded their three-star hotels, they would price themselves out of the market.

With the exchange rate of the rand at present levels, British tourists were still getting good value for money.

"But if South African hotel prices continue to rise at this rate they will price themselves out of the market."

"British holidaymakers will go instead to Australia which offers good value for money," said Shanks.
Tourism in SA rises dramatically

CT (BR) 20/9/95
By Derek Tommy

Tourism in South Africa has increased dramatically this year and has proven to be one of the mainstays of the economic upswing, says economic consulting company, Econometrix.

In the first six months of the year the number of bed nights sold reached about 1.18 million, which was 73 percent more than the 681,000 sold in the first half of last year, a phenomenal growth by most standards.

But while the extraordinarily high growth rates for bed nights were greatly affected by the Rugby World Cup, its actual boost to tourism was disappointing.

An analysis of the bed night figures tends to support the view that many rugby visitors were accommodated privately. In addition, many visitors came only for a week or two. It is also argued that price increases by much of the hospitality industry, coupled with overpricing by tour operators, depressed the rate of tourism expected for the event.

The hospitality industry has been responding to the surge in tourism with huge price increases without satisfying service requirements commensurately. Violent attacks such as experienced in the Eastern Cape last weekend could scupper the entire boom in tourism.

Number of tourists to SA still rising

CT (BR) 20/9/95
By Ronny Tsahalali

The Rugby World Cup tourist euphoria that gripped South Africa in June has faded, but overseas visitors are still flocking to the country.

The largest increase in the number of visitors in July came from Hong Kong, where visitors tripled to 2,506, compared with 773 in July last year.

More than 66,320 overseas visitors entered South Africa in July through Johannesburg, Cape Town and Durban international airports, according to figures which were released by the Central Statistical Service yesterday.

This represents an increase of approximately 37.4 percent over the July period last year.

Of these visitors, 68.3 percent came on vacation, proving the country is still a favourable holiday destination.

Increase

Of the total number, 18 percent came to do business, 41 percent to look for work, and 1 percent to study, while 38 percent were in transit.

Britain contributed the largest number of visitors (13,915) to South Africa. This indicated a 4.174 or 42.9 percent rise on last year’s figures for the same period.

Travellers from Japan numbered 894, down from last year’s 915.

Visitors from other African countries amounted to 16,957, virtually unchanged from last year’s 16,460. The number of visitors from Asian countries was at 11,378.

Arrivals from the Americas also saw an increase from 9,829 to 11,708.
**NEWS**

**BID COMPANY SIGNS UP FIRST SPONSOR**

Tshwete slams Olympics’ critics

*THE FIRST* contract for R10m has been signed by the Olympic Bid Company. PETER DENNEHY reports.

SPORTS Minister Mr Steve Tshwete has slammed critics of Cape Town's 2004 Olympic bid, saying that “the Rugby World Cup had its sceptics too, but afterwards everybody said the events had been great.”

“We must do everything in our power to make sure this bid succeeds. We must convince the sceptics who are doubtful of our ability to host the games.”

Mr Tshwete, who is also chairman of the Bid Company, was speaking yesterday at a function at which the Olympic Bid management committee was loaned 13 luxury vehicles for two years.

Mercedes-Benz of SA has become the first company to sign a contract with the bid company. The contract is worth R10 million of which R8.5m will be in kind, including the loan cars.

The Bid Company's chief executive, Mr Chris Ball, said there were at least four more equivalent contracts in the pipeline. The provisional bid budget is R78m, to be spent by December 1997. He is confident that the combined sponsorships will cover that.

This came as two French cities, Lyons and Lille, announced they were considering entering the race to host the 2004 Games.

Lyons voted on Monday night 57 in favour, with 16 abstentions, to put the city into the running for the Games.

Conservative mayor Mr Raymond Barre called the costly bid a "calculated risk."

The*French National Olympic Committee* is to decide on November 7 whether Lyons or Lille should represent France.

And in Rome, a government committee evaluating a possible bid by Rome for the 2004 Summer Olympics met for the first time on Monday. Rome hosted the 1960 summer Olympic Games.

**EXPRESSION OF CONFIDENCE:** Olympic Bid chief executive officer Mr Chris Ball (left), chairman Mr Steve Tshwete and Mercedes-Benz of SA chairman Mr Christoph Köpke with one of the vehicles on loan to the bid company.

PICTURE: CLIVE SMITH
NEITHER the Olympic Bid Company nor the public sector was putting development issues into place for the Cape Town 2004 bid despite public statements to the contrary, the Development Action Group (DAG) said yesterday.

The cabinet was due to decide on September 27 whether to support the bid, but it was clear its social impact and RDP implications had not received serious attention, DAG's Ms Kim van Deventer and Ms Virginia Roof said in an interview.

DAG, a well-established Cape Town group of professional planners, had studied 10 bids for Olympics and other international events and had concluded that no other city had successfully met desired development needs by hosting the Olympics.
Hotels tell of better figures.

Amanda Vermeulen
BD 21/9/95

HOTEL occupancies have again increased, with the June figures reflecting healthy growth in domestic and international travel, and a growing confidence in the economy and SA as a tourist destination.

The Central Statistical Service said average room occupancies increased a year-on-year 16.3% to 52% in June, while the average bed occupancy rate improved 19% to 35%.

The total number of bed-nights sold to foreign tourists in the same month increased sharply to 198 881 from 89 446, with bed-nights sold to tourists from the UK and Australasia accounting for almost 44% of this.

Foreign tourists accounted for almost 20% of all bed-nights sold in June.

Five star hotels' bed occupancies showed a 31.2% increase over June last year.
Plane sailing

The tourism industry has gone into overdrive to cater for the surge in overseas visitors that started in June last year.

Central Statistical Service (CSS) says there was a 63% rise in the first half of this year compared with the same period last year. Tourists entering through the three main international airports, Johannesburg, Cape Town and Durban, increased from 681 160 in 1994 to 939 274 this year. The figures exclude visitors who came in by road or flew in from neighbouring countries through smaller airports.

The latest CSS statistics for bed nights sold to foreign tourists show a quantum 125.7% leap in May — up from 75 236 in May 1994 to 169 815 in May this year. The most popular province proved to be Gauteng, with a market share of 41.7%.

That's only the tip of the iceberg, says Ernie Heath, deputy executive director of the SA Tourism Board (Satour), who predicts a 30% increase this year on the 704 000 foreigners who visited last year. This will bring the total close to 1m.

"In the first quarter of this year, we were 58% up on our target. If we can keep the current momentum going, we can expect 2.3m by 2000," says Heath.

To cope with the influx, most of the international airlines servicing SA have already increased frequencies or plan to do so soon.

With a big increase expected from the East, airlines such as Cathay Pacific and Singapore Airlines have already pushed up flight frequencies.

The biggest increase this year can be expected from Europe. Satour expects nearly 170 000 or a 38% increase on the 444 767 Britons and Europeans who visited last year. The provision of additional flights has already started. SA Airways added an additional flight to its London and Frankfurt routes in July and hopes to get permission to add another one to its London service in November, which will bring its total on that route to 11 a week.

SAA is negotiating with Lufthansa to decide whether it or Lufthansa will add another flight towards the end of the year on the Frankfurt route.

British Airways will add an extra flight to its 12 a week in November. Three of these will go to Cape Town. The others will all stop at Johannesburg. Five will turn around there and fly back but three will fly on to Durban and return to London through Johannesburg. Two will go on to Gaberone and return through Johannesburg.

KLM and Sabena are to raise their flights to five from Amsterdam and three from Brussels respectively in November. Austrian Airlines plans to add a third flight to its two flights a week between Vienna and Johannesburg and Swissair "is working on increasing its four flights a week to five," says southern Africa GM Heini Rohrer.

Hotels owned by big groups such as Southern Sun and the smaller independents are being upgraded. The new five-star Hyatt in Rosebank is nearing completion, as is Stocks' five-star Michelangelo in Sandton. The British Hilton International chain recently announced it would open a five-star hotel in Sandton in 1997.

Tourism Minister Dawie de Villics is trying to make sub-Saharan Africa a one-visa area as a precursor to extending this to the whole of Africa. If he succeeds, SA can expect a flood of new-generation tourists who prefer to go to a region than to one country. SA has also joined the Indian Ocean Tourism Organisation, which intends to market the Indian Ocean Rim, including Mauritius, Indonesia, Australia, Malaysia and Singapore as a tourist region.
Rampant crime real threat to 2004 Olympic bid

By TONI YOUNGHUSBAND

Cape Town – South Africa’s crime statistics make good bedside reading for those with a penchant for horror stories.

Johannesburg has the reputation of being the murder capital of the world, the Western Cape delivers among the highest rape figures across the globe and in KwaZulu-Natal, more bodies litter rural villages than the war-shattered streets of Bosnia.

Every hour, thousands are mugged, carjacked, robbed and burgled, making the issue of security one of the most important areas which the Olympic Bid Committee must tackle before it hopes to host the games. Ronny Kingwell, security task team integrator for the Olympic Bid Committee, readily acknowledges this is a steep hill to climb.

Security is something on which the International Olympic Committee places a very high priority in terms of its evaluation of the potential success of a bid.

But how can one guarantee safety nine years before an event? Kingwell is currently hard at work putting together a security task team led by appointees from the local security ministry. Measures to be put in place must cover not only spectators who are moving from stadium to stadium and even from province to province, but also athletes and IOC officials.

The task committee will have to work fast because it is hoping to use all large sporting events leading up to the bid as a test run. The bid committee is hoping to integrate the private and public sectors in an extensive training programme involving thousands of volunteers.

Kingwell added that in the end it didn’t matter to those overseas reading reports about an attack in Transkei that it may be 1,500km from Cape Town. “They see the country as an entity, and we have to promise we can protect them.”
Olympic bid: Marais resolves legal wrangle

GLYNNIS UNDERHILL
Staff Reporter

ANY doubt over whether Cape Town City Council followed the correct procedure when signing the Olympic bid contract could be dispelled by an agreement with the Minister of Local Government.

The MEC for Local Government, Peter Marais, has thrown his support behind the 2004 Olympic bid by agreeing to remove any "legal ambiguity" over who has the right to sign Olympic contracts.

A divergence of legal opinion cast a shadow over whether the council had followed the correct procedure when signing the Olympic bid contract with the National Olympic Bid Committee of South Africa.

However, Mr Marais has now agreed to amend the ordinance "so as to remove any possibility of legal ambiguity".

"The Cape Town City Council and the MEC for Local Government, Mr Peter Marais, are at one over the necessity for having a watertight contract with Noosa for the 2004 Olympic bid. To this end they have agreed to amend the Municipal Or-

- Differing legal opinions over whether the Cape Town City Council followed the correct procedure when signing the Olympic bid contract may soon be resolved.

(288) ARG23/1/95

Since appropriately so as to remove any possibility of legal ambiguity," according to a joint statement issued yesterday.

A spokesman for Mr Marais expressed surprise that a Press statement had not been issued a month ago by the council when queried about the proposed municipal ordinance amendment, following disclosures to Saturday Argus.

Spokesman Fritz Marx said agreement had been reached after a meeting on the issue had been held a month ago in which it had been decided the city council would make the news public.

Mr Marx said the ordinance had not yet been amended. The statement issued yesterday said that although the council had taken the precaution of obtaining legal advice both from its internal advisers and from senior counsel before embarking on the process which led to the signing of the contract, the MEC's legal adviser was of a different opinion to that given to Council.

"Since the Press was clearly not the forum in which such matters should be debated, a meeting was held between the minister and representatives of the council, including councillor Van Wyk, the deputy chairman of the executive committee and alderman Keegan, co-chairman of the economic development committee." Mr Marais had been "highly supportive" of the prospect of hosting the Olympic Games in Cape Town and suggested the matter be put beyond doubt by an "appropriately worded amendment to the municipal ordinance," said the statement.

"It is a requirement of the IOC (International Olympic Committee) that any bid submitted to it must have the support of all authorities concerned — and of the community," said the statement. The council would, by taking all steps possible to ensure the acceptability and reliability of its bid, has demonstrated to the IOC its commitment to the bid process, it said. "council therefore agreed to support the MEC's proposal."
Foreign visitors streaming in

But crime rate curbs full potential

The Argus Correspondent

DURBAN. — Foreign tourism to South Africa is booming, but violent crime and price-hiking by botellers is keeping the full-house signs out of the windows.

Bed nights sold to visitors from abroad in the first half of this year are up 73 percent on the same period in 1994, but economic consultants Econometrix say violence and profiteering by botellers are potential stumbling blocks to continued good times.

"There are signs that the hospitality industry has been responding to the surge in tourism with huge price increases, without satisfying service requirements, commensurately," said Econometrix director Azzar Jammie.

Dr Jammie said the dramatic increase in tourism has proved to be one of the mainstays of the economic upswing this year.

In the first six months of 1975, 1,183 million bed nights were sold to foreign tourists — 73 percent up on the 641,000 sold in the first half of last year.

"Even taking into account the fact that figures before January, 1995, excluded the former TVBC countries (Transkei, Bophutatswana, Venda and Ciskei) and the fact that the months before the 1994 political transition were poor months for tourism, this still reflects a phenomenal growth rate by most standards."

The former TVBC territories accounted for just under 10 percent of all tourism.

Although the rugby World Cup had an influence on second quarter figures, Dr Jammie said closer analysis showed the boost was disappointing.

"The increase in bed nights owing to the world cup was probably little more than 100,000 in the period spanning the two months (May-June) over which the world cup was played."

Dr Jammie said given that foreign tourism accounted for less than two percent of South Africa's Gross Domestic Product (GDP), compared with close on 10 percent in other countries, the scope for growth was enormous.

"Furthermore, from a short-term viewpoint, there is the potential multiplier effect on tourism resulting from satisfied rugby world cup visitors passing on their tales of joy and excitement.

"However, the realisation of this potential should not be taken for granted."

JOHANNESBURG couple were accosted and mugged in daylight and in full view of passers-by by a gang in Adderley Street on Saturday and nobody lifted a finger to help them.

Mrs Lorraine Cheary, who spent the weekend in Cape Town with her husband Richard, said yesterday that they were "suddenly" surrounded by a gang of 10 men, in full view of hawkers and pedestrians, near the Golden Acre, shortly before 2pm on Saturday.

Mr Cheary, who attempted to fight was beaten to the ground before handing over his wallet, watch and glasses.

Mrs Cheary suffered a scratch to her neck and a ripped blouse after one of the muggers tried to rip off a chain around her neck.

She was also forced to relinquish her watch and a bag of second-hand books.

They didn't give a damn about the people around them. They just scattered of afterwards, said Mrs Cheary.

She said that "nobody was interested in their plight, evidenced by the apathy of passers-by and the non-arrival of police called by Woolworths security guards." When they eventually made a statement at the railway station police kiosk, they were treated with indifference, she added.

"A man who claimed to have witnessed the incident later told them that he knew who the gangsters were and that this was how they operated.

Mrs Cheary said that everyone bears about tourism and its effect on crime, but nobody was prepared to tackle the issue.

Police spokeswoman Warrant Officer Vina Louw said yesterday that gangs "normally" operated in large numbers and the police were aware of such activity in the city center, which was why they employed measures such as plainclothed patrols.

But the police required the assistance of the public to deal with such crimes, particularly from eyewitnesses. "That would help the police a lot," she said.

She also invited the Chearys to register complaints about their treatment by the police.
EXTRA FLIGHTS LAID ON TO COPE WITH TOURISTS

Carriers home in on Cape Town

A

An unprecedented demand for seats on flights to and from South Africa during the coming summer months has prompted several airlines to increase flight frequencies to Cape Town.

The city has become an important destination for European and Far Eastern tourists and the airport is mooted to become South Africa's tourist gateway.

Early demand for seats on flights from Europe has enabled Swissair to operate a non-stop flight from Zurich to Cape Town on the first Friday of November. This flight will operate in addition to the normal flight on the same day. The following weekend the Swiss carrier will again operate an additional flight.

In addition, the introduction of a third weekly flight between Cape Town and Zurich from November 1 will greatly assist in accommodating the extra demand for seats, according to Juri Torri, manager for Swissair, Cape Town. "In the two years that Swissair has been flying to Cape Town, growth has exceeded all expectations, rating second for the carrier on all its routes with the exception of the Zurich-Osaka sector," said Torri.

"Such was the demand for seats last summer, that we were obliged to replace our regular MD11 aircraft with the larger Boeing 747 to accommodate passengers," added Torri.

Dutch carrier KLM Royal Dutch Airlines has likewise found increased passenger and cargo demand and will also add a third weekly flight on its Amsterdam-Cape Town route from November.

Air France will add a fourth weekly flight to South Africa from November and has confirmed that from April 1, 1996, it will increase its flight frequencies between Paris and Cape Town to three each week.

Newcomer

A newcomer to Cape skies from November will be the German carrier LBU International Airlines. Operating a Boeing 767 aircraft with economy-class seats only, LBU will fly each Friday non-stop from Cape Town to Munich. This daily flight is expected to be extremely popular, according to Dieter Rohde, manager for LPU in South Africa. The carrier will be offering extremely competitive air fares.

Far Eastern airlines flying to South Africa are also preparing for the upswing in air travel as more and more tourists from that region are visiting Southern Africa.

Malaysia Airlines, which operates twice-weekly flights between Kuala Lumpur, Cape Town and Buenos Aires, will introduce a third weekly flight from December 1. This flight will terminate in Cape Town instead of going on to South America.

The Malaysian carrier has picked up substantial business with South Africans discovering Malaysia as a tourist destination, while Malaysian businessmen are visiting South Africa in increasing numbers.

Singapore Airlines will introduce its fifth weekly flight to South Africa at the end of next month. The flight will continue on from Johannesburg to Durban, giving both Cape Town and Durban two direct connections with the island city each week.

Singapore Airlines has marketed South Africa as an attractive destination, said Colin Neuner, the airline's manager for the Cape.

Passengers from many destinations in South East Asia and Australia pass through Singapore where many stop off before flying on to South Africa.

Likewise, South Africans are making use of the stop-off in Singapore to take advantage of the shopping bargains and to visit the various tourist attractions.
MORE TRAFFIC: Jumbo jets operated by overseas carriers at Cape Town International Airport from November, additional international flights will be servicing the city.

IRLNE SURVEY
New Hilton is sign of Malaysia’s commitment

Karen Harverson

Construction of the R200-million Sandton Hilton will be the first concrete result of Malaysian investment interest in South Africa.

Construction will begin at the end of this month with completion due by June 1997.

The project is a 70/30 joint venture between Malaysian businessman Amin Shah and local consortium Team Development Concepts and will create about 1,500 jobs.

The contract for the design and construction of the hotel, which will be situated in Rivonia Road, has been awarded to Group 5 Goldstein Building.

Shah says his company, Business Focus, will be looking at other projects in South Africa and has just signed another joint venture with a black-owned steel engineering company, Akhmar.

The company will supply all the steel required in the construction of the hotel, using locally sourced steel, says Shah.

Business Focus was also involved with other players in bidding for the now suspended R22-billion project to acquire four Corvettes for the South African Navy.

The company will be looking at opportunities in South Africa to invest in property, engineering, food production and agriculture.
SA tourism 'neglected'

Theo Rayena
24 February 1995

SA has not been treating tourism as a priority, although the industry was a powerful foreign exchange earner and generator of jobs, tourism analyst Jennifer Cooper-Jones of Kessell Feinstein Consulting said.

Despite lip-service by various ministries, government action for "this potentially powerful industry" had been limited, she said.

Tourism earned R550m. in foreign exchange from overseas visitors in 1993 and was widely expected to triple this figure by the year 2000. It also contributed significantly to tax revenue.

However, highlighting potential prospects was the fact that in SA tourism accounts for only about 3.5% of GNP, indicating a growth potential of 200% to 300% based on the world average of 10%. 
There are success stories and then there are miracles... and the story of Zululand Tours and Safaris, the country’s oldest tour operator, is closer to the latter.

The company, which was set up in 1964 by Norman Deane, one of the pioneers of Hluhluwe’s Save the White Rhino movement, originally organised hunting trips.

The business was passed on to his son and present director, Rob Deane, on his death in 1972 and three years ago the Gooderson Leisure Corporation obtained a 50 percent share in the now eco-tourism-orientated operation.

What was a dormant company began operating in earnest in March this year with the establishment of a Durban branch housed in the Gooderson-owned Tropicana Hotel on the Durban beachfront, said Craig King, the operations manager.

King, who heads a young team of six under-35’s, delivered a profit within the first month despite having been told to expect a massive loss for at least the first three.

Turnover was fast approaching R1 million off a zero base, making actual growth hard to appraise in percentage terms, he said.

Business was centred on the international tourist and, although the company concentrated on KwaZulu-Natal, it had branched out into the rest of the country and was considering opening an office in Johannesburg.

King, who had 10 years experience with Best Leisure International which organised European package tours for more than a million tourists a year, returned to South Africa before last year’s election.

Although profit margins were “not big in this business” there was still a great deal of untapped potential, he said.

Included in this were convoy-type, self-drive tours which eliminated security problems and prevented tourists from getting lost.

He envisaged driving in convoy from centre to centre and then leaving tourists to explore areas on their own before meeting once more at central points.

SAFARI MAN Craig King, the operations manager of Zululand Tours and Safaris, outside his Durban beachfront office. The company has only just been brought out of mothballs yet turnover is set to reach R1 million.

Considering the rejuvenated Zululand Tours and Safaris’ longer-term prospects, King said he wanted the company to be something of a pioneer and not restrict itself to package tours.

“I want to cater for what the tourists want and in so doing, become a major contender, giving the larger, monopolistic operators a run for their money,” he said.
Visitors to SA increasing

Theo Rawana

SA TOURISM continued to grow even after the boom enjoyed during the rugby World Cup tournament, figures released by the Central Statistical Services show.

The CSS says 66 320 overseas visitors entered SA through Johannesburg, Cape Town and Durban international airports in July. This represented an increase of 37.4% from the same period last year.

Of these visitors, 68.3% came to SA for holiday purposes, 18.1% for business, 4.1% for work, 1% for study purposes and 8.5% were in transit.

The CSS says the relatively largest increase in the number of overseas visitors was from Hong Kong (2 506), which was more than three times the 773 who came in July last year.

The largest number of visitors came from the UK, which at 13 915 represented a 42.9% increase over the 9 741 who came last July.

The SA Tourism Board reported earlier this month that the Rugby World Cup had contributed to the high May and June figures of 53 934 and 52 677.

Satour said it expected a 35% increase in numbers of overseas visitors this year to 350 000.

Consumers SA 1995, a publication of London-based global consumer markets researcher Euromonitor, meanwhile reports SA tourism, although tiny, is expected to enjoy several years of growth to become one of the main destinations for visitors to the African continent.

The publication says SA tourism last year experienced at least 27.6% growth from Africa over 1993, 20.2% from America, 22.3% from Asia and 3.7% from Europe — resulting in an overall growth of 22.7%.

SA attracted 1-million visitors in 1990, making the country the third most popular destination in Africa after Tunisia and Morocco. The latter, however, have the advantage of being short-haul destinations for European travellers," it says.
Smaller provinces to benefit

Licensing blow for Sun International

Amanda Vermeulen

SUN International will have to lose 10 gambling operations in the Northwest and Eastern Cape — breaking its monopoly over the gaming industry — to meet the requirements outlined in the proposed Gambling Bill released yesterday by General Services Minister Chris Fisman.

The Bill, which will be debated only during the next sitting of Parliament in January, has stipulated that no single company or person can have more than two licences per province, or more than 16 nationally.

Sun International, which has seven operations each in the Northwest and Eastern Cape, would have to scale down to two operations in each province to meet the requirements.

The Bill also contains a restructuring of the licence allocation to each province. Gauteng, which was originally allocated 13 licences in the Lotteries and Gambling Board supplementary report published in July, has been awarded six licences in terms of the proposed new legislation.

KwaZulu-Natal and the Western Cape, which were originally recommended for six licences each, would receive only five each under the proposed Bill. Northwest's licences would be boosted from two to five, and the Eastern Cape from three to five.

Mnimalo's licences have increased from three to four as have those in the Free State. The Northern Province and Northern Cape have both gained an extra licence to bring the recommended number to three each.

Fisman said the restructuring of the number of licences was based on the need to give the smaller provinces a proportionally bigger share to assist them in their development objectives and to create a more balanced accommodation of existing Sun International investments.

Sun International MD Peter Bacon said he needed more time to discuss the implications of the proposed Bill with the group's partners, but the group was not happy with certain aspects of the draft legislation.

He realised the group had to be practical about its role in the future gaming dispensation but the Bill had problematic areas which would be discussed when the debate was opened for public comment.

The Bill stipulates that organisations which had in excess of six licences before April 27 last year would be granted two years from the time the Bill was passed and adopted as an Act to decrease the number of licences to within the maximum number allowed.

It also stipulated that government "and any of its organs" would have to...

Licences

(Continued from Page 1)

dispose of their financial interests in companies holding gambling licences. This applies to Sun International in which government, through development bodies, has a stake as a result of reincorporating the former TBVC countries which harboured Sun International operations.

Gambling consultant Richard Irvine from Price Waterhouse said Fis-
OLYMPICS RESPONSE ‘WITHIN DAYS’

Cabinet considers bid budget

JOHANNESBURG: The preliminary 2004 Olympic bid budget, which predicts a gross surplus of R1.3bn, was presented to the cabinet yesterday.

The Cape Town 2004 Olympic Bid Company yesterday presented its preliminary budget to the cabinet, saying it would be the “end of the road” for the company if the bid was not supported.

“This is not only the bidding company’s bid, but one for the whole of South Africa,” Olympic bid chief executive officer Mr Chris Ball said, admitting that the bid required the support of President Nelson Mandela’s cabinet.

Mr Ball said the cabinet’s approval or otherwise of the proposal was expected “within days”.

According to a preliminary operating budget, reviewed by auditing firm Price Waterhouse under instruction from the Ministry of Sport and Recreation, the 2004 Games will cost SA R2.9 billion.

Expenditure will primarily be made up of a Games operations figure of almost R2.5bn — “an over-estimation”, said Mr Ball.

Total revenue — including television rights, marketing, and ticket sales — is estimated at R4.21bn.

The means a forecast gross surplus of R1.3bn.

“Despite percentages of this sum being set aside for sports development, a housing reserve and a contingency fund, the budget nevertheless anticipates a healthy nett surplus of R94 million,” Mr Ball said.

The company has asked the government to cover the R1.7bn cost of accelerating spending on infrastructure such as sports venues.

Price Waterhouse partner Mr Anthony Coombe explained that the R1.7bn was spending that the public sector would have undertaken anyway over the next 15 years, but which would be accelerated so that it is spent before 2004.

Mr Ball said this excluded the R1.04bn cost of the Olympic Village, which will be funded by the private sector. The houses will be sold afterwards.

He added that R918m of the R1.7bn would be spent on sports facilities, R506m on roads, and R337m on rail. — SAPA Staff Reporter
Municipal Reporter

THE central government has been told it will have to foot the bill for about R979 million in the next 10 years if South Africa is to host the Olympics in 2004.

But, the state is likely to get at least this amount of money back in taxes from an Olympic-related boom in tourism and business.

This is the message the Cape Town 2004 Olympic bid team took to Pretoria when it presented its revised budget estimates to the cabinet.

The R979 million is what the bid team believes will be needed in “accelerated public-sector expenditure” to enable South Africa to carry off the Olympics.

The team also believes this money should come out of state coffers and not the city’s budget because the central government stands to reap the financial benefits through taxes.

During the two-hour presentation to the cabinet, the Olympic team was quizzed on the new figures, which are about half of those first produced by the former Olympic bid committee.

Olympic financial director Michael Poller said there had been a “healthy exchange of points of view” during the cabinet meeting.

The cabinet’s response was expected in “days rather than weeks”.

The bid company also told the cabinet it no longer believed the central government should pay R470 million, previously promised for transport.

Instead, it was asking for an immediate payment of R39 million this year, R114 million next year and R128 million the following year to go towards transport planning and infrastructure as well as the building of two new sports facilities as a show of good faith.

The new general-purpose facilities, which are likely to be located in Cape Flats township, would be built to prove to the International Olympic Committee that South Africa was serious about the Olympic intentions.

Chief executive officer Chris Ball said at a Press conference in Cape Town that the Olympic effort should be realistic, developmental and affirmative.

Capital expenditure should come out of existing national capital budgets and not involve any borrowing at all.

Lifting the veil on the preliminary capital budget, he anticipated that R1.76 billion would be needed to develop and upgrade infrastructure and facilities.

Mr Ball pointed out that the R979 million accelerated expenditure was money that would have been spent, irrespective of the bid, except that it would have to be spent before 2004.

An economic impact study showed that the gross domestic product would be increased by about R17.6 billion by the year 2004.

About 11,000 jobs will have been created nation-wide, one third of those in the Western Cape.
R2,9-bn draft budget for Games bid unveiled

The Cape Town 2004 Olympic Bid Company yesterday presented to the Cabinet its preliminary budget, needed to mount a successful bid for the Olympic Games in nine years' time.

Bid chief Chris Ball said at a media briefing at Johannesburg international airport that Cabinet approval or otherwise of the budget proposal was expected 'within days'.

'It will be the end of the road for us if President Mandela and his Cabinet do not go with us on this,' Ball admitted. 'This is not merely the bidding company's bid, but one of the whole of South Africa.'

A preliminary budget was being submitted because the deadline for submission of the formal budget was August 15 next year. Adjustments would have to be made between now and then.

According to a preliminary operating budget, independently and objectively reviewed and verified by the Price Waterhouse firm of auditors under instruction from the Ministry of Sport and Recreation, the 2004 Games will cost SA an estimated R2,9-billion.

'Expenditure, Ball said, 'will primarily be made up of a Games operations figure of almost R2,5-billion - an overestimation, for security reasons'.

'Total revenue - constituting worldwide television rights, international and local marketing and ticket sales - is estimated at R4,21-billion. This means a forecast gross surplus of R1,3-billion.

'Despite percentages of this sum being set aside for sports development, a housing reserve and a contingency fund, the budget nevertheless anticipates a healthy net surplus of R94-million,' Ball said.

A preliminary capital expenditure budget was also submitted, making provision for R1,78-billion in development and upgrading of infrastructure and facilities. Of this, R978-million is expected to come from the public sector. This figure was considerably less than initially anticipated, Ball said.

'This bid is about South Africa spending the minimum amount it can get away with; nothing fancy,' the bid boss continued. 'We could only put forward a budget which is financially sound, realistic for South Africa and cash-flow positive for the State. It must not put strain on the financial resources of the country.'

'We're also not putting forward a budget which will have an impact on ratepayers.'

'We hope this budget gives confidence to people because it makes the Olympic Games achievable and affordable.'

If the Cabinet gives its approval, a number of factors may influence the International Olympic Committee to opt for Cape Town 2004, including, according to the bidding company, the fact that the Games have never been held in Africa, and 'President Nelson Mandela's charisma'. - Sapa.
Captcha: airlines join to promote Cape tourism

Audrey D'Angelo
Business Editor
CT 29/9/95

All major airlines flying into South Africa are helping to market the Western Cape as a tourist and business destination, Captour, marketing manager, Ms. Lauren de Wet, said yesterday.

From the end of October Captour expects to handle inquiries from 50,000 visitors a month at its Cape Town offices.

Ms. De Wet pointed out this had been achieved on a shoestring budget. This year Captour has a budget of only R1 million.

Captour has produced a comprehensive guide to the area aimed at foreign tour operators for the first time this year. Ms. Frieda Henning, who markets tourism along the Garden Route, is also organizing a road show aimed at the travel trade in the US and Canada.

The guide, produced at a cost of R200,000, a copy to distribute free to the travel trade, was shown to the media yesterday. It would have cost more than R100,000 a copy to send out by airmail, but airlines have agreed to carry it free of charge to tour operators in Europe and the Far East.
Probe into tour fund is nearly complete

GLYNNIS UNDERHILL
Staff Reporter

The Office for Serious Economic Offences expects to conclude its investigation next week into alleged misappropriation of funds at the now-defunct National Tourism Forum. The non-governmental organisation (NGO) was chaired by ANC MP Peter Mokaba, who said in an interview with Saturday Argus that he was the first to raise the alarm about R100 000 he believed was missing.

Mr Mokaba said he would welcome the report by the Office for Serious Offences (Oseo) on the finances of the forum, which was set up in 1993 to promote black development in the industry.

"I will be quite happy when the report is released. When I ordered the internal investigation in the first place, it was not because I was being vindictive. It is just that we are going to have to rely more and more on NGOs, and they must have their houses in order," he said.

Mr Mokaba is chairman of the ANC's study group on environmental affairs and tourism.

The director of Oseo, Jan Swanepeel, said the investigators had looked at the use of funds donated to the National Tourism Forum.

Mr Swanepeel said Oseo was investigating whether any of the around R3 million to R4 million donated to the forum had been misappropriated.

"Money had come from local and overseas donors, said Mr Swanepeel.

Auditors had been called in to look through the books, he said.

Mr Mokaba had been "most cooperative" in the investigation.

Investigations into alleged misappropriation of funds at the now-defunct National Tourism Forum which was chaired by ANC MP Peter Mokaba, are coming to a close.

Two further witnesses were being interviewed this week, he said.

Mr Mokaba said it was essential that NGOs, which would play a large role in the Reconstruction and Development Programme, were "above reproach."

"If I have any regrets about the National Tourism Forum, which did quite a number of good things, it is simply that due to a lack of management, we lost an opportunity to launch the development process," said Mr Mokaba yesterday.

"Questions have been raised in parliament about whether Mr Mokaba had applied for permission to collect money from the public — and whether he had been authorised to do so.

Minister of Welfare Abe Williams said in parliament that no authority had been given to Mr Mokaba, who did not report to the director of fund-raising as required by the Fund-raising Act."

Yesterday Mr Mokaba said the National Tourism Forum had not sought fund-raising permission — like all the other NGOs — as it had been set up before the government was in place.

Money raised by the forum had been used on administrative costs and setting up workshops and conferences, he said.

Many top-flight tourist organisations had been involved in the forum, which had employed around 20 people, said Mr Mokaba.
Mokaba welcomes National Tourism Forum funds probe

By Glynis Underhill

The probe into alleged misappropriation of funds at the now-defunct National Tourism Forum is expected to be completed next week.

The non-governmental organisation was chaired by ANC MP Peter Mokaba, who said in an interview with the Saturday Star yesterday that he had been the first to raise the alarm about R100 000 he believed had gone missing.

Mokaba said he would welcome the report by the Office for Serious Economic Offences (OSEO) on the finances of the forum, which was set up in 1995 to promote black development in the industry.

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The director of the OSEO, Jan Swanepoel, said the investigators had looked at the use of funds donated to the forum.

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Mokaba had been "very co-operative".

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Mokaba said yesterday the National Tourism Forum had not sought fund-raising permission - like all the other NGOs - as it had been set up before the current government was in place.

Money raised by the forum had been used on administrative costs and setting up workshops and conferences, he said. Many top-flight tourist organisations had been involved in the forum, which had employed around 20 people, said Mokaba.
Police protection unit for tourists announced

The Department of Environment and Tourism is working with the South African Police Service to establish a specialist tourist police unit, Trade and Industry Minister Trevor Manuel said yesterday.

Addressing the Association of British Travel Agents conference at Sun City, Manuel said the government was concerned about crime in the country and the attack on four tourists in Lusikisiki, Transkei.

He said the police unit would only be able to focus on key areas and not remote parts.

Manuel said tourism made an invaluable contribution to the South African economy.

"You have a crucial role to play in helping this wonderful country of ours move away from the poverty and economic desperation that we inherited," he told the conference.

At least 240,000 British tourists are expected to visit South Africa this year, closer to 300,000 next year and at least 600,000 by the year 2000, Manuel said. - Sapa.
Tourist police patrols for ‘this wonderful country’

SUN CITY. — The Department of Environment and Tourism is working with the South African Police Services to establish a specialist tourist police unit, says Trade and Industry Minister Trevor Manuel.

Tourism made an invaluable contribution to South Africa’s economy and strengthened, the government’s resolve to uproot poverty, inequality, unemployment and crime.

“You have a crucial role to play in helping this wonderful country of ours move away from the poverty and economic desperation that we inherited from that previous iniquitous system,” Mr. Manuel said that at least 240,000 British tourists were expected to visit South Africa this year, closer to 300,000 next year and at least 600,000 by the year 2000.

Sapa.
Preparations for Cape Town's bid for the 2004 Olympic Games have been well under way, with the city's enthusiastic community and private sector ready to host the Games.

"Cape Town is ready to host the 2004 Olympic Games," says Bill Ball, a long-time supporter of the city's Olympic bid. "We have the infrastructure, the facilities, and the enthusiasm to make it happen."
ost to banker Chris Ball

From the gross surplus, the bid company has deducted a venue contribution of £50.4 million, a housing reserve of £150 million, and a contingency of £54 million, to leave a net surplus of £74 million.

Ball believes that cash flow should not be a problem. If it is, the organising committee will discount the television rights. Ticket sales are based on a figure of 750,000, of which 125,000 would, it is estimated, be foreigners.

He notes that although £150 million has been provided for a housing reserve, housing would be provided by the private sector and subsequently sold at low cost housing.

"At present there's a shortage of 100,000 low-cost houses in Cape Town itself. Here we're talking of 3,500 to 4,000 houses, so I don't envisage any problem in disposing of the houses once the games are over. And the £50 million contingency? "It provides for nothing. It's a general reserve. The IOC doesn't like to show a profit."

Ball stresses that for the operational aspect of the games, no one puts their hand in their pocket. "Indeed, the operations produce a substantial surplus. Los Angeles made a £300 million profit and Sydney should have a large surplus."

"Our operational budget is soundly structured on a basis which is similar to the budgets of Atlanta and Sydney. We believe it to be conservative and we also believe that it gives comfort that an Olympic Games in Cape Town can be operated successfully."

What will Cape Town do with its surplus? "We'll be bound to keep it as a development reserve for sport. The IOC gets 10 percent of the surplus and the rest has to go into a trust. The trust is to be used for the development of sport in the region. Just what constitutes our region (whether South Africa or southern Africa) has still to be determined."

What of the capital budget? "It has still to be approved. In compiling the capital budget we had to extrapolate capital expenditure against what would normally have been spent by Cape Town. Bear in mind that the population will grow from 3.1 million now to 4.5 million in 2004."

"We've had to decide what accelerated expenditure (and above what would have been spent without the Olympics) would be needed. We've done that on a project-by-project basis."

"The airport, fumbling enough, isn't an issue. The Airports Company has budgeted enough to take care of the expansion, though we will need some stretch (probably a temporary facility) on the passenger handling side at the time of the Olympics." Ball says Cape Town airport is handling 60 international flights a week, from five three years ago. "And it's coping."

The recurring capital costs comprise national roads, national rail, the airport and local government. The accelerated costs are mainly for national roads Ball estimates that accelerated public expenditure of £979 million will be needed — a figure which is lower than was anticipated and one which would at any rate have been spent regardless of the Olympics.

He says one of the biggest beneficiaries will be the state, bearing in mind the enormous tax revenues it will reap from tourism, not only before and during the Olympics, but subsequently, since the Olympics will place not only Cape Town but all of South Africa firmly on the global tourism map.
Sun International plans public offer for expansion

Amanda Vermeulen

SUN International Hotels, the offshore operation of the leisure group’s non-SA interests, planned to raise $150m in a public offer to fund expansion at the Bahamian resort of Paradise Island and other international opportunities, Sun International and Kersaf chairman Buddy Hawton said yesterday.

His statement, which followed the weekend announcement of the transaction with the Mohican tribe to build a $250m casino resort complex in Connecticut, US, said the group planned additions to Paradise Island costing between $250m and $300m.

The group had already pumped $225m into the resort, which was officially opened at the beginning of the year. Hawton said shareholders of the company, which was listed on the Nasdaq Stock Exchange in New York, would be offered shares in the public offer, scheduled to take place within the next few months. Existing shareholders included Royal Resorts, Caledonia, the Boston-based Fidelity Fund, Sol Kerzner and US-based Oaktree Capital Management.

The weekend announcement of the Mohican reservation in Connecticut also included a notice that Bear Stearns & Co and Donaldson, Lufkin & Jenrette Securities Corporation — adviser to the Mohican tribe — had privately placed $175m of senior notes with institutional investors. The $175m, together with a $40m debt investment by the company and certain equipment financing, completed financing for the new resort.

Construction on the resort would begin immediately, and it should be opened in the fourth quarter of next year. The company was also waiting for clarity on the gaming dispensation before starting on a resort in Israel.
Buoyant tourism boosts City Lodge

Amanda Venemuen

SALDRA LIBRA
UNIVERSITY OF CAPE T
R470m FOR TRANSPORT MAY BE SCRAPPED

Cabinet divided on Olympic bid

THE CABINET AND the ANC national executive are divided over whether to back the Olympic bid — and a decision may only be made in December. ANTHONY JOHNSON reports.

CAPE TOWN'S bid to host the 2004 Olympics hangs tantalisingly in the balance, with divisions emerging both in the cabinet and the ANC's powerful national executive committee (NEC) over the issue.

Neither body has reached a decision on whether to back the bid, but the Olympic Bid Company, which last week briefed the cabinet for 90 minutes, is hoping to hear by the middle of this month.

However, government sources said last night the R470 million originally earmarked for central government for transport spending by 1997 to boost Cape Town's bid proposals to the IOC would probably go back to the Treasury.

A weekend meeting of the ANC's 86-member NEC failed to reach an even tentative decision.

After a brief discussion, the matter was deferred "for a later time" as ANC heavyweights wanted more information before deciding on the project.

A senior ANC source, who spoke on condition he was not named, said: "There are clear divisions in cabinet and the NEC on the issue ... there is no solidified position yet nor are things moving clearly in any direction."

Members of non-governmental organisations that have been liaising with various government departments on the Olympic bid also said yesterday they had encountered clear differences of opinion in cabinet level.

Sceptics are said to include Finance Minister Mr. Chris Liebenberg and Transport Minister Mr. Mac Maharaj, who are concerned at possible cost overruns that the central government could be landed with. The most enthusiastic supporter of the bid is said to be Sports Minister Mr Steve Tshwete.

Olympic Bid Company chief executive officer Mr. Chris Ball has told the cabinet the central government faced a R979m bill in the next decade if SA was to host the Olympics. The expectation is that much of this could be recouped in taxes from any Olympics-driven boom in business and tourism.

The company's preliminary operating budget is R2.9 billion. Total revenue is estimated at R4.21bn, leaving a forecast gross surplus of R1.3bn. Mr. Ball has told ministers once-dedications are made for sports development, a housing reserve and a contingency fund, a nett surplus of R94m was still anticipated.

In a clear acknowledgement of official sensitivities about costs, the bid company has proposed that instead of Cape Town receiving the R470m earmarked for transport spending, it would request only R281m, of which R65m would be spent on two sports venues in deprived areas. However, sources said last night that the entire sum could "given the prevailing mood" be returned to central government coffers. A cabinet committee has been established, but ANC sources appeared less optimistic than the bid company that an official ruling would be handed down in the next few days.

The ANC's NEC is only scheduled to meet again in December and members of this body felt it unlikely an official decision would be forthcoming before it had an opportunity to discuss the issue.

"NEC members want to have more background on the possible impact of holding the Olympics, the chances that it could lead to skewed development and the implications for the RDP," one member said yesterday.

• President Nelson Mandela met IOC chief Mr. Juan Antonio Samaranch in Switzerland yesterday.

• See Page 3
City Lodge to expand in Africa

City Lodge Hotels is likely to make an announcement in the current financial year about its expansion into other parts of southern Africa, as negotiations are currently in progress, Hans Enderle, the group executive chairman and Clifford Ross, the group managing director, said in the latest annual report.

The vehicle for expansion in southern Africa would be City Lodge, Enderle said at a presentation to the Investment Analysts’ Society last night. Town Lodge could follow, depending on the region. Road Lodge was also likely to be successful and there was one idea for a courtyard.

Overseas expansion remains a longer-term objective, the directors said.

Subject to acquiring suitable sites, the group intends to expand rapidly over the next five years and annual expansion is likely to include all four products — City Lodge, Town Lodge, Road Lodge and The Courtyard. It was conceivable the group could double the number of rooms from the present 2,162 during the next five years.

In the year to June, the group reported a 51 percent improvement in earnings to R23.9 million on improved operating margins as room occupancy increased to 81 percent from 75 percent in the previous year. A highlight of the year was the acquisition of 50 percent of the companies in The Courtyard chain and 100 percent of the management company.

Since the year end and the first Road Lodge has opened and the group celebrated its 10th anniversary.

Trading conditions for the four chains are likely to remain buoyant in the current year, but there is still concern about levels of violence and crime.

The group’s core market is expected to remain business travellers, but domestic and foreign holiday makers are likely to become increasingly important.

“Profitability is likely to grow by at least the level of inflation in the coming financial year and will be assisted by full year earnings from the group’s recent investment in The Courtyard,” the directors said.

According to Enderle, among the immediate threats was a possibility of oversupply in the five-star hotel market, which could lead to some price falls and increased competition in the market group of City Lodge.

There could also be entrants to the selected services market, although City Lodge had solid locations and construction costs were rising sharply.
Sun International may benefit from new casino licensing environment

BY ANN CRUTTLE, SPECIAL WRITEER

Investors are right to be nervous about the Sun International Group but at this stage there’s not much justification for panic.

Despite the possible loss of several casino licences, the group may be better off in the new licensing environment. With several months of negotiations and lobbying between now and the passing of the Gambling Bill, it is inconceivable that Sun International will emerge with fewer licences but greater income earning potential.

According to the proposals in the bill, no single company or person can have more than two licences per province, or more than 16 nationally.

This is obviously a threat to Sun International which has, through SunBop, seven licences in Northwest Province and, through Transkei Sun and Sun Ciskei, another seven licences in Eastern Cape Province. But as Peter Bacon, the managing director of Sun International, notes: “It may seem dramatic, but we will have a chance to negotiate with government on behalf of the stakeholders.” He added: “It is a challenge but not an insurmountable one.”

On the basis of earnings potential, having to dispose of four of its resorts in Northwest would be an easy enough decision. Tafac, Mohlabeng and Mashabale could be sold with the possibility of some book loss — in view of the forced circumstances and uncertainty — but with little threat to the group’s earnings potential.

The existence of seven resorts in one province reflects an investment decision influenced more by the vagaries of an apartheid government than by market needs. Tsabana-Ncwh, an eighth Sun Bop resort, is not under threat because it is located in the Free State.

The difficulty facing Sun International in the Northwest is the possibility that it may have to dispose of a fifth, which means it would have to choose between the Carousel, Morula Sun and Sun City. At Sun City the gambling licence is an important part of its extremely ambitious and large infrastructure. However, the Carousel and Morula Sun are highly profitable as stand-alone gambling operations.

Bacon would not be drawn on selecting a candidate for disposal. “It is an impossible decision; there is cross subsidisation between these three operations.” He added: “The decision is not entirely up to us; the provincial government is also involved and will have to express its views to central government.”

Again he stressed that nothing was final and there was opportunity for discussion.

Another difficulty for Sun International in the Northwest is the requirement that the government sell its 40 percent stake in Sun Bop within a year.

The time when there is the possibility that Sun Bop may be forced to sell a large chunk of its asset base as well as the possibility that Gauteng could set up mega-casinos in its own, doesn’t make it a very attractive purchase at current share prices.

The arrangement by Sol Kerzner, head of Sun Bop, to make the former BopinathaSwana government a major partner in the project will now prove to have been even more astute than originally thought. The potential loss that the Northwest government faces on the sale is certain to make it a significant ally in discussions with central government.

There is little doubt that the existence of mega-casinos in Gauteng would severely undermine the Carousel, Morula and Sun City. In Bacon’s words, in the months ahead there will be “dialogue, interaction and negotiation with all the parties”, but, “it remains to be seen whether there will be co-operation between the provinces”.

In the Eastern Cape, where Sun International also has seven licences, the choice would seem to be easier with Fish River and the Wild Coast held and the remainder put up for sale to new entrants.

There are apparently discussions between Sun International, the Eastern Cape government (which has a stake in Fish River) and provincial parties about the transfer of the Fish River licence to Port Elizabeth, where it would be much more lucrative.

Bacon would only say: “The transfer of the licence to Port Elizabeth is a possibility which we are discussing with the provincial government. It would probably be on condition that we gave some support to an unlicensed Fish River operation.”

Eastern Cape and Northwest are where Sun International will lose licences, but under the new regime it will be able to apply for licences in potentially much more profitable areas such as Western Cape, Gauteng and KwaZulu Natal. The worst that could happen to the group is that it could only keep two licences in Northwest and Eastern Cape, not get licences in Gauteng, KwaZulu Natal or Western Cape and that a mega-casino is set up in Gauteng. It would be worse still if it was unable to secure management contracts from any of the new licence holders.

About the best that could happen to Sun International is that it gets licences in Gauteng, Western Cape and KwaZulu Natal and is able to secure management contracts from new licence holders.

Given this scenario, the loss of marginal resorts — in terms of earnings — in Northwest and Eastern Cape would not be significant. In addition, the consolidation of its four subsidiaries (Sun Bop, Transkei Sun, Venda Sun and Ciskei Sun) into Sun International would take the sting out of the impact on the Sun Bop share price of a forced sale by the Northwest government.

But it is still early days and there are many areas of uncertainty that have to be clarified before the bill becomes legislation. For instance, although there are limits to the number of licences each party can hold, there are no restrictions on the size of operation. A licence holder with 16 licences could be a small operator while one with four licences could be dominant.

What is also unclear is the definition of licence holder. Sun International is believed to have brought together a number of parties (including Thebe, Gibson Nula’s Vela International, Wendy Luthuli’s Wana, the group and Khulanl Holdings) to form a company that will be applying for licences. In addition, given its considerable expertise, there is a lot of scope for Sun International to arrange management contracts with the various applicants. Would such contracts affect its own licence applications? Because they are so lucrative, such contracts would ensure that although Sun International was not a licence holder it would receive considerable financial benefit from the licence.

They would also ensure it would continue to play a dominant role in the industry. Bacon would only say it was too early to talk about management contracts.

What is certain is that there will be much “dialogue, interaction and negotiation” in the months ahead as vested interests in this highly profitable industry do battle and establish strategies to cope with the government’s attempts at an equitable allocation.

The important role of the provincial governments will add considerably to the complexity.
‘No split’ over Olympic bid

Edward West

CAPE TOWN — Claims that the ANC’s executive committee and the Cabinet were split over the viability of the 2004 Olympic bid were untrue, Sport and Recreation Minister Steve Tshwete said yesterday.

He was responding to reports claiming that divisions in the Cabinet and ANC’s executive committee were preventing a decision being reached on the bid, and that the R470m originally earmarked for transport spending in Cape Town to boost the bid would probably be sent back to the treasury.

He said the bid company had made representations to the Cabinet last month, but the Cabinet decided there were matters which needed to be probed further and there were allegations that some businessmen had entertained reservations about the wisdom of pushing ahead with the bid.

Tshwete said a subcommittee consisting of himself, Ministers Dawie de Villiers, Derek Hanekom, Trevor Manuel and Deputy Minister Alec Erwin would investigate and report to the Cabinet on October 18, when the Cabinet would discuss the matter and make a decision.

There were individuals in both the Cabinet and the ANC’s national executive committee who had strong views either for or against the bid. It was wrong to convey an impression that both had discussed the bid and differed.
Hyatt is looking at more hotel and resort projects

BY ROY COAKING

Hyatt International, which operates its first hotel in South Africa, in Rosebank next month, is considering another hotel in Cape Town and a game or coastal resort in South Africa.

Hyatt will be the first international hotel group to open in South Africa within the past 25 years.

The 204-room Park Hyatt in Rosebank is owned by the Iscor Pension Fund and involves a total investment of R180 million, which includes the adjoining First Shopping Centre, which was acquired and revamped by the fund at a cost of R65 million.

The Iscor Pension Fund is also involved with Hyatt International in the prospective Cape Town and resort developments.

Robert Dawson, the general manager of the Park Hyatt, said Hyatt International had a 25-year management agreement to run the hotel on behalf of the fund.

Room rates at the Park Hyatt start at R800 a person a night and Dawson anticipated the hotel would achieve a 50 percent occupancy rate in the first full year of operation.

Dawson said the focus of the Hyatt Group was on hotels although it had a separate casino division, which was involved in a very speculative venture “with a Chinese owner of one of the hotels it managed, to develop a casino and theme park at Midrand.”

“The proposals depend very much on the granting of a gaming licence. However, only about one in 10 of the projects we look at ever comes off,” he said.

Dawson said the Hyatt Group was also looking at projects in neighbouring countries but nothing had been finalised.

Marshall Finley, the managing director of Finley & Associates, the property consultants to the Iscor Pension Fund, said the Park Hyatt was the fund’s first venture into the hotel market.

“Our second hotel venture will be in Cape Town. Everything is in place except the land but we have a choice of two sites — one on the Victoria & Alfred Waterfront and the other on the seaboard.”

“We are likely to be on the ground by the middle of next year and would like to open in 1998,” said Finley.

“The resort was part of their long-term strategy and was only likely to come on stream at the turn of the century, he said.

“The Park Hyatt represents 1.5 percent of the Iscor Pension Fund’s total assets and the target is for only a maximum of 3 percent to have exposure to the tourism market,” he said.

Finley said the returns on investment in the long term — after a 10-year period — were upwards of 24 percent and would probably compete with top shopping centres.

He said the initial return from the investment was 9 percent from the hotel in the first year and 11 percent from the shopping centre.
Cape attracts Orient-Express Hotel’s sales office

BY AUDREY D’ANGELO
CAPE BUSINESS EDITOR

The number of foreign tourists coming to southern Africa has tripled this year compared with last year, Pieter de Haas, the central reservations manager for Orient-Express Hotels’ African collection, which consists of the Mount Nelson in Cape Town and Gametrackers safari camps in Botswana — said yesterday.

His department has been relocated from Johannesburg to Cape Town to relieve pressure on the Johannesburg sales office. The move was “in response to a marked increase in the volume of tourists to southern Africa”.

De Haas said yesterday that it was also in response to the fact that Cape Town had become a year-round destination rather than seasonal as in the past.

“There is no low season any more. People are coming in September, October, and April which were formerly months when demand was low.”

He thought it important to market southern Africa as a region rather than any one country.

He is marketing packages which start in Cape Town, goes on to Victoria Falls — on a new Air Zimbabwe flight — then overland to Botswana and finally to Gauteng.

“South Africa is dynamite as a destination this year. There has been huge growth in incentive travel in particular, with parties of more than 100 being brought here,” he said.

“It has been helped by the increase in the number of airlines flying here. But even with these extra flights there are not enough seats to meet demand. And Cape Town, in particular, definitely does not have enough hotels.”

However, De Haas thought it would be a mistake to allow tourism to grow too quickly with the introduction of cheap charter flights.

LOOKING SOUTH Pieter de Haas of Orient Express Hotels’ African collection
Olympic budget 'conservative'

DALE GRANGER

The estimated R4.2 billion operating budget to host the 2004 Olympic Games is a conservative budget, says bid company chief executive officer Mr Chris Ball.

He told a gathering of Western Cape's top businessmen last night that it was expected to generate an operating surplus of R1.3 billion.

He said the Olympic bid was South Africa's 'greatest single economic opportunity'.

To win the bid in 1997, R260m was needed.

Mr Ball said: 'I'm a cautious banker and economist and I try to do everything in such a way that we've got everything covered.'

While he did not think a loss was likely, the international Olympic Committee required the government to guarantee the bid.

He said the way the budget was calculated there would be no hikes in rates to finance the games and he would not recommend that the city borrow any money.

The operating budget included R150m for 2,500 units for an Olympic village, which would be sold as low-cost housing and did not have to be "grand". He said R12.5m was also required for airfares to bring IOC delegates to Cape Town.

Mr Ian Howard, a Canadian sponsorship expert who said the IOC had developed a 'lighter concept' of the Olympics and Cape Town, had the unique opportunity to show the world that medium-sized cities could host the games.
R250-m hotel deal clinched

BY RAYMOND JOSEPH

A CONTRACT for Son International to build a luxury hotel, which will be owned by the Cape Town Waterfront is due to be signed next week, following months of intensive negotiations.

The deal between the Cape Town Waterfront and Son International's first hotel, is said to be worth around R250m.

The hotel will be developed on land adjacent to the Victorian shopping centre. However, the contract is not yet signed. Son International is known to be ready to invest, but the terms of the deal have not yet been finalised. However, Son International is likely to be one of the first hotel owners in Cape Town.

The deal is expected to be signed on Friday and the final contract is due to be signed early next week.
Stocks hotel group harnesses tourist boom

THE SPIRA INTERVIEW

(286) CT (OR) 19/10/85

Spectra Hotels & Resorts, the partner recently licensed between Stocks and the Transnet Pension Fund, which has a 20 percent stake, is fast becoming a major player in South Africa's burgeoning hotel industry.

Chief executive Bruce Corte says the group is preparing itself for foreign visitors which are expected to exceed the 2 million mark by the turn of the century.

"We already have a number of hotel chains which are licensed to cater to foreign visitors. We are planning for the expansion of our hotel network," Corte says.

In terms of size, the group aims to be a force in the industry - particularly in the four-star to five-star category.

Stocks Hotels & Resorts has an extensive hotel portfolio, with a number of properties in key locations throughout the country.

In the city, the group has properties in Sandton, the city center, and in Parktown, one of the city's upmarket districts.

In the suburbs, the group has properties in Pretoria, Durban, and Cape Town, catering to both business and leisure travelers.

Corte is confident about the future of the hotel industry in South Africa.

"We are optimistic about the future of the hotel industry in South Africa. The demand for quality accommodation is increasing, and we believe that our properties will continue to attract a high volume of guests," Corte says.

The group is also expanding its portfolio internationally, with properties in major cities such as New York and London.

Corte is confident that the group will continue to grow and expand its reach.

"We believe that there is a strong market for quality accommodation in South Africa and abroad. We are confident that our properties will continue to attract guests," Corte says.

The group is also focusing on sustainability and environmental practices, with a focus on reducing waste and energy consumption.

"We are committed to sustainability and we are taking steps to reduce our environmental impact. We are investing in energy-efficient technologies and are reducing our waste," Corte says.

The group is also investing in training and development programs for its staff, ensuring that they are equipped to deliver excellent service.

"We are committed to training and development. We believe that our staff are the heart of our business and we are investing in their development," Corte says.

The group is also focused on diversity and inclusion, with a commitment to hiring from a diverse pool of candidates.

"We are committed to diversity and inclusion. We believe that our staff should reflect the diversity of our guests," Corte says.

The group is also focused on innovation, with a focus on new technologies and techniques to improve the guest experience.

"We are committed to innovation. We believe that technology can improve the guest experience," Corte says.

The group is also focused on community engagement, with a commitment to giving back to the communities in which it operates.

"We are committed to community engagement. We believe that it is important to give back to the communities in which we operate," Corte says.

The group is also focused on health and safety, with a commitment to ensuring that its properties are clean and safe for guests.

"We are committed to health and safety. We believe that our guests should feel safe and secure," Corte says.

The group is also focused on financial performance, with a commitment to ensuring that its properties are financially viable and sustainable.

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R23bn boost from Games — new study

LINDZ VAN ZILLY
27/9/95

AN Olympic Games in Cape Town could add R23 billion to South Africa’s gross domestic product over the next 15 years, according to an independent economic impact study.

The government-appointed research also forecast the creation of more than 50,000 jobs in the Western Cape and 140,000 nationally.

The impact study was conducted by chartered accountants KPMG and N N Gobodo and Co, who have done similar economic analyses for Sydney and Atlanta.

The Olympic consultant Mr Jan Howard issued a word of caution. He said although Cape Town is ahead in the race to win the 2004 bid, there is a danger of losing it unless there is more support for the bid.

He said the people are not yet demonstrating the sort of support and commitment essential to win the International Olympic Committee’s approval.

According to the study, the overall benefit to the Western Cape is estimated to be between R332m and R555m a week until 2010.

Treatment for male menopause

OWN CORRESPONDENT

LONDON: Hormone replacement therapy patches for men are to be launched next year, giving recognition to the widely disputed condition of the male menopause.

The patches, approved for sale last week in America, are worn on the back or arm overnight to provide a boost of the male sex hormone testosterone, in an effort to counteract the symptoms of flagging sex drive and fatigue suffered by middle-aged men.

The menopausal condition is said to occur in men between 45-55 and produce the same symptoms experienced by women.

Advocates say the patches will enable tired 50-year-olds to keep up with their wives powered by hormone replacement therapy. Critics, however, argue that the condition of abnormally low testosterone, a byproduct of the ageing process, affects only a minority and those with hormone levels within the normal range will not benefit.

Hatley Street specialist Dr Malcolm Curruthers welcomed the news, saying: “Men often complain of depression, night sweats and hot flashes as well as loss of libido and erectile dysfunction.”
FOREIGN visitors are flocking to Cape Town in a "tidal wave" - and airlines, tour operators and hotels say they cannot handle the enormous influx.

In August, 17,968 more foreign visitors entered South Africa through the three international airports than in August last year — an increase of 38.5 percent, according to the Central Statistical Service.

Most of them were from the United Kingdom (12,333), followed by Americans (9,196) and Germans (7,957).

But tourism industry spokesmen said there could have been far more visitors had the facilities and airline seats been available.

"We could have had a growth in tours of more than 200 percent this winter season," said Cape Town tour operator Hylton Ross.

"But we simply didn’t have enough coaches. Everything was booked. We just can’t grow anymore. The same goes for hotel beds and aircraft seats."

"The trickle of tourists that started just after the elections has grown into a stream and has recently become a tidal wave. And summer season has yet to come."

"Tourists who now think of coming to South Africa and Cape Town are already too late for a flight in January. Every seat is booked. In spite of the fact that while three years ago only SAA landed in Cape Town, there are now direct flights from the Far East, Europe and the United States."

"We can easily say tourism is the fastest growing industry in the Western Cape. The future capacity is dramatic."

The number of passengers flying to Cape Town on German airline Lufthansa’s flights has more than doubled in the past year.

"There is a shortage of seats. But we can’t increase our flights as there are simply not enough hotel beds and tour coaches to provide for the tourists’ needs," said Mike Kahn of Lufthansa.

"There is a big international tourism boom," said Danny Bryer, sales and marketing director of Protea Hotels.

"The Far East market is the fastest growing. They take 12- to 14-day trips and visit Kruger Park and Cape Town. That leaves less room for tourists who do not book all-in tours."

Mr. Bryer said Protea Hotels was thinking of opening another hotel in Cape Town to meet the increasing demand.

Gordon Oliver, chief executive of Cap-tour, said the organisation was concerned about the shortage of facilities.

"We are aware of the need for an increase in accommodation and other tourist facilities. The private sector and developers should have more confidence in the future of Western Cape tourism."

Foreign tide puts tour trade on rack
Sun International to ask for time extension

Amanda Vermeulen

SUN International would ask government to at least double the time given in the proposed gambling Bill to reduce its number of casino resorts, MD Peter Bacon said yesterday.

Bacon said various development bodies which owned a R1bn stake in the group’s listed operations would also request at least five years to sell their shares, given the current uncertain climate.

General Services Minister Chris Fismer said at the recent tabling of the Bill in Parliament that interested parties had until the end of October to make representations.

The Bill’s proposals included a cap of two licences per operator in each province, no more than 16 licences per operator, and a two-year phase-down period for Sun International to meet these requirements.

Bacon said current market conditions could force the group and its stakeholders to sell investments well below their asset valuations. The shares of its three listed companies — Sun Bop, Sun Ciskei and Transkei Sun — have slumped over the year, with Sun Bop dropping to its current level of R22.35 from a year high in November of R36.

Transkei Sun’s share has come off to R3.10 from its annual high in January of R4.75, while Ciskei Sun is trading at R2.40, down from its January figure of R2.90.

The shares are still trading higher than the individual companies’ net worth per share. Sun Bop’s net worth a share stands at R12.03, Transkei Sun’s at R1.45 and Sun Ciskei’s at R1.23.
Bid's hurdle is Capetonians

STAFF REPORTER
CT 12/10/95

CAPetonians are apathetic about the city's bid for the 2004 Olympics — and public workshops on the games will soon be launched at the city hall, which is to be opened during lunch for people with questions about the bid.

This was announced last night by Mr. Ronnie Kingwill, director of the bid process, addressing the Institute of Directors. They were meeting just nine days before the city is to vote on whether to endorse the bid and agree to make R3.75 billion available for roads, railways and infrastructure — money budgeted up until 2010 but which the bid company wants accelerated to build the infrastructure.

Mr Kingwill said overseas Olympic experts had told the bid company that, if Cape Town played its cards right, there was no other city in the world that could win the nomination. Canadian Olympic sponsorship expert Mr. Ian Howard had told officials that Cape Town's biggest rival was itself and the question was "whether the people really want it."
Two new luxury hotels for Pretoria

By Ray Conkie

City Lodge Hotels, the listed hotels group, is planning to build two hotels in Pretoria at a cost of almost R40 million.

Hans Enzler, City Lodge chairman, expects the construction of both hotels to commence next year and that they will open for business before the end of next year.

Enzler confirmed a four-storey hotel would be built in Sunnyside at a cost of about R25 million.

The rezoning of the 3500m² site, which is owned by the Pretoria City Council, was approved by the council last week.

Although the site forms part of the area being rezoned for the City Lake Project, the rezoning application stressed it was relatively isolated from the main development area and could function independently of the Lake Project.

The application added that the hotel could later link up and form part of the Lake Project as originally planned.

The hotel will comprise 160 rooms and be in the same style as the group's flagship hotel at the Victoria & Alfred Waterfront in Cape Town.

The group's second hotel in Pretoria - a Town Lodge - will also be built on land belonging to the council on Atherbury Road at Menlyn Park.

Enzler said City Lodge hotels took about eight months to build and that the construction of the Menlyn hotel would begin before the City Lake Project hotel.
Restaurant body joins Cape protest

THE national body of restaurateurs has joined local restaurateurs in objecting strongly to Cape City Council's smoking legislation.

Mr Chris de Jager, national chairman of the South African Restaurant Guild, which represents 800 top restaurants, said not the Restaurant Guild nor any local authority nor any person had the right to prescribe a number of seats or quotas for (smoking) arrangements in any restaurant.

The Tobacco Products Control Act states that in the Cape Town municipality 80% of a restaurant should be non-smoking and 20% be a well-ventilated smoking area.

Mr De Jager said both smokers and non-smokers were important to the industry and the restaurateur was in the best position to respond to patrons' requirements.

He said there were areas of the industry geared towards smokers and that rigid guidelines could not be applied.

He said that the guild had called upon its members to offer patrons the "courtesy of choke" — providing a smoking and non-smoking option.

Mr Don Timms, vice-chairman of the Cape Town Guild, said Western Cape restaurateurs as business people were worried by prescriptive legislation, but supported the non-smoking issue.

Hazard

Dr Ivan Bromfield, Cape Town's assistant medical officer of health, said regulations against tobacco had been created because cigarette smoke was a health hazard.

He said restaurants must provide smoking areas that were naturally ventilated or they must provide ventilation systems by April next year.

Street children mug tourist

ANOHER tourist has been mugged in the city in broad daylight — and CBD businesses, the police and tourism organisations are to meet soon to discuss measures to combat the growing violence on city streets.

Mrs Ann Simms, 60, of England, was walking with her husband on Tuesday about 10:40am when she was attacked by about 10 street children on an escalator off Strand Street, police said yesterday. Her necklace was ripped off her neck.

The previous night a vagrant in Thibault Square was shot dead by another vagrant and recently a Johannesburg couple were mugged by a gang on a Saturday afternoon as they were walking in Adderley Street.

Captour chief Mr Gordon Oliver said yesterday the city was now a year-round destination for overseas visitors and with tourism booming increasing violence in the city was a "serious concern".

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HOTELS

From gloom to boom

With the volume of tourists to SA growing by 20% a year and hotel beds — especially at the top end — in short supply, hoteliers are rushing to secure the best hotel development sites.

But the stampede to meet the burgeoning demand for hotel accommodation has given rise to fears that an oversupply of five-star hotel rooms could develop in the short term.

The UK's largest international long-haul tour operator and travel company, Kuoni, says it can't secure enough four- and five-star hotel rooms in Cape Town for the next two years.

Consequently, it is having to book ahead to 1997 when some of the new hotels should be ready for occupation.

Says Kuoni: "Our need is greatest for four-star hotel rooms in Cape Town for leisure travellers all year round and for five-star rooms in peak season for business or incentive-related travel. This is where the main shortages are."

Hoteliers say the room shortages are likely to persist for another two years. But the spate of new hotel developments being embarked on — some of which will open their doors in about 18 months' time — is raising concerns about an oversupply developing in the short term.

Cape Town has 700 five-star hotel rooms (out of a total of 4,500) provided by The Bay, Mount Nelson, Cape Sun and The Col- lars hotels. The new Sun International at the Victoria & Alfred docks and a proposed new Hilton Hotel should double the number of five-star hotel rooms available in the city in the next two years.

"All studies show," says Marshall Finlay, who helped develop Johannesburg's new Hyatt Hotel, "that the five-star market in Cape Town can cope with an average of 300 new rooms a year over the next 10 years. I estimate that there are around five new hotels, with an average of 250 rooms apiece, in the planning stage. That's likely to produce 1,500-2,000 extra rooms in Cape Town in six years. So we expect a short period of oversupply between 1998-2001. The first hoteliers in will scoop the cream; the rest could be faced with a surfeit of rooms when they open. Timing is crucial."

His accounting takes in the plans of Lon- rho hotel subsidiary Metropole, now considering developing another hotel on the Power Station site; the Ritz Carlton; Sheraton Hotels (rumoured to be on the point of signing a new hotel deal); Hyatt Hotels; Stocks & Stacks; Cape Grace and Sun International. The proposed Hilton Hotel is excluded.

Finlay says Hyatt is "pushing like mad" to get hotel development sites secured. "Our first choice is the V&A in view of the competition the precinct is likely to experience from hotels on the Power Station site but we've taken options in Mouille Point and are talking to architects about Sanlam Properties' President site in Sea Point."

This week, the go-ahead was expected to be given for a five-star hotel at the V&A and a four-star hotel nearby. Sun International and Transnet Pension Fund are finalising negotiations on a 320-room five-star hotel at the V&A and Protea Hotels is developing a four-star, 180-room hotel within Orange Property Group's Victoria Junction office/loft apartment/hotel development across the road from the V&A's main entrance. Protea's will open next November.

After months of wrangling over the fact that a second five-star hotel at the V&A could tip room availability into oversupply, Sun International is said to have agreed to go ahead with its development on condition that any simultaneous development of a five-star hotel at the waterfront is restricted to a small, 105-room boutique-type establishment.

The hotel most likely to fit this bill is an 80-room Cape Grace facility of "five-star quality" operated by Charles and father Chippo Brand of the Mount Grace in Gauteng. However, their plans are only likely to be confirmed in a fortnight.

According to Finlay, the V&A company has asked Hyatt Hotels to put on hold its plans for a new five-star hotel at the waterfront. Its proposed new facility would only be allowed to open two years after the commissioning of the new Sun International and Cape Grace hotels in 1997.

Meanwhile, representatives of the Ritz Carlton Group — recently taken over by the Marriott Group — fly to Cape Town and Johannesburg this week for discussions on several new hotels. The FM has learnt that the Ritz is considering leasing Old Mutual's Derber site in Tywhill Avenue, Rosebank, for a 200-room hotel that will be funded from offshore. And new hotel group eLan Park Hotels says it has secured sites in Durban North, Sea Point and within Johannesburg Country Club property for the development of three four-star hotels.

Orient Express Southern Africa MD Nick Seever — now upgrading four small properties next to its five-star Mount Nelson Hotel in Cape Town to raise luxury rooms/suite numbers from 159 to 219 by next December is soon to announce a "120-room, five-star hotel somewhere between Rosebank and Johannesburg in the next two months. A change in zoning is all that is being awaited," says Seever.

Southern Sun, which recently forged links with Intercontinental Hotels, is also keeping a beady eye on the Cape Town market. Group chief operating executive Helder Pereira says Southern Sun is waiting for the finalisation of casino licence allocations to learn to what extent the group will be required to form joint ventures in hotel developments. Details of the allocations should be finalised early next year.

Meanwhile, Pereira's medium-to-long-term plans for Cape Town include a four-star Crown Plaza hotel and two two-star Holiday Inn Expresses. He will not divulge where they will be put up but indicates that the Clifton-Camps Bay area is top of the list for a small hotel and a greenfield development suitable for a large casino/entertainment centre — subject to the final regulations governing casino development.

The increased demand for hotel accommodation in Cape Town can be seen in the diminishing winter off-season which typically runs from May to October. Mount Nelson says September occupancies were around 65% and October's were around 85%. 

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up from 45% and 50% respectively last year. Most Cape hoteliers see the five-month slow season eventually reducing to two months as the general improvement in winter occupancy rates takes effect.

DEVELOPMENT

Wrist-slapping time

Townhouse and cluster developer Rod Frew, a partner in the Summercon development company, has vowed never to build without proper approval again.

Three weeks ago the Greater Johannesburg Transitional Metropolitan Council’s town planning department, prodded by the Craigpark Residents’ Association, issued a stop order on Summercon to halt the building of its Craighall Estate clusters in Craighall because the approval for the developer to build to a higher density had not yet been promulgated. Summercon began building three months ago but promulgation only took place on Monday.

According to Frew, Summercon has only “done the brickwork” on 30 out of a total 52 units. The two and three-storey simplex development is on the corner of Waterfall and Alexander avenues in Craighall.

While he admits the contradiction, the way Frew sees it promulgation is only a formality that takes place in the Gauteng minister of planning’s office. “It’s merely an announcement in the Government Gazette that formal approval has been given.”

Summercon began building in July once the Townships Board recommended to the Provincial Administrator that high density rights be granted.

Frew says no written representations were made to the Gauteng Premier in the 30-day period allotted for objections to the scheme. The recommendation and lack of representations, he says, enabled Summercon to develop the site.

But according to TMC acting director of city planning Jean Luc Limacher, when the development right is promulgated, the developer is still required to submit site development plans for the permission of, for example, third stores, and for approval regarding the number of units being built. The developer is also required to submit a building plan.

Frew says that were the submission of site and building plans allowed after the Townships Board recommendations are received, costly time delays could be avoided. New legislation should achieve this goal says Limacher. It will replace the decision-making process of the Townships Board with a town planning tribunal at local authority level.

Residents are not able to object to the building and site plans.

As things stand Frew says “the local authority does not have any authority to grant any permission until promulgation.”

Limacher notes that in terms of the Removal of Restriction Act, the province is the decision-making body. But in terms of the Town Planning & Township Ordinance, local government takes the final decisions. These are the two pieces of legislation through which rezoning is applied for.

Limacher says the Gauteng Province is now in the process of delegating its powers to local authorities to make decisions in respect of the Removal of Restriction Act, and at the same time it plans to provide for the establishment of an appeal jurisdiction at provincial level.

This will simplify rezoning applications but not necessarily expedite them, says Frew. He believes the greater community participation in the process of development which the Bill will enable, will “in the absence of clearly defined steps and procedures for local government officials to follow in the Bill, only exacerbate the delays currently being experienced by developers in rezoning applications.”

The net effect of the Bill is to grant local authorities the right to approve rezoning applications where such applications are linked simultaneously with the application for the removal of restrictive conditions contained in title deeds. But because province can still be appealed to, Frew says it only introduces a further level in the decision-making process. Instead, he suggests, local authorities should have the final authority to make decisions though Limacher argues they will have that.

Residents have been upset by Summercon’s actions. They allege Summercon erected three-storey units on a portion of the site that bordered on their neighbours. But Frew says this was done in error and the brickwork pulled down soon after.

Frew says Summercon’s real motivation for building ahead of promulgation was to get his idle construction teams to work while rezoning applications were being formalised. He says residents may be convinced that developers do as they like because they are often unaware of town planning procedures, particularly the process of objections. The real confusion, he says, takes place at the local and provincial levels of government because they have received no clear message from provincial or central government on densification policy in urban areas.

INFLATION

Changing the rules

The August drop in the consumer price index to 7.5% supports predictions by Rand Merchant Bank chief economist Rudolf Gouws and property analyst Erwin Rode that the inflation rate is on a steady decline. They see inflation dropping to 5% within a few years.

Gouws says that if fiscal and monetary discipline continue, “there is no reason our inflation rate should not be the same as our trading partners’ within five years.”

They say inflation may rise next year but as a hiccup in the descending trend. But Rode says the property industry is not convinced the inflation bogey can be beaten: “Though the CPI is 7.5% and underlying inflation is 9%, the industry still has inflationary expectations of 14%. This is likely to continue for some years.”

So Rode sees no change in rental escalation percentages in the short term. Eventually, though, he expects escalation rates to decline from 11%-12% to 5%-6%.

In the long term, says Rode, growth in rentals is likely to slow to equal building cost inflation. But other factors such as declining vacancies, contractors pushing up their building margins and generally higher demand for housing will tend to keep rentals buoyant.

Falling inflation is bad news for highly geared property owners and developers who rely on high inflation to boost returns. But lower nominal interest rates make houses more affordable.

“In a low-inflation scenario, most of the total return comes from the income yield. Unfortunately, the yield is fully taxable unless the property is owned by a pension fund or, to a lesser degree, a life office,” Rode says.

Craighall Estate . . . Summercon building without approval
SUN INTERNATIONAL

Bedevilled by uncertainty

The stodgy share prices of Sun International (SI) companies are stakcly reflecting investor concerns about the uncertainties surrounding the group’s future and the dilemmas management are grappling with.

Incorporation of the former homelands into the new SA, plus sweeping changes in the gambling laws, have engendered a restructuring of SI’s local casino hotel interests — but in a climate still fraught with uncertainty about the final shape of gaming legislation, which will determine the number and disposition of licences and the regulatory structure.

In the absence of hard numbers, chairman Buddy Hawton faces a tough challenge: to anticipate the shape of things to come as closely as possible and to manage the changes with minimal damage to the share prices of the listed companies.

He contends that the group restructure plan — which involves gathering Sunbop, Transun, Sunciss and unlisted Venda Sun under the aegis of Sun International (SA) — is a move in the right direction, creating a more streamlined, cost-effective operation with lower risk to shareholders.

Even though Transun and Sunciss have made good profits recently, the share prices have remained slack, their p/e ratios sitting at only 6.3 and 4.7 respectively. The market has dealt harshly with the much larger Sunbop, long one of the best-rated shares on the JSE’s industrial board. Its share price has fallen from an eight-year high of R50 in May 1994 to the current R22 and a p/e of 10.5 — far below the sector average of 27.3. In the process, shareholder wealth has been slashed by some R3.3bn.

Part of the cause of market unease is that it has become plain some substantial shareholders will be forced to divest their holdings completely. The National Gambling Bill stipulates that provincial governments and development corporations which inherited SI shares from the former homeland governments must sell up within a two-year “sunset” period.

Hawton believes that this deadline is far too soon. “It will create a downward pressure on the shares.”

The number of shares is significant — about 37% of SI’s total South African share capital and currently worth about R1.3bn. Efforts to shed such large holdings will almost certainly lead to an overhang in the market, says Ed Hern Rudolph director Syd Vinellino.

Hawton intends to take the issue back to General Affairs Minister Chris Fismert to try to negotiate a five-year sunset clause, which would encourage would-be investors to buy shares at a market-related price. “The money that will be realised will be used for provincial development,” Hawton adds. “A low share price will have a negative effect on the RDP.”

However, an impediment to the speedy repurchase of these shares is the current foginess about the number and recipients of new gambling licences. Hawton says potential investors will want to “see the impact on the facilities before they buy.”

With the lure of gambling revenue in mind, the provinces are “moving fairly rapidly ahead in terms of their own legislation,” says Hawton. But he does not expect final licence applications to be called for until next April or May.

Delays in legislation have more sinister implications for SA’s gaming industry. The failure to police illegal operations opens the door to shady activities, such as tax evasion and money-laundering.

Hawton is concerned about the effects on legal operations and on SA’s image as a law-abiding society.

Gaming licences

It seems certain that SI will lose at least some of its gaming licences. The uncertainty breeds unhappiness in the market, as well as in the boardroom, and analysts are divided on the present value of the shares. Views range from “wait-and-see” to the belief that the prescient investor is now being offered a great bargain.

Vianello says the group needs to replace lost earnings with a new gaming venture: “I don’t think we’ll see a major appreciation of the share for a long time,” he says.

For his part, Hawton would like the maximum number of licences nationwide in the National Gambling Bill (16), but what he particularly wants is a clear decision. “This will give us a degree of certainty. Then we can decide which operations to retain and which new licences to apply for. Understandably, the market is uncertain about our strategy and whether it will be successful.”

The saga is far from over. Meanwhile, the share prices of SI companies, which have made huge investments in the hope of attracting local and international customers to top quality gaming and tourism facilities, continue to languish.

RANGLDOL

Placing rights in US

Mining house Randgold is said to be in the process of placing out 20% of its West African mineral rights for US$20m cash.

The FM wasn’t able to confirm the story as it went press, but a New York source says the placing was snapped up by US gold bulls. Randgold commercial director Brett Kebble refused to comment.

Another well-placed New York fund manager says presentations by Randgold chairman Peter Flack and geologist Mark Bristow last week were impressive and well received. “But I wouldn’t have thought it possible in mechanical terms for the placing to have been achieved so quickly.”

What is intriguing — apart from the fact that the issue effectively places a value of $100m on Randgold’s West African mineral prospects — is that few private foreign investors ever get the opportunity to take part in potential new mine development at such an early stage.

“I know,” says the fund manager who won’t be named, “that West Africa is a really hot exploration area. For that reason, some investors were sceptical initially because it’s almost unheard of for a major to invite such early participation.”

Randgold has acquired 60 projects in five countries — Burkina Faso, Gabon, Mali, Senegal and Ivory Coast. The only bad news is that US house Newton has backed out of the Samutengana project in Burkina Faso (it held a 50% stake), apparently because its interests are focused more on epithermal deposits in the Far East.

“Anyway,” says the fund manager, “the politics inside Newton are worse than almost anywhere else. Randgold is better doing this on its own.”

All this probably explains the sudden run in Randgold’s share price — it has moved from 1425c to 1600c in just six trading days.

David Glossar
Mr Jack said: "We take sign and details of every at here seriously, and so n International.
hotel is to be construct-
quay Six, next to the new centre which is cur-
under construction adja-
the Victoria Wharf
centre.

by Hawton, chairman of holding company of Sun national, said the new ho-
will make a substantial con-
tribution — estimated at about R4 400 million over the next 20 years — to economic growth
and the RDP in the region.

Ian Douglas, director of Sun International in the Western Cape, said the new hotel would provide a catalyst for econom-
development in the province which would go far beyond the tourism and leisure sector
alone.

"The provision of this world class facility in Cape Town is the first in a series of development commitments that the group hopes to undertake in the Western Cape, providing a base for the expansion of the province's rapidly growing share of the discerning international tourist market.

"Estimated annual direct expenditure by visitors will exceed R110 million and together with salaries and other items, the hotel will be the catalyst for R180 million in spending in the Western Cape in the first year of operation alone."

Based on an expenditure of about R46 000 per job created, the company estimated that nearly 4 000 new jobs will be progressively opened up in year one.
Rapid Expansion: This artist’s sketch shows how the new R250 million hotel will fit into the Waterfront complex. The hotel (1) is on the right, with the new shopping complex which is currently under construction sandwiched between the planned hotel and the existing Victoria Wharf (2) shopping centre. Quay 4 (3) and the Victoria & Alfred Hotel (4) is to the left.

Prime Site: An aerial view of the site in the Waterfront where a new R250 million hotel will be constructed. The five star hotel with a nautical theme, is set to open in April 1997.
Work to start on R250-m Waterfront 'palace'

EXCLUSIVE

WILLEM STEENKAMP
Staff Reporter

WORK begins on Monday on Sol Kerzner's R250-million "palace" at the Waterfront — and exclusive details of the project 'revealed' to Saturday Argus suggest the project will make Sun International a major force in Western Cape tourism.

The 330-room, five-star hotel will be the biggest top-of-the-range hotel in the Cape and will include a 280-seat theatre-style conference room as well as a smaller 50-seat meeting room, a first-floor pool and health-club area, a tea room and restaurant.

David Jack, managing director of the V&A Company, said the project took four years to put together but, in typical Kerzner fashion, now the deal has been concluded construction will start quickly.

And the "palace" may be the first of several megabuck projects planned for the Western Cape by the international group.

A bullish Peter Bacon, managing director of Sun International, told Saturday Argus the group was considering various other major projects in the Western Cape.

He said that since the expiry of the restraint of trade agreement between Sun International and Southern Sun, the international group was now positioning itself in the five-star hotel market.

Mr Bacon said the Western Cape was one of the prime tourist destinations and Sun International was positioning itself to take advantage of that.

The company was considering various projects in the region, but Mr Bacon was reluctant to disclose particulars because he did not want to give details to competitors.

Referring to the Cape Town Showground which the company acquired last year at a cost of about R35 million, Mr Bacon said Sun International was planning a major entertainment complex on the site costing more than R500 million.

Plans to go ahead with the project would hinge on the acquisition of a casino licence.

Mr Bacon stressed that it would not be aimed at gamblers.

"What we are in fact looking at is a vast entertainment complex which will be geared towards family entertainment. "We are looking at something different, a development that will not emulate what is already available in the Cape, but will appeal to a broad segment of people."

▼ See page 23 for report, more pictures.
SA companies are responding vigilantly to the tourism boom. Both
City Lodge and Protea Hotel by Marriott, in their recent announcements,
are positioning themselves as frontrunners in the expanding market. The
increased interest in Africa has led to a rise in demand for
accommodation options in the region. This growth presents a
significant opportunity for companies to expand their footprint in the
tourism industry.

The expansion plans, which will kick off early in
2020, aim to increase capacity and cater to the growing
demand for luxury accommodations. The companies
are investing in modern amenities and
infrastructure to enhance the guest experience.

Equipped with state-of-the-art facilities,
these hotels will offer comfort and
cosiness, ensuring a memorable stay for
visitors. The strategic location near
popular tourist destinations will
facilitate easy access to various
attractions, making travel more
convenient and enjoyable.

This move is not only beneficial for
the companies involved, but also
for the local economies, as it
promotes tourism and
stimulates job creation.

In conclusion, the
collaboration between City
Lodge and Protea Hotel by
Marriott reflects their
commitment to
progressing alongside the
expanding tourism market.
They are poised to
capitalize on the
increased interest in
African destinations,
offering premium services
and unforgettable
experiences to
travelers.
ROOM MATES: Timothy Chilanga, managing director of TA Holdings, with City Lodge executive chairman Hans Edelweiss.

Picture: RUSSELL ROBERTS
Sun International wagers R2bn on casinos’ new deal

SUN International is planning a R2-billion capital expenditure programme to establish a new five-star luxury hotel chain as well as several new casino and gambling centres.

The plan comes in the wake of recent draft gambling legislation which will force the group to sell five casinos in each of the North West and Eastern Cape provinces.

But the legislation also allows the group to bid for licenses in major urban centres.

The plan is the first move Sun International has made into hotels since its restraint agreement with Southern Sun ended in 1991.

New hotels are planned in regional centres including Durban, Johannesburg and Cape Town.

The first of these will be a 330-room hotel with conference facilities to be built on Quay Six on Cape Town’s Waterfront at a cost of R250 million.

“We believe that tourism to South Africa is about to expand rapidly and have identified a need for premier hotels in certain sites to match the standards set at the Lost City,” said Buddy Hawton, chairman of Sun International. “We are positioning ourselves for that tourism growth and also putting Sun International in a situation where it can package Sun City, with its new hotels in Cape Town and Durban.

Most foreign tourists to South Africa want to visit Sun City, Cape Town, Victoria Falls, and the game parks. We see considerable scope for packaging all these destinations, possibly with an air link provided by Sun Air and other regional airlines.”

On casino licences and gambling, Mr. Hawton said Sun International had “tied its flag to the mast” over casino sites in Cape Town with its 50th Goodwood Show site.

“We are also looking at a new gambling and casino complex north of Durban and believe there will be scope for a second hotel site in Cape Town.

“We have studied the national casino bill and had discussions with the various provinces to which we shall be making applications.

“The key aspect about gaming, we believe, is that it should be properly regulated and run by professionals who have experience in the industry”.

Sun International is understood to be in discussion with a number of other casino consortia to sell some of its licenses in the North West and Eastern Cape.
IN A FURTHER salvo surrounding the recent chaotic visit to Europe by the deputy minister of environmental affairs and tourism, Bantu Holomisa, the general accused the South African deputy ambassador in London, Gert Grobler, of having a party with intelligence officers on the fifth floor of the embassy while he and his guests were trying to get inside, reports Eca.

According to Dr Kheushed Gwangwa, South Africa's ambassador in Rome and sister of Dr Frere Gwawla, Speaker of Parliament – the visit was marked by “confusion, information, confusion and crossed communications lines”. She summed it up in a “confidential and important” memorandum to the deputy minister of foreign affairs, Aziz Pahad.

General Holomisa said he would be submitting details of the incident to Foreign Affairs Minister Alfred Nzo, in which he would be asking Grobler to be sent home in disgrace.

“Minister Nzo has to discipline this sort of behaviour… these people are not good for South Africa's image,” he said.

A senior diplomat, who denied that he had any bad feelings towards the deputy minister, said Holomisa's visit had been an exercise in crisis management, writes our correspondent in London.

Holomisa had been so secretive about his travel plans that it caused friction in the host countries and was an embarrassment to South African diplomats, said diplomats.

The problems started in London, where Holomisa and his entourage were guests of the British government. Holomisa allegedly pushed a senior South African diplomat aside and demanded that a staff member be fired because the door of the embassy had not been open when he arrived there for a function.

Arnold Net of Holomisa's office confirmed this and said the deputy minister and his entourage “just had to queue like school kids” at South Africa House, “so that their names could be taken before they were allowed to go further”.

South Africa House acknowledged that the doors had been locked, but said Holomisa had arrived too early. He then went to another entrance, where a security guard told him he would open the main entrance for him.

Unfortunately for Holomisa, another function was being held at the same time in South Africa House – which caused the queueing. There was confusion over which guests belonged at which function.

Holomisa's British hosts were also unhappy because he and his delegation made an unplanned visit to Bristol – after having failed, moreover, to vacate their hotel in London. The British department of foreign affairs demanded that South Africa pay the hotel expenses. The baggage of Holomisa's group was then taken to a storeroom.

Greater confusion surrounded Holomisa's visit to Italy – as the Department of Foreign Affairs in Pretoria had apparently not been informed about it.

It is apparently because of this confusion that Gwanwala recommended to Evans that ministers and members of parliament should get counselling before travelling overseas and that “clear and firm guidelines” should be provided.

In his reaction Holomisa said a “malicious diplomat” had probably been responsible for the “malicious propaganda”.

He denied that there had been problems with unpaid hotel bills or confusion over his schedule.
Boom-time — but we just can’t cope!

11/10/96/1285
The budget presented by Bidco estimates revenue at R4.2bn, of which R3.9bn would be in dollars (added to this R1bn would be spent by visitors to the games, hence a direct inflow of R4bn). The revenue figure includes R2.8bn in TV rights, conservatively as it is lower than the Sydney figure, but it covers the likelihood that the IOC will increase its share of the cut (reportedly from 40% to 50%) because mega TV sales have produced huge surpluses for host cities. Other revenue is from marketing and ticket sales (prices have been pitched at two thirds of the Atlanta level).

Operating expenditure is estimated at R2.9bn, hence a gross surplus of R1.3bn, which will be directed to sports facilities, a housing guarantee and a R554m contingency fund.

Ball says Bidco has been generous in its costing, doubling Sydney's security and health budgets and providing R96m for the opening and closing ceremonies. He adds that the bulk of the revenue is locked in five years ahead of the games — providing a dollar hedge for the rand-based costs and allowing for early budget decisions.

Bidco's capital budget assumed current capex programmes would continue. It found R3bn was due to be invested in the Western Cape by 2004 anyway, with MetroRail accounting for half, the Airports Company upgrade programme for Cape Town airport a further R500m, and the rest on roads. The Olympic capex budget adds to this R1.7bn (costs will fall about housing). For example, from 2004 Olympics have their sums right, Cape Townians would not suffer the same fate. But a mix of all the tough political choices involved.

The draft budget for the bid, which Cabinet is due to decide on this week, assumes a low budget Games, complying with International Olympic Committee (IOC) minimum requirements. "We are not building any monuments in Cape Town," Cape Town Olympic 2004 Bid company (Bidco) CEO Chris Ball said this week.

But hosting the games would still be fairly costly. On Bidco's figures, about R4.7bn would have to be spent in infrastructure and operations, quite a lot more than the R3.5bn cost of the Columbus stainless steel project — all for three days in glory in and around the Cape Peninsula in 2004.

The games could add R33m to GDP, R73m in tax revenue and R123m in foreign exchange inflows, and create an annual average of 112 000 jobs between now and 2010, according to the impact study released recently. These figures are the median between the "high" and "low" scenarios calculated in the study. There are also a wide range of qualitative benefits, from national pride to sports training to information technology.

To Bidco's surprise, Ball says, the study found that 66% of the GDP impact and 76% of the job creation results from a successful bid would occur outside the Western Cape.

The games themselves would be expected to record a net operating surplus of R70m, as every games since 1965 has made a profit at operating level — and surpluses go in trust for sports development in the region.
The Fairest Cape
But can it cope with the massive influx of tourists?

16/10/24/28
graded and extended. Top attractions such as Kirstenbosch and Cape Point can only be reached by private transport.

"But investors have a strong 'wait and see' attitude. Developers are very cautious about investing in hotels and infrastructure because they want to make sure political stability is here to stay. They also wait to make sure that Cape Town as a destination is not just hype."

Another important reason for large hotel chains to wait before they build new hotels is the pending casino licences.

"Until there is clarity on who gets the licences and how this will affect the capacity in town, Holiday Inn and Intercontinental will wait," said Helder Pereira, chief operating executive of the Southern Sun Group.

"All hotel chains wait. This implies that for at least the next two years Cape Town has a problem, and all bedroom facilities will be under very high pressure."

Mr Oliver said government incentives could help close the gap.

"The private sector should get tax-free periods when they decide to build here. It is important to convince them to invest as they can contribute in a substantial manner to our local economy."

"Conservative figures of the Olympic Committee show that every eight to 10 additional tourists provides one full-time job. If the 26 percent tourism growth proves to be permanent, this could mean a substantial growth in local job opportunities."
Lobby expects cabinet to back city Olympic bid

ANTHONY JOHNSON

Political Correspondent

The pro-Olympic lobby in the government was confident last night that the cabinet, with President Nelson Mandela's backing, would give the green light on Wednesday to Cape Town's bid to host the 2004 Games.

In a major boost to the Cape Town bid, Norway — which recently staged the highly successful Lillehammer Winter Olympics — offered to provide technical expertise and advice to help South Africa clinch the bid.

The gesture was welcomed by the South African government as a "more exciting development". Norway's commitment to staging a people and environment-friendly Winter Olympics could serve as a model for this country.

However, government endorsement for the bid faces a significant hurdle in the cabinet this week. Opposition is expected from a number of heavyweight ministers, including Mr. Chris Liebenberg (Finance), Mr. J. Naidoo (RDP) and Mr. Mac Maharaj (Transport).

A strong supporter of the bid, Water Affairs Minister Mr. Kader Asmal said last night that apprehension about the cost of hosting the Olympics was legitimate.

"There are genuine questions to be raised, but I believe they will be resolved," he said.

After the Cape Town bid company's chief executive officer Mr. Chris Ball gave a presentation to the cabinet last month, a cabinet sub-committee was established to look into some ministers' misgivings.

A number of ministers have since said privately that those who had questions about Cape Town's hosting of the Games should have been allowed to raise these while Mr. Ball was present.

Sports Minister Mr. Steve Tshwete — another strong supporter of the bid — said the sub-committee would report to the cabinet this week.

Visiting Norwegian Deputy Minister of Development Cooperation Mr. Abjorn Mathisen said at the weekend that Norway would be happy to share the knowledge and experience it had gained in hosting the Winter Olympics.

"I think the success of the Lillehammer Games was due to our working closely with the community...it worked efficiently without being over-commercial or harming the environment."

Structures built for the Winter Games were being used by the community.

Mr. Mathisen emphasised that it was difficult to quantify the financial benefits and costs of hosting an Olympics as many of the gains — such as tourism — would occur over several years.

Diplomats said the African bloc on the International Olympic Committee, with the exception of Egypt, was firmly behind SA's bid to become the first African nation to host the Olympics.

Most European countries are also anxious to back SA, provided the Cape Town bid committee can put together a viable package and uphold the Olympic tradition of excellence.

It is understood that the powerful US lobby is also keen to see Cape Town host the Olympics rather than its closest rival, Beijing.
New hotels for Durban, Cape Town and Sandton

A new sectional title hotel chain aimed at individual and corporate investors is to be launched in South Africa by Durban-based developers Mark II Projects.

The chain, to be known as Elan Park Hotels, plans to start with three hotels in the major centres, to be developed at a total cost of R320 million. Construction of all three will begin in mid-1996.

These include a 450-room hotel in Sea Point, Cape Town, a 250-room hotel in Sandton and a 250-room hotel in Athlone, Durban.

Developer Mark Taylor said the group had secured the Athlone hotel site, and were close to finalising the Johannesburg Country Club site in Sandton. He said negotiations were well under way for a prime site in Sea Point, which they hope to secure by the end of this month.

"Following this, we have a back-up, waterfront site lined up for Cape Town, where we hope to start construction early in the new year, coming on stream in December 1996," he said.

The hotels will be marketed at the corporate and individual business community, with bedrooms and suites being sold by sectional title for a minimum investment of R210 000.

The investment will entitle the investor to 30 days free accommodation a year, with units falling into the hotel rental pool for the rest of the year.

"Working on a 65 percent occupancy level this should see units paid off within six years, giving an annual income of around R60 000 from year seven."

Taylor said negotiations had begun with a South African hotel group to manage the chain, but overseas interest had also been expressed.

Negotiations are under way with a few large investors and some construction companies have expressed a willingness to take an equity stake to secure the construction contracts.

Sun International's newest luxury hotel, to be built at the Victoria & Alfred, of R250 million, is due to open in April 1997. The group's latest venture is due alone. Once it opens, the total revenue generated from the hotel is expected to exceed R145 million a year after nine years. Applying the leisure time to get rise to a benefit of R180 million in the first year - by 20 percent - international estimates that 60 percent of guests will be foreign visitors.
CAPE TO CAIRO The Red Sea resort of Ain Sokhna has been operating for six months, even though workers are still busy with the final touches. Management says the hotel has already become a popular spot for holiday-makers, including those who are just out to have a good time. Since its opening, the hotel has enjoyed full

SA and Egypt in joint tourism venture

BY PEYMAN PEYMAN

INDEPENDENT FOREIGN SERVICE

Cairo — South African hotel group Protea has, for the first time spread its tentacles from Cape to Cairo and the sweet smell of success is in the air at the Red Sea resort of Ain Sokhna.

The Egyptians and the South Africans in the venture say the success of the project will depend on how South African businesses respond to a long-standing Egyptian wish that this country becomes more involved in the Egyptian tourism business. But Jürgen Hautmann, the general manager of the Ain Sokhna hotel, said Protea was already talking to other hotels in Egypt for similar contracts and was optimistic about success.

Although he would not name the other hotels, he said negotiations with some were quite close to being finalized.

"The Egyptian government has been after South African businesses for some time, to come and invest in the Egyptian tourism industry," said an Egyptian businessman who has trade links with South Africa.

"But so far, the South Africans have been less confident about getting too involved in tourism. This is the first project of its kind," he said.

Finally it was the Egyptians who initiated the venture and approached South Africa with a specific business proposal. The idea for the hotel was generated when the Suez Company for Building and Tourism Development decided in 1990 to build a resort hotel and private villas along the Red Sea beach of Ain Sokhna, 200km outside Cairo.

But the company, acknowledging it did not know how to manage the finished product, approached Protea Hotels in Cape Town.

Although the resort has been open for business for the past six months, workers are still busy with the finishing touches.

The 57-room hotel, in which furniture, decor and construction are superior to those in Egyptian hotels of the same standard, is fully booked most weekends.

The 160 privately owned villas next to the hotel, serviced by the hotel staff, have also become a favourite attraction for many Egyptians. Ain Sokhna is the closest beach to Cairo.

"On weekends this place is the who's who of the Cairo social scene," said one hotel staff member.

But there have been teething problems. The hotel was supposed to have its official opening in March, but the ceremony has been delayed three times. This was due to lack of experience, said Mokhtar Kenawy, the public relations manager. "The owners just cannot finish the work, which makes them seem somewhat unprofessional."

Still to be constructed is a beach bar, beach restaurants and a marina with half a dozen water sports which will be an added attraction for the already popular resort.

Fouda Shinawy, the chairman of the hotel's owning company, said the marina would be ready by January.

Hautmann hopes once the hotel is fully operational, it will help Protea in Cape Town to organise tours of its own to Ain Sokhna and convince more "tourists in Egypt to leave crowded cities along the Red Sea and come to the quiet hotel and beach."

"The potential here is great," says Hautmann. "It is just what is needed to attract world tourism. This hotel could be the start of a good business relationship for both Egypt and South Africa."

16/10/95 (288)
Tourism the target in continuing feud

Theo Rawana

THE feud between the SA National Civic Association (Sanco) and the Congress of Traditional Leaders of SA (Contralesa) has moved from local government and RDP projects to tourism.

Contralesa president Patekile Holomisa wrote to Environmental Affairs and Tourism Minister Dawie de Villiers yesterday reacting to Sanco's reported assertion that traditional leaders were not relevant in the tourism planning machinery and should not be included in proposed workshops and training programmes.

Siyaka Tourism Training consultancy director Manelisi Ndibongo also sent a memorandum warning that "without the co-operation of the traditional leaders, palace and armchair policies regarding the tourism industry will have an uphill battle".

Ndibongo said Sanco spokesman George Dor had suggested to the tourism department that traditional leaders should not be represented in tourism structures and programmes because they were not represented in such bodies as Nedlac.

Holomisa said in his letter to De Villiers: "We would advise you that as an organisation and as traditional leaders we will not countenance a situation where programmes will be implemented involving our ancestral land without our full participation.

"Accordingly we urge you to pay serious attention to the proposals submitted to you by Mr Ndibongo and implement them," Holomisa said.

In his memorandum Ndibongo warned that the co-operation of the traditional leaders was essential if policies from whatever source were to succeed. "Tourism security depends on protection by the people, the majority of whom are still under traditional leadership, and our traditional leaders are the custodians of our cultural heritage and values," he said.

Sanco leaders could not be reached for comment yesterday.
Solid ‘No’ to Olympic Games bid

Staff Reporter

READERS of The Argus have recorded a solid “No” to Cape Town’s bid to host the 2004 Olympic Games — and bid company chief executive Chris Ball’s campaign to popularise the bid appears to have made little impact on public opinion.

Calls from all over the Western Cape swamped The Argus phone-in line yesterday to make their opinions known ahead of tomorrow’s cabinet meeting, where the bid will be discussed.

Of the 460 callers who got through, 273 — or 59 percent — voted against holding the 2004 Olympics in Cape Town, mainly on the grounds that ratepayers would end up footing the bill.

A total of 187 callers — or 41 percent — voted in favour of the bid, saying the Olympics offered unparalleled opportunities for economic growth, job creation and nation-building.

The Argus does not claim the poll to be scientific. Calls were made spontaneously by readers who wanted to give their views.

In The Argus phone-in poll conducted in March this year, after Râymond Ackerman had stepped down as head of the Olympic bid committee but before Chris Ball’s appointment, 57 percent of callers voted to reject the bid.

Since then Mr Ball has assembled a crack team of high-profile personalities and embarked on a drive to win greater public support for the bid — but to no avail, yesterday’s poll appears to indicate.

No-voters were adamant that Cape Town did not have the infrastructure or financial capacity to manage the Olympic Games, and that holding the Games here would lead to huge inconvenience and costs for ratepayers.

There was also considerable dissatisfaction with Mr Ball and National Olympic Committee chief Sam Ramsamy, and several readers called for Mr Ackerman to be reinstated at the head of the bid.

Vernon Adams of Sea Point said: “We do not have the infrastructure — there is no working transport service, we don’t have customer service and there is inadequate security. We can’t cope with it — we are a third world country”.

An anonymous caller from Constantia did not believe the Games would make a profit.

“I don’t think South Africa can organise something of this magnitude,” he said. “It’s unacceptable — we will be left with a white elephant.”

Andrew Kenny of Constantia said he believed money would be poured into the pockets of politicians, and rates would go up.

A Mrs Mullen of Sea Point said: “The money would be better spent on housing and on fixing the pavements in Sea Point.”

Peter Visser of Pinelands said as a ratepayer he was “petrified of the costs this town will incur after the Olympics”.

Bob Wittmann of Plumstead said: “We are not in favour — it will cost an awful lot of money. There will have to be huge facilities built, which will not be used after the events”.

Shaheed Gamildien of Athlone said: “My great-grandchildren will still be paying for it.”

End Hartung of Camps Bay echoed the worries of many callers when she complained that the bid team was dominated by Johannesburgers.

“Mr Ackerman was a Capetonian, but Mr Ball and Mr Ramsamy are from Johannesburg. We’re being suckered into being used — Johannesburg will just keep the profits.”

However, yes-voters countered the opposition to the bid with arguments that the bid would generate major benefits for Cape Town and South Africa.

Michael O’Reilly of Mowbray said: “Capetonians must stop being so negative.”

Jonathan Hulley of Constantia said a successful bid would lead to vastly increased tourism, even before the Games.

“In Atlanta there has been a 78 percent rise in tourism since they were awarded the 1996 Olympics,” he said.

Barrie Harris of Hout Bay said the Olympics would be good for the country — “it will bring us together and will be good to run Africa’s first Olympics here.”

Doreen Jonkers of Cape Town commented: “If we have it here it will create jobs for the unemployed. It will be good for Cape Town.”

David Kessler, from Bellville, said: “We will never have this opportunity again for another hundred years. It will unite South Africa more than the Rugby World Cup did.”
FW conditionally supports Olympic bid

PRETORIA — Deputy President FW de Klerk has offered conditional support for South Africa’s bid to host the 2004 Olympic Games in Cape Town.

While the cabinet is expected to decide this week on whether to back the bid, Mr De Klerk said he was impressed so far.

"My attitude has always been 'if we can get the Olympics on a basis which we can afford, then I'm for it,'" Mr De Klerk said. "From a management point of view, I think we could handle it."

Bid organisers told the cabinet last month that South Africa would make millions of rand by hosting the Olympics.

"Much-needed sports, facilities and hotels would be built, and roads and other infrastructure would be improved in the process," they said.

Mr De Klerk said one of his main concerns was that some of the construction would involve "white elephants" — buildings and stadiums that would never be used again.

If chosen by the International Olympic Committee, which was to decide in 1997, Cape Town would be the first African city to host the Olympics.

It is considered the favourite, especially after South Africa successfully hosted the International Rugby World Cup earlier this year. — Sapa-AF
SAA hampering tourism, says top transport official

ANNEILIES SMIT
Staff Reporter

SOUTH African Airways is hampering tourism by blocking foreign competitors from increasing their seating capacity, a top Department of Transport official has claimed.

SAA was attempting to preserve its virtual monopoly, said Johan Bierman, assistant-director of international affairs in the department.

He said requests by the German and Dutch companies Lufthansa and KLM for more flights to South Africa had not been granted because of opposition from SAA.

Captour chief executive Gordon Oliver said SAA's protectionist attitude hampered the expansion of tourism, one of the fastest-growing industries and one with the most potential.

But SAA denied having any influence over applications.

"The final decision lies with the government," said spokeswoman Janie van Vuuren.

Mr Bierman, who said he had attended 99 percent of all negotiations, claimed the Ministry of Transport allowed SAA enormous influence when making decisions on landing rights.

"They try to maintain their monopoly and, as the ministry has interests in protecting South Africa's biggest civil aviation company, they have gained enormous influence in decision-making.

"But the tourist industry is desperate for extra capacity," said Mr Bierman.

Roma Leff, KLM's South African sales and marketing manager, confirmed extension requests had been blocked.

"We have applied in vain for daily flights for a long time. "If we had daily flights we could fill them."

Mr Bierman added: "Germany, from which Lufthansa flies the majority of passengers, asked for a dramatic increase last year."

"I know because I attended the negotiations but SAA said they wanted to increase their return flights to Germany because they hadn't reached their ceiling."

Lufthansa's general manager in South Africa, Andreas Habel, confirmed this.

"We had to wait until SAA flew the same number of flights to Germany as we had into South Africa, and this hampered our growth."

"But as we are re-negotiating increases this week I foresee new possibilities for an increase."

Albert Schuitmaker, deputy director of the Cape Chamber of Commerce and Industry, said bilateral agreements needed to be reconsidered.

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R2.3bn for Olympic TV

PETER DEYNHE

The most detailed figures yet released on the Olympic Bid budget show that TV rights for the 2004 Games have been estimated at nearly R2.3 billion.

This estimate is 20% higher than estimated for Atlanta, site of next year's Games, but 6% lower than the forecast for Sydney in 2000.

Auditors Price Waterhouse — commissioned by the government to review the bid company's figures — note in their report that the IOC said recently it might raise its share of TV revenues.

This has the potential to reduce TV revenues by R377m. The budget does have a R854m "contingency fund" which amounts to 19% of operating expenditure.

The auditors said "the preliminary operating and capital budgets are soundly based and reasonably compiled on the basis of the assumptions used".

According to the report, income from local sponsors will be R576m.

**Smaller market**

"This is 40% below Sydney's forecast, in view of the smaller South African market."

The underlying assumption used by the bid company is that of a low-budget Games. Minimum requirements of the IOC have been followed wherever possible.

For example, Cape Town's media village will accommodate 6,000 people in 3,500 units, mostly four-storey walk-up flats. And the main athletics stadium will only be a 60,000-seater.

Budgeted capital expenditure of R918m for sporting facilities has been based on the assumption of no land acquisition costs, because possible sites are publicly owned.

Provision will be made in the capital budget for a media centre, expected to generate R50m.

Ticket prices have been set at two thirds those of Atlanta. The sales are expected to raise R480m, or 11% of total revenue.

One category of expenditure in which Cape Town figures are higher than Sydney's is security. Cape Town's budget being R230m "in view of overseas perceptions of the current insecurity in the country."
Tourists deserting Kenya's safari parks in favour of SA

Hotels along the Indian Ocean seaboard all reported a fall in foreign bookings.

Nguru said this year was expected to show a fall of 70 percent in the number of tourists from Italy; 30 percent in the number of Germans and 20 percent in the number of British.

At Malindi, the main destination for Italians, bookings in July and August were down 40 percent.

The Nation newspaper reported yesterday that more than 2,000 people had lost their jobs after the closure of 10 hotels in Malindi.

Competition from South Africa on top of competition from resorts in the Caribbean and Florida has been felt particularly badly.

The end of apartheid opened the way for thousands of tourists to visit the country, the paper said. South Africa offers the same attractions as Kenya, namely sunshine, fine beaches and wildlife parks, but often at lower cost.

Safety fears are another reason why tourists have turned their backs on Kenya, the East African said.

Attacks on tourists have multiplied in recent months with bandits even ambushing whole minibus convoys. Tribal clashes have also contributed to tarnishing the country's image.

Fear of the ebola virus is another factor, after a much-publicised epidemic of the fever in Zaire earlier this year.

At the time, some publications claimed the virus originally came from Kenya.

Finally, the East African said tourists were put off by the rundown state of key infrastructures, notably the poor state of roads, frequent power cuts and water shortages.
Germans shy away from SA

LONDON — The SA embassy in Bonn has been inundated with inquiries from prospective tourists, emigrants and investors who are worried about the violent crime in the country.

Many said they had abandoned their travel plans in the light of the disturbing reports. For instance, an article in the Süddeutsche Zeitung described SA, as the "crime capital of the world". It accused government of being unable to maintain law and order and of being too tolerant towards criminals.

The article and others like it, which have told of the fortresses South Africans live in — protected by high walls, infrared monitors and steel mesh wire — have had a major negative influence on the German public. More than 100 concerned letters have been received by the SA embassy this month.

The article said: "For the majority of its citizens, the old SA was a country with 1,000 laws, but not a single right. Today there are 1,000 rights, but hardly any laws — at least, hardly any are enforced. The beneficiaries of the new SA are not the impoverished masses but the criminal class."

Germans have been informed that in SA there is a burglary every three minutes, an armed robbery every five minutes, a rape every 16 minutes and a murder every 29 minutes. The effect of these statistics has been profound.
Northwest tourism move

Theo Rawan

NORTHWEST had completed the groundwork for a new tourism institutional framework after months of consultative meetings and workshops, and was now in the process of setting up a provincial tourism board, tourism spokesman Liam Egan said yesterday.

The Northwest Tourism Council had begun advertising for "appropriately qualified and suitable people" to serve on a new, democratic board of directors for the tourism industry in the province, Egan said.

The passing of the Northwest tourism Act on September 9 cleared the way for the establishment of the board, which was a statutory body. Representation on the board would be, according to sections within the industry, including hotels, bed and breakfast establishments, transport, restaurants, tour guides, tourist training institutions, organized business, and community groups.

200 18/10/95
SA crime scares off Germans

(285) CR 16/10/95
OWN CORRESPONDENT

LONDON: The South African embassy in Bonn has been inundated with inquiries from prospective tourists, emigrants and investors who are worried about the violent crime in the country.

Many said they had abandoned their travel plans in the light of the disturbing reports of crime published widely in German newspapers since the public spat between President Nelson Mandela and Deputy President F W de Klerk.

An article in the Suddeutsche Zeitung described South Africa as the "crime capital of the world" and, excluding war-torn nations, "the most violent country on earth". It accused the government of being unable to maintain law and order and of being too tolerant towards criminals to make up for apartheid's intolerant past.

This report and others have had a major negative influence on the German public. More than 100 concerned letters have been received by the SA embassy this month alone.

The German foreign affairs department has advised tourists to be careful and to avoid "no-go areas" such as the Eastern Cape.
Cabinet boost for city Olympic bid

THE cabinet has given the go-ahead to Cape Town’s Olympic bid — but will only decide whether to commit itself to financial backing next April.

ANTHONY JOHNSON reports.

CAPE TOWN's prospects of becoming an Olympic city crossed another hurdle last night when the cabinet gave a green light to the initial stage of the bid to host the 2004 Games.

But ministers decided after a marathon cabinet session to give an amber light to financial backing from the central government — effectively delaying that decision until April next year.

After initial ambivalence about the bid process, ministers decided that the government would both support and take part in the preparations.

Process

The process is underway, cabinet secretary Dr. Jakes Gerwel told reporters after the meeting.

National, provincial and local governments would work together with the Olympic Bid Company. A liaison group with business would also be formed.

"The cabinet is confident that if this process is carefully adhered to, SA will have an excellent chance of submitting a successful bid," Dr. Gerwel said.

Although backing the initial stage of the bid, the government would take stock of progress made in the preparatory process next year.

The bid would be reassessed in April to decide if government funds should be committed.

An amount of R260 million from the central government will have to be spent on infrastructure for the Olympics by September 1997, when the International Olympic Committee will decide which city will host the 2004 summer Olympics.

Total state spending required for the Olympics is estimated at R979 million.

Last night’s decision came after ministers received a report from a special cabinet sub-committee set up to probe the pros and cons of the bid.

"Reservations were expressed by certain ministers and sections of the business community," a cabinet source said.

Some ministers have privately voiced concerns about millions of dollars for and on a venture that may not take off.

But an independent economic impact study commissioned by the government this month predicted that the Olympic Games could add R23 billion to SA’s gross domestic product over the next 15 years.

The study, conducted by chartered accountants KPMG and NN Gobodo and CO, who have done similar analyses in Atlanta and Sydney, also forecasts the creation of more than 30 000 jobs in the Western Cape and 140 000 nationally.

According to the analysis, the overall benefit to the Western Cape was estimated to be between R342 million and R555 million a year until 2010.

DELIGHTED: Olympic Bid Company chief executive Mr Chris Ball tells a media conference of the cabinet’s decision to support the bid for the 2004 Olympics.

DALE GRANGER reports that Olympic Bid Company chief executive Mr Chris Ball last night celebrated what he described as a "unanimous" vote of confidence from the cabinet. It was now "up to the country to do its bit as a nation, team SA".

‘UNANIMOUS VOTE OF CONFIDENCE’
Experts to form Team SA in boost for Olympic bid

ANDREA WEISS
Municipal Reporter

TOP government experts are to be seconded to Cape Town's Olympic bid to make up a group called Team South Africa, which will take forward the bid for the 2004 Games.

This emerged as the cabinet confirmed its support for the bid — and other potential Olympic cities showed a keen interest in the outcome of yesterday's cabinet meeting.

Commenting on the crucial meeting, Sports Minister Steve Tshwete said in an interview: "There was not one dissenting voice in the cabinet."

He added that the cabinet had made some strong points in giving its stamp of approval to the bid.

Chief among these was that it should not be an extravagant bid, and that it should be firmly linked to socio-economic development.

Mr Tshwete said the bid could not be isolated from South Africa's development.

"This bid is different from Atlanta or any other country," he said. "South Africa is involved in a transformation process."

He said the cabinet also felt the bid should not be seen as exclusively Cape Town's responsibility, even though it would be the host city.

"In essence, it will be a South African bid. For this reason the cabinet had decided to be directly involved."

A cabinet sub-committee consisting of himself, Environmental Affairs and Tourism Minister Dawie de Villiers, Deputy Finance Minister Alec Erwin, Land Affairs Minister Derek Hanekom, Trade and Industry Minister Trevor Manuel and Transport Minister Mac Maharaj would take the issue forward.

At a meeting with the cabinet sub-committee, the business sector, led by Marlinus Daling of Sanlam, had also pledged support and was setting up its own sub-committee, Mr Tshwete said.

Funding details would be considered soon.

At a press briefing last night, Olympic bid chief executive Chris Ball welcomed the cabinet decision as a "message to the world that South Africa's bid is proceeding" and that it had the full support of the cabinet and national business.

He said the budgets still had to be finalised, but the green light had been given.

"What we have achieved for the first time is a proper interface. We and the government are now partners," he said.
India ‘could become a major market for South Africa’

BY AUDREY D’ANGELO

Tourism from India had grown from a zero base two years ago to 14,000 people in the first 10 months of this year, Miso Markovina, a director of Protea Hotels, said yesterday. He said it had the potential to become a major market for South Africa, particularly in May, June and October, which were not popular months for visitors from Europe.

Markovina had just returned from taking part in a “road show” in India organised by the SA Tourism Organisation (Soutour) and South African Airways (SAA), in which, he said, they were enthusiastically received by Indian travel agents and tour operators.

He said he thought the Indian market had an even better potential for South Africa, and for his group in particular, than the Japanese market. “The Japanese stay exclusively in five-star hotels and favour those near golf courses.

Invest

“The Indian tourism market started with business trips. Indian businessmen brought their wives, stayed in five-star hotels for a few days while they were doing business and then moved into three-star hotels for a holiday. Many returned later, bringing their families for a holiday.”

India has a vast population of 900 million. More than 300 million of them are middle-class two-income families, who go away on holiday.

“They get 30 days holiday in May or June, another 15 in October and 10 in December. Europe is still their first choice as a holiday destination and America second. East Africa and Mauritius are in third place, but we could easily become fourth — or even move up into third.”

“And India has between 700 and 800 millionaires — the biggest concentration in the world. I think some of them will invest in hotels of other tourism-related business in South Africa.”

“There has already been at least one Indian investment, in Melbuda Lodge. And the Sterling Group, one of the biggest timeshare companies in the world, is coming here to look for possible investments soon.”
Cape winelands left off 1995 tourist guide

BY JOHN FRASER

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Brussels — A new publication from the South African Foundation singles out South African wine tourism — while ignoring one of the Cape's biggest attractions — its winelands.

The South Africa 1995 guide is being distributed to VIPs in Brussels this week.

Its section on tourism claims that 'the industry' is expected to replace gold as the country's major earner of foreign exchange in the not-too-distant future.

However, while the brochure gives details of national parks and resorts, there is not a word about the wine routes — which are fast becoming the country's most popular tourist attraction.

There is also glaring inconsistency about numbers of foreign tourists.

The text of the brochure says that the UK, Germany and the US "together account for half of all South Africa's overseas tourists''.

However, a pie chart of 'Number of Foreign Tourists' suggests that 80.5 percent of visitors to South Africa come from Africa.

The report also has a section on agriculture, in which wine gets one mention.

In the section, it mentions fruit being a principal crop. "Including grapes, which support an expanding wine industry"
India could become SA's next major tourist market

BY AUDREY D’ANGELO
CAPE BUSINESS EDITOR

Tourism from India had grown from a zero base two years ago to 14,000 people in the first 10 months of this year, Miso Markovina, a director of Protea Hotels, said yesterday.

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“They get 30 days holiday in May or June, another 15 in October and 10 in December. Europe is still their first choice as a holiday destination and America second. East Africa and Mauritius are in third place, but we could easily become fourth — or even move up into third.

“And India has between 700 and 800 millionaires — the biggest concentration in the world. I think some of them will invest in hotels or other tourism-related business in South Africa.

“There has already been at least one Indian investment, in Mabula Lodge.

“And the Sterling group, one of the biggest timeshare companies in the world, is coming here to look for possible investments soon.”

Markovina said hoteliers hoping to attract Indian guests must prepare to cater for strict vegetarians and offer more Indian dishes.

He said travellers from India currently had a choice of airlines. Air India had just increased the capacity on its two weekly flights to Bombay by using a larger plane and SAA had two direct flights a week.

“A direct flight takes only eight hours and the time difference is only three hours. It is not expensive for Indians to come here. The standard fare is about R2 500.”

Leon Els, SAA’s senior public relations manager, said the airline was monitoring the situation and would supply an extra flight if demand was sufficient, capacity available and traffic rights could be obtained.
WILL CAPE TOWN OLYMPIC BID COVER COSTS?
BUSINESS B3

Catra comes out of the dark

Rowan Callaghan

The membership of the Catering, Restaurant and Teamroom Association (Catra) may have changed over the last 16 years but the organisation still plays an integral part in issues facing members.

The employee organisation was formed in the "good old days" when the genteel citizens of Johannesburg frequented tea rooms and the more risque could be found in bioscope cafes.

Today the industry is quite an important one and members make around R80,000 a month. After a relatively low key existence, the organisation has felt that it is time to introduce itself to the public.

"We were all involved in our own business and we were not full time with the association," Catra chairman Jimmy Michaelides explains. He has only been with the association as a full-time chairman for the past year.

Catra still offers protection to the family-operated grocer, cafe owner and fish and chip shop but today its 5,000 members are drawn from many business areas. The fast food take-away, the ice cream and pizza parlours, restaurants and steakhouses are included in Catra.

Many of the family-operated grocers and corner cafes seem to be under threat from the increase in garage shops and supermarket chains but the association chairman dismisses this as not being a threat.

"I don't think that it has the impact in that we have a bigger variety of products."

The association has been active in assisting members with benefits, labour relations and tenants' rights. They help members organise benefits like Medical Aid, UIF and others for their employees.

Another area where they have been strongly involved is tenants' rights. "Many individuals and organisations in our industry have, for a long time, complained about the clauses imposed by landlords on leases entered into with members of our industry," Michaelides says. He pointed out that the return achieved by landlords often far exceeds the building costs of leased premises.

Catra's work has led to discussions between the Business Practices Committee and the South African Property Owners Association during which possible unfair terms of leases will be discussed.

Hygiene is also an important issue to the industry and Catra will be mainly involved in educating and training those people who work directly with food through a number of workshops. Michaelides is confident that his organisation will grow in the future. He maintains that at the moment their members make up 60 to 70 percent of the Gauteng region's catering industry. They also plan to become more of a national association.
ATTACKS on tourists in the city have sky-rocketed, leading police to identify the worst crime hot spots in the Central Business District.

At least 96 tourists have been robbed or pickpocketed in the city since the beginning of the year — almost four times as many as during the same period last year, according to police statistics released yesterday.

More than 930 people have been robbed or pickpocketed since the beginning of the year in the city, compared with 772 last year.

Crime hot spots in the city include St George’s Mall, Green Market Square, entrances to the Golden Acre shopping complex, the station deck, the Grand Parade and Strand Street.

Police, alarmed at the increase in attacks on tourists and crime’s “negative influence” on tourism and trade, have set up a task force with members of the business community to try to reduce the city’s crime rate.

“We are looking into the possibility of having a policeman on just about every street corner. Police members on duty will also be encouraged to pay regular courtesy calls to get to know shop personnel and improve co-operation,” police spokesman Lieutenant André Traut said.

Special attention would be given to identifying escape routes out of the city and to criminals who regularly targeted tourists, he said.

“The efforts of police in the city will be monitored closely and crime prevention planning will be done more comprehensively with the help of the community.”

Lieutenant Traut said the task group would approach the Department of Justice to secure an agreement that court cases be held while tourists are still in the country.

He appealed to people to report all crimes in the city, regardless of the value of the goods stolen, as this would assist police in identifying trends.

Meanwhile it appears that tourists wander the streets of Cape Town with little warning about danger areas.

Mr Helmut Osterberg and Ms Dorothea Duwe-Osterberg of Germany told the Cape Times they had received no warnings at all in Cape Town.

“In Johannesburg we were told not to visit Berea and Hillbrow in the evening and in Durban we were escorted to our hotel at six one evening by a security guard at the insistence of a shop owner.”

Mr Herman von Hulzer from Holland — touring with a group of 45 Europeans, one of whom had a gold necklace ripped from her neck while walking through the CBD on Sunday — said they had not been warned about crime spots.

A British couple said their hotel had issued no warnings at all, but that a hawker on the station deck had warned them against going down a dark flight of stairs and had escorted them back to the street by an alternative route.

A group of four Belgian tourists said they had been warned against walking in the city at night and carrying valuables but had not been told which areas might be hazardous and had felt “uncomfortable” while shopping on the station deck.

See Page 8
Rail, Sun form African leisure group

Wine farm aims at tourists

By Charlotte Matthews

A consortium of businesses, including Sun International, Khulani Holdings, Thebe Investments, Real Africa Investments (Rail), Vela International, Women Investment Portfolio and Gestlacc, has formed African Sun International with the objective of building it into a dominant player in the local gaming industry.

The consortium was launched in Johannesburg last night.

Sun International had recognised the Lotteries and Gambling Board's recommendation that the empowerment of previously disadvantaged groups should be a prerequisite for the granting of new gaming licences, said Peter Bacon, the managing director of Sun International.

Khulani Holdings' catering expertise would contribute towards the resorts and hotels planned for the future while Rail would offer its management and financial skills.

Moss, Mashitsa, the managing director of Momo Investments, a subsidiary of Thebe Investments, said the group's participation in this consortium would enhance its role.

Wendy Luhabe-Shidowa, the managing director of Women Investment Portfolio, said the group's participation in this consortium would enhance its role.

The chairman of African Sun International will be Wendy Luhabe-Shidowa, the founder and president of Women Investment Portfolio.

By Maggie Rowley

A 120-room hotel and a state-of-the-art conference centre with seating for 400 are to form part of a R125 million redevelopment and extension programme aimed at putting the Spier wine farm near Stellenbosch firmly on the corporate and international tourism map.

The 300-year-old Spier farm, which has the country's oldest wine cellar, was bought two years ago by Dick Enthoven, a local businessman and former MP.

He has since purchased and incorporated an adjoining farm to form a 600ha estate.

The first phase of the development, including the conference centre, is to come on stream over the next few months with work on the hotel starting next year and completion scheduled for the end of 1997.

More than 150 jobs, with the workforce drawn mostly from the local area, are being created during the five-year construction plan.

The development will include an open-air opera amphitheatre, capable of seating 1,200 people; where it is planned to stage an annual international opera festival and other cultural events; an equestrian centre; a wine retail centre; restaurants and bars.

• See top of the Times
Call to halt Cape Town Olympic bid

RONALD MORRIS and PETER DENNEHY

A group of prominent Cape Town people have called for a halt to the Olympic Games bid.

"We need more houses than we need the Games," said Mrs Eulalie Stott, a member of the group, who retired recently after 34 years as a city councillor.

The call was made in a statement sent to the Cape Times last night. Asked for comment, Mrs Stott warned that unless more houses were built, the city would not have a stable community.

She said she did not think the sporting facilities necessary to stage the Olympics should now be allowed to be the priority for spending commitments in the future.

"I'm against doing it until the country settles down and more basic needs are fulfilled."

Mr Arthur Wiernburg, Mr David Erleigh and Mr Peter Hodel also appeared on the list.

The four other names on the list were: the Rev H Syc, Mr Rufe Papworth, Professor Elizabeth Boyd and Mrs M Monro.
Protea to build hotel as tourism flowers

MAUREEN MARUD
Business Staff

AMID a flurry of announcements about new hotels planned for Cape Town, Protea Hotels has quietly signed a deal that will produce the city's first major new hotel for years.

Cape Town-based Protea, Africa's largest hotel group, said it secured a R40 million deal in the face of fierce local and international competition.

"We have signed a lease on the hotel with the developer, Newport Property Group. They are the owners of the land," said Protea's managing director Arthur Gillis in an interview.

Newport Property director Ian Fyfe declined to name the other competitors. He would only say they were totally different kinds of operations.

"The Protea operation suited us best, for a number of reasons, the main one being that it is very individual."

Various companies have recently announced plans for hotels in Cape Town. These include the Sun International at the Waterfront, scheduled for completion in April 1997, possibly a Hilton and a Sheraton on the Foreshore, and a 450-room hotel in Sea Point.

Cape Town City Council plans to sell the old power station site on the Foreshore for R24 million to a French company that wants to build a R700 million complex, including a Hilton and possibly a Sheraton Hotel.

Developer Mark Taylor, of Durban-based Mark I Projects, plans to build in Sea Point.

But the first to be built will be the Victoria Junction Protea Hotel, announced for the first time on Thursday. Protea currently operates 85 hotels in 11 African and Indian Ocean Island countries.

Located next to the Gallows Hill traffic department in Somerset Road, it will be a five-minute walk from Victoria Wharf at the Waterfront.

"The new hotel will provide a major boost to that area of Green Point," Mr Gillis said.

"The Victoria Junction development itself has already started to make a big impact on what I think will become a very trendy part of Cape Town."

The four-star hotel is due to open in November 1996. It will be Cape Town's first "loft style" hotel, with 148 rooms and 22 lofts serving as suites.

"Our investment should be seen as a commitment to tourism and the future of hotels in Cape Town," said Mr Gillis.

Sales director Danny Bryer said another indication of the group's confidence in Cape Town was the complete refurbishment of Protea's hotel, the Capetonian. That programme was almost complete, he said.

The refurbishment would help meet the demands of a continuing growth in the number of foreign tourists visiting Cape Town.

"Occupancies are extremely high within the whole Cape Peninsula area. The main influx has been the international market," said Mr Bryer.

The growing numbers of visitors made it imperative that the standard of service be improved - "and everybody's working on that," he said.

Cape Town should attempt to have international tourism to the city spread over 12 months, instead of four months, "because our weather for 12 months is conducive to all international guests.""Captour chief executive Gordon Oliver recently bemoaned the shortage of tourist facilities in Cape Town.

He said: Cape Town has 2,500 beds, the Peninsular 16,000. We need to triple this number, especially with our Olympic Bid for 2004."
Ball slates ‘niggling’
Cape Town

COLIN DOUGLAS 233

CHRIS Ball, head of Cape Town’s bid to host the Olympic Games in 2004, has hit out at ratepayers’ concerns about having to foot the bill for the bid, saying many Capetonians are niggling by nature.

“If Johannesburg was doing this (the bid), none of this would be taking place — people would say ‘Go for it’.”

“Cape Town traditionally has citizens who want to contest everything — they like issues.”

He said residents’ opposition took up “a lot of energy”, which was unproductive.

In an Argus phone-in poll this week, 39 percent of callers rejected the bid, many of them expressing concern that it would result in rate increases.

But Mr Ball was adamant that it would have no adverse effect on ratepayers.

“We’re being extremely conservative about infrastructure, and we’re not suggesting anyone should borrow anything.”

He also disputed press reports that the cabinet was hesitant to give financial backing to the bid — after Finance Minister Chris Liebenberg’s reported statement that the government had not committed a single cent to the bid.

He explained: “We simply made a cautious request of the cabinet to support the bid, which they agreed to.”

“Of course the cabinet hasn’t signed cheques yet. The state only has to sign the guarantees for the bid in the middle of next year.”
CULEMBORG, near Cape Town docks, and the Wingfield military base have been proposed as sites for the three main Olympic villages if the city wins the bid to stage the 2004 Olympic Games.

The Olympic Bid company has announced that the villages for athletes, officials and media — which are the three largest housing complexes for the proposed Games — the media and broadcast centres and possibly the 2.3 km rowing course, would be constructed at the two sites.

Other sites identified as venues for competition and practice include Phillips' East, Nolngle Station, Khayelitsha Town Centre, Blue Downs, Athlone Golf Course, the UWC/Pentech/Beiter area and Delft.

Announcing details at a Press conference on Friday, Olympic Bid company head Chris Ball said the sites represented a "semi-dispersed" approach to the provision of games facilities.

The general aim was to balance the requirements of the International Olympic Committee, entrusted with running the games, with the future growth requirements of greater Cape Town.

Peter de Tolly, fresh from a whistle-stop tour of other Olympic contender cities, said the reasoning behind the selection of the chosen sites was that the Games should provide a "kick-start" for urban development in Cape Town.

Research by the bid company had been undertaken in conjunction with the Cape Metropolitan Council, Mr De Tolly said.

"Cape Town is an apartheid-designed city and the Olympic Games must assist in changing that," he said.
Sun International tells Mhlungu to sell stake

GAMING legislation in KwaZulu-Natal falls under the remit of finance MDC Johnny Mhlungu, whose company, Khulani Holdings, emerged last week as part of Sun International's black empowerment gaming consortium.

Sun International moved quickly at the weekend to play down any potential conflict of interest, saying Mhlungu had to sell his stake in Khulani to comply with future gambling legislation.

"Mhlungu was not available to comment this weekend as he was in Las Vegas at the World Gaming Conference," his spokesman, Shaun Emslie, said.

The department would be responsible for establishing KwaZulu-Natal's gaming board, which would issue gambling licences.

"There was no gambling legislation in the province, but the department hoped to promulgate its gambling Bill by next month," Emslie said. Mhlungu had resigned as Khulani's MD earlier this year. However, the company's lawyers were investigating whether a conflict of interest still existed.

The new consortium — African Sun International — is to bid for at least five new mega casino licences, including at least one in KwaZulu-Natal.

Under recommendations put forward by General Services Minister Chris Fijner, neither government nor its officials may hold stakes in casino ventures.

Sun International's MD Peter Bacon said the group had entered a partnership with Khulani, not Mhlungu.

African Sun International's partners include Real Africa Holdings and Thebe Investments. IFP leader Mangesuthu Buthelezi's son is Khulani's executive director.
SATOUR aims to double tourism.

CAIRO — South Africa aims to double its number of tourists in the next five years, says a South African Tourism Board (Satour) spokesman.

This would create more than 330,000 jobs, generating R70 billion in foreign exchange.

"Tourism is South Africa's fourth largest source of foreign currency and is targeted to play an important role in the government's reconstruction and development programme," said Satour deputy executive director Ernie Heath.

He was speaking after South Africa had been elected to the World Tourism Organisation's (WTO) executive council and environmental committee at a conference which ended in Cairo yesterday.

South Africa, selected as one of eight countries to represent Africa on the council, would help promote the continent as a tourist destination.

The meeting was attended by 1,000 delegates from 121 WTO countries. — Sapa.
CAIRO: South Africa was aiming to attract more than double the number of tourists within the next five years, a Satour spokesman said yesterday.

This would create more than 330,000 jobs and generate $22 billion (about R79.2bn) in foreign exchange earnings.

"Tourism is SA's fourth-largest source of foreign currency and is targeted to play an important role in the RDP," said Satour deputy executive director Dr Erikle Heath.

He was speaking after SA's election to the World Tourism Organisation's (WTO) executive council and environmental committee at a conference here.

"The election will enable SA to help the continent address tourism challenges such as protecting the environment, ensuring quality services and breaking down barriers to travel."

SA's participation was the first in a full assembly of the 123-member WTO. — Sapa
Satour to present awards in more categories next year

The SA Tourism Board had increased the number of categories from nine to 12 for its 1996 Satour Tourism Awards, to broaden recognition of excellence in hospitality and service in SA's most important growth industry, Satour said at the weekend.

Satour standards director Greg McManus said the board, in association with Getaway magazine, had launched the nomination process.

As tourism service providers in SA mushroomed to meet spiralling international and domestic demands, it was imperative that service and hospitality standards matched the best the world had to offer, he said.

"Our re-entry into the world economy has meant a much sharper focus on meeting higher consumer demands, and the Satour Tourism Awards provide an opportunity for consumers to have their say," said McManus.

The consumer categories include Hotel of the Year, Host of the Year, Guest House of the Year, Self-catering Establishment of the Year, and Newcomer of the Year. In addition, three new categories had been added, namely B&B Establishment of the Year, The Visitor Attraction of the Year and Private Reserve Accommodation of the Year.
Export assistance for tourism likely

Amanda Vermeulen

TRADE and Industry Minister Trevor Manuel has given tourism the green light, allowing it to qualify for export marketing assistance following proposals put forward by Environmental Affairs and Tourism Minister Dawie de Villiers last month.

Hendrik Steyn, director of tourism in the department of environmental affairs and tourism, said yesterday that Manuel had cleared the plan but the decision would have to be ratified by the National Economic Development and Labour Council (Nedlac).

If Nedlac gave the go-ahead, operators who exhibited at approved trade shows abroad could apply for support. As the export marketing approval scheme proposal was still in its infancy, no decision had been taken about a rand ceiling on the available assistance.

But Steyn said the scheme's contribution to tourism operators would be insignificant, and a much greater role could be played by government in promoting tourism. Other incentives such as a further reduction in import tariffs and possibly tax breaks should be considered.

Steyn said that Manuel would welcome any "well motivated" proposals from the tourism industry for further allowances.

Meanwhile, some tour operators are calling on government to step up its assistance, saying growth in the industry was being hindered by a lack of infrastructural development.

Greavenor Tours divisional manager Renee Wagner said the local tourism industry was "bursting at the seams", and the pressure to increase infrastructure development was forcing prices up.

But until government came to the party by supporting development, the growth promised by the increase in demand would be retarded, she said.

Satour recently released figures showing tourist development worth about R10bn was in progress.

Kessel Feinstein Consulting CE Delano Caras said yesterday that prices of hotels and other tourism-linked facilities had increased between 15% and 20% over last year. Demand for hotel accommodation, flights and coaches was at an unprecedented high; but Caras said the increase in demand could lead to complacency and a potential deterioration in already poor service levels.

He said the tourism industry would also have to step up its focus and investment in training if it wanted to maintain or improve service standards.
Pace of tourism boom leaves SA unprepared for onslaught

LONDON. — Passport control at Johannesburg International Airport is overstretched, the new terminals under construction can hardly keep pace, but nobody is complaining.

South Africa's tourism boom is in full swing, and with it the opportunity for enormous economic growth.

But South Africa is unprepared for the onslaught. Hotels are packed, the game reserves are booked up months in advance, and there are not enough flights to meet demand. By the end of June, the number of visitors was already up 52 percent on the whole of last year, although this rise is expected to tail off by the year-end. For the full year a million foreign visitors are expected, compared with 700 000 in 1994.

And therein lies the new government's dilemma: If the potential of tourism is to be realised and momentum maintained, large-scale investment is vital. This year, tourism's contribution to gross domestic product is set to reach 3.5 percent, against two percent in 1994.

Walter Msimang, director of Satour, said: 'Government rhetoric is positive; everybody agrees that expanding capacity must be a priority. Our tourism industry is under-achieving; we have enormous opportunities, some of the most beautiful scenery in the world, supported by an infrastructure of first world standards. But under the government's Reconstruction and Development Programme (RDP), health and education, rightly, take priority. So we have to encourage private-sector involvement.

He said there had been talk of tax incentives to encourage private-sector interest, but with an already overstretched budget, the government could not afford to be too generous.

International and local hotel groups are stepping into the breach. Inter-Continental has linked up with Southern Sun to run jointly three five-star hotels in Johannesburg, Cape Town and Durban; Hilton is planning a R200 million hotel in Sandton, Johannesburg, and the Hyatt hotel, also in Sandton, is virtually complete. The Sunday Times, London.

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Results of minority offer
New apartment hotel for Cape

BY MAGGIE ROWLEY

A 41-unit apartment hotel is to be built at a cost of R15.7 million on a site adjoining the Beach House, Alphen in Constantia, and The Dorpshuis in Stellenbosch. The development is being marketed to investors as a sectional title with all but two of the 41 units, comprising bachelor and one-bedroom suites ranging in size from 39m² to 79m², having been snapped up since marketing began a week ago. Contractors have moved on site and completion is scheduled for mid-1996. Units are being sold on a sectional title basis from R219,000 to R489,000. Occupancy of 50 percent, the return of five percent in the first year would be 14 percent.

The project is being developed jointly by Faircape and Devprop, with all apartments self-catering and developed to five-star standards. The hotel will be operated by Relais Hotels of the Cape, which manages, among others, The Beach House, Stanford Court and The Dorpshuis in Stellenbosch.

Allmann said that at a projected occupancy of 50 percent, the return of five percent in the first year would be 14 percent.
Call for poll on Games bid

OPINION-MUST BE TESTED, SAY FORMER EXCO CHIEFS

FORMER EXCO chairmen Mr Arthur Wienburg and Mr Clive Keegan believe the city should not pursue its Olympic bid before support has been tested. DALE GRANGER reports.

TWO former Exco chairmen, Mr Clive Keegan and Mr Arthur Wienburg, have joined forces in calling for a referendum to see if Capetonians want the city to host the Olympic Games in 2004.

They have also criticised Olympic Bid Company chief executive Mr Chris Ball for his comments at the weekend that Capetonians are "niggly by nature".

Mr Keegan and the Olympic Bid Company were in agreement yesterday, that without the support of citizens, the bid had no chance of succeeding. The International Olympic Committee requires documented proof that polls have been held, as well as an assurance that a host city has the demonstrated support of most of its inhabitants.

"The bidding city also has to give details of groups opposed to the bid," Mr Wienburg said.

"We know Cape Town is against the bid and it is an absolute cheek that nominated councillors voted in favour without the backing of the ratepayers," Mr Wienburg said.

"People are appalled... as the money can be put to better use."

Mr Keegan said means should be found to combine the referendum with the municipal elections in March. The bid company would be expected to pay for the referendum.

Survey plan

"The bid will not be taken seriously until there is a demonstration of community support," Mr Keegan said.

Mr Ronnie Kingwill, director of the bid process, agreed public support should be tested.

He ruled out a referendum, however, saying it would not be cost-effective and that the bid company did not have the administrative resources to manage it. It was working on a plan that involved a survey of Capetonians as well as South Africans.

The survey would be launched before the end of the year.

A workshop would be held on November 4 and would be followed by presentations and discussions with communities.

Mr John Nees, president of the SA National Civic Organisation, said: "We don't need a referendum. What we need is to activate people, and guaranteed support for the Olympics will follow."

"People are becoming doubtful as those on the Olympic board are required to make decisions... we have been fighting to be involved... no one except the communities can decide what their needs are."
Forex pours in as conferences boom

Theo Rawana

THE SA conference industry was worth R2.6bn and, with an annual increase of R900m, was projected to grow to R3.5bn by the year 2000, tourism analysts said yesterday.

Gillian Saunders, director of consultants Kessel Feinblatt, said foreign exchange generated by the industry amounted to R42bn and that the annual increment of R1.5bn should help it reach R200bn by the end of the century.

The industry was currently paying R250m in taxes, with annual increases of R50m set to bring this to R340m by the year 2000. The industry created 60,000 jobs, with an annual increment of 20,000, and should employ 80,000 by the end of the century, Saunders said, quoting extracts from a paper she presented at a recent conference.

The conference, convened by the SA Tourism Board, concluded that an SA association for the conference industry should be established and, with an initial budget of R5m, should be operative by March next year.

Saunders said: "The conference industry is a noted generator of significant economic benefits for the cities, regions and countries which host conferences. A major factor driving the high impact of conferences is the high average spend of conference delegates in relation to other tourists."

About 80,000 conferences worth 7.4-million delegate days were held in SA every year — and between 40 and 60 of these conferences were international, bringing R42m in foreign exchange.

"In total the industry is worth an estimated R2.6bn to the country and employs almost 60,000. Its growth rate is thought to be about 5% per annum," Saunders said.

She said Satour had a conference promotion division of five dedicated staff, with a manager who had two other portfolios. "Its total 1994/95 budget, including overseas office costs incurred on conference marketing was R1, 9m, of which R878,000 was spent on promotions and other activities."

"However, only R200,000 was the direct allocation to the conference division for marketing and promotion activity," she said.

Durban Unlimited Convention Bureau director Clive Booth told another recent conference that internationally the convention industry was worth about R320bn. SA's share of the world market was a paltry 0.37%.

He said, however, that the SA conference industry employed about 60,000 and fed between 250,000 and 300,000 people.

SA had barely touched the surface of one of the fastest growing industries in the world, he said.

Task group focuses on nurses' training needs

Kathryn Strachen

WITH all the consterna-

tion over the salaries and working conditions of nurses, the focus has also fallen on their trainin-
g, which is increasingly being recognised as totally inadequate.

The higher education commission, headed by Jairam Reddy, is currently looking at restruc-
turing nurses training.

Commission health sciences task group chairman David Sanders says a proposal for reconstruc-
ting training should be ready before the end of the year.

The main call coming from nurses is to move training away from the health sector into the arena of education.

By bringing nursing training closer to that sphere, nurses would be brought into the medical personnel network.

The task group is also looking at ways of mak-
ging the content of courses more appropriate, making training more accessible, particularly in outlying areas, and at the integration of primary health care into formal health programmes.
SA on world tourism body

SOUTH Africa has se-
 cured a seat on the ex-
 ecutive committee of
 the World Tourism Or-
 ganisation at a confer-
 ence in Cairo.

South Africa is one of
due African countries
 that will represent the
 continent.

Lydie Thiebault, deputy
director, for the SA Tourism Board,
said South Africa's goal was to
 increase the number of
tourists to the country.
Black business wants 40% of Olympics

CAROL CAMPBELL
CT 22/10/1995
SOUTH African blacks had to have at least a 40% business interest in Cape Town's 2004 Olympic Games bid so their communities could feel the financial benefits of hosting the Games, a group of local black businessmen said yesterday.

Mr Brian Eden, a spokesman for the incorporation of Black Business Structures (an umbrella body for seven black business forums) said the organisation had thrown its full weight behind the Olympic bid and Mr Chris Ball, chief executive of the Olympic committee had voiced his eagerness for black business involvement.

Mr Ball had sent a letter to the businessmen, agreeing to a draft policy document outlining black participation, he said.

"We don't want a repeat of the Rugby World Cup when black communities were asked to cheer for the Bokke but did not benefit from the business which was generated," Mr Eden said.
ECOTOURISM

In for the kill

The National Parks Board has embarked on a two-year programme to obtain about R30m in offshore donor funding. The money will be used to expand land areas of existing national parks or to create new parks.

If successful, the programme will be continued after two years, giving a major boost to the labour-intensive ecotourism industry. Wildlife is SA's single biggest international tourism drawcard.

Rozanne Savory, newly appointed fund-raising co-ordinator for the board, says source funding from overseas has been decided on, as local funds should be prioritised for the socio-economic needs of government's RDP. "Initial responses from the UK and the US have been enthusiastic.

And, with one job created by each 10 new tourists coming to SA, the programme should have far wider benefits than merely relocating elephants."

Driving the board's land expansion programme is the need to relocate surplus elephants from the Kruger National Park. The park is embroiled in an international controversy over its need to cull elephants from overpopulated areas.

The 40 000 ha Marakele Park in the Transvaal Waterberg and the 22 000 ha Vaalbos Park at Barkley West near Kimberley have already been targeted by the board for initial expansion. Another area that might benefit at a later stage is the new 25 000 ha Dongola Park on the Botswana-Zimbabwe border, which adjoins the Mashatu Game Reserve in Botswana.

Also under consideration for elephant re-population is the eastern shores section of the St Lucia nature reserve in KwaZulu-Natal. "But this would depend on the Natal Parks Board," says director Anthony Hall-Martin.

Similarly, the 40 km tribal trust area in Zimbabwe, separating the northern Kruger Park from Zimbabwe's Gonâ-re-Zhou game reserve could eventually be managed as a wildlife tourism area, while the Mozambican authorities still have to decide on the creation of a cross-border park adjoining Kruger.

"Our target is to bring in about R10m in the first year, followed by R20m the next. We will also investigate getting some funds from the Far East," says Hall-Martin.

If successful, the programme will be a major boost for labour-intensive ecotourism, now seen as SA's major long-term forex earning industry. Based on renewable resources, SA's future as a global ecotourism destination seems secure.

Apart from tourists, trophy hunting is also growing as a forex earner, says Pieterse of the Professional Hunters' Association.

"We are busy with a survey updating our statistics, but estimated forex value of trophy hunting in SA is about R325m a year. The US (with about 67%) and German-speaking European nations (20%) provide the lion's share of the revenue and about 7 500 foreign hunters visit SA each year. SA is the primary trophy hunting destination in Africa."

Pieterse says with foreign hunters prepared to pay about R65 000 to shoot an elephant, the board should also consider allowing hunting in culling areas.

But, says Hall-Martin, this is not allowed under board legislation. "To change this one would have to change the founding Act — but we are considering allowing controlled hunting of spillover game in private areas (co-managed by the board) on the borders of a park like the Kruger. Inside the park, our duty is to provide a sanctuary for game — and we believe that this is what most South Africans would support."
OLYMPIC GAMES

Summing up

On paper, Cape Town's 2004 Olympic bid stands to make a R1,3bn gross profit. But Cabinet is not convinced of this. Nor are many taxpayers and Cape Town ratepayers.

Los Angeles is the only Games to have made a profit without State support since the modern Olympics began in 1896. Barcelona had to raise loans to cover its costs, Montreal was still saddled with debt 15 years after the 1976 Games and Moscow lost millions of roubles.

Why then should SA — which Archbishop Desmond Tutu contends "has never been over-smart" — fare any better?

Being a banker, Bid Committee CEO Chris Ball understands the need for caution, but he is exasperated by what he calls the "same old, unfounded claims" that the Games in SA will inevitably run up a massive debt. He says the figures speak for themselves. However, for the purpose of his arithmetical exercise, he does not include infrastructure expenditure.

The cost of running the Games will be vastly outweighed by expected revenue from television rights (R2,2bn), marketing (R1,5bn) and ticket sales (R480m). The preliminary operating budget forecasts revenue at R4,2bn and operating expenditure at R2,9bn — hence a surplus of R1,3bn.

An allocation to refining the sports facilities, a housing reserve and a general contingency leaves a net operating surplus of R94m. International accounting firm KPMG says the committee's budgets are "soundly based and reasonably compiled" but reserves opinion on the likelihood of their being achieved.

By 2004, there will be considerable changes in technology, exchange rates, interest rates and inflation which may affect the financial outcome and are outside the committee's control.

To complicate matters, the largest revenue items — TV rights and international marketing, which together account for 54% of total revenue — will be negotiated with the International Olympic Committee. This committee, it has been reported, might increase its share of TV revenues from 40% to 50%, which will mean a loss to the Bid Committee of R377m.

But TV revenue has been conservatively forecast at 6% below Sydney's estimates and could well exceed expectations.

On the capital side, the State is being asked to provide R978m by 2004 in return for about R7bn more tax revenue by 2010. Games supporters say the State will simply accelerate expenditure on roads, rail, rolling stock and the airport that would otherwise have occurred by 2010. This should be subtracted from the cost of staging the Games.

On this basis, almost every Games since 1968 has made a profit.

But this interpretation ignores the fact that much of the Games infrastructure is inappropriate in a developing country. It is hard to see how improved airport facilities, sports stadiums and a sophisticated drug testing facility will help people in need of housing and basic services.

If the bid fails in September 1997, the State will already have spent almost R300m on Games infrastructure.

Cabinet acknowledged this political dilemma last week when it endorsed the bid on the condition it is firmly linked to socio-economic development. It has released R39m to cover the six-month planning phase to April 1996, when it will review the updated budget and consider making more funds available.

Ball says the Games will conform to minimum required standards and be a "leading example for developing nations."

Where possible, sporting venues are being designed for easy conversion into multi-purpose community centres, conference halls, industrial hives and business premises. In some cases, private investors will be included in the design phase, ensuring they will be ready to take transfer of assets later.

Community organisations development forums and sporting bodies are being extensively canvassed to co-ordinate their requirements with those of the Games. Some facilities, such as the Olympic swimming pool, may become the permanent national home venues of certain sports.

The Olympic villages will accommodate 21,000 people in four-storey, walk-up flats and will be built by the private sector for less than R1,04bn. The Bid Committee will use R150m of the operating surplus to subsidise the selling price to the units can be sold as low-cost housing after the Games.

Financial director Michael Fuller says: "We are not consuming capital resources; we're creating them."

KPMG, in association with N N Gobobo & Associates, predicts that, by 2010, the Games could add R23bn to GDP, R7bn to tax revenue, R12bn to foreign exchange inflows and create an annual average of 112,000 jobs. And 65% of the GDP and 75% of the jobs created would be outside the Western Cape. (These are the median figures lying between the high and low scenarios verified by Price Waterhouse.)

A tourism boom is guaranteed. Tourism rises by about 40% after the Games and is usually sustained.

Ball says: "The Games represent the single greatest economic opportunity for SA. Nothing we can do, other than possibly remove exchange controls, will have the same impact."

Of the R1,7bn total capex budget, R278m will be needed from business to build sporting facilities. Large sectors of business already back the bid, including the SA Chamber of Business and the Incorporation of Black Business Structures which represents seven major black business organisations, including the National African Federated Chamber of Commerce.

The Bid Committee has given a written undertaking that at least 40% of all transactions will involve black business.

If the committee is doing everything by the book, why is Cape Town not yet convinced? The International Olympic Committee requires 80% of the host city's population to support the Games. So Cape Town is the biggest obstacle to the bid.

The city is divided between those who believe in the promised benefits and those who believe they will spend a lifetime footling the bill.

Ball will have to explain repeatedly why the bid is financially sound. Only when this has broad acceptance can SA be expected to throw its heart and soul into the race.
Gambling Bill worries Sun
International investors

BY STAFF REPORTER

Share prices in the Sun International stable of companies have varied from 'stodgy' to volatile as the incorporation of the former homelands into South Africa, along with sweeping changes in the gambling industry, caused concern among investors.

A large degree of unease in the market stems from the realisation on the part of some large shareholders that they will be forced to sell their holdings completely.

The National Gambling Bill stipulates that provincial governments and development corporations which inherited Sun International shares from the former homelands must sell their holdings within a two-year period.

Peter Bacon, the Sun International managing director, said the deadline was bound to cause an overhang in the market.

The stakes involved consist of about 37 percent of the various subsidiaries' 'issued shares' capital, worth about R1.3 billion.

Bacon said Sun International had made representations to general affairs minister, Chris Finster, to extend the deadline to five years.

Chairman Buddy Hawton said the money realised could be used for provincial development and a low share price would have a negative effect on the RDE.

The group is to be restructured with an offer to shareholders in Sundisk, Transsun and the unlisted Venda Sun by Sunbop, which will then change its name to Sun International.

Sunbop is languishing at R21.30 compared with its eight-year high of R50 in May last year.

But the axe is looming over Sun International in another form.

The group is bound to lose some of its licences under the new gaming dispensation, and the realisation is breeding unhappiness and uncertainty in the market.

While most analysts have adopted a 'wait-and-see attitude,' some believe that the group may be offering good value.

"Nov 27/10/95"
Olympic bid gets an affirmative action policy

COLIN DOUGLAS, Staff Reporter

CHRIS Ball, chief executive of Cape Town's Olympic bid, is to implement a sweeping affirmative action policy that will impose stringent black participation requirements on every firm that does business with the bid.

The new policy, which is still in draft form, will require each of the bid's contractors to sell 40 percent of its shares to black business people, and give black managers 40 percent representation among its senior staff.

Alternatively, contracted firms should establish new, bid-specific companies that were at least 40 percent black-controlled.

The policy was unveiled at a press conference yesterday by attorney Christine Quinta on behalf of a grouping of black business groupings, including the Black Business Initiative and the National African Federated Chamber of Commerce.

Mr Ball has endorsed the policy, which also requires that 40 percent of the bid company's managers, and all its secretaries, will be black.

Mr Ball has agreed to the immediate establishment of a "black economic empowerment task team" made up of Ms Quinta and four others.

The team will have the power to enforce compliance with the new black participation policy, and will have access to all of the bid company's contracts.

While the black business organisations registered their support for Cape Town's bid they were adamant that their members should not be expected to donate money to the bid.

"The large companies have been advantaged because of our disadvantage — they should make the financial contribution," Ms Quinta said.

The document says there is a need for "a rigid empowerment policy".
By COLIN DOUGLAS

Cape Town - Chris Ball, chief executive of Cape Town’s Olympic bid, is to implement a sweeping affirmative action policy that will impose stringent black participation requirements on every firm that does business with the bid company.

The new policy, which is still in draft form, will require each of the bid’s contractors to sell 40% of its shares to black business people, and give black managers 40% representation among its senior staff.

Alternatively, contracted firms will be required to establish new, bid-specific companies that are at least 40% black-controlled.

The policy was unveiled at a press conference this week by attorney Christine Qunta on behalf of a grouping of black business groups, including the Black Business Initiative and the National African Federated Chamber of Commerce.

Ball has endorsed the policy which also requires that 40% of the bid company’s managers, and all its secretaries, will be black. He has agreed to the immediate establishment of a “black economic empowerment task team” made up of Qunta and four others. The team will have the power to enforce compliance with the new black participation policy, and will have access to all the bid company’s contracts and records.

Companies failing to comply with the policy stand to forfeit 12% of the value of their contracts with the bid company and to be barred from further dealings with it.

"While the black business organisations registered their support for Cape Town’s bid to host the Olympic Games in 2004, they were adamant that their members should not be expected to donate money to the bid," Qunta said. "The large companies have been advantaged because of our disadvantage — they should make the financial contribution." Qunta said. "We have spent hours away from our work drafting this document; we consider that an adequate contribution."

The policy document has out at "established corporations, accusing them of neglecting black empowerment.

"Subsequent to the new political dispensation, the South African economic society has displayed extreme resistance and lack of commitment with regard to black economic empowerment at all levels," it reads.

"Black business needs to play an equitable and significant role in core business activities and on the centre stage of our economy.

This is not occurring due to the aforementioned reluctance by white corporate South Africa, save for certain dubious attempts by individual corporates to enrich a minute number of black faces."

The document says there is a need for “a right empowerment policy which would carry injunctive force and consequently the black lotus so that corporatism and failure to involve black business at every conceivable level."

Failure to comply with the policy would constitute "a violation not only of the International Olympic Committee charter but also a flagrant disrespect of the RDP."

(288) 28/01/95
‘Niggles’ of the southern suburbs

WILLEM STEENKAMP
Staff Reporter

THE ratepayers of Cape Town’s southern suburbs are the most virulently anti-Olympic in the city, while Cape Flats residents are all for the Games.

The Cape Town Olympic Bid Company has been stung by the flood of criticism against the company’s plans to win the bid for the 2004 Olympic Games for the Mother City. Last week Chris Ball, chief executive of the Bid Company, lashed out at ratepayers concerned about having to foot the bill for the bid, saying many Capetonians were niggling by nature.

Mr Ball said: “Johannesburg is doing this... people would say: ‘Go for it.’”

This week Peter de Tolley, planning director of the bid company, went one step further — he identified the “niggles”.

“It is interesting to note that the most criticism comes from the southern suburbs. The letters of criticism and the calls we have received were nearly without exception from that area.”

Mr De Tolley said while this was the case with the southern suburbs, the people on the Cape Flats were highly supportive of the bid.

“Everyone we have spoken to and negotiated with in the townships and on the Cape Flats supports the bid. We do not receive criticism from black and coloured people. They support the bid.”

Mr De Tolley said it was important to realise that hosting the Olympic Games in Cape Town would kick-start the economy while the RDP programme was aimed at redistribution.

“If we can contain the cost of the Games, we would have the best of both worlds.”

Mr De Tolley said it was important not to underestimate the fears certain people had and that problems such as the non-payment of rates, the high crime rate and the question of safety and security all had to be addressed.

Referring to calls by some ratepayers that the Games be spread throughout South Africa, Mr De Tolley said the International Olympic Committee preferred the Games to be hosted by one city and that the National Olympic Committee of SA had put Cape Town forward as the host city.

“The IOC sees the Olympic Games as an experience as a whole. It is not simply a collection of sport events strung together over a wide area,” he said.

The IOC believes the Games should take place in one city, with most events no further away than an hour from the main stadium.
Service with a smile — Cape’s strongest asset

GLYNNS UNDERWILL
Staff Reporter

The newly elected chairman of the Western Cape Tourism Board, Ernst Uken, believes that when it comes to the service industry in the region, there is good reason to smile.

A specialist from overseas had said that what the province lacked in training, it made up with broad smiles. "While this might be criticism, at least we are still friendly. This is one of our strongest assets," says Professor Uken.

Although service in the Western Cape could improve, the starting point was that people were friendly, he said.

The Western Cape Tourism Board, an interim body, will be looking at service in the area and developing programmes, said Professor Uken.

Professor Uken admits the transport system could be improved.

The real problem for tourists begins when they arrive in Cape Town after taking a taxi into the city.

Changing from one mode of transport to another is not easy for a foreigner and it is necessary to compete with the international market, he says.

Another issue which needs tackling is the growing crime levels, which are threatening the tourist industry, says Professor Uken.

"I am surprised it hasn't acted as a larger deterrent. We still have a very good record of tourism in the Western Cape and in the country as a whole. I am worried our luck is beginning to run out. No-one wants to risk his life to come to a country," he said.

South Africa was not known internationally as being inexpensive, said Professor Uken.

The director of research development at the Cape Technikon, Professor Uken has master's degrees in radiochemistry, transport, energy and tourism.

His new position will be another challenge, he believes.

"I would like to make sure that the Western Cape continues to be the destination of the country," he said.
Hilton hotel signs up for Durban

By MARCIA KLEIN

MALAYSIA's Renong Group and Hilton International have signed an agreement to build a R210-million Hilton hotel in Durban.

David Wilson, Renong's managing director, said this, together with a proposed Point Road development, could see his company make further investments of hundreds of millions of rand in the area within a few years.

The deal, for a 348-room five-star Hilton hotel adjacent to the International Conference Centre, was signed on Thursday, the Press and Times reports. Zita Khamalo of Capital Alliance, Mr. Wilson, said the agreement involved an 84%-16% joint venture between Faber Group, Renong's hotel arm, and Hilton International respectively. Faber would invest R100 million, Hilton R80 million and the balance had been raised by Capital Alliance from financial institutions.

Mr. Wilson said he expected this to be one of many investments in South Africa, particularly Durban. "We've got a special interest in Durban and other projects in the area, like the Point Road development.

In August, Renong signed an agreement with Transnet to buy 330 acres at a deal not yet resolved. Mr. Wilson said:

"It is our undertaking to invest an amount equal to R500 million for the land and the implementation of infrastructure even before there is any kind of development. We then expect to begin to be able to phase in each of the areas for development." He could not estimate the final cost as the development plan was still being outlined.

Mr. Khamalo said Capital Alliance had packaged and sold the project to investors and had secured local financing for the deal. Capital had also concluded discussions with Hilton for a major hotel development in Cape Town together with French company Compagnies Générales de Batiments et Construction. Hilton would also open a Sandton hotel in 1997.

"Hilton's executive vice president, finance, development and real estate whose name is David Wilson, said his group had tremendous business confidence in South Africa and wished to play a part in the further development of the SA economy and tourism industry." Renong's Mr. Wilson said the construction of the Durban hotel would start on November 1 and it would be operational by August 1997.
Tourism forum investigation still in progress

Theo Rawana

THE investigation into alleged misappropriation of funds at the now defunct National Tourism Forum has not been completed, with NTF former chairman Peter Mokaba and an overseas donor being outstanding witnesses.

The Office for Serious Economic Offences was investigating whether any of the money which was donated to the forum — between R3m and R4m — had been misappropriated.

Swanepeel said his office had set November 17 as the new date on which Mokaba would testify.

He declined to name the overseas witness, but said the investigation should be over by the end of the year.

BD 31/10/95
explosion, says Salouf

Salouf: tourist industry poised for
By Nick Mazar

Jobulaneburg — The world's top tourist destination is popular with 60 million foreigners visiting the country every year. Of all the others, the most well-known is Liberty, which is the highest at South Africa.

The country's tourism industry is said to be the best in Africa, with 3.5 million visitors. According to Satour, the figure is set to grow in leaps and bounds.

For everyone who regards tourism as the economy's body, the time has never been better to invest in the travel business.

According to an Executive Summary of Foreign Arrivals Statistics issued by Satour, the number of foreign visitors to South Africa has increased about 15 percent a year since 1990. In that year, we had 1.3 million visitors. That figure has more than doubled by last year and looks as if it will increase 15 percent this year. By 2000, we should be preparing to cope with 7.2 million visitors.

However, not all of these are Americans. brackets (in excess of dollars) — more than 75 percent of tourists are from other countries in Africa, who arrive overland. By travel standards, they spend very little — on average only R600 a visit — and they are not only here for the site seeing. Their purpose is to visit, shop, visit the doctor and use the South African infrastructure to conduct business.

As a business centre, South Africa is the most southern in Africa. While standards remain about 9 percent a year, interest is shooting up 20 percent a year — mostly from four traditional markets: the United Kingdom, the United States and Germany. However, the greatest growth in business interest has come from the Middle East, particularly Israel.

The remainder of the top South African destinations are the scenic beauty followed by the interest generated by recent political change — many people visit the country because it is now politically correct to do so.

This interest comes largely from countries that previously had sanctions against South Africa, like the Scandinavian countries.

Most of the visitors had been promised to come to South Africa through personal recommendation, while more than 50 percent had been here before.

Economically, the hurdles from overzealous are the ones to attract. Against the R600 a visit spent by overland African visitors, overseas tourists and air arrivals from Africa spend, on average, R600 a visit. Last year's half a million European, American and Asian visitors brought in more than twice the exchange of the 3 million African visitors. However, the fly-in visitors from Africa, who could be
SA elected to world tour body

PRETORIA: South Africa has been elected one of eight countries to represent Africa in the World Tourism Organisation executive council, the Department of Environmental Affairs said yesterday. Through the WTO, developmental aid, technical co-operation, education and information could be channelled to the local tourism industry, the department said.
SERVICES SECTOR - ACCOM., LIQUOR & CATERING & GENERAL

1995 NOV-DEC

1996 JANUARY - MARCH
SA most promising tourist destination in Africa – expert

BY LARA SMITH

South Africa has been identified by the World Tourism Organisation as the most promising tourist destination on the African continent, Dr Auliana Poon, international authority on global tourism trends, told delegates at a consultative workshop on tourism policy in Johannesburg yesterday.

"At present the country was third only to Morocco and Tunisia as a tourist destination and accounted for 21% of tourist arrivals on the continent. With visitor figures doubling every year for the past two years, the number of arrivals had already surpassed estimates envisioned for the year 2000, she said.

"Whether you like it or not, tourism in South Africa is a growing industry."

However, to become a world leader in the industry South Africa would have to develop a new breed of tourism catering for the new breed of tourist.

Poon said global trends showed that tourism was moving away from pre-packaged tours aimed at mass markets to individual experiences.

Where the consumers of the past were inexperienced first-time travellers wanting to see as many countries as possible, stay in the same hotels as everyone else, buy the same souvenirs and share the same experiences, today's tourists were mature, well travelled and enticed by the unusual.

To get them to return to a destination they would have to be offered "something slightly different", she said.

In addition, the modern traveller wanted more active holidays – not just sun-tanning in an exotic destination – and was also environmentally aware and willing to pay more for "green" holidays.

As examples Poon cited the move away from the Club Med "sea, sun and sex" holidays to hotels such as the Caribbean Sandals chain which offers all-inclusive getaways for couples.

She also mentioned a German campaign allowing visitors to the Maldives to take their rubbish back home for recycling.

Another major trend was the move towards cruise holidays which in the past had been restricted to the older, wealthier tourist. Today the majority of passengers on an ocean liner were between 25 and 40.

As a tourist destination South Africa had the resources to cater for this new market, but needed to break the rules if it wanted to become the key destination of the future, Poon said.

She pointed out that when formulating new policies and strategies for tourism in South Africa, attention would have to be paid to the service industry.

People working in this industry needed the flexibility to satisfy all the needs of the customer: not just those for which they had been trained.

The one-day workshop was attended by various role-players in the local tourism industry, both at national and provincial level, with the aim of formulating a white paper on tourism. The white paper is expected to be submitted to Parliament early next year.
Crime eroding local tourism

DOMESTIC tourism was as vulnerable to violent crime as was foreign tourism, and the passing of the National Gambling Act was to further expose this sector to such practices, Gauteng economic affairs chief director Stanley Muteshula said yesterday.

Opening a consultative workshop on the National Tourism Green Paper in Johannesburg, he said it was the responsibility of all stakeholders to work to eliminate crime in the industry. The focus had been on the effect crime had on foreign tourism, disregarding the fact that domestic tourism also suffered, with a negative effect on the growth of the industry.

The workshop was held to enable tourism stakeholders to consolidate their views on tourism policy pertaining to the Tourism Green Paper.

TODAY’S WEATHER
‘Cape Town can run Olympics’

Chris Ball on briefing visit to Australia

The Argus Foreign Service
and Reuter

MELBORN. — Cape Town can convince the International Olympic Committee that it has the managerial and technical ability to run the 2004 Games — even though it will have to build many facilities from scratch — says bid leader Chris Ball.

He is in Australia to inspect Sydney’s progress towards the 2000 Olympics.

Mr Ball said that if Cape Town was successful the government would accelerate its capital spending on infrastructure, budgeted at R1 billion.

He predicted that the impact on the economy would be far greater, in relative terms, than just about anywhere else.

“We are coming from a period of isolation, and one of the consequences is that we have virtually no tourists — about only one million a year.”

The percentage of GDP involved in tourism is 0.8 percent, while the world average is 2.5 percent,” he said.

Mr Ball and members of his bid team are being briefed by the Sydney Organising Committee and the Australian Olympic Committee on issues including budgets and technical specifications for facilities.

The Italian national Olympic Committee has voted to back Rome’s bid to host the 2004 Olympics, ignoring the rival claims of Milan.

The move brought immediate criticism from the snubbed northern city, with one angry northern senator calling for committee president Mario Pescante’s resignation.

The committee said in a statement that it received a letter yesterday from Milan mayor Marco Formentini asking it to put off the vote to allow Milan more time to formalise its bid.

But the request was rejected, and they voted to back Rome, in a move which effectively guarantees it’s candidature.

The government, which set up a commission to study the feasibility of a Rome bid, is expected to announce its approval before IOC president Juan Antonio Samaranch visits Rome on November 9 to attend a meeting of the Summer Olympic Sport Federations.

Northern senator Massimo Wilde called for Mr Pescante’s resignation, saying he had not given Milan a fair chance to present its bid.

Other cities which have expressed an interest are — apart from Cape Town — Buenos Aires, Brussels, Istanbul, Lyon, Rio de Janeiro, San Juan, Seville, Stockholm and St Petersburg.

The deadline for bids to be submitted is January 10 next year, with final selection in Lausanne in September, 1997.

Stockholm will bid for the 2004 Olympics pending a formal fund guarantee from the state, city officials say.

Stockholm City Council voted 72-16-27 in favour of the bid.

The IOC opened bidding for the 2004 Games in June.
R43 million promised

Council exco quizzes Ball on Olympic Games bid

SOME MAJOR COMPANIES are committed to spending millions of rand on Cape Town's Olympic bid, says bid chief Mr Chris Ball. PETER DENNEHY reports.

CAPE TOWN Olympic Bid chief executive Mr Chris Ball was summoned before the City Council's executive committee yesterday and quizzed on the government's conditional commitment to the bid — and progress with sponsorship.

Mr Ball told exco that eight private sector sponsors have now committed themselves to spending a total of R43 million on promoting the bid. Another two companies are interested, which could push the figure up to R58 million.

Some major companies had committed themselves fully to spending millions of rand each, he said, but he did not want to announce their names.

He would leave the announcements to them.

Mr Ball said his committee would go ahead with finalising the budget, in conjunction with the state. Minister of Transport Mr Mac Maharaj — who is said to have a lot of reservations about the bid — will be drawn in to serve on an Olympic sub-committee set up by the state.

Mr Leon Markovitz, co-chairman of the council's economic development committee, asked whether the R58 million would be in the bid company's bank account within a month, or whether it was still conditional.

Mr Ball replied that there is a schedule according to which the money will be drawn and spent. The schedule has been designed to draw simultaneously on the various sponsoring companies in accordance with their differing commitments.

Mr Markovitz asked whether the R1,25 million in bridging finance that the city had lent to the bid company would be paid back within the next few months.

Mr Ball said it would be paid back as soon as possible, within the limits of the budget. He was unable to give a date. The drawing schedule had to be followed, he said.

Asked whether a referendum would be held on whether or not Capetonians wanted the Olympics, Mr Ball said constitutional issues like that were beyond the bid company's area of decision-making.

He understood there would be practical problems in holding a referendum, but on the other hand "we must satisfy ourselves and the International Olympic Committee that the people are supportive".

Some sort of professional poll would have to be conducted, he said.

Councillor Mr Dawood Khan, from Kensington, said people in his area had given a standing ovation to anti-Olympics sentiment more than one occasion. But Mr Riedewaan Issacs of Mitchells Plain said in his area people were crying out for Olympics-related development to start.

An Olympics workshop is to be held this weekend at Rhodes High School in Mowbray.
SA’s conference industry ‘lagging’

Theo Rawana

SA was so blind to the earning potential of the conference industry that the word “conference” did not even appear in the new Green Paper on Tourism, Global Conferences MD Brian McDonald said yesterday.

McDonald said internationally the conference industry was said to be worth more than R30bn, and in SA it was conservatively estimated at R2.5bn — which meant the country was well behind in its competition with international players.

The most exciting growth area in this “tourism gold” was that of attracting international events to SA.

Global Conferences is a company specialising in handling international conferences. Clients include the World Bank, World Health Organisation, World Energy Council, SADC, USAID and many large international associations. McDonald also sits on the board of Captour and is a member of the National Convention Bureau steering committee.

He said many international donor associations, international associations and special interest groups were keen on bringing their events to the African continent for the first time, and SA with its First World infrastructure, newfound democracy and outstanding tourist attractions made it the flavour of the month.

“It is not generally appreciated that the conference delegate’s expenses are five times greater than a holiday/leisure visitor’s, and that an overseas delegate spends an average of R1 500 on personal shopping.

“These are high-spending foreign exchange earners, and equally important is the fact that they are influential people who — if they have a good experience in SA — will return home as advocates spreading positive comments about our country, and often returning as tourists,” McDonald said.

McDonald said the industry was growing internationally at 8% to 10% annually, and there was no reason why SA should not grow at twice that rate.

“There are many examples of foreign governments really getting behind the conference industry in growing this business. It is estimated that SA hosted between 40 and 50 international conferences last year. Australia, with 34 international conference centres, hosted more than 200 and Holland hosted 377 in 1982.

“SA lags far behind, with the tourism industry generally not being fully exploited, and the conference industry being the real poor relation — the word “conference” is not mentioned once in the new Green Paper on Tourism,” said McDonald.

The national, provincial and local governments needed to understand the contribution that international conferences could make to the economy and, while many were planned years in advance, there were many ways to kickstart short-term action.

“Next April’s UN Conference on Trade and Development is an excellent example of a marvellous, prestigious, financially rewarding conference attracting around 3 000 delegates from 189 countries with 30 ministers of finance or trade and industry, and an estimable number of top businesspeople and industrialists. We need to convince those in power to invest money in physical structures and infrastructures to attract and handle these types of events — we will not be the flavour of the month forever, and now is the time to exploit our tourism gold,” McDonald said.

603/11/95 (288)
Stream of tourists tapers off

Staff Reporter

THE number of foreign visitors to South Africa, which has soared steadily since the April 1994 elections, appears to be tapering off.

"Although the number of overseas visitors increased by 42 percent during July 1995 compared with July 1994, it appears that the influx of tourists is beginning to level off," Central Statistical Services said today.

About 26,000 foreigners landed in South Africa in July, down from a high of more than 100,000 arrivals in May. Nearly 60 percent of tourists arriving in July were Europeans.

And the net loss of persons in professional, semi-professional and technical occupations was 69 persons during July 1995 compared with 29 for the same month of 1994.

Meanwhile, South Africans still appear to be going on overseas trips in droves.

The number of residents who went abroad during July 1996 increased by 38.2 percent compared with July 1994.

More than 261,000 South Africans arrived back in the country in July 1995, nearly 70,000 more than arrived back in July 1994.
The Olympic Games bid being proposed by the ANC would be foolish.

The Olympic Committee, the IOC, is a powerful organisation that controls the rules and regulations of the Games. The ANC’s proposal is not seen as a serious contender by the international community.

Economic development committee... economic development committee be an independent and non-party political body. The proposal is that it should be chaired by the National Olympic Committee. The committee should be chaired by Keegan, who is seen as a neutral figure.

Keegan resigned on Monday, effective from today. The resignation follows Keegan’s refusal to support the ANC’s bid for the Olympic Games.

Keegan’s resignation comes after he publicly announced his support for the ANC’s Olympic bid. However, he later withdrew his support, citing a lack of funding and political pressure.

The ANC has been critical of Keegan’s decision, arguing that it is a setback for the bid.

The question now is whether the ANC will still support the bid. The ANC has been divided on the Olympic bid, with some members backing the bid and others opposing it.

The ANC’s Olympic bid is seen as a major test for the party, as it is the first time the ANC has attempted to host the Games.

Andriessen, who has been a vocal supporter of the ANC’s Olympic bid, has resigned from the party.

The ANC’s decision to drop Keegan and Andriessen from the Olympic bid shows a lack of cohesion and direction within the party.

The ANC’s Olympic bid has been met with criticism from other countries, who argue that it is not ready to host the Games.

The ANC’s Olympic bid is now in doubt, with the party facing a major test in the coming months.
City councillors argue the loss over 2004

Money was mismanaged.

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City councillors argue the loss over 2004

Money was mismanaged.
Polling delay keeps 2004 Olympic Games bid at the starting block

The postponement of the Cape Town's Olympic Games bid last September was a serious setback for the city's chances of hosting the 2004 Olympic Games. The postponement of local elections in the Cape metropolitan area could have severely hampered the city's chances of realizing its Olympic Games bid.

Under the rules of the International Olympic Committee (IOC), a completed bid book must be handed in by August. The City of Cape Town, in its bid, had to provide a detailed plan for the use of the Olympic Games to help the city's chances of winning the Games bid. It is planned to hold elections in the Cape Town area on March 15. Under current local government legislation, the elections will have to be held by the end of March next year.

The running of the city's government, the important local decisions about planning, transport and other amenities, which will have to be deferred until the council is in place, could effectively take the Cape Town bid out of contention. The IOC rules do not allow any postponement of the Games bid.

A representative of the City of Cape Town, Cape Town's Municipal Councilor, said the decision could have serious implications for the stability and local government. The government, under the local government structure, is in place and has charged the candidate city, through its city council, with the responsibility of providing for the Games.
SA's commitment to tourism lifts sub-Saharan region

(288) ANAN 6/11/95

JOHANNESBURG — South Africa's commitment to tourism has given a boost to the sub-Saharan region, according to Deloitte & Touche in the latest issue of Africa Opportunities.

It said Africa had attained a high profile as a tourist destination in recent months. Marketing of the east and southern African regions as tourist destinations had stepped up a gear with calls for greater regional cooperation in co-ordinating international campaigns and a desire to capture a greater share of the world tourism market.

Africa's share still remained small in proportion to the size of the continent and the attractions it had to offer.

In southern Africa, discussions were now at an advanced stage for a southern African regional tourism organisation to be launched shortly, in which an exchange of expertise from all sides was expected.

Recently, Kenya hosted the 20th anniversary congress for the American-based Africa Travel Association, which coincided with the Kenya International Tourism Exhibition.

South Africa hosted the World Tourism Organisation's commission meeting for Africa in May, drawing more than 30 African tourism ministers.

Debate

The Rugby World Cup tournament in South Africa also helped focus international attention on the continent.

Meanwhile, in Kenya, a heated debate has erupted over the government's proposed beach levy on tourists.

According to Africa Opportunities, the debate revolves around the "indiscriminate nature" of the half-dollar levy for every bed night in marine parks. The Kenyan government has taken a firm stance in its beach management programme to provide security, curb marine pollution and eliminate the harassment of tourists by beach boys.
Minister, police in planning for safer tourism

A planning session on the safety of tourists in South Africa is being held today between representatives of the Department of Environmental Affairs and Tourism, the SA Police Service and Sportour. The meeting at Satour’s head office in Pretoria will also be attended by Environment Minister Danielle de Villiers and Deputy Minister of Safety and Security Joe Matthews. In addition, the meeting will be joined by experts in specific business-related fields in tourism.
Probe sought of tourism funds application

Theo Rawana

THE Gauteng Tourism and Marketing Organisation’s vice-chairman has called for an investigation into the organisation’s application this year for funds from the SA Tourism Board, which he claims was a replica of a sub-region’s 1994 business plan.

Tshepo Lebona also claimed the plan, which he said was Mid Transvaal Tourism’s business plan from last year, was submitted in place of one drawn up by the province. He alleged the province’s original plan was never discussed by the marketing organisation’s management committee and executive council.

Lebona called on the provincial and national governments to freeze funds in his organisation, suspend officials and set up an independent commission of inquiry into the financial position of the provincial authority. Audits of the five subregional authorities should be held immediately, he said.

Lebona also claimed that there were no comprehensive reports on how the money was used. Asked to comment on the allegations yesterday, the organisation’s chairman Petet du Preez asked for questions to be faxed to his home. He had not responded at the time of going to press.

Sitour deputy executive director Ernie Heath confirmed that a tourism grading levy was normally granted to provinces based on a business plan. But he could not comment on the document submitted by the organisation.

The document’s date had been changed from November 1994 to August 1995, with amounts required for each tourism activity written in.
Tourist dollars benefit all

Jean-Jacques Cornish
reports from Pretoria

Face it, those private game reserves in the Sabi Sand are priced beyond the reach of all but the wealthiest South Africans. Most of these organisations that join the lower part of the inverted “L” formed by the Kruger National Park quote their prices in dollars.

The tourists are happy to pay the rates because in the space of three days a visitor is virtually guaranteed to see more than they would in a good fortnight at Kruger.

Specialist guides, rangers and go-anywhere open vehicles in radio contact make this possible. And the removal of the fences between the private and national reserves has brought new game into the area.

The cordon bleu cuisine and luxury accommodation gives them a pretty nice edge too.

I have been lucky enough to visit most of these big names. Never have I failed to see at least four of the Big Five — lion, leopard, elephant, rhino and buffalo — in two days.

These private reserves are not there simply to haul in the big tourist bucks although that makes a huge contribution to our hospitality industry.

They have learned over the years that preserving the environment is preserving their livelihood. Furthermore, they know that unless they make the local people stakeholders in their success, they face a grim future.

Michael Rattray, who owns Mala Mala, has played a leading role in raising environmental consciousness starting in Mpumalanga and spreading nationwide.

His latest project, as he puts it, places his money where his mouth is.

Last week David Mkhwanazi, the minister for environment from the province where the sun rises, officially opened an environmental education centre at Marthley camp in the northern section of Mala Mala.

The centre is a joint venture between the private reserve, which provided the land, and the province, which provided the structures.

“It is our dream that eventually everyone in the province will be empowered with the levels of ecological literacy that are appropriate to their needs and life styles,” Mr Mkhwanazi said.

The minister is spearheading an effort by his year-old department to make Mpumalanga the national leader in “Afro-tourism”.

Already it has identified a group of head prefects from the province’s schools to use the new centre which has rustic huts and a communal dining and lecture area.

Mr Mkhwanazi said, “The programme will enable students from different backgrounds to learn about environmental issues.”

As ever, Mr Rattray pulled a surprise from his bush hat. Mala Mala will in future sponsor a specially selected environmentally-aware student to take a degree in the natural sciences from a South African university.

He wanted the education project to be “that catalyst for many young people who have previously been unexposed to nature in a relatively pristine form to experience game reserves personally.”

A TOURIST’S DREAM: Scenes like this lion and cub are far more likely to be seen in the expensive private reserves than in the Kruger National Park.
CAPETONIANS should not have unrealistic expectations about the Olympic Bid Company building houses as the company's purpose is to win the Olympic bid for Cape Town, its newly appointed director of community relations, Ms Saliqah Zardad, says.

“Our principal agenda is not to build houses, although we could act as a catalyst for the erection of houses and sporting facilities,” she said yesterday.

She was commenting on concerns raised at a two-day conference called to encourage community participation in the bid to host the 2004 Olympics.

Four task groups were established to liaise with the company and ensure public concerns were addressed.
SA's commitment to tourism lifts sub-Saharan region

Johannesburg — South Africa's commitment to tourism has given a boost to the sub-Saharan region, according to Deloitte & Touche in the latest issue of Africa Opportunities.

It said Africa had attained a high profile as a tourist destination in recent months. Marketing of the east and southern African regions as tourist destinations had stepped up a gear with calls for greater regional cooperation in co-ordinating international campaigns and a desire to capture a greater share of the world tourism market.

Africa's share still remained small in proportion to the size of the continent and the attractions it had to offer.

In southern Africa, discussions were now at an advanced stage for a southern African regional tourism organisation to be launched shortly, in which an exchange of expertise from all sides was expected.

Recently, Kenya hosted the 20th anniversary congress for the American-based Africa Travel Association, which coincided with the Kenya International Tourism Exhibition.

South Africa hosted the World Tourism Organisation's commission meeting for Africa in May, drawing more than 30 African tourism ministers.

Debate

The Rugby World Cup tournament in South Africa also helped focus international attention on the continent.

Meanwhile, in Kenya a heated debate has erupted over the government's proposed beach levy on tourists.

According to Africa Opportunities, the debate revolves around the "indiscriminate nature" of the half-dollar levy for every bed night in marine parks. The Kenyan government has taken a firm stance in its beach management programme to provide security, curb marine pollution and eliminate the harassment of tourists by beach boys.
SUMMIT TO DEVELOP ACTION PLAN

Crime 'torpedoing tourism'

TOURISM COULD BE South Africa’s largest foreign exchange earner if crime could be controlled, says Tourism Minister Dr Dawie de Villiers. ANTHONY JOHNSON reports.

The government has convened a top-level planning conference today to find ways of preventing rampant crime torpedoing the country’s lucrative and burgeoning tourist industry. Tourism Minister Dr Dawie de Villiers said in an interview yesterday that tourism safety conference was designed to protect what was set to become the nation’s largest industry and foreign exchange earner.

The summit, which will take place at Satour’s headquarters in Pretoria, will be attended by a number of South Africa’s senior police officers, key players in the tourism industry and politicians.

Dr De Villiers said the meeting, jointly convened with Safety and Security Minister Mr Sydney Musamadl, would attempt to formulate a range of strategies to beef up policing and improve communication to tourists about security risks.

"If we can come up with a plan to curb the scourge of crime, tourism can without any doubt become the No 1 Industry in South Africa," he said.

Earlier, Dr De Villiers said at the relaunch of the Fancourt resort that there had been a dramatic increase in the arrival figures for overseas visitors this year. Arrivals from the main overseas markets had risen by 74% in the first six months of 1995 and the government was confident of a steady annual growth in tourism of between 30-40% by the year 2000.

However, it was essential for South Africa to deal more resolutely with the problem of lawlessness and turn the tide on crime to protect this growing national resource.

"We need greater public awareness and co-operation. We need to develop more effective communication networks," he said.

"Tourism in South Africa has the potential to create more new jobs, generate more income, empower more people, contribute more to economic growth and the objectives of the RDP than any other activity in our country," Dr De Villiers said.

The executive director of Satour, Mr Walter Msimang, said in an interview that it was important to acknowledge that South Africa did have significant problems when it came to ensuring the safety of tourists.

However, the problem was not unique to South Africa.

"We are exchanging information on how to handle these issues with a number of countries."

Mr Msimang said the one lesson that international experience had shown was that tourism safety could not simply be left to the police. Creative solutions also relied on the co-operation of the business community, hotels and the public.
Tourism body accused of ‘poaching’ business plan

Theo Rawana

THE executive of the Gauteng Tourism and Marketing Organisation is to seek legal advice on claims by its vice-chairman, Tshoep Loeboa, that the organisation used irregular methods to acquire R813 000 from SA’s Tourism Board.

Leboa has called on government to freeze funds to the organisation, suspend officials and set up an independent commission of inquiry to look into the financial position of the provincial authority, because, he said, the executive had used a subregional business plan in the application for funds, rather than its own.

Organisation chairman Piet du Preez said yesterday Leboa had first made the claims at a meeting, but had made a written undertaking not to repeat accusations of irregularities after it was proved that everything was above board.

Du Preez said there was nothing irregular about using the Mid Transvaal Tourism’s business plan, because it reflected needs at that time. The provincial document was still to be circulated to all the stakeholders.

Leboa said he welcomed the executive’s decision to seek legal advice on the issue because he “did not make anything up”.

The Gauteng tourism authority launched a new logo, Gauteng — the Gateway to SA, yesterday. It announced it was officially changing its corporate identity and image “with a significant shift from a regional to a provincial approach” in preparation for the World Travel Market, which begins in London on November 12.

With the launch came two tourism publications — the Sizzle brochure and a quick reference guide — which respectively provide an overview of the province and serve as a guide to tourist selling points.

The two major Gauteng cities of Johannesburg and Pretoria would be represented for the first time at the World Travel Market.

Tourism task group on cards

Theo Rawana
30-7/11/95

A tourism security task group is to be established to look at policy on tourists in SA, and attempts will be made to put the safety of tourists on the permanent agenda of the Cabinet's crime prevention committee.

This was said yesterday by Tourism Minister Dawie de Villiers after a planning session in Pretoria on 'the safety of tourists between his department, the SA Police Service, and the SA Tourism Board.

Sautour executive director Ernie Heath said earlier surveys had shown that about 4% of overseas and African arrivals visiting SA in the last year had become victims of crime.

This implies that at least 7,000 overseas tourists were victims of crime in 1994.

De Villiers said the task group would develop a strategic framework for security measures and provide guidelines regarding security structures on provincial and local levels.

Implementation of security measures would be the responsibility of these structures.

The task force would be liaising closely with the 'Business Initiative Against Crime'.

It was agreed in principle that the tourism industry would contribute to expanding the SAPS's capacity to deal with the safety of tourists.
Tourism influx warning

**Staff Reporter**

LOCAL authorities have been warned they will have to sink money into the Western Cape tourism industry if the province is to cope with the expected influx of visitors.

With the peak holiday season yet to come, a record 350,000 tourists have visited cash-strapped Captour's information centres this year, according to Captour chief executive Gordon Oliver.

At Captour's annual meeting last night, Mr Oliver said local authorities would have to be convinced to improve their investment in the tourism industry "if we are to cope with the enormous growth we are presently experiencing".

He said 1995 had proved a most difficult year for Captour because of the "huge and unexpected" budget cut by the Cape Town City Council, forcing job retrenchments and the closure of two branches.

"The result is a far leaner and tightly focused organisation and we will be far more commercially driven from now on."

Captour estimated conservatively that it generated about R20 million a year for the Western Cape economy.

The Golden Oldies World Rugby Festival which has been secured by Captour at a cost of R81 000, would generate more than R14 million for the region when 5,000 supporters spent an average of R240 a day for 12 days in May, the annual meeting heard.

Another major project hoped to produce significant yields was the new Cape Town Trade Kit, aimed at 1,000 key trade bodies in cities in Europe, the United States and the Far East.

In the past financial year, Captour sold nearly 31 000 bed nights through its emergency accommodation booking service, injecting more than R1.7 million into the economy.

The organisation also generated R596 000 through tour reservations.

Mr Oliver said private sector support totalled R1.6 million during the past year, 60 percent more than the money allocated by local government for the same period.

"The risk of not meeting trade and tourist demands is at the top of our mind but we are confident that future lobbying with the Cape Town City Council and other authorities will be fruitful once the revenue from this tourist season is realised," he said.
Tourism security plans

PRETORIA. — The cabinet will be asked to put tourism safety on the permanent agenda of its national crime prevention committee, Environmental Affairs and Tourism Minister Dawie de Villiers has said.

He told reporters in Pretoria it had been decided at a meeting between his ministry, the SA Police Service and SA Tourism Board earlier in the day that tourism safety required special care as the sector was a big job provider.

It was agreed to set up a tourism security task group to develop a framework for security measures and provide guidelines to similar bodies at provincial and local levels.

Dr De Villiers emphasised the importance of the public becoming involved in securing their areas. He said this could be done by involvement in community policing forums and providing funds for better police mobilisation.

The tourism industry had agreed to contribute to expanding the capacity of police to deal with crime against tourists.

This would include the distribution of information on danger areas and crisis contact numbers.

Community Safety Plan co-ordinator Lieutenant-General Andre Pruis said border policing would have to be improved.

— Sapa. 7/11/15
Police to warn tourists about local dangers

POLICE have started a major information campaign aimed at reducing the number of attacks on tourists, regional commissioner of police Lieutenant-General André Beukes announced yesterday.

Gen Beukes said pamphlets would be distributed at ports of entry and hotels giving safety hints and police emergency numbers.

The pamphlets would identify crime hot spots and include warnings that pick-pocketing is rife at Peninsula flea markets and that certain Cape Flats areas, which are gang-infested, should be avoided at certain times.

The pamphlet will not refer to "no go" areas, he said.

Gen Beukes said: "We are appealing to tourists to be cautious at all times. Criminals will attack soft targets."

The campaign is being conducted in conjunction with the business community.
Tourism Minister gets new helper

FORMER Cape Town director Mr John Robert has been appointed special assistant to Western Cape Tourism Minister Mr Lampie Fick on a contract basis.

Mr Robert will help set up a new regional tourism structure, but his first responsibility will be to compile tourism legislation.

Mr Fick said the new tourism structure was in its final planning stages and he intended to keep government involvement in tourism management as low key as possible.

Meanwhile in Pretoria Environmental Affairs and Tourism Minister Dr Dawie de Villiers said yesterday the cabinet would be asked to put tourism safety on the permanent agenda of its national crime prevention committee.

He said the police and SA Tourism Board had agreed to set up a tourism security task group.

— Staff Reporter, Sapa
Attacks on tourists could scupper Cape Town's Olympic bid – Ball

Cape Town – If attacks on tourists continue in South Africa, Cape Town will have no chance of hosting the Olympics in 2004, Olympic Bid Company chief executive Chris Ball said last night.

Ball, guest speaker at the annual general meeting of Captop at the Baxter Theatre, warned that there was a tendency to "tread too lightly" against crime and violence in South Africa.

He believed tough measures should be taken "or we should not bid" for the Olympics.

He said Cape Town was a city with a "glorious past" but it had been static for a period of time. Although it was "close to think it could stay that way, if it did there would be very little economic development".

Greater Cape Town had swelled by a million people over the past ten years to a population of 3.3 million, which had not been matched by the necessary economic activity to support the increase.

Although Cape Town was believed by many people to be a city orientated towards manufacturing, it did not have a big enough market to fulfill this perception and should be using its natural resources as an attraction and a place for people to visit.

He said he had just returned from Sydney, host of the 2000 Games, and the focus of the world was on that city, where people were flocking and hotels were being built and rebuilt with a "galvanizing of energy".

"The Olympics is an opportunity for Cape Town to take control of its future. Its impact would enable Cape Town to be a focal point of tourism in the world."

For every 100 tourists who visited Cape Town annually, 150 jobs would be created.
Sol’s son to steer deal

Amanda Vermeulen

The management company at Sun International’s new resort on the Mohegan reservation in Connecticut, US, will receive up to 40% of the scheme’s net income.

Trading Cove Associates (TCA), in which Sol Kerzner’s son Butch Kerzner is an equal partner, will handle the construction, marketing and operation of the Mohegan Sun.

Kerzner played a key role in raising financing for the $350m resort.

Construction began this week, partly financed by the international bond market. TCA has a seven-year management contract with the Mohegan tribe.

A spokesman for the joint venture partners, Lloyd Kaplan of New York-based Rubenstein Associates, said the payout to TCA would hinge on certain income levels being attained.
Olympic sites go under spotlight

ANDREA WEISS
Municipal Reporter

THE Olympic bid company is set to launch a preliminary environmental investigation into the main sites proposed for Olympic developments.

Also, consulting engineers Hill Kaplan Scott, who were commissioned to study soil conditions at the Culemborg site where industrial contamination is a possibility, are expected to report their findings to the Cape Town City Council within a week.

The environmental investigation is the next leg in Olympic planning and is being handled by Mary-Jane Morris, seconded by Callex to the bid.

Ms Morris told the council’s urban planning committee that the bid company was about to start an “environmental scan of the preferred sites to ensure that there aren’t some environmental concerns which will preclude us using them”.

A multi-disciplinary team, including experts in a range of fields, was being assembled.

The top 10 sites identified by the Olympic bid company are Culemborg, Wingfield, Nolungile, the Athlone Golf Course, UWC-Penftech-Moederdam, Philippi, Guguletu, Du Noon, Kraalfontein and Blue Downs.

Indications are now that Wingfield and Culemborg are likely to share between them the three Olympic villages, the main stadium, main indoor arena and international broadcast centre.

Ms Morris said Olympic planning would have to involve sustainable development, resource conservation, holistic environmental management, renewable resources, and recycling and sustainable technology.

Environmental projects would also have to be linked to economic opportunities. Among the areas that would have to be looked at would be water and energy conservation and continuing environmental management throughout the build-up to the Olympics, including monitoring of contractors.

Ms Morris said her job was also to ensure that environmental criteria were built into all Olympic planning.

The company was also setting up an environmental monitoring committee which would consist of professionals and non-governmental organisations to act as a watchdog to the process.

The council is also expecting a report from engineering consultants Hill Kaplan Scott who have been testing the soil at the Culemborg site.

City council engineer Mike Marsden said the study had been aimed at discovering whether parts of the site were contaminated through its industrial use, as well as the founding conditions which had implications for the kinds of buildings that could be erected.

This study would be used to inform planning for the Culemborg site.

In areas where the founding conditions were poor, low-cost housing would not be a possibility, but commercial or other Olympic-related developments could take place.

The discovery of contaminants such as hydrocarbons might also mean that “remediation” would have to take place.

Mr Marsden said the study was what any “responsible local authority” would commission before making plans for the 300-hectare site.

While there was evidence that parts of the site were affected, the bulk of the area was “fine”, he said.
‘Tourism to create 100,000 jobs’

By MARK CANNING

Durban — Even by fairly conservative estimates, 100,000 new jobs are likely to be created by raising numbers of overseas tourists — expected to average 19 million a year within five years.

Despite the exciting potential, tourism is still being regarded as low priority in terms of government strategy and budget allocations, tourism expert Gillian Saunders said at The Mercury/Kessel Feinstein Business Buzz breakfast in Durban yesterday.

Saunders, of Kessel Feinstein, said overseas visitors’ arrivals for the five months to June 1995 were up 36 percent.

Overseas tourism growth should be between 20 percent and 30 percent this year, and continue at 15 percent to 20 percent compounded to the year 2000.

By then, tourism should be contributing 5.2 percent of South Africa’s GDP, compared with 3.3 percent last year. By 2000, the value of foreign tourism, in 1994 rand, will be R16 billion (compared with R6.1 billion last year).

Joint tourism, including domestic holidays and business trips, will be worth R25.3 billion, said Saunders, adding that 0.5 million more domestic holidays trips could be expected by the year 2000.

"Overseas tourism has the greatest growth potential for South Africa and major players report heightened interest in it as a destination," she said.

Saunders said that although tourism was the world’s biggest industry, it was one of the last ministerial portfolios to be awarded by the government.

Even then, she said, it was added on to another department — implying it was a portfolio of low importance that had been “horse-traded” between the parties.

Saunders said the most preferred holiday destination for domestic tourists was KwaZulu Natal, followed by Gauteng, the Western Cape and North West.

KwaZulu Natal and the Western Cape, she said, were the most successful areas in attracting high-spend domestic tourists.

Saunders said the Cape Peninsula had the highest average hotel room occupancies (75 percent), adding that Durban and Umhlanga were at 65 percent and Johannesburg 53 percent.

"Cape Peninsula hotels have been able to push their average room rate up most sharply over the past year. They now charge R208 (R166 last year), The average was R165 (R130) in Durban and R152 (R130) in Johannesburg."
Hotel industry faces lack of trained staff

BY FRANCOIS BOTHA

Cape Town — South Africa's tourism boom is providing unprecedented support for the hospitality industry, but Western Cape hoteliers said the industry was approaching a training crisis.

Angus Dodds, the director of the Cape Technikon's Hotel and Catering School, said blacks and coloureds had shown very little interest in being trained and this had made it very difficult to employ a staff that was representative of the structure of the population.

"The hotel industry has been predominantly white and the only way that we can change this is at grassroots level, through training. We are looking for people who can be trained as general managers.

"The hotel school has put aside 20 percent of places for students from disadvantaged communities but the interest has been scant, to say the least," said Dodds.

Hoteliers said they doubted whether the hotel school's enrolment prerequisite of a year's practical experience was a major stumbling block. However, the requirement of having passed matric appeared to be creating problems.

"We are not seeing enough applicants from coloured and black communities that have matric," hoteliers said.
Airlines lay on extra flights for holiday tourist boom

CAROL CAMPBELL

Airlines are laying on extra flights to South Africa over the festive season to cope with a tourism boom — and most visitors are heading for Cape Town.

Satour's general manager for Europe, Mr Dale Pretorius, said yesterday that all flights to SA by the main carriers over the festive season were "sold out" — especially the UK flights.

Unprecedented

"An individual might be lucky to get a cancellation but families or big groups can forget it," he said.

British Airways marketing manager Ms Sandi Lee said the airline was laying on four extra flights over the festive period to cope with an "unprecedented" demand for tickets.

Three of the flights will stop in Johannesburg and continue to Cape Town and the fourth will fly directly to Cape Town. BA currently has 13 flights a week, and will have 14 from February next year. SAA has 14 a week to London.

"The airline made the move in response to peak-season customer demand which had considerably outstripped capacity," Ms Lee said.

Mr Pretorius said: "The major carriers like SAA, British Airways, KLM, Alitalia and Air France are all increasing their number of weekly flights to SA with Cape Town increasing in popularity as a destination."

Tourism to SA from countries around the world rose 24% this year and by Christmas over one million tourists would have visited the country.

Satour expects this number to increase steadily, reaching 2.3 million in five years. This means 110,000 "direct" new jobs and R79 billion in accumulated foreign exchange income.

To help cope with the load, British charter company Caledonian Air has been granted a licence to bring in tourists from London to Johannesburg and Cape Town, twice a week between November and May next year.

In October next year Britannia Airways will also be offering charter packages from London to ease the load on major carriers over the 1996 Christmas period.

Guesthouses

Mr Pretorius said hotels were coping well with the demand for world-class accommodation.

In a survey of tourists after the Rugby World Cup restaurants fared worst in tourists' ratings.

When hotels were full guesthouses catering to the top end of the market were a popular alternative, with Cape Town taking the lead in this area of accommodation.

• See Page 18
Cape Town has ‘long way to go’ – IOC

BY ALAN BALDWIN

Rome – IOC president Juan Antonio Samaranch said yesterday that while Rome sought to host the 2004 Summer Olympics "was one of the most important" to date, Cape Town needed to do "a lot of work" to stage the Games.

"Rome's great strength is its unity. There is agreement between the government, the city and the people," he told a news conference after a council meeting of the Association of Summer Olympic International Federations (ASOIF).

"Rome can consider itself one of the 'most important candidates among the 10 the IOC has so far received."

"Cape Town's bid is very suggestive. Africa has never organised an Olympics before. But Cape Town needs 'a lot of work to hold the Games," Samaranch said, answering a question about a city many see as a symbolic favourite.

He did not give any further details beyond adding: "I don't think there is any racial problem with their bid."".

Samaranch said that Beijing, narrowly beaten by Sydney in the race to host the 2000 Games, was unlikely to bid for 2004.

Rome, host of the 1960 Olympics, has yet to formally present its bid but, Italian Olympic Committee president Mario Peloncelli said it would be made at the IOC headquarters in Lausanne on November 27.

Other cities to express an interest in staging the 2004 Games are Buenos Aires, Brussels, Istanbul, Lille, Rio de Janeiro, San Juan, Seville, Stockholm and St Petersburg.

The deadline for bids to be submitted is January 10 next year. The International Olympic Committee will make the final selection in September 1997.
Tourists to Cape Town 'rocketing'.

Staff Reporter

IF PRESENT tourism trends continue, Cape Town can expect to welcome up to 145,000 foreign visitors a month by the year 2000, says the Cape Chamber of Commerce and Industry.

Quoting "influential studies", the chamber projects that the combined total of business trippers and domestic and foreign tourists to Cape Town could reach approximately 3.4 million by 2000.

It said in its latest Business Bulletin: "The main reason for looking ahead is to ensure that the planning function is properly addressed."

"We need to consider what our requirements will be in the year 2000 for five-star hotels, Laxi, airport facilities, bed-and-breakfast establishments, one-to-four-star-bedroom numbers, tourist guides, restaurants, luxury coach fleets, hire cars.

The Mother City's tourist facilities were already stretched to capacity, the chamber said.

* Canadians visiting South Africa should hide their cameras and any other paraphernalia marking them as tourists or risk attracting muggers, suggests an item in the Toronto-based Globe and Mail.]*

*SAPA reports that, according to the item, last week alone 12 tourists were reported to have been robbed in Cape Town streets.*
Amanda Vermeulen

S THE sun sets on the old gambling dispensation, SA’s undoubted casino boss, “sun king” Sol Kerzner, is poised to sever most of his remaining ties with the local arm of Sun International (SI).

Next Monday, at the company’s AGM, he will resign as chairman of Sun Bophuthatswana, ending a chapter in a sometimes controversial career spanning three decades.

SI chairnaan Bryan Howton says Kerzner will focus on the group’s international operations and will advise on its SI hotel and gaming developments. Essentially, Kerzner will relinquish his executive role and will act more as a consultant.

Kerzner says his decision to resign the SunBop chairmanship has nothing to do with his admitted R25m bribe to Transkle’s George Matanzima back in 1988. Few chairmen have, as Kerzner has, admitted to bribery. Nor have they been as ready as he to put into the Press his own candid comments.

SI is positioning itself to become a major force in the new gambling industry, and some prospective competitors are sniffing that Kerzner’s withdrawal is designed to give SI a squeaky clean image. Few of these sniffers will go public, such is the respect Kerzner commands.

Kerzner formed SI in 1983, but his involvement in the hotel industry goes back much further. Speaking yesterday from London, where he has lived since 1987, Kerzner says he has been discussing his resignation with Howton, who is also chairman of SI’s parent Kersaf Investments. As he wants to spend more time on new project development — both in SA and abroad — Kerzner says he is unable to devote to SunBop the time required of the chairman of a listed company.

Demands on SunBop’s chairman are set to balloon as the group’s restructuring continues. The strategy is to bring all SI local operations together under SunBop as holding company, renamed SI SA. Had Kerzner remained SunBop chairman, he would have had managerial responsibility for a greatly enlarged operation.

Kerzner’s departure may smooth way for Sun International

Kerzner has sought and earned favour with government by pointing to the contribution SI’s 17 casino resorts have made to SA’s tourism industry. Such can be said overseas, where SI is now looking to flourish.

Late last year a UK magazine, Business Age, alleged that Kerzner had used financial incentives to secure casino licences for SI’s Bahamian resort, Paradise Island, and its hotel in Mauritius. SI denied the allegations and let the matter drop.

Apparent plans for a Greek resort may also be under threat — industry sources said recently the Greek gaming authority had got wind of the Transkei bribe and decided to delay allocating a licence to SI.

Kerzner’s propensity for going off like a loose cannon can be a nightmare for SI’s public relations operation. The group’s response is to play down the whispers and to make a virtue of SI’s Miss World pageant ticket.

Kerzner’s move could leave the group he founded with a far easier ride in the new gambling industry. With SI competing for new casino licences from the future SA Lotteries and Gambling Board, the group’s reputation as the leader of its segment target for attack.

Draft legislation sets down strict guidelines to ensure that recipients of licences are beyond reproach.
Kerzner steps aside for new SunBop chief

Amanda Vermeulen

SUN International founder Sol Kerzner is to resign as chairman of Sun Bophuthatswana (SunBop), effectively ending his executive role with the SA arm of the leisure group.

Sun International and parent Ker- saf chairman Buddy Hawton will take over from Kerzner at SunBop's AGM on Monday.

Speaking from London yesterday, Kerzner said he was increasingly devoting his time to non-SA operations: "I feel I cannot devote the time required by the chairman of a listed company."

He would remain a consultant to the group's casino and resort development programme which would invest up to R2.5bn in new developments in the coming years.

Sun International's MD Peter Bacon said the group was sorry to lose Kerzner's input, but the "time had come" for him to move on.

Kerzner will relinquish his executive role in the company, with no influence on board strategy or policy. He has no stake in Sun International, although he has a 10% shareholding in Sun International Management Ltd — the company that manages the resorts.

Sun International's financial director Alan van Biljon would not divulge the value of this stake.

Kerzner said it was too early to say whether his son Howard would eventually head Sun International. He had been involved in raising finance for the group's new resort in the US, Mohegan Sun, which opens next October.

Kerzner founded Sun International in 1983 and in 12 years created a chain to compete with 17 resorts in SA and 41 outside the country in France, the Bahamas, the US and Mauritius.

See Page 16
Olympic bid set to get government funds boost

Municipal Reporter

CAPE TOWN’s Olympic bid is set to get a financial boost in the form of funds from the national government which is in the process of releasing funds for the planning phase.

This was revealed today by Michael Fuller, director of finance and control with the Cape Town 2004 Olympic bid company.

Mr Fuller would not put a figure to the amount of money that the government was likely to pay out, but said it would be sufficient to cover planning costs between now and March next year.

The Olympic bid company previously asked the government for R34 million to cover planning in the first year.

The money will be used to plan facilities and transport needs for the city’s bid.

Mr Fuller said a principle document had been agreed on by all levels of government, business and the South African Foundation and the National Olympics Committee of South Africa.

This document would be signed next week.

Reacting to remarks made in Rome by Olympic chief, Juan Samaranch, Mr Fuller said the bid company was not in a position to react to personal comments made by Mr Samaranch.

Mr Samaranch was quoted after a meeting of the Association of Summer Olympics International Federations as saying Cape Town needed to do a lot of work to hold the Games.

He also said that Rome’s great strength was its unity and it could consider itself one of the most important candidates received by the International Olympics Committee to date.
POLICE BROCHURE LISTS DANGER SPOTS

Tourists warned on crime

POLICE have issued a brochure for tourists listing the mugging danger areas of Cape Town and suggesting ways to avoid becoming a victim. JACKIE CAMERON reports.

At least another 12 tourists have become victims of crime in the city this month, police said, in a brochure launched yesterday, are urging visitors to conceal their cameras and not to wear expensive jewellery.

Criminals have netted at least R45 000 in cash and goods after swooping on tourists, mostly from Germany and Switzerland, in the last 10 days, say police.

Street gangs have not been the only culprits: A video camera was stolen out of a locked hotel room and a lap-top computer stolen at the civic centre.

While most muggings occurred in St George's Mall and Adderley street, Government Avenue and Signal Hill are also proving to be danger zones.

In the new brochure, police advise tourists that: "South Africa does indeed experience high crime tendencies in certain areas. But this problem is no worse than that currently experienced in other major tourist destinations in the world."

Tips to reduce the possibility of becoming a crime victim include storing valuables in hotel safes and not opening hotel doors without checking the identity of a caller.

Wary

Police also advise tourists to carry cameras in large shoulder bags, to avoid walking in unlit places, to travel in groups and to be constantly wary of bag-snatchers and pickpockets.

Contact numbers for the police Tourist Assistance Unit and Flying Squad are included in the brochure.

INFORMATION CAMPAIGN: Police public relations chief Colonel Raymond Dowd shows a copy of the new brochure, aimed at reducing crimes against tourists, yesterday.
Olympics: Ball wins critics over

DALE GRANGER

OLYMPIC bid company chief executive Mr Chris Ball last night squared up to his fiercest critics — the "mighty" Southern Suburbs ratepayers — and won them over.

Speaking before an initially sceptical audience that included arch-critic and councillor Mr Arthur Wiensburg, Mr Ball said a greater Cape Town would have a population of 4.5 million by the year 2004 — one million more than at present — but did not have the economic growth needed to support an increasing population.

Some are saying people have to have houses but you cannot have houses without jobs. The Olympics will create new nodes of activity in the Western Cape and for Cape Town, it is a unique opportunity to take charge of its future.

"Twelve cities are bidding for the Olympics in 2004 and they are not bidding to make a loss but because they know the impact."

Mr Ball said funds would not come from rates, but from the national budget. To build an acceptable infrastructure for the Games in Cape Town, more funds were not being asked for from the government but only "accelerated spending" of what was already planned for.

This would not drain resources from housing, education or health.

He stressed that the Games would have to be drastically mismanaged not to make a profit, saying myths had arisen about the sporting spectacle with uninformed people saying that previous cities had made substantial losses.

In the cases of Barcelona and Montreal, which were often quoted as examples, the Games on their own had shown substantial profits, but politicians had made the decision to launch huge rebuilding programmes in both cities to coincide with the Games.

"Now we have won the bid people are sitting back and saying they're not sure," he said to warm applause.

"Even if we lose (the bid to host the Games), Cape Town wins," he said to warm applause.

In Rome, Reuter reports that International Olympic Committee president Mr Juan Antonio Samaranch said yesterday that Rome's bid to host the 2004 Summer Olympics was "one of the most important" to date — and Cape Town needed to do "a lot of work".
Kriel rules out poll on Games

CHRIS BATEMAN
CT 9/11/95

WESTERN CAPE Premier Mr Her-
ris Kriel and Local Government
Minister Mr Peter Marais yesterday
jointly ruled out an election-day
referendum on Cape Town host-
ing the 2004 Olympic Games.

Calling it "impractical and mis-
guided", they were responding to
suggestions that the Cape metro-
pole and rural district elections
next year be used as an opportu-
ity to test public opinion on whether
the city should host the Games.

Mr Kriel said that bid manager
Mr Chris Ball had said the benefit
to the province was 25% and to
the rest of SA 75%: "If that is so we
can't exclude the province."

Mr Marais said only President Nelson
Mandela could call a referendum.
The old order passes and makes way for the new, this time in the leisure industry. The National Gambling Bill will legalise gambling — and contenders for the 40 proposed licences are gathering.

The new dispensation has brought Sun International (SI), doyen of SA’s gambling and resort world, to a watershed. After more than two decades as the only legal gaming operator — a legacy of homeland development policies — SI faces the loss of some gambling licences plus competition.

The sea change is symbolised by the resignation of flamboyant founder and chairman Sol Kerzner after the November 13 AGM. Though he has been involved mainly in offshore operations since 1987, the Palace of the Lost City was his brainchild. He is also “a key consultant” on the Victoria & Alfred Waterfront project in Cape Town; so he will not vanish. Kersaf/Safren chairman Buddy Hawton will take over the SI chair.

Investors and competitors are agog to see how SI will cope with the new circumstances. Says MD Peter Bacon: “We will need good strategies to get through this difficult period.”

But management has not been sitting on its thumbs. Its first step has been to plan a merger, in which Sunbop will acquire Suncisk, Transun and unlisted Venda Sun. Benefits include rationalised costs and reduced shareholder risk over a wider area. It may also boost Sunbop’s flagging share price.

SI and the old homeland development corporations (now part of the provincial governments), which collectively hold an effective 67% in Suncisk, 82% in Transun and 83% in Venda Sun, have agreed to the scheme and will take Sunbop shares (worth R571m) for their holdings.

Suncisk investors will get 12.5 Sunbop or R262.50 per 100 shares; Transun investors 16.7 Sunbop or R350 per 100; Venda’s R6 per share or 28.57 Sunbop per 100.

Sunbop now stands at R23, but for this transaction its shares are valued at R21, giving Suncisk, Transun and Venda Sun shareholders a premium. Up to 30m new Sunbop shares, worth R734m, could be issued, raising equity by 29% to 154.3m; if minorities opt for cash, a possible R163m could be paid out.

The net effect of the share swaps — calculated on “normalised” effective tax rates of 35% for the three groups being subsumed and 20% for Sunbop — is expected to increase the EPS of Sunbop by 14% but lower net tangible asset value by 6% to R11.29. For the other three, earnings would drop by varying amounts, but net tangible asset value would rise, as would market value for the two listed groups. Finally, Sunbop will become Sun International (SA) (Sisa). The scheme should be complete by early December.

The Bill, expected to become law next year, stipulates that all governments must sell holdings in gambling ventures within two years of enactment, which poses a problem for SI and its provincial shareholders. Total government holdings in its operations are estimated at about 37% — worth around R1.3bn — says Hawton.

SI is unhappy about the short “sunset period” and intends to lobby for a five-year period. Forced sales could cause a steep drop in the share price and hence loss of revenue to the provinces.

A proposed five-for-one Sisa share split after the merger would raise issued equity to 771.3m shares of 3c each, at a price of about 460c on current showing, to improve tradability — important if shares are sold to small investors — and minimise odd lots.

A crucial change is the effect on earnings as the companies come under SA tax. For financial 1995, homeland and SA rates were averaged; from 1996, the full rate will apply. Sunbop (by then, Sisa) will, however, be able to hold its tax rate at around 20% for the next four years through the use of tax losses and tax equalisation reserves.

Nonetheless, it will have to produce earnings growth considerably in excess of this year’s 5% to satisfy its critics, some of whom consider that both Sunbop and major shareholder Kersaf have gone “ex-growth.”

But SI has a number of aces up its sleeve. The territorial challenge works both ways as it moves into the large metropolitan areas and poses a threat to established hotel groups. The expiry two years ago of a restraint agreement with Southern Sun, which kept SI in the old homelands and left SA...
proper to Southern Sun, means no holds are barred — and SI has made its first move with a five-star hotel at the V&A Waterfront. A coup for SI in that its design beat those of Hyatt, the Ritz Carlton group and Intercontinental. SI’s still unnamed 330-room hotel, designed along Victorian lines, is scheduled to open on Quay Six in April 1997. It will cost R250m, of which R190m will be provided by partner Transnet Pension Fund.

Bacon says that, though it’s a “traditional house” (with no gaming), catering facilities “will be kept simple, in view of the wide variety of restaurants nearby.” The hotel is also a foothold from which SI can tap into the vibrant Western Cape tourist industry. “It is superbly situated for business and leisure — and particularly international visitors.”

Other key provisions in the draft gambling Bill include limits on the number of licences any single operator may own and the nature of operations. No operator may have more than two licences per province, for a total of 16 overall, and developments must promote tourism, provide jobs and contribute to black empowerment.

With an eye to applying for licences in the Western Cape, Gauteng, Mpumalanga and KwaZulu-Natal, SI last week announced the formation of African Sun International (ASI), a consortium in which it holds 70%. Chaird by Wendy Luhabe — founder of one of ASI’s members, Women Investment Portfolio, and wife of Sam Shilowa — other members are several black groups and Gestic, a French tourism/casino company.

The consortium will operate at national level and negotiate agreements with regional organisations, such as KwaZulu-Natal’s Free Africa investment group, to operate casinos in the provinces. SI will be the investor, conceptualiser and developer of projects, as well as managing the consortium’s future projects,” says FRO Richard Carter.

The granting of regional licences would appear to have at least as much to do with politics and personal connections as with competence or experience. SI already has strong connections in the Cape through ultimate shareholders Saffren and Old Mutual. Competition takes the form of Christo Wiese, whose company Monex wants to build a casino at Century City in Milnerton.

If SI’s application is successful, it will convert the recently purchased Goodwood Showgrounds into a casino and leisure resort. Bacon won’t be drawn on details but promises “some revolutionary concepts.”

Design teams have been at work for at least a year, putting the group well ahead of the game. Official requests for submissions are not expected until the first quarter of next year. Licences will probably be awarded in the second or third quarters.

One analyst considers SI’s chances in Gauteng only average because groups such as Global Resorts have “an inside track with the premiership.” SI passed up a Midrand site because it wants to preserve existing investments in the northern areas. If it gets a Gauteng licence, it would probably be used at its Riviera Hotel on the Vaal. Provincial limitations will force SI to code some sites in North-West and Eastern Cape provinces, but Bacon intends to make “strong representation to raise the cap on licences in both, taking into consideration SI’s vested interests.” At least three licences would be sought for North-West province — for Sun City, the Carousel and Morula Sun. Possibilities for disposal are operations around Mmabatho.

Forced disposals are unlikely to be devasting. At most, SI would shed about 15% of total assets and if they can be sold together with their licences, the sales could realise a healthy profit.

Governments worldwide have seen gambling profits as an easy source of income when tax levels meet popular resistance and analysts point out that provincial governments would want to maximise their tax take. Therefore, they are likely to be cautious in their approach to SI, especially in the matter of asset disposal.

Though it faces competition, SI has built up immense advantages in the form of local experience, expertise, skills and — in North-West and Eastern Cape — infrastructure. Links with European casinos give it further access to skills. A big concern is retaining key staff. Luhabe says: “We don’t want to be a training ground for the opposition and will try to minimise losses.”

Other unresolved issues include the size of the industry. It’s currently estimated at between R2bn-R3bn a year, but the illegal portion is unknown, as is the limit of SA’s appetite for gaming (profits from gambling at Sun City have dropped).

An analyst comments: “SI’s gaming profits must stabilise, otherwise resort profits go to shoring up gambling operations. And resort profits are limited, being tied to inflation. At Sun City, which is averaging 85%-90% occupancy, so much money was invested they won’t ever get high returns. Besides, they have a relatively high cost structure.” Part of the problem is the disparate markets for which the complex caters. “Foreign visitors who come for the spectacle and the game reserve are not necessarily the ones who do the gambling.”

Policing — both by closing down illegal gambling and controlling money laundering — is important. Bacon contends that “the industry will not attract substantial investors in projects linked to gaming unless government has the resolve to control it.”

So what are the prospects for SI? One analyst believes that investors will be bullish “once SI has clarity and gaming legislation is finalised.”

Others take a lacklustre view, seeing a reduction of earnings in the near future. “If you have shares, sit on them. But we wouldn’t recommend them.”

The market is no help, so it’s back to gut feelings for the final analysis.

In the medium term, earnings may not be exciting as the restructuring is paid for, but, if SI can sell assets profitably and get the new licences it wants, its operational skills and trained personnel should put it well ahead of the competition. At R23, Sunbop’s share price has dropped 36% off its 12-month high of R36 and stands at 11 times earnings — in a sector which averages 28 times earnings.

As a long-term investment, the share could be a sweet bargain.
Tourist safety plan a success say police

Southern Correspondent

An innovative new Community Safety Plan aimed at protecting tourists and curbing crime in the city bowl is working well, according to police.

Major de Wet Breytenbach, commander of the Police Crime Prevention Unit said: "The plan provides for co-ordination between internal units like crime prevention and community policing and other role players like traffic police, city council officials and security firms."

He urged the public to make use of the police hotline 1 0111 to report incidents, as they had an important role to play in providing information.

"In this way we are able to pinpoint flash points and ensure greater police visibility in these areas," he said.

"The Community Safety Plan has been in operation for a week and yielded some worthwhile arrests," he added.

The safety plan includes giving talks on safety and places to avoid in the city to groups of tourists and the distribution of pamphlets with safety tips at the airport.

The tourist unit is based in Tulbagh Square — 418-2882/3 — with satellite kiosks in the Golden Acre and St George’s Mall.

Provision has been made to have court proceedings held on the day a tourist-related offence takes place.

"Many tourists are reluctant to lay charges as the case is usually heard when they have left the country," said Major Breytenbach.
Olympics ‘dry run’ for Cape

DAVID BREIER
Staff Reporter

THE Cape will have an Olympic ‘dry run’ next March to show the world we can host an international athletics event.

Organisers of the 1996 world cross-country championships, to be held in Stellenbosch on March 23, have announced that more than a thousand athletes from more than 70 countries, backed by thousands of fans, would arrive for the event.

It is expected to be watched by a TV audience of 186 million in 132 countries, who will see the innovative championship logo depicting the South African flag incorporating a runner — published for the first time in Saturday Argus today.

It will be the first world athletics championships to be held in Africa south of the Sahara and the eyes of Olympic organisers will be on the Cape, which hopes to host the 2004 Olympic Games.

The world cross-country championships, at the Coetzenburg sports complex, will start and finish in the Danie Craven Stadium, giving thousands of people a birds-eye view in the spectacular setting surrounded by mountains, vineyards and oak trees.

Cape Town and Matieland can look forward to a colourful cosmopolitan invasion of visitors in robes and exotic headgear that will put this year’s relatively dour Rugby World Cup to shame, organisers say.

Apart from the top countries such as Kenya, the United Kingdom and the United States, there was interest from countries as diverse as Nepal, Croatia, Cuba, Jordan and Lebanon, said local organising president Leonard Chuene.

“It is a vital event for South Africa. We’ve got to get it right. It’s very important to build up a track record. The International Olympic Committee want to see if we can stage this sort of event. It will be a golden opportunity and a showcase. It’s up to us to succeed,” said former Cape Town mayor Sol Kreiner, vice president of the local organising committee.

Far from being a one-day wonder, the championships will have spin-offs beginning weeks before and lasting weeks after the big day.

Community cross-country races will be held in townships in the weeks before the big race and every runner who enters these build-ups will get free admission to watch the championships.

Ninety-percent of the surplus income, including sponsorship money, will go to development of cross-country running in South Africa.

Mr Kreiner said many overseas running enthusiasts not quite good enough to represent their countries at the championships would take part in other running events over the following weeks, including the Two Oceans Marathon.

There would also be a contest between Stellenbosch and Oxford and Cambridge universities.

Organisers have launched a Patrons Club whose members will get two VIP tickets, VIP hospitality, commemorative memorabilia and a chance to win a trip to next year’s championships. The cost of joining the club is R1 995 to coincide with the year of the big event.
2004 Olympics bid being ‘stolen’ away

Four-fold increase in attacks on Cape town’s tourists

ROGER FRIEDMAN
Staff Reporter

OLYMPIC 2004 bid boss Chris Ball warns that if the criminal attacks on tourists don’t stop, the Mother City can forget about hosting the games.

Captour head Gordon Oliver says he is growing increasingly concerned, but is trying not to be alarmist.

Chief police spokesman Raymond Dowd feels it is premature to describe attacks on tourists as a growing trend, although police statistics for the first 10 months of the year indicate a four-fold increase in reported attacks on tourists.

And Cape Attorney-General Frank Kahn has promised to expedite cases involving tourists wherever possible, in an attempt to bring the culprits to book before the tourists leave South African shores.

It is impossible to know how many of the hundreds of thousands of foreign tourists visiting Cape Town leave with the bitter memory of being held up by a knife-wielding or gun-wielding, having their bag snatched or their car ripped from their necks.

Almost 100 cases were reported to police between January and late October this year. Since then there have been several more — including the woman who was mugging her own business next to the water fountain near the Hoërskool building on the Foreshore when two men, armed with a knife, attacked her and stabbed her in the hand.

The police are the first to admit some tourists are reluctant to report crime due to the inconvenience of prolonging their stays.

And in other cases where crimes have been reported, it is extremely difficult to secure convictions, as by the time the case is ready for court the tourist has probably gone home anyway.

Colonel Dowd said police had a special Tourist Assistance Unit in Cape Town with the primary task of tourist protection.

In addition, a task team comprising police and the business community had been established to deal with the issue. It had been decided to include Cape Town in the police Community Safety Plan, although it was not a so-called flash point.

Colonel Dowd said there was definitely not a trend towards attacks on tourists, but conceded tourists could be perceived as relatively easy targets as they were often easily identifiable.

Like any big city, Cape Town has certain areas which are more dangerous than others. Pick-pocketing was rife at Peninsula fleamarkets and tourists would always be safer if they stuck to their tour group, Colonel Dowd advised.

Mr Ball told Captour’s annual meeting the crime issue was fundamental to the success or failure of the Olympic bid.

The task team recently set up around the issue by the police and business had already been “categorically” informed that “we will fail in our bid if attacks on tourists continue”.

Mr Ball said a “tendency to tread too lightly” with criminals had evolved. “If we don’t take action, we should not even bother to bid.”

Captour chief Gordon Oliver said the tourist authority was becoming “increasingly concerned”.

“We are concerned we may be on a slippery slope towards the Johannesburg situation, where crime seems totally out of hand.”

“There is some questioning beginning to take place. Our visitors are concerned and want to know where they can and cannot go.”

“We try to be non-alarmist. At this stage we haven’t started to delineate or pinpoint relatively unsafe areas.”

“But we tell them that when visiting the Grand Parade and the Adderley Street flower-seller areas — among others — not that they shouldn’t go there, but just to be careful,” said Mr Oliver.

Mr Kahn said he was surprised that his office had not been invited to participate on the task team.

“The attacks on tourists concern this office greatly.”

“As far as is reasonably possible we will try and accommodate these cases expeditiously within our judicial framework.”

“But it really depends on how long the tourist stays in the Cape,” Mr Kahn explained.

Two tourists mugged

Crime Reporter

TWO tourists, one from Holland and the other from Germany, have been mugged in separate incidents in Cape Town.

A police spokesman said that in the first attack, 52-year-old Hermien van Muuswinkel was surrounded by six men who grabbed her handbag and its contents, worth about R400.

Mrs Van Muuswinkel was not injured in the attack in Dock Road at 10pm.

Then, in a daylight attack, Garry Brunke, 61, from Germany, was mugged by two men in Longmarket Street.

They grabbed a bag containing personal belongings worth about R500.
Likely: Loan to become grant

R1-1m reprieve for Captour
Kerzner steps down as chief of SunBop

Johannesburg — Sol Kerzner, the founder of casino resort group Sun International (Bophuthatswana) (SunBop), officially stepped down as executive chairman yesterday to concentrate, he said, on his burgeoning gambling interests in the US and the Caribbean.

Kerzner told shareholders at SunBop's annual general meeting he will become a consultant to holding company Sun International, advising on "project concepts."

Sun International, the parent company of SunBop, is the country's most high-profile casino group with 13 properties across the country, including its flagship Sun City.

The group, founded by Kerzner in 1983 and controlled by JSE-listed leisure group Kersaf Investments, is currently involved in a R2 billion expansion programme — coming at a time when the South African government is progressively broadening the ownership and number of casinos in the country.

"It's a day of mixed emotions for me," Kerzner said.

"But, how can one executive chairman of SunBop also be the executive chairman of a Nasdaq-listed company?"
POLICE fear crime will increase at the V&A Waterfront over the festive season — after criminals swept through the area “like a hurricane” at the weekend.

More than 27 crimes were committed at the popular leisure area which is believed to be one of the safest places to visit in the Peninsula.

A Dutch tourist Mrs Hermien van Mulkwinkel was mugged by robbers, along with her travelling companions, who made off with her handbag containing about R400, in Dock Road on Monday night, police said.

At least nine shoplifters were arrested after stealing goods from Pick n Pay, two thieves were caught breaking into a car and a man was arrested after stealing two handbags at Camps Bay Tequila on Saturday night around 11.

Four cars were stolen from the Granger Bay parking area. Most of the stolen vehicles had been Toyotas.

Police are investigating the possibility that a car-theft syndicate is behind these incidents.

“Criminals hit the waterfront like a hurricane,” said one shocked police officer.

“We receive reports of two cars being stolen there each week,” he said.

Police spokesman Colonel John Dowd said: “Normally the waterfront’s security staff are very good but obviously they cannot be everywhere. There is also a strong police presence in the area, which is classed as one of the safest venues in the Western Cape.”

Captain speaking officer Mr Gordon Oliver said: “This is awful. Crime is just getting out of hand. I believe there has to be more of a concerted effort by business, as well as police, in finding a solution.”

We cannot allow the situation to deteriorate like it has in Johannesburg, where they’re on a slippery slope and can never return to normalcy,” Mr Oliver said. He said laws should be changed to enable police to pursue charges against those responsible for these crimes.

City councillor Mr Chris Joubert warned that unless business leaders made a concerted effort to participate in a community police officers (rent-a-cop) system in the city “we may well just turn off the lights”.

Attacks on tourists in the city have sky-rocketed since the beginning of the year.
Tour industry 'punch-drunk with optimism'

AUDREY D'ANGELO
BUSINESS EDITOR
CT 14/11/95

The tourist industry in greater Cape Town, 'is almost punch-drunk with optimism', regional Minister for Economic Affairs Mr Chris Nissen said yesterday.

He told a conference organised by the Stellenbosch Bureau for Economic Research that the tourism industry 'seems to be at the stage where the fear as to how we can handle these arriving numbers is far greater than our worries about how to sustain these high growth rates'.

Output and incomes in the Western Cape could grow by between four percent and six percent over the next four to six years. This was especially so 'if we include RDP-linked as well as business-linked investments which are already on the cards. Just think of all those five-star hotels and casino projects', he said.

After more than a decade of stagnation, tourist arrivals over the past year 'have reached almost frighteningly high levels, like the 74% increase in air traffic arrivals quoted recently. Occupancy rates in top hotels have reached 70% that is 20% above a level which for years was quoted as satisfactory'.

Tackling the industrial sector in the region 'has become easier. I see expansion! This makes it confident that the Western Cape's manufacturing sector will continue to play a major role and probably continue to hold its 23% share', Mr Nissen said.
Embracing the sport challenge

"Adapt the Olympics for our situation" — Tshwete

Plan to solve Games bid "poser"
Bid to boost beachfront’s tourist appeal

□ R350 000 set for dune development

JILYAN PITMAN
Staff Reporter

TWO artificial “starter” dunes will be built in front of the western section of Beach Road at the beginning of next year, and a new parking area for about 30 cars will be built next to the new ablution block at the east end of the beach.

According to principal Cape Metropolitan Council planner Jurgen Gandt, these developments will “further enhance the beauty of Hout Bay.”

An amount of R350 000 has been earmarked from the CMC’s budget for the project, which forms part of the overall beachfront improvements implemented over the past few years.

Once the beachfront proposals have been implemented, dunes will extend along the entire eastern beachfront.

Mr Gandt said in addition to funding from the CMC, a contribution might be needed from the Hout Bay transitional metropolitan substructure.

“Once the dunes which will be built from available sand deposits will serve as a windbreak and the sea will complement the project by depositing more sand on top of the artificial ‘starter’ dunes. This dynamic process eventually will make the area both attractive and natural,” said Mr Gandt.

Chairman of the CMC Willie Van Schoor said the policy of improvements to the area was in line with the CMC’s policy of enhancing the natural environment of the Cape metropolitan area. He added that the project would bolster tourist appeal and enhance the natural beauty of Hout Bay.

Mr Gandt said contractors would tender for the project in the next few weeks.
Cape Town tourists get welcome with difference

Police greet visitors at airport with tips for safe stay

JOSEPH ARANES
Staff Reporter

FOUR Italian tourists jetting into Cape Town were more than a little surprised to walk into an official police welcome — but it had nothing to do with anything they had done.

Regional police commissioner André Beukes and other members of the police force were at Cape Town International airport to welcome the tourists with plenty of tips for a safe stay in the city.

But the tourists were undeterred, saying Cape Town couldn’t be any worse than “most big cities of the world.”

The tourists were part of a group of Air Zimbabwe passengers welcomed by General Beukes and other policemen, and handed information pamphlets outlining the dangers of crime in the city, especially in the Sea Point and central business district (CBD) areas.

Tour group leader Laura Grippa said they came to South Africa, and to Cape Town in particular, to enjoy themselves and did not think the city’s criminals posed much of a threat.

“How bad can it be... I don’t think it is any worse than is the case in most of the big cities of the world. We heard nothing about it in Italy before we left.”

She said they were surprised but at the same time delighted to get such a rousing welcome, and appreciated the police’s concern about their wellbeing and safety.

Other passengers on the plane looked just as surprised when confronted by the police and press contingent, but all accepted the pamphlets and thanked the police for their care.

General Beukes said he did not think that crime against tourists was out of control but felt it was a good idea to make them aware of the potential dangers and the sort of precautions they needed to take.

He said police would hold discussions with Captour and the Olympic Bid Company to put the issue into perspective as it was not as bad as it appeared.

“At the moment, crime against tourists constitutes about three percent of the overall crime picture, but with initiatives like these I am sure we will be able to lower that figure.

“By making potential victims aware of the situation and giving them basic safety hints and valuable contact numbers the risk will be minimised and they will better enjoy their stay in the Cape of Good Hope.”

He said the information drive was not something new but an extension of the police’s success in the past.

“After the brutal attack on tourists in Transkei earlier this year, it is necessary to focus on the safety of tourists and this type of grassroots approach does a lot to address the concerns of the visitors.”
Commissioner of police warns tourists of crime

STAFF REPORTER

AFTER the highly publicised mugging of German tourists in Cape Town on Monday, regional commissioner of police General André Bekes met foreign tourists at Cape Town International Airport yesterday to warn them against flakengers. He said he wanted to make their visit here the highlight of their stay in South Africa.

Gen. Bekes and other police staff gave the tourists pamphlets with tips on precautions to take at their hotels, in the street, on car safety, and with contacts: telephone numbers should they need help.

Police already had plans to ensure the safety of tourists visiting Cape Town, the pamphlet said.

The tourists were visibly impressed and said they were grateful an effort had been made to make their stay safer.

Tourists were warned not to flaunt valuable items in the street, to leave expensive jewellery in a safe place at the hotel, not to carry large amounts of cash and to avoid dark, quiet places.

The pamphlet also advises tourists to travel in groups and to keep their baggage or handbags close at hand.

Police said South Africa did experience high crime in some areas but the problem was no worse than in other major tourist destinations in the world.

Another German tourist has been robbed in the city centre.

Mr. Fritz Göttert, 60, was with a small group of tourists in the covered Strand Street bridge when a pickpocket stole his wallet containing about R600, on Tuesday afternoon.

Mr. Göttert told police a man pushed a trolley alongside him for some time before seizing the opportunity to block his path.

An accomplice grabbed Mr. Göttert's wallet out of his pocket before fleeing with the man who had pushed the trolley.

Late yesterday, police were following strong leads on the identities of the culprits and were optimistic about making only arrests.
Major setback for Sun International in N West

‘Bid will be made to obtain licences for three biggest casinos’

BY PRISCILLA SINGH
Staff Reporter

Five of the seven Sun International casinos in North West province face closure in terms of gambling legislation passed last month, permitting a maximum of two licences for a single stakeholder in a province.

However, Sun International managing director Peter Bacon said the group would make a special effort in the province to retain three of its major gambling complexes, despite the legislation.

Bacon said the three biggest casinos in the province – The Carousel, Sun City and Morula Sun – would have to be "retained and a strong bid will be made to obtain licences".

"The unsuccessful casinos would have to be disposed of and we will apply for licences to set them up in provinces where the group has no present holdings," said Bacon, adding these were KwaZulu-Natal, Mpuamalanga, Northern Cape and Northern Province.

The doomed casinos are in Thabane (Rustenburg); Mmabatho, Molopo and Taung.

Earlier reports which stated Sun International "and Southern Sun could be disqualified from obtaining gambling licences" in Gauteng because of links with former public servants and government officials, were dismissed by Bacon.

"The matter has been resolved," he said, but would not give details.

In terms of the legislation passed in October by the Gauteng government, any company that had employed a government official in the year prior to applying for a licence would be ineligible.

Gauteng economic affairs standing committee chairman Andrew Feinstein said: "Some public servants ironically gave their input at the public hearings and a short while later joined forces with the big casino groups.

"They are acting in conflict with their evidence at the hearings and we would not buckle under pressure to grant licences to the big casino groups," he said.

He said Southern Sun would lose out as former Lotteries and Gambling member and personal adviser to General Affairs Minister Chris Fischler, Jan de Lange, had joined the group.

"Sun International will be disqualified for its links with KwaZulu Natal finance MEC Johnny Mhlanu, who has an interest in African Sun International, the black gaming consortium launched by Sun International last month," he said.
CITY LODGE HOTELS

Bubbly performer

Activities: Limited service hotel group operating in markets from luxury to budget.

Controls: Joint control (Kassen & Enderle).

Chairman: H Enderle, MD: C Ross.

Capital structure: 25.2m orts. Market capitalisation: R655.2m.

Share markets: Price: 2.600c. Yields: 1.5% on dividend; 3.7% on earnings; p/e ratio; 27.5: cover.

24, 12-month high, 3.000c; low, 1.700c. Trading volume last quarter: 277 668 shares.

Year to June 30

\[\text{92} \quad \text{93} \quad *94 \quad *95\]

LT debt (Rm) \[71.9 \quad 30.2 \quad 433.5 \quad 633.5\]

Debt/equity ratio \[3.0 \quad 0.5 \quad 2.72 \quad 0.70\]

Shareholders’ interest \[0.08 \quad 0.60 \quad 0.73 \quad 0.77\]

Int’l & leasing cover \[3.2 \quad 3.1 \quad 3.2 \quad 4.2\]

Proturn on cap (%) \[19.0 \quad 19.6 \quad 16.3 \quad 21.5\]

Turnover (Rm) \[46.5 \quad 51.2 \quad 172.2 \quad 92.5\]

Pre-int profit (Rm) \[21.5 \quad 26.4 \quad 134.1 \quad 45.8\]

Pre-int margin (%) \[49.2 \quad 45.9 \quad 45.8 \quad 48.8\]

Earnings (c) \[35.5 \quad 48.8 \quad 163.9 \quad 90.3\]

Dividends (c) \[21 \quad 27 \quad 132 \quad 40\]

Tangible NAV (c) \[84 \quad 74 \quad 294 \quad 80\]

* 1-month period. * Annualised. # Debentures’ redeemable in 2012.

When executive chairman Hans Enderle talks of a "champagne performance," he may be thinking of the cork-from-a-bottle trajectory of City Lodge’s share price, which went from R5 at the listing in November 1992 to R30 in three years and is now R26.

Latest EPS improved 49% over 1994 and the dividend rose 27% — a good return by any standard. Impeccable cost control is demonstrated by the 51% jump in attributable earnings to R23.9m, with turn-
New hotel plan for President site

CHARLENE CLAYTON
Property Reporter

A MULTI-MILLION rand development of a countrywide chain of hotels—based on a unique sectional title scheme—is being sold to the public and could see a new four-star hotel on the site of the old President Hotel in Sea Point.

Durban-based developers, Mark II Projects, have proposed luxury four-star Elan Park hotels in Cape Town on the old President site in Cape Town, the old Athlone Hotel in Durban North and on a site in a northern suburb of Johannesburg.

The project was launched to the public in Durban, Cape Town and Johannesburg although the properties had not yet been signed over to the company.

This was brought to the attention of Weekend Argus by a reader, who attended the Cape Town launch and who did some checking up on his own.

He has questioned why the company was collecting money from the public when in fact not in possession of the title deeds to the sites on which the hotels were to be built.

Mark Taylor of Mark II Projects said this was a recognised procedure with large developers who sold projects off-plan.

An advertisement which appeared in The Argus recently associated the scheme with several large South African institutions including Stocks and Stocks, Protea Hotels and Seeff.

The scheme involves selling the fully-furnished apartments in the hotel group under sectional title for prices ranging from R240 000 to R1.3 million and give purchasers the right to use their units for 30 days a year.

When not in residence, the rooms would be rented out as normal hotel rooms.

The plan then is for “the net proceeds from the rental pool to be divided among the members and used to service the bond or in the case of a cash payment, an immediate return on investment,” states the advertisement.

“So far 369 units have been reserved and sold and about 800 or 900 inquiries received,” said Mr Taylor.

A 10 percent deposit is being collected from purchasers to secure a unit.

The old President site in Sea Point belongs to Sanlam with which Mark II Projects has been negotiating since August.

The managing director of Sanlam Properties-Bamys van der Walt, said an offer from Mark II Projects had been rejected.

“We are talking to a lot of people. Six or seven groups had expressed interest in the site in the past three or four months, but no negotiations were currently underway,” he said.

Although they were not keen sellers, “each and every one of our properties are for sale depending on price,” he said.

It is understood Sanlam is looking at a price tag of around R50 million for the land, which consists of three sites, one zoned for hotel purposes and two for apartments. The price includes the 28 units which remain unsold in the luxury 10-floor apartment block on the third site.

Apartments here sell for between R1 million to R2 million.

Mr Taylor said a deal in principle had been concluded with Sanlam.

He said the company would put in another bid for the site and if that failed it had an alternate in mind.

Discussions with the owner of this site had taken place.

Mr Taylor said the money of members of the public who had bought units, was put in an attorney’s trust account and if for some reason the projects did not get off the ground, the money would be refunded fully, with interest.

He was confident that the project would get off the ground.

A director of Ovcon in KwaZulu/Natal, Mr Bernie Blomfield confirmed they had been negotiating with Mark II Projects regarding the possible construction of the hotels.

He said that the directors of Mark II Projects were well-known in KwaZulu/Natal and that the company had been responsible for several major residential and retail projects in the province.

He did not see anything untoward in selling off units on non-transferred land and described it as something which happened fairly regularly in the property industry.

“Ovcon, had a same scheme when we did the Odeon Towers development in the Strand.

Ovcon had put in an option on the site, and after selling of about 50 or 60 percent, took up the option and went ahead with the development.

Protea Hotels, a national hotel management group, also confirmed they had negotiations with Mark II projects and said that these would be concluded within the next week.

A director of Seeff Commercial Properties Errol Diamond described the project as “brilliant,” and said he was happy with the credentials of Mark II Projects.
Tourism trade awaits its bumper holiday

By JEREMY WOODS

JUST over 18 months ago South Africa’s tourism industry was on its knees.

The country was facing its first democratic election, and fear and uncertainty ruled the day for would-be travellers.

Foreign tourists gave South Africa a wide berth because of the high level of violence, actual and expected after the election, while even domestic business travellers stayed home.

The result was the near bankruptcy of the country’s hotel industry as occupancy levels plunged, and stayed there.

Most five-star hotels operated at a loss and many of the best-known hotels in the Western Cape had only a handful of visitors each.

One of the best known did not have any guests for a week, while the running costs of staff and other overheads remained the same.

"It was a terrible time for tourism and the hotel industry in particular," says a spokesman for Satour.

"Many hotels were running at a loss and there were a lot up for sale.

That picture has changed rapidly. Tourism is now one of the country’s fastest growing industries, offering huge potential as a foreign exchange earner and provider of jobs.

South Africa’s first democratic election’s success and the end of apartheid has brought tourists flocking back to the Cape’s beaches and winelands, the game parks of Mpumalanga and the seaside resorts of KwaZulu-Natal.

A total of 3.5-million tourists visited the country last year, according to the Central Statistical Service.

That figure rose to 4.5-million in the first five months of this year alone, before the main tourist season even started.

Sites in Cape Town, Johannes-

burg and Durban are being snapped up for hotels that are being built almost too late to meet the expected demand.

Walter Msimang, Satour executive director, says that while foreign tourists are high-profile visitors, SA holidaymakers remain the backbone of the industry, driving up hotel occupancy rates and filling airline seats.

Figures released by the Tourism Board show that South Africans will spend R7-billion on domestic holidays and leisure this year.

Many hotel occupancy levels more than doubled over the past winter season from the previous year’s post-election period, when business began picking up.

The number of tourists visiting South Africa has, based on the number of hotel-room nights sold, more than doubled since last year’s election, according to figures released recently by the CSS.

Most tourists were from Europe, with the highest numbers from Britain and Germany.

The most popular province was the Western Cape, with a market share of close to 40%.

The tourism industry faces its most testing season yet, starting this month, with the expected action centred on Cape Town and the Western Cape.

Tickets on all major airlines flying direct to Cape Town are sold out until next February. There are about 50 direct flights to the city a month.

Cape Town’s three-, four-, and five-star hotels are booked out and have long waiting lists.

"It looks like being a bumper season," says Jeff Squire, sales and marketing director for Orient Express Hotels, which owns the Mount Nelson.

"The Mount Nelson has been sold out over the Christmas period for months and we are turning away bookings daily.

A combination of domestic tourists and a record number of foreign tourists should see the Western Cape the busiest it has been for many years.

Most of the leading hotel groups are scrambling for sites in and around Cape Town.

Sun International recently announced plans to build a R250-million hotel at the waterfront, while two new five-star hotels are in the pipeline for a site just behind the waterfront linking it with the city’s central business district.

Meanwhile, the Mount Nelson is building 60 new suites.

The freehold of the Bay Hotel has been sold to a Malaysian consortium, while the Lady Hamilton hotel was recently bought and revamped by another Malaysian group.

"If our new suites were ready now we could have sold them twice over the holiday period," says Mr Squire.

Leading property agents say there is a shortage of hotel sites with many major international hotel groups still looking to get a foothold in the Mother City."
The Hoteliers are opening up Africa to visitors from the Cape to Cairo.
Dutch group targets 20 hotels for SA

Theo Rawana

DUTCH hotel giant Golden Tulip International has entered the SA hospitality industry with a mission to boost local tourism and set itself a target of developing and operating 20 hotels in two years, commercial director Anton Bakker says.

Golden Tulip, the world’s 10th largest hotel consortium, franchising and licensing independent hotels in the four-to-five star category, has been awarded the license to market the four-star Sanbonani Resort Hotel globally.

The hotel is located in the Hazyview district at the confluence of the Sabie and Sand rivers, close to the Kruger National Park.

Bakker says Tulip’s accreditation is available to suitable three-star establishments and his company is planning new developments of its own in prime tourism areas.

The company, with 35 years’ experience of providing food, business and leisure travellers, has 225 hotels in 50 countries.

“After searching the market for some years, we believe the time is ripe for an injection of expertise into the SA hospitality sector,” Bakker said.

Golden Tulip looks at management and developmental opportunities and is active in the field of franchising. All franchise hotels will be operated on the basis of an agreement under the name Tulip.

Bakker says participating SA hotels access to international expertise and the global marketing and reservations system of Tulip, with whom Golden Tulip Hotels is the largest independent contractor.

The result is a wider audience and a “punchier marketing presence worldwide” than they could afford on their own. At a later stage the service may extend to neighbouring countries such as Zimbabwe, Botswana and Mauritius, using SA as a regional springboard.

A primary objective is to recruit locally and create jobs. Local recruiting has already begun.

To maintain standards worldwide, Golden Tulip has its own training school.

Bakker says a balance between local and international business is central to the company’s marketing philosophy.

“We believe in pitching tariffs at a rate within reach of local holiday makers to promote domestic holidays. Not only is this fair to South Africans, but it makes good business sense. If foreign tourism falls off, hotels will still survive on the basis of local business,” he says.

White maize market soon

Louise Cook

A FUTURES market for white maize was set for January, spurred by strong demand from processors and international markets.

Sean van der Merwe, general manager for wool, poultry and dairy products likely to follow, said Australian agricultural markets general manager John Fitchey said.

He said talks with the Milk Board were in an advanced stage, but the priority was setting up the maize futures market, modelled on the Chicago Board of Trade’s own futures contract.

The maize futures contract would operate through a system of silo receipts from selected silos. Instead of actual delivery, the receipt would represent ownership, enabling “grain to change hands without physically leaving the silo,” he said.

Fitchey said the futures contract would create an effective spot market for white maize.

Up to now Saffex had only traded maize contracts for trading maize and other grains.

Fitchey said in a news letter, the contract was based on white maize because the price was more volatile than that of the yellow variety.

Dairy federation GM Edna Roux said SA dairy farmers would benefit from a futures market that showed future price levels, although in the case of fresh milk, delivery would be an obstacle to setting up the market.
CAPE TOWN hotel sector under pressure

Cape Town hotel sector under pressure

Heather Parker

CAPE TOWN — The international travel boom, combined with increasing business opportunities and Cape Town’s status as the country’s favourite holiday destination, has saturated the city's hotel sector.

According to the SA Tourism Board, the number of overseas visitors to SA increased by 70% between January and July. International departures at Cape Town Airport averaged just over 19,500 a month, compared with 13,700 for the same period last year. Domestic departures averaged 17,700 (84,900), to bring the overall annual increase in traffic at this airport to 39%.

Lauren de Wet of Captour said the trade was “very, very busy”.

Until February the normal holiday season kept the hotels full, and the three months thereafter were peak season for the increasing number of conferences which were being hosted in Cape Town, she said.

Satour said that hotels, which had been doing well all year, were running at an unaugmented occupancy rate of more than 90%.

“Group bookings are becoming very difficult,” a spokesman said.

While this may be good for hotels, the industry could end up killing the goose that lays the golden egg.

Organisers of an European Union conference scheduled to take place in the Parliament buildings in March are faced with a typical situation of the about 200 hotels, bureaucrats and EU parliamentarians attending, about 200 delegates are without hotel accommodation. While the guest-house and B&B sector has the capacity to accommodate them, their dispersal across the suburbs creates logistical headaches. The city may end up alienating such conferences.

The central bookings manager of a city hotel said he was not surprised at the pressure the EU group was under.

“The season is extending indefinitely and bookings have gone crazy. We are virtually fully booked into April,” he said.

Nor would things be any less for the one hotel which has not yet debarked in SA were starting to make inquiries.

“There is no doubt about it, Cape Town does need more hotels.”
Seat shortage: Key tourism players meet

Desperate need for more flights to SA

Staff Reporter

A SHORT-term action plan has been drafted by roleplayers in the Western Cape tourism, film, hotel and travel industries to solve the acute shortage of airline seats for tourists coming to South Africa.

Representatives of the different industries met at an informal breakfast conference with Department of Transport officials to discuss a way out of the deadlock situation, in which industry growth is being hampered by the shortage of airline seats.

"It was a very productive meeting," Michael MacCarthy of the Cape Film and Video Foundation said. Mr MacCarthy warned that millions of rands were being lost as foreign film crews, who chose the Western Cape as a location, were forced to shoot their films elsewhere due to a lack of airline seats.

The Western Cape tourism industry has voiced similar concerns.

"We were very impressed at the determination of the Transport Department to solve the problem," said Mr MacCarthy.

"We got the impression the problem will be solved in the short term. The action plan will allow for a considerable extension of flights in and out of the country between now and April next year."

Albert Schuitmaker, deputy director of the Cape Chamber of Commerce and Industry, who also attended the meeting, said the solution lay in renegotiating the bilateral agreements in which the number of flights between South Africa and the partner was stipulated.

"The airline seats capacity is regulated at government level between two countries. The solution is renegotiation of the bilateral agreements."

He said the meeting, which he described as an initiative to express concern, had revealed there was a clear need to increase capacity from all sides of the industry.

Mr Schuitmaker said he would meet with SAA officials in the coming weeks as SAA was a partner in increasing international flights.

He was committed to resolve the problem as the Chamber of Commerce and Industry had always fought to open up the international air-carrier market.

Both Mr MacCarthy and Mr Schuitmaker said it was agreed further details of the plan would not be revealed because negotiations were still taking place.
Regional potential for cruise vacations

Nicky Jenvey

DURBAN — Eastern and southern African countries had the potential to attract millions of tourists for cruise vacations over the next few years, quadrupling its share of the world market, Portnet marketing manager Johan Carne said.

"Cruises, who is also Port Management Association of East and Southern Africa cruise tourism chairperson, said at the association's conference yesterday that the region's potential for cruise tourism development was huge and that the South African market was expected to grow to 8 million by 2000. This could be increased significantly by potential tourists from North America and Europe," he said.

"These statistics showed 100-million Americans and Canadians had the means to take cruise vacations. The figure for the EU and Scandinavia was estimated at 50 million. "The region, jointly, should raise more than $US400 000 next year to market the region and ensure that the market for regional cruise tourism doubled by 1997 and the world share quadrupled to 2%."

SA's pro rata contribution would be $US131, with Sudan, Dibouti, Seychelles, Kenya, Tanzania, Mauritius, Reunion, and Madagascar, responsible for $US1 85, each. Ethiopia, Mozambique, Zimbabwe, Malawi and Zambia would make up the difference.

The association would promote the region for two years, after which tourism authorities and the private sector would assume control. Port authorities would maintain and improve facilities and services.

The standing committee had been formed at the association's conference in Tanzania last year. Initial budgetary requirements were presented yesterday.

Public Enterprises Minister Stella Sigauke said SA had seen an increase of 9.2 million tons of cargo pass through the ports between January and September this year than in the same period last year.

In the official opening speech — read by office of public enterprises head Sipho Shabalala — Sigauke said these figures indicated ports were "the lifeline of a country's foreign trade and "potentially Achilles' heel" in the economic system."

Portnet had raised its capital expenditure programme 80% to R400m in 1995-96, focusing on increased container capacities at Durban, Port Elizabeth and Cape Town, additional berths at Richards Bay and expansions at Saldanha Bay.
Plans to develop cruise tourism

BY SHIRLEY JONES

Durban—A plan to develop cruise tourism in eastern and southern Africa was announced this week at the 21st council meeting of the Port Management Association of Eastern and Southern Africa. Portnet's Johan Carse, the chairman of the association's standing committee on cruise tourism, said it was possible to increase the region's berthing capacity market share from 26.5 percent to 50 percent by 1997 and world market share from about 0.5 percent this year to 1 percent next year and 2 percent by 1997.

Carse said the regional marketing budget was $308,632 of which South Africa would bear the lion's share at $32,131. "It is recommended that the association actively promote the region for two years, after which the prime beneficiaries—tourist authorities and the private sector—should take over with individual port authorities bearing the burden of maintaining and improving facilities and services," said Carse.

He said this was a viable project given the fact that the massive fly-cruise industry was in a growth phase. An analysis of the region showed that since 1970, when 500,000 passengers were recorded, the industry had grown to serve 5.5 million this year.

According to the Cruise Lines Industry Association, demand is expected to reach 6 million passengers by 2000.

Carse said there were at least 100 million people in America and Canada alone with the means to take a cruise vacation. New and planned ship building from last year to 1998 was valued at $8.45 billion, representing 27 vessels, each of which could accommodate an average of 2,000 passengers.

Carse said key success factors included the use of reputable, modern, larger vessels, quality onboard entertainment, good food combined with good service, high safety standards, affordable pricing combined with the availability of all/sea packages, politically safe and stable destinations, worthwhile attractions and adequate port infrastructure.

The region's strengths included 19 deepwater ports capable of handling the largest of cruise vessels, safe anchorage at others, superlative scenery and climate, wildlife, cultural diversity, an international exchange rate favouring foreign tourists, competitive international air links, competitive charter, freighter, bunker services, port tariffs and ship repair facilities.

"He said the region's weakness were a lack of dedicated passenger terminal facilities, below-average personal safety, its distance from its market, unprotected cruise waters and insufficient local demand." However, he said the region was unlikely to be able to support investment in facilities such as Singapore ($350 million), Vancouver ($640 million) and Miami ($240 million). He said passenger terminals under construction in Reunion and Mauritius would be commissioned next year and in 1998 respectively.

"South Africa has no firm plans to establish modern terminals and relies on converted cargo sheds to process base-port cruise vessels and round-the-world callers," Carse said.
Millions at risk in liquor licence delay

By Ross Hodgson

Johannesburg — Millions of rands in foreign investment are at risk and all sales of liquor-related properties are on hold because liquor licence applications are not being processed.

The problem is that no government agency in the country has the power to issue or transfer liquor licences.

With the enactment of legislation on October 3, the authority over liquor licences was removed from the national Liquor Board to transfer the power to the provinces. However, no provincial liquor boards have been set up yet.

Critics are saying the handling of the Liquor Board is a model of how not to transfer power to the provinces. The delay puts in jeopardy at least two major hotel deals, including one foreign investment of R25 million. The same action also effectively invalidates the licences of businesses in the former TBVC states.

"They took away the power and they gave it to no one. The deal cannot go forward because there is no one to transfer the licence to," said one source close to the hotel deal who asked not to be named for fear of alienating officials who were trying to help.

Transfer

South African Taverners Association spokesman Bafana Dhlamini said central government and the provinces had known for a year that liquor regulation would be transferred to the provinces.

"I don't understand the culture of government in which everything is slow. "No plan was put in place when we start, cut off dates, how provincial boards are to be set up, that was not made clear."

Shebeers in particular are feeling pressed and this week met with the police, who agreed to stop cracking down on tavern owners who could not obtain liquor licences.

Staff is one key issue that could also hamper the devolution of other powers to the provinces.

Alarm

When word got out that the national board was to be closed, key staff began leaving. And many others, who had been based in Pretoria for years, refused to relocate to any provinces other than Gauteng.

"This should alarm one. We cannot afford to lose foreign investment," said David Moshapalo, the secretary-general of the Taverners Association.

Moshapalo said he had been assured that the Liquor Board intended to "fast track" the creation of provincial boards.

The Liquor Board itself, which is not processing licences, still has a staff and a public relations office. However, it will not permit any of its employees to speak to the media.

"They all pass the buck and don't want to take responsibility," said one employee.

Siva Naikoo, a consultant to the KwaZulu Natal economic affairs ministry on the issue, yesterday held discussions with the national Liquor Board to establish some temporary authority for transferring licences to accommodate the overseas investors. He said the province hoped to have a functioning board by mid-January.
Cape Town in line for tourist explosion

BY MAGGIE ROWLEY

Cape Town — If tourism to Cape Town continues to grow at its current pace, the city will have to provide accommodation for no less than 3.4 million visitors by the year 2000, and could face 9.5 million visitors by the year 2010.

The Cape Town Chamber of Commerce and Industry said that in the three years that Cape Town had been open to international flights, the number of overseas flights to Cape Town had grown to 54 touchdowns a month, with the number of overseas passengers exploding from 3,000 to 26,000 last January.

If these figures are projected, one can expect the probable monthly influx to reach a peak of about 145,000 in the year 2000 and 310,000 in the year 2005, with domestic tourists and business visitors making up the balance.

The chamber said the main reason for these projections was to make sure that the infrastructure necessary to accommodate such large numbers of tourists would be properly planned.

“Few areas in the world have experienced such a tourism boom with the prospects of a far greater sustainable growth, as the Cape,” the chamber said.

“It said the city’s facilities were being stretched to capacity and it would have to plan comprehensively if it was to sustain growth in what was surely a major sector of the economy.

“"Few areas in the world have experienced such a tourism boom with the prospects of a far greater sustainable growth, as the Cape."

“Even the most optimistic planner would have difficulty in correctly pre-judging these developments and the challenge now is to plan boldly to accommodate the future,” the chamber said.

It said the city’s facilities were being stretched to capacity and it would have to plan comprehensively if it was to sustain growth in what was surely a major sector of the economy.
Theo Rawana

The safety and security of tourists was not solely the responsibility of police but of the tourism industry as a whole, an EU consultant seconded to the SA tourism department said in Pretoria yesterday.

Aulana Poon is assisting the department in developing a White Paper on tourism for SA. She will facilitate the development of a programme that includes training and community participation in the tourism sector.

With the world looking to SA for leadership after its historic transition to democracy, the country was in a unique position to show what could be achieved by a collective effort in selling the tourism product that was the envy of many, she said.

"For instance, hotels had as much responsibility for the safety of tourists as the police — they should be able to give the visitor correct information regarding what to do and what to avoid," Poon said.

Tourism needed to be seen as one product which called for the attention of all involved in it. It was a symbiotic existence in which no single supply could give all that was needed.

The department said workshops held countrywide and all inputs obtained would result in the formulation of the White Paper on tourism, to be submitted to Parliament next year.

Poon invited people to contribute to the policy by sending suggestions to her at Private Bag X447, Pretoria, 0001, or fax (012) 322-9231, before December 8.
R6-m fruit boost for Games bid sponsorship

LINDSAY BARNES, Staff Reporter

THE 2004 Olympic bid has had a R6-million boost in sponsorship from the Cape fruit industry.

The sponsorship is the second from the private sector and was announced by the chairman of Unifrue, David Gant, at a ceremony at the bid headquarters in Cape Town today.

Mr Gant handed over a consignment of fruit — which was driven to the offices in a tractor parade involving inner-city children — to Olympic bid chief executive Chris Ball.

Mr Ball said the company's commitment was an indication of "growing business confidence in Cape Town's bid for the Olympic Games".

"I am absolutely confident that we can win the bid if we have the support of the people," he said.

Today's ceremony was the start of a six-month programme to publicise the bid.
The high and low seasons traditionally associated with the tourism industry have all but disappeared, say industry pundits.

The trend comes on the back of a resurgence of foreign visitors, especially in Cape Town and Durban.

Captour CE Gordon Oliver, and Alan Gooderson, who chairs the Durban-based Gooderson Leisure Corp and is chairman of the Federation of Hospitality Associations, say there are still high seasons but sustained demand for accommodation has virtually wiped out the valleys.

Gooderson says occupancies in most three-, four- and five-star Durban hotels are now around 70%, 10 percentage points up on the same time last year.

Oliver says Cape Town has become a year-round destination. A few years ago, the city’s hoteliers had to be satisfied with occupancies of about 30% in winter. Last winter, they were between 55%-60%. Cape Town’s high season is just starting and will end in March. Oliver predicts peak occupancies will average 85%.

Both cities attribute the good fortunes of their hospitality operations largely to the foreigners’ return creating a balanced demand for accommodation. “Most of them want up-market and guest house accommodation. South Africans ask for self-catering and budget accommodation,” says Oliver.

“And many visitors from upcountry stay with friends and relatives.”

He says Cape Town can cope with the influx. Existing hotels have enough capacity to cope this year and a number of new hotels are being built, including a Sun International development on the Victoria & Alfred Waterfront, which should be completed in December next year, a Protea operation that should also come on stream next year and a 375-room, top-class hotel which Hilton International says it will build on the foreshore. Central Statistical Service (CSS) figures also show the peaks and troughs are disappearing. A total of 155 015 bed nights were sold to overseas visitors in July, not much less than last year’s highest figure, recorded in November (189 341).

The CSS says 21.5% of those bed nights were sold in greater Cape Town and only 5.2% in Durban.

“Many overseas visitors now want to go from Johannesburg International airport through Kruger National Park and Swaziland to Hluhluwe, then to Durban, where, after a few days, they fly to Port Elizabeth to drive along the Garden Route.”

He says Durban will rely mainly on upcountry visitors for what should be a bumper Christmas period. A big increase in the number of black tourists is expected.
Olympics 2004 bid gets R6m injection

CAPE TOWN's Olympic bid is in good shape, with news of a major sponsorship from agricultural exporter Unifruco... and more to come. DALE GRANGER reports.

CAPE TOWN's Olympic Bid Company coffers swelled yesterday when agricultural exporters, Unifruco, threw their support behind the campaign for the 2004 games with a R6 million sponsorship.

Delighted company officials were in a buoyant mood yesterday, with the news they were confident of announcing another four major sponsors in December -- a major bank, oil company, hotel group and airline -- each injecting R10m.

The company's operating budget to spearhead the games bid effort is R76m -- funded entirely from private sector sponsorships.

Finance director Mr Mike Fuller yesterday declined to name the four companies expected to be announced soon as sponsors.

Approved

He said the deal between the companies and the bid company had been approved and letters of intent had been received. Details had been referred to their legal departments for finalisation before going to the board of directors.

"We are very pleased with progress considering we only started the bid process at the end of July and it has only been six weeks since the cabinet gave its approval," Mr Fuller said.

He said the four additional sponsors mean the company had raised R56m of its R76m budget.

He said sponsorship bought exclusive rights. A car company's involvement would, for example, preclude other vehicle companies from joining the effort and using the Olympic logo for marketing.

The bid company believes the confidence companies are showing will inspire enthusiasm among the public.

Unifruco chairman Mr David Gant announced the sponsorship yesterday saying: "Our products, Cape fruit, wine and fruit juice, are inextricably linked to Cape Town and participation in the bid will therefore boost brand awareness and sales of our products around the world."
US hotel group plans major Southern African expansion

WILLEM STEENKAMP
Staff Reporter

IN A major investment boom for the Southern African tourist industry, the United States hotel group Days Inn has announced plans to open between 50 to 60 hotels in the region over the next six years — with two of these hotels being built in Cape Town by the end of next year.

The total investment in the Southern African hotel industry promises to be more than R1 billion, Days Inn spokesman Charles Holland told Saturday Argus this week.

"We do not own hotels or properties ourselves, but we supply training, management and other franchise benefits. We also recruit investors and we already have several international financiers who are keen to invest in the local hotel industry.

"We are also keen to involve local investors and funders who wish to enter the industry because we believe it should be made accessible to as broad a group of entrepreneurs as possible.

"Days Inn operate 1,600 hotels in the US and more than 1,700 hotels throughout the world.

"We have identified five prime sites in the Cape where we intend having Days Inn hotels. We are currently finalising negotiations with financiers on these sites and we hope to have two Days Inn hotels up and running in Cape Town before the end of next year.

"Mr Holland said the company conservatively estimated to be running about 60 hotels in Southern Africa in about five to six years. It will be concentrating on three and four star hotels.

"We believe this is where the market lies in Southern Africa. We are talking about mass saturation of the local hotel industry. We believe that the American market, which already supports 1,600 Days Inn hotels, will be saturated when it reaches the 2,000 hotel figure.

"The holding company of Days Inn hotels — the Hospitality Franchise Systems Incorporated (HFS) decided to globalise its operations and is expanding worldwide."
A MAYOR'S DREAM . . . Fikile Majombozi wants to upgrade hotels

ST 26/11/95

Picture: RICHARD SHOREY (288)

There is no proper infrastructure."

He said the town's population had grown and the filtration plant could no longer cope.

"Brown water is coming out of the taps. Some of the town's water pipes are nearly 50 years old and are rusting inside."

"Having dirty water pour from taps is not going to encourage tourism here at all," he said.

The council owns two tractors and one tip truck. Councillors have to use their own vehicles for transport. Mr. Tayi said two of the council's vehicles needed repairs, leaving one tractor to collect refuse and transport workers.

Mr. Majombozi is determined to put Port St Johns back on the map: "My dream is to see many tourists in our town. It is a dream I know can become reality if we have enough investment here."

"We should be able to accommodate the tastes of tourists from around the world. Tourism is a big business. We must upgrade accommodation for tourists. We have only one hotel.

"We are not looking for land grabbers who do not develop what they buy. We need development without destroying the natural beauty which has remained mostly unspoilt."
Murder at

Outrage after cashier shot dead in armed robbery

Writings that South Africa would not host the Olympic Games if sporting venues were not safe were issued last night after the outrage over the armed robbery attempt at a Cape Town boxing tournament in which a cashier was shot dead.

The attack was seen live on CCTV's SportArena yesterday afternoon, when boxing fans and boxers divided for cover when they heard shots fired. The cashier killed at the boxing match in Gugulemu was Wessel Cornelius Bothma (41) of Pinelands.

Cape Town's Olympic Bid Committee's chief executive Chris Bell conceded this morning that the botched armed robbery had brought the issue of security at sporting events under the spotlight. But, he said, the shooting should not deter the commercial bid supporting the bid for the Olympic Games.

Bell said he could not comment on the level of policing required for an event like yesterday's tournament, but that his committee was working hand-in-hand with the police.

But Chief Attorney-General James Mackin told how the attack on the cashier at an event organised by the Western Cape wanted to host the Olympics, and the Government wanted the prestige of hosting the Games.

The attack comes in the wake of the Western Cape's warning if the Western Cape won't host the Olympics, and the Government wants the prestige of hosting the Games, the money will not go to the event.

However, police commissioner Andrew Langerwald said there was a split in time to make a decision, but he decided to call in the police for their presence, but not for an urgent operation.

The attack brought an abrupt end to the night between SA's middleweight champion Simon Mabaso and English contender Warren Stowe in round seven.

Police spokesman Andre Traut said that according to witnesses Daniel van der Berg, he and Bothma were counting ticket takings in the foyer of the centre about 10m from the ring when, at about 5.35pm, they saw "hands grabbing money and going for the small steel cashbox".

Bothma grabbed the box towards his chest and then two shots were fired, fatally wounding him in the side.

Traut said four suspects were then seen to leave the hall, while at least eight more shots were fired. It was not known if the attackers made off with any money.

"I was ringside when everyone began running away. People were confused and hiding under the ring. I was stupid enough to run out and I saw the man falling on his back. Then our doctor certified him dead," said Western Cape Boxing Commission (WCBC) chairman Cliff Dilsent.

"This has nothing to do with boxing," he said, "It is hooliganism and it has killed the boxing game. It's most definitely the end of boxing in the townships - we cannot put other people's lives at stake. I can't foresee people coming to any other event in the townships."

Tournament supervisor Bronch Gwagwe of the WCBC said he had gone to Gugulemu police station yesterday morning and been promised police security yet "I didn't see them."

However, station commander Constable Andrew Langerwald said there had been a sufficient time to make a decision. He said a police patrol had just left the area when they heard of the shooting and immediately turned back.

Police are offering a R50,000 reward for information leading to the arrest of the suspects.
Cover photo: Bullet strikes fly during a boxing match yesterday.

Fighter: "Heavyweights draw no de frene (left) and Mike Bernardi fall into the unknown man in front. Were among stunned spectators who ran for

Dakar, Senegal: C.2/11/45

Fighting began during the Olympics' first round tournament, seen live on TV.
World’s largest hotel franchisor coming to SA

STAFF WRITER

Johannesburg — Hospitality Franchise Systems, the world’s largest franchisor of hotels and residential real estate brokerage offices, will enter the southern African market through its subsidiary, The Days Inn Hotel group.

The parent company, which acts as an umbrella for hotel chains such as Days Inns, Howard Johnson Hotels, Knights Inns, Park Inn International, Ramada Inns, Super 8 Motels and Villager Lodges has interests extending from the United States to Canada, Israel, Mexico, the Netherlands, the Philippines and Puerto Rico.

Its southern African subsidiary, Days Inns of Southern Africa, has the rights to develop, operate and franchise Days Inns hotels in South Africa, Lesotho, Swaziland, Zimbabwe and Namibia.

The company’s license agreement allows for future countries north of South Africa. Days Inn is looking to establish 25 hotels within the first five years and will provide both permanent and transitional management.

Days Inn’s primary objective was not to own the hotels, but to grow franchises and hence emulate its American parent, which was listed on the New York stock exchange, said a company spokesman.

“Days Inns of Southern Africa is committed to the local communities and would encourage their involvement with the development and ownership of the hotels.

“All the staff for the hotels will be drawn from the local community and trainers from the United States will provide training to local trainers. Days Inns of Southern Africa will assist in the empowerment of emerging entrepreneurs through franchise support,” he said.

As part of its franchise development programme, Days Inns expected to provide development support and training in site selection, feasibility, construction and pre-opening assistance.

All hotels will have access to the company’s worldwide reservation system.
Tourism 'may be up by 40%'

JOHANNESBURG: Tourism to South Africa could increase this year by 40% over 1994, but growth could slow if tourist security was not effectively addressed, the South African Tourism Board said yesterday.

By the end of December, more than a million foreign tourists may have entered South Africa this year.

More than 730,000 overseas tourists visited between January and September — well over the 740,000 visitors for 1994.

"The tourism industry is witnessing unprecedented growth," Satour deputy executive director Mr Ernie Heath said in a statement.

Tourism growth of 40% could be achieved if current growth patterns continued, Satour said.

But Mr Heath warned that research showed tourism growth would not be sustained if safety was not addressed.

"Still less than half of all overseas tourists in this country rate personal safety as good," he said.

Tourist arrivals from Europe grew by 67.8% this year, by 53.3% from North America, by 93.2% from Central and South America, by 94.3% from Australasia and by 56.3% from Asia.

Satour said its research indicated that recent political changes were the major drawcard for foreign tourists, followed by scenic beauty, wildlife and cultural diversity. — Sapa
WARNING OF BACKLASH FOLLOWS FATAL ACCIDENT

Tour agents may check buses

GERMAN consul-general Mr Friedrich-Carl Bruns says it is difficult to find reliable companies that offer buses which are in good condition. LOREN KOEYSON reports.

EUROPEAN tour operators could begin insisting on checking whether buses to be used for overseas visitors are reliable, the German consul-general, Mr Friedrich-Carl Bruns, says.

This follows the bus crash in which a German and six Swiss tourists died and 33 others were injured in Riversdale in wet weather on Thursday morning.

"The pressure of the flood of tourists coming here shouldn't prevent tour operators from getting back to using reliable tour bus services," Mr Bruns said from his Constantia home yesterday.

He said the bus tragedy "will have an effect on overseas tour operators who (will) want to see the transport buses" that were available for tourists travelling in South Africa.

"There is a shortage of good buses as we have been inundated with German delegations wanting to come out here, but it is difficult to find reliable companies that have good buses available," Mr Bruns said.

He said that members of a Swiss group who had seen the bus before it left Port Elizabeth last week to travel the Garden Route to Cape Town, had told him that "this bus was horrible".

The bus had 41 members of a Swiss and Austrian tour party and the tour guide on board.

It had overturned on a steep downhill approach into Riversdale, a police spokesman said.

The driver, Mr Jack Ricks, 52, retired from the ambulance service two years ago after a heart bypass operation and is unemployed.

He said he had agreed to drive the bus to help out his friend, who owned the INQ luxury bus service, as there was no driver available for the trip.

Mr Ricks is recovering from his injuries at his Port Elizabeth home.

He said he was having nightmares about the accident.

He was still not sure what had caused it as "it happened so fast".

Specialist

Those who died were Mrs Kestel Estuder, 65, Mrs Nelly Gall, 63, Mrs Irma Zoss-Fischer, 61, Mr Hans Nyffenegger, 69, Mr Max Giger, 76, and Mrs Elizabeth Naef, 70, all from Switzerland, and Mrs Lieselotte Fritscht, 62, a German national living in Switzerland.

Their bodies are to be flown back to Switzerland this week.

A specialist, Dr M Greuter, and five of his colleagues were flown out from Switzerland at the weekend to attend to Mr Verna Tesch and his wife, Ruth, who are in the intensive care unit at the Lammrecht Clinic in George.

The couple's legs were crushed in the accident.

Two other injured tourists, Mr Richard Hans and Mr Willi Gall, are in the George Hospital.

Dr Greuter is to assist in flying the injured tourists back home this week.

A spokesman at the Arthur's Seat Hotel in Sea Point, where the rest of the tour party spent the weekend, said the group "looked very stressed".

Doctors, physiotherapists and a hairdresser were on hand when they checked in.

Mrs Hannalome Watrobe, a tour guide who spent yesterday at Miller's Point with the overseas visitors, said that they were physically and emotionally "battered and bruised".

"But they are a remarkable group of people who have been wonderful in supporting each other."

The group flew out of Cape Town International Airport last night.
Nature of cableway debate changes

Heather Parker

A FULL two years have passed since the Cape Town City Council decided it was time to rethink the operation of the Table Mountain cableway. The council's successors — and the city's ratepayers — have had plenty of cause to regret that decision.

Specifically, they have regretted it to the tune of nearly R2m.

In terms of its lease with the Table Mountain Aerial Cableway Company (TMACC), the council has the right every 10 years to review the contract and appropriate the lease with a year's notice. It did so in October 1998.

This was not unexpected: the cableway buildings were shabby, the cableway itself was so inefficient that visitors could face queues of more than four hours, and the TMACC was making only a negligible contribution to the maintenance of the mountain.

However, the TMACC, which has operated the cableway since inception, and which owns the associated buildings, did not take the decision lying down. It rejected the initial compensation offer of R10m, and was no more mollified when the council increased it to R15m. While negotiations were still under way, the council made its crucial mistake: it awarded the cablecar lease to a different operator.

The TMACC took the matter to the Supreme Court, which ordered that the TMACC was entitled to stay in place until the dispute was settled. The disappointed new operators of the cableway became entitled to a compensation of around R1,4m. Legal fees were an estimated R500 000.

That was around nine months ago. The council has allocated the money that had been earmarked as compensation to other projects. The TMACC is still firmly in place on the mountain, and negotiations between it and the transitional metropolitan council have changed in nature. No longer is the debate over the extent of the compensation owing to the TMACC, it is about how the TMACC will operate the cableway in the future.

But the exercise has not been wasted. Until the mid-1960s, the TMACC had been paying the city a token R1 a year for the commercial rights to the mountain. After that, it paid 2,6% of ticket sales: the figure now being bandied about is 10%. This will go into a special fund dedicated to mountain upkeep, called the Table Mountain Maintenance Trust Fund.

Given that it costs the council around R3m a year to maintain and manage the Table Mountain chain, and that the TMACC contribution has recently totalled rather less than R100 000 a year, that will be a welcome change.

It had been part of the council's thinking that the commercial rights to the mountain ought in far greater measure contribute to the costs of the mountain. On current sales, the ticket percentage alone will generate R600 000.

Another welcome development has been the decision to have TMACC go ahead with extensive upgrading plans, and to involve environmental groups in its forward planning. A team of environmental consultants has been appointed to ensure a "proper integrated environmental management" process; and they have held a series of open meetings and workshops to provide a forum for concerns to be expressed.

At the end of last month, an open meeting was held to finalise what are considered to be the key environmental issues, and a document has been prepared to invite final comment. Responses are expected to be in by the end of March.

If all goes according to plan, the TMACC will close the cableway in July or August next year, and reopen by December with a new look operation. Among the proposed improvements to the cableway are:

- a R40m face lift which will more than double capacity;
- the introduction of new cablecars with increased capacity;
- improvements to the upper station and lease area, both of which have changed little in decades;
- interior changes to the lower station, and
- improved traffic flow and parking.

But doubts have been cast on the process by the Khan Commission's recommendations that development on the mountain be frozen until the proposed new mountain management authority is in place. It has been proposed that this should come from the National Parks Board, but there is some dispute.

If it takes any length of time to decide on and set up a new management authority, and the upgrade is frozen for the duration, the inefficiency of the present cableway operation will continue to create a bad impression for Cape Town, argues TMACC.

According to chairman Louis de Waal, the TMACC is addressing Western Cape leaders and ministers at national level to make a case for allowing the work to continue. De Waal reasons that since the work constitutes an upgrade of existing facilities, rather than a new development, it should be exempt from the moratorium.
African visitors top SA hotel sector market

Edward West 28/11/95

CAPE TOWN — Business visitors and tourists from African countries represented the single fastest growing market for SA's hotel industry, Protea Hotels chairman Otto Stehlik said.

He told the tourism sector at a meeting of the Western Cape panel for economic and business development yesterday that over the past year there were about 186 000 business and tourist airport arrivals from other African countries, just under half of the 390 000 airport arrivals from Europe over the same period.

The growth in airport visits from Africa had come off a low base but was the single fastest market for SA's hotel industry. He said the Western Cape was getting less than its fair share of the African trade, a situation which was likely to improve when more African airlines scheduled flights to Cape Town.

Other markets which had grown rapidly from a low base were the 14 000 airport arrivals from the Middle East and the 83 000 from the US and Canada.

Stehlik said that until such time as US air routes were opened to competition, there could only be limited growth in tourism from that region. "SAA has only five or six flights a week to the US while to the Far East we have something like five or six a day," he commented.

He said the tourism potential from the US was enormous, provided there was greater accessibility to SA. Tourism from Latin America could be stimulated easily if flights were available.

Visitors to SA from the Far East currently represented the second fastest growing market for SA hotels, while European markets still held considerable potential, particularly in the light of the sheer volumes already visiting SA.

Stehlik described the lack of an international conference facility catering for more than 400 guests in Cape Town as "scandalous". He said such facilities were rarely profitable but instead represented a considerable asset for metropolitan and provincial authorities in terms of economic development.

Delegates at the meeting, which comprised senior Cape private and public sector representatives, pointed out that a casino license for the Cape metropolitan area was likely to include the construction of a conference facility as a condition of acceptance of the license.
CAPE Town’s Olympic bid company had budgeted R300m to deal with security at the games, Olympic bid committee CEO Chris Ball said yesterday.

“The company already had a task team working with the region’s security forces to ‘learn the ropes’ and to help formulate plans to deal with the protection of tourists in the city,” Ball was reacting to the outcry following the weekend murder of a cashier during a robbery attempt at an international boxing bout between British Warren Stowe and SA’s Simon Maseko in Guguletu, Cape Town. “Obviously security is a vitally important part of the games and there are very elaborate provisions made for that area,” he said.

“By the time the games take place, security will be extremely tight and it will be almost impossible for the wrong people to get in.”

Describing the murder as a “terrible, isolated incident”, Ball said it would not harm the city’s ability to bid for the 2004 games.

National Olympic Committee of SA president Sam Ramsamy said it was unfair to link the murder to the 2004 games, which was still nine years away. “This act was not specifically sport-related. It was a robbery. There happened to be money there and the money was what attracted the thieves.

“Had it been specifically sport-related it would have been a different matter,” he said.

However, Ramsamy stressed the crime rate was reaching national disaster proportions and he called on sports people to join in the fight against crime. “I also appeal to all our sports bodies to play their part in crime prevention by providing development programmes aimed at keeping the youth off the streets and instilling a sense of pride in self, community and nation,” he said.
Tourism meeting flops

BIZNESS EDITOR

A MEETING intended to involve Western Cape community leaders in formulating national tourism policy flopped dismally yesterday.

It was due to start at 8.30am, at the Montecasino conference centre in Cape Town. But by 10am only three people had turned up.

They were Mr Ali Khan of Othertours, who takes foreign visitors into the townships, Mr Newton Adams, secretary of the SA National Civic Organisation (Sanco), and Ms Shereen Parker, vice-chairman of the Development Agency for Tourism Advancement.

Mr D. Letsie, community constituency co-ordinator for the Department of Environmental Affairs and Tourism, which organised the meeting, said about 30 representatives of communities in outlying areas had been invited in addition to those living in Cape Town. Hotel accommodation had been arranged for those who had to stay overnight.

Mr Letsie said the SA Tourism Organisation (Sautour) could not continue to exist because it was a hangover from the old apartheid regime and concentrated on marketing this country overseas. A new national organisation was needed that would also encourage domestic tourism and would involve all stake-holders.

Mr Adams said he had received only three days' notice of the meeting.
Tourism boom highlights serious bottlenecks

BY AUDREY D'ANGELO

Cape Town — Decisive action would have to be taken immediately if the tourism boom, which had already started in the Western Cape, was to be sustained, delegates were told yesterday at a presentation organized by development agency Wesgro and the Cape of Good Hope Bank.

They were warned that the problem had shifted from attracting tourism to the overcoming of bottlenecks and the need to maintain high standards and reduce crime.

The Economic Monitor, published by the bank and Wesgro, said recent constraints in airline and hotel capacity had illustrated how rapidly bottlenecks could take the place of under-capacity.

"In essence we are now reaping the harvest of years of dampened expectations and the reluctance of investors to enter into multimillion rand investment contracts at a time when room occupancy rates barely exceeded 50 to 60 percent even during high season. While this seems to have changed, the gestation period for three- to five-star hotel projects is still from two to three years."

"These more obvious constraints are well documented and widely discussed. Less well-known are the many other bottlenecks linked to the transport sector, the handling of mail and freight, the advance booking of entertainment events, the handling of foreign exchange at bank branch level, the supply of world class tour buses and even capacity of restaurants."

"These bottlenecks may be manageable during the mass tourism season when everybody expects long queues and occasional mishaps. They are less excusable at international conferences or business-related tourist activities."

The monitor also warned that "increasing crime, decreasing safety and a drop in standards are quickly implanted in visitors' minds and are difficult to erase". The answer to these danger signals appeared easy but effective action was usually far more difficult, the monitor said.

Meanwhile, David Leteile, a community constituency co-ordinator for the environmental affairs department, said yesterday more facilities were needed for lower-income South Africans to go on holiday, with cheaper accommodation available.

He said Satour had valuable information and marketing expertise but it should not be allowed to set policies and should not continue in its present form because it was a relic of the apartheid regime. He said Satour had concentrated on marketing South Africa internationally and did not address local needs.
Olympic bid seeks community backing

ANEEL SALIE

CAPE TOWN'S Olympic bid committee has appointed Ms Sailegha Zardad as its director of community relations to help win the support of community groups for the 2004 Olympic bid.

Ms Zardad said yesterday there was concern about the lack of community involvement in the bid and support for it.

"A gulf had developed that it was her task to narrow.

The committee had not given enough attention to the community aspect owing to a lack of funds and resources, but these were now available.

Hectic"

"There was a top-down approach, which we are now changing to a bottom-up way of doing things, where the community is kept informed," she said.

For Ms Zardad, who has extensive organisational experience and was previously secretary of a Constitutional Assembly theme committee, it has been a hectic first month.

November started with a two-day consultative conference, attended by over 90 organisations and 130 individuals, to win support for the Olympic 2004 Concept Plan.

But it soon emerged that a lack of information precluded support, she said.

It was agreed that communities should not only be informed, but also involved in decision-making.

The conference had elected a community involvement task team, headed by Mr Omar Badsha of the Ikapa Arts Trust.

His immediate objective is to ensure that the team is made more representative of the broader community, and to secure its involvement in all aspects of the bid.

A number of sub-teams were formed to concentrate on various aspects, such as the youth, education and sport, community media, the environment and marketing.

On education and the youth, Ms Zardad said they had met Western Cape Education Minister Mrs Martha Olckers, who approved a major bid proposal that Olympic studies be included in school curricula, as a way of interesting young people in the bid.

Mrs Olckers' department had also agreed to second a teacher to the bid full-time.

Presentations had also been made to a broad range of target audiences by the bid's chief executive officer Mr Chris Ball, members of his staff and seconded officials.

Ms Zardad said experience had shown that the more information was made available and people were encouraged to join in, the easier it was to convince sceptics.

She has invited those organisations not yet represented on the community involvement task team to telephone the bid's offices at 419 2004.
The art of renovating the Point

R10-m upgrade of tourist facilities will include new restaurant and trails (288) ARG 29/11/95

ANNEILIES SMIT Staff Reporter

There are no obvious signs of large-scale renovations when you enter the gates of the Good Hope Nature Reserve — and that is exactly the philosophy of the nature reserve’s conservation officers.

“We don’t want to spoil the park with buildings, parking lots and restaurants, but rather to concentrate on Cape Point,” said chief nature conservation officer Howard Langley.

“Tourists all come to Cape Point, whether they stay in the park for one hour or a whole day. If you have to build facilities you might as well build them there and keep the rest of the nature reserve free. We keep the wilderness of the famous fynbos intact.”

Yesterday, Cape Metropolitan councillors climbed onto a tour bus to view progress in the R10 million renovation of facilities there.

The extra parking space that is being built at Cape Point will be limited, said Mr Langley.

“If the Cape Point parking area is full, we will radio for tour buses to stay at the Homestead information centre. As soon as there is parking space available, we will radio them again and tell them they can come down.”

The alterations at the famous point are obvious. An R8 million Two Oceans restaurant, keeping the mystery of the two oceans meeting at Cape Point alive, will open on December 11. It was built by private investors but the nature reserve will get an annual 10 percent of the profits.

The construction work on two railway tracks to replace the Flying Dutchman bus, used to transport tourists to the lighthouse, is well under way and will be open for use by the public around February.

But less conspicuous changes are also taking place in the rustic environment. A hiking trail with a small overnight hut, which sleeps eight, has been built to meet the growing demands of eco-tourism.

“Half of the tourists who visit our reserve just have one or two hours to spend before they go off on their organised tour to a different sight in the Peninsula,” Mr Langley said.

“But the other half is growing more and more interested in back-pack travelling, hiking along quiet trails and sleeping in a simple hut. They can leave their cars at the entrance gate and hike all the way up to the hut, stay there to watch the sunset and hike back the following day.”

The Homestead restaurant will close on December 10 to be transformed into an information centre with more detailed information and displays on the varied flora and fauna.

“When people first see the Cape of Good Hope Nature Reserve they say: ‘What a boring nature reserve compared to the Kruger National Park’. But we have 1 200 plant species, which is more than the Kruger Park has. There is also an enormous variety of small and larger animals, but people have to look carefully to spot them.

“That’s where more information can help people who are really interested in discovering the creatures living here.”

To add to the Homestead information centre, the nature reserve has also set up the Skaihe Education Centre at Olifantsbos which the public is excluded from.

The nature reserve took over the education centre from the University of Cape Town and restored the neglected building, which gets its electricity via solar panels.

“It is specially for schoolchildren, who can spend the weekend, and for university research,” said Mr Langley.

Recently two unknown maps of the Olifantsbos area were discovered which might shed light on the whereabouts of three graves of Italian sailors from the Caterina Gobe which sank in 1711. The graves have never been found but recently Mr Langley got the two maps from the army and three graves are indicated near the Skaihe Education Centre.

“It is very exciting and we are definitely going to look for the graves. We might turn it into a small tourist visiting point but that depends on what we find. We have to be careful to ensure the graves will not be vandalised.”

The famous 1860 lighthouse, built on the highest point — without taking into account the notorious mist — is currently being restored to become a 24-hour watchtower to guide ships around Cape Point.

The 1860 lighthouse staff quarters are, with the approval of the National Monuments Council, being transformed into the funicular waiting room and a small kiosk. Just metres away, a new laboratory has appeared which will be used to research and analyse atmospheric changes.

The road to the lower lighthouse, built in 1919 because the upper lighthouse was often concealed in mist and therefore useless, is now a rather unattractive route to take. But within a few months the route along the ridge that leads towards the end of the Point will be opened to the public, complete with safety bars and concrete steps. It will offer one of the most breathtaking views of the area.

Wheelchair facilities will also be provided, a tricky task for the construction workers.

“Up until now it was very difficult for disabled people to reach lookout points at Cape Point. When the railway opens, there will be a special one-level trail which will lead to a viewpoint on the very edge of the rocks.

“We have to harness the workers and tie them to strong ropes because it is quite a tricky job to do,” Mr Langley said.

“The extension of facilities is necessary to help protect the reserve,” said Bill Baldwin, director of Cemeteries and Amenities of the Cape Metropolitan Council.
Tourism businesses speak up

Theo Rawana

THE SA tourism business sector had finally found a single voice with the establishment of the Tourism Business Council of SA, and was now well-placed to influence policy and advance the restructurings of the SA tourism industry, the council said yesterday.

Council steering committee chairman David Wigley said in Johannesburg that the council, supported by a broad spectrum of members in the tourism industry, would provide the first inclusive national structure through which the tourism business sector could be fully recognised and represented as a leading stakeholder in the development of tourism in SA.

Wigley said the primary purpose of the council would be to ensure that through comprehensive and united representation at national and provincial level, the appropriate macro strategies were adopted for developing and maintaining growth in tourism — especially in the business sector.

"SA's tourism resources have to date not been developed in a sustainable way, and there is vast scope for expansion in both domestic and foreign tourism. "Although tourism is acknowledged as the world's largest earner of foreign currency, in SA it is only the fourth largest earner of foreign exchange. Enormous potential for growth in our untapped domestic tourist market also exists," Wigley said.

According to the council, community-based tourism was the key to developing a national tourism culture. A fundamental principle of the council was to ensure the inclusion of small and emerging businesses as equal stakeholders in the tourism industry.

Steering committee member Moses Nqwenya said that the council would, in conjunction with the Hospitality Industry Training Board, encourage and promote the development of small and emergent businesses through training and development of staff, especially in business skills.

The Tourism-Liaison Council chairman and founder member of the business council, Rupert Lawlor, said: "One of the first major tasks of the council will be to make submissions on the tourism Green Paper, which was released earlier this year.

"The council will address key issues identified in the Green Paper to enable an appropriate White Paper to be presented to Parliament."
SA tourism sector ‘must adapt’

BY AUDREY D'ANGELO

Cape Town — The international tourism industry is changing and South Africa must offer foreign visitors what they want, consultant Aurelia Poon of Caribbean Futures told representatives of Western Cape organisations yesterday.

Poon has been retained, at the expense of the European Union, to act as a consultant in preparing a new tourism policy for South Africa.

Poon said South Africa should offer a new type of tourism catering for contemporary tastes. Travellers today were more sophisticated, less easy to “rip off”, conscious of the environment and no longer content to lie on a beach.

They were in search of new experiences and of genuine local colour.

Coastal cities such as Durban and Cape Town would benefit from the arrival of more cruise ships, but hotels might lose out as increasing numbers of foreign visitors stayed in floating accommodation.

Poon suggested that people in the tourism industry might involve local communities by inviting them to provide entertainment for guests or encouraging them to sell cold drinks at places of interest or train as guides. Hotels should make contact with taxi owners and other service providers to ensure that standards were high enough.

She emphasised the importance of “responsible tourism”, which protected the environment and involved local communities, allowing them to share in the benefits.

On violence, she warned that nothing would kill off tourism more quickly than a dead tourist.
Teach tourism in schools

29 January 1975

BUSINESS EDITOR

TOURISM should be taught as a school subject from Std VI. The industry is to reach its full potential in South Africa. Mr. Egido Cardoso of the Cumberland Hotel, Worcester, suggested at a workshop in Cape Town yesterday,

and ordinary people should be convinced that it is in their interests to be polite and helpful to tourists.

Mr. Cardoso was taking part in a discussion on the Green Paper on Tourism issued by the Department of the Environment and Tourism at the Monte Carlo Conference Centre.

He said he had started involving the local community in tourism nearly 20 years ago. A choir formed at the nearby township of Zwelethemba sang regularly at the hotel, and this had led to helpful contacts for its members.

He was now encouraging the setting up of a tourism centre in the township where crafts would be sold and authentic African food served.

The Green Paper suggests that there should be more community involvement in tourism. Discussion meetings are being held all over the country, and suggestions will be incorporated into the government's new tourism policy.

Several people at yesterday's meeting suggested funds should be available for black entrepreneurs to set up unregistered businesses.
Tourism industry founds national council

BY CHARLOTTE MATHEWS

Johannesburg — A range of tourism-related businesses, both large and small, have joined hands to form a national Tourism Business Council of South Africa (TBCSA) to voice their views on the development of the industry.

According to David Wigley of Fedics, who is chairman of the TBCSA’s steering committee, there were three driving forces for the establishment of the council: large business, which wanted to ensure it had a voice on the future tourism structure in government’s tourism green paper; a range of associations in the industry; and small and emerging businesses, spearheaded by the National Black Business Caucus (NBBC).

The roots of the TBCSA go back to the October 1994 workshop hosted by minister of tourism Dawie de Villiers, which made tourism-related businesses realise that if business was to make an appropriate contribution it had to speak with one voice on macro issues.

The founding members of the council, apart from the NNBC and Fedics, include the AA of SA, the Afrikaans Handelsinstituut, the National African Federated Transport Organisation, Moribo Investments, Renelle Travel, Southern Sun Group and Sun International.

Wigley said South Africa’s tourism resources had not yet been developed in a sustainable way and there was scope for expansion.

“I think the first key to developing resources in a sustainable way is to create a long-term strategy based on which regions and countries South African tourism will be directed at.”

“At the moment, first-time tourists visit the major cities. We need to identify which parts of the country hold out good prospects for the second wave of visitors.”

A fundamental principle of the TBCSA will be to ensure that small and emergent businesses are included as equal stakeholders.

Wigley said that, particularly in rural areas with the attraction of scenery and spaciousness, local communities could attract tourists with craft centres, restaurants and tours to places of local interest.

Steering committee member Moses Ngwenya said disadvantaged people had been excluded from the touristic industry.

Tourism as an industry could promote well-being and pride and contribute to economic growth.

See Page 16
Trade-off between Parliament and Olympics — claim

These questions related to whether South Africa could afford the Olympic bid and whether it was a national priority, he said. Mr. Gordhan said he did not know when an independent auditor's report on the cost of keeping Parliament in Cape Town or moving the legislature to Gauteng would be completed.

A "tough and ready" study done by Mr. Maharaj had concluded that it cost about R50 to R60 million to move government officials between Cape Town and Pretoria each year. The efficiency cost was more difficult to calculate, he said.

Deal

CAP said the allegations and rumours about the "trade-off" had been discussed by the board of the Olympic Bid Company. Reports appearing in weekend newspapers claimed that "a deal" was being considered within the government whereby those who wanted Parliament moved to the north would give Cape Town the Olympic millions it needs on the understanding that Cape Town’s roads in support of the bid. CAP said an unnamed senior Department of Transport source had recently stated: "They (Cape Town) cannot have it both ways: Cape Town must choose."
IOC confidence clause
poser dogs Games bid

ANDREA WEISS
Municipal Reporter

A CONSTITUTIONAL question mark hangs over Cape Town’s Olympic bid because of an International Olympics Committee (IOC) requirement that the final bid file be kept confidential until the IOC gives permission for its release.

This requirement might clash with a provision in the draft constitution which guarantees the right of access to “any information held by the state and by another natural or juristic person and that is required for the exercise or protection of any rights”.

But Cape Town Olympic Bid Committee chief executive Chris Ball said he believed it was not an issue as all information about the bid was freely available.

In its bidding manual, the IOC stipulates that the candidature file, which contains the Olympic plan for the competing city, “may not be distributed or made public” until it has been submitted to the IOC and its written authorisation has been obtained.

The IOC also regards the file presented during the initial selection phase as “binding”, and says modifications to the contents will only be permitted on an “exceptional basis”.

Asked to comment, Mr Ball said today: “This ‘issue’ is not an issue at all.

“Every piece of information (about the bid) has to be agreed by everyone involved, and that is all open. We just wouldn’t distribute the book (candidature file).”

Fink Haysom, legal adviser to President Mandela, said the right of access to information was not unrestricted and there was a limitations clause which might cover the IOC’s requirement.

However, where access to information was restricted, it would have to be consistent with a “free and democratic society” and would have to be justified.

Willie Hofmeyr, African National Congress MP and lawyer, said he believed that all the facts and figures around the Olympics’ bid should be made public, but this did not necessarily mean that the final document would have to be available for public scrutiny.

Mr Hofmeyr said the IOC’s provision was probably aimed at preventing media competition between contending cities.

He said if an individual wished to see the document, they might have to approach the Constitutional Court for a ruling on the issue, but the court might be reluctant to make a finding which would rule out South Africa’s ability to compete for the Olympics.

“Ronnie Kingwill, director of Cape Town’s bid process, said the constitutional issue was “very complex and would need to be looked at very carefully from both the IOC requirements and in terms of the legitimacy of our own bid”.

He said the bid file was being compiled through task teams and work-shopping and “an enormous amount of information sharing” was occurring.

“In the context of that, I believe we would fulfill the expectations of the writers of the constitution, and therefore the public,”

There were elements of confidentiality within the strategy of the bid company which would have to be dealt with on a “need-to-know basis”.

He said the bid company intended taking legal advice on the question.
Bottlenecks may strangle Western Cape tourism

Visitors to the Western Cape may be on the increase but it is not equipped to cope with the rush, asks Lynda Loxton.

The Western Cape tourism sector is finally taking off — and running straight into a wall of infrastructural bottlenecks because of low investment that could be its undoing.

This was the warning from local development group Wesgro, and the Cape of Good Hope Bank in their latest Western Cape Economic Monitor, published in time for the Wesgro annual general meeting.

"After years of speculation and unfulfilled expectations, the Western Cape tourism sector is now in its take-off phase," the monitor stated.

As highlighted by the growing inability of the airline and hotel industries to cope with the influx in tourism in the Western Cape, "we are now reaping the harvest" of years of under-investment in new hotel accommodation.

This can largely be blamed on the fact that hotel occupancies have been low, even at peak times, and only a few hoteliers had the foresight to invest in long-term plans for new hotels. It will take two to three years to build the kind of three- and four-star hotels needed to cope with demand.

Other bottlenecks that have developed include transport, the handling of mail and freight, advance booking for sports and entertainment, the handling of foreign exchange by bank branches, the supply of world-class tourist buses and the quality of restaurants.

"These bottlenecks may be insurmountable during the massive tourism season, when everyone expects long queues and occasional snags," the monitor reported.

"They are less excusable when occurring at international conferences or business-related tourist activities."

Cape Town's Olympic bid could go a long way towards improving the tourism industry into dealing with these bottlenecks and the monitor said "this very wise effect of the bid process has had the past been the main motivation underlying the bid of some of the unsuccessful countries."

The whole process should, however, be accompanied by an equal enthusiasm to improving the quality, not just the quantity, of tourism services.

If not, the monitor warned, the Western Cape could end up serving the same shoddy, rip-off service offered by some countries in Latin America, Southern Europe, and North Africa.

The answer... may seem easy, but effective control is usually far more difficult. Private patrolling, more training, better quality control, more inclusive management development, greater attention to comparative standards — we know what must be done, but are we taking sufficient action?"
Tourism boom takes toll on bush

Paul Betts

By Mike Jones

The tourism industry is booming in the area surrounding the park, with visitors flocking to enjoy the natural beauty and wildlife. However, the increase in visitors has put a strain on the local infrastructure and resources.

"The demand for tourism has been unprecedented," said park manager, Jane Williams. "We're doing our best to manage the situation, but it's challenging to meet the needs of both visitors and the local community."}

The park has implemented several measures to mitigate the impact of tourism, including limiting visitor numbers and implementing new waste management protocols. However, the pressure on the local ecosystem continues to grow.

"We're working closely with the local authorities to ensure that the impact of tourism is minimized," said Williams. "But it's a constant battle to strike a balance between the needs of the visitors and the needs of the ecosystem."
Starved Captour is hoping for reprieve from city governors

Heather Parker

CAPE TOWN. - Cape Town's city governors seem set to reverse their much-criticised decision earlier this year to slash the tourism budget.

In this year's budget, the transitional metropolitan council dropped a bombshell in cutting tourist authority Captour's 1995 budget of R2.2m to R600 000. In the face of urgent representations from Captour and other interested bodies, the council partially relented and raised the grant to R1m; and offered a further R1m as a bridging loan.

Now, in the face of Captour's protestations that as a non-profit organisation it would be unable to repay such a loan, the full council is to consider recommendations by the executive committee that the loan be converted to a straight grant-in-aid.

Tourism is the oil lubricating the Western Cape economy. Nationally, it increased nearly 70% in the past six months compared with the same period a year before, according to the SA Tourism Board. And Cape Town remains the favoured destination for overseas visitors and SA holidaymakers.

According to Captour, 56% of all foreign tourists to SA have Cape Town on their itinerary.

Information bureaux around the city had record business this year, with nearly 850 000 visitors making use of them even before the peak season starts later this month.

Even if, as expected, the grant is approved, those in the tourism industry are critical. Although the Cape stands alongside the Kruger Park as the country's prime tourist destination, at R2m its budget is miserably compared with, say, Durban.

The tourist authority there, Durban Unlimited, got a budget from its council of R5.5m for 1995/96, up from R8m a year ago. Gauteng, although it was allocated only R1.5m this year, which is 10% up on last year, has applied for R4m. This application, said a spokesman, was being reviewed "very sympathetically" - and if passed, it will mean Gauteng has double Cape Town's budget.

A Port Elizabeth tourist authority spokesman said: "The situation in Cape Town is of great concern to us. Having taken on the responsibility of being an international gateway to SA, Cape Town must take on the responsibilities that entail. If tourists are not serviced well at their point of entry, it affects their entire experience in SA."

The Cape Chamber of Commerce and Industry has come out strongly in support of Captour.

"Tourism is immensely important to the Western Cape. We believe it is one of the foremost growth industries; in the light of the general opening up of SA to the world, and also in view of the possibility - or the probability - of us getting the Olympics," said Charl Adams, human resources manager.

"It is a great multiplier in terms of job creation - for every 10 000 tourists, 150 jobs are created."

Money's worth

Captour, he said, had a major role to play. "We believe its activities should be sustained and even increased."

The council is unrepentant regarding its stance on funding Captour. It says it is one of several municipalities in greater Cape Town, and insists that the others pay their share.

The other municipalities demur, insisting that Captour basically promotes central Cape Town.

Yet Cape Town does have a point. The contribution to Captour made by Bellville, Cape Town PR Ted Donan said, did not even cover the rent of the Captour office in Tygerberg.

Another municipality, which Donan declined to name, withdrew its contribution because it claimed it was not getting money's worth - at R300 a year.

The actual annual yield that Captour generates into the economy of the Western Cape is conservatively estimated at around R20m. At Captour's 17th annual general meeting, the tourist body said cutting its budget represented a dangerously false economy.

A Golden Oldies World Rugby Festival, for example, which was secured at a cost of R81 000, is expected to generate more than R1.4m for the region. A new trade kit aimed at 1 000 key trade organisations in Europe, the US and southeast Asia is another potentially lucrative initiative. "If only 1% of the targeted trade respond by sending only nine visitors on five occasions a year to the Cape, a R496 800 return on our initial investment of R83 130 will be achieved," said CE Gordon Oliver.

As well as its municipal grant, Captour takes a 10% commission from the booking services it offers, and in the past year it received private sector support totalling around R1.6m.

"Most tourist authorities around the world get less than 50% of their revenues from the private sector," said Oliver. "For this fiscal year, Captour derived 44% from the private sector. It was not realistic to expect this to continue."
300 000 tourists expected to holiday in Mother City

CAPE TOWN will be bursting at the seams with the influx of at least 300 000 visitors over the next few weeks as holiday travel and activity reaches fever pitch.

"South Africa is going to have one helluva season," said Satour spokesman Mr Martin van Niekerk. He said SA could expect a 40% increase in tourists this year.

"Last year we had 704 000 foreign tourists. By the end of September this year we had already surpassed that with 730 000," he said. "If the trend continues we are in for an excellent season."

Captour spokeswoman Ms Lauren de Wet said Cape Town remained the number one tourist destination in South Africa. "Occupancy rates in hotels in Cape Town were already more than 80% booked up throughout December through to the end of February," she said, adding that 56% of all foreign tourists to visit South Africa came to Cape Town.

Infrastructure

Ms De Wet said indications were that about 650 000 people, including close to 480 000 foreign tourists would have visited Cape Town by the end of this year.

Despite the positive showing she called for an enlargement of the whole tourism infrastructure. "Better safety and transport services, more accommodation and improved service levels are required to make Cape Town a truly major international tourist venue," she said.

She noted that Germans, Scandinavians, Austrians and Swiss made up the bulk of foreign tourist arrivals.

A South African Airways spokesman said SAA was encouraged by forward bookings and didn't foresee problems coping with the large influx of visitors, as "we are prepared to lay on additional flights if necessary."
Nocsa off to Switzerland to stake Olympic claim

JOHANNESBURG: The National Olympic Committee of South Africa (Nocsa) will travel to the headquarters of the International Olympic Committee (IOC) in Switzerland on Monday to present a formal confirmation of Cape Town's bid for the 2004 Olympics.

The IOC is already in possession of a letter of intent to bid from us, this is merely a formal follow-up," Nocsa president Mr Sam Rambham said. "Delegations from Rome and Buenos Aires have already been to Lausanne and we expect the other competing cities to follow our example soon."

He said Seville, Rio de Janeiro, Istanbul and St Petersburg had also registered letters of intent with the IOC and that San Juan, Lille and Stockholm were expected to do so before the January 10 deadline.

A memorandum of understanding was signed at Nocsa's headquarters here yesterday by the government, the provincial government of the Western Cape, the Cape Metropolitan Council, the City of Cape Town and the Cape Town 2004 Olympic bid company.

Minister of Sport Mr Steve Tshwane said it was another important milestone in the progress of Cape Town's bid.

"The bid is clearly recorded as a national event and the necessary resources are being made available by all of the relevant parties."

Mr Chris Ball, the chief executive of the bid company, said full budget figures would be presented at the end of April. — Reuter.
Sunday liquor

Cape chamber says restrictions should be lifted immediately

JOE MARRES Staff Report

Laws restricting the sale of liquor on Sunday should be lifted immediately, says the Cape Chamber of Commerce and Industry.

A previous call by the chamber's immediate past president, Mr. Brown, on Thursday, regarding the consistency of the laws, has been supported by the chamber's chairman, Mr. Brooks.

Mr. Brown said that the chamber had always promoted the concept of a 'Sunday liquor law' and had also supported the idea of a liquor law for Sunday.

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"We support the idea of a Sunday liquor law and have always supported the idea of a liquor law for Sunday," Mr. Brooks said.
City braces for tourist influx

AN INTENSE traffic safety campaign and greater police presence are part of Cape Town's efforts to cope with a bumper tourist season. MELANIE GOSLING reports.

The influx of an estimated 300 000 foreign and local tourists to the Cape Peninsula has started in earnest as the festive season reaches its peak, sharply testing Cape Town's police and security services, hotel accommodation and traffic control centres.

A massive national traffic safety campaign has been launched in a bid to reduce the annual carnage on the roads as hundreds of thousands of holiday-makers flock to resorts around the country.

Cape Town remains the number one tourist destination. "Occupancy rates in hotels are more than 80%, booked up throughout December through to the end of February," said CapTour spokesperson Maarten de Weer.

The Department of Transport's directorate of traffic safety is co-ordinating the nationwide traffic safety campaign, the first to involve all the provinces.

A thousand people are expected to die in accidents this month. Last year a total of 9 731 people were killed on the nation's roads.

Police are stepping up operations in the city to cope with the tourists. Marching on Cape Town, police patrols and undercover operations will be intensified during the peak holiday season.

Provincial hospitals have stepped up preparedness, scheduling extra staff for December as they gear up to cope with the increased patient load over the holiday season. Deputy director-general for Western Cape Hospital Services Dr. Tom Sutcliffe, said yesterday arrangements had been made to ensure adequate stocks of blood and medicines were available.

"Each hospital has a contingency plan which they will bring into action given the circumstances. We have stopped admitting 'cold' patients so that we can re-arrange our resources to meet the needs of this period. It is a sad reality of the festive season that there is an increase in violence and road accidents," Dr. Sutcliffe said.

The national traffic safety campaign will be marked by a high police visibility, random checks by traffic officials, a constant flow of vital traffic information to motorists and patrols by fixed-wing aircraft.

The director of the Department of Transport's traffic safety directorate, Mr. P. Paterne, said more than 22 organisations throughout the country were involved in planning and implementing the project, including the provincial traffic departments, SAPS, the Institute of Traffic Officers, the AA, the weather bureau, taxi industry and emergency services.

Aircraft patrols will be conducted on the N1 in the Karoo and Free State and on the N2 in the Eastern Cape. Some aircraft will also be used to monitor traffic offenders.

While the authorities say they are doing all they can to make travel over the holidays safe, they stress that the ultimate responsibility rests with road-users.

Nearly 70% of fatal collisions last year were the result of human error, Mr. Paterne said. In the majority of collisions where human error was a cause, at least one traffic violation had been committed.

Last year road accidents cost the country R10.7 billion and the Western Cape R1.7 billion. A single fatal collision costs the country about R25 000.

○ The WP Blood Transfusion Service has urged holiday-makers to visit a donor clinic and donate blood.

○ The service will need a unit of blood every 45 seconds to cope with increased demand over the Christmas period.

"The stark reality of a blood shortage is that people who die — people who might ordinarily have lived — a spokesman said.

Motortists can get up-to-date information about traffic volumes, road and weather conditions at the National Traffic Centre toll-free number 0800111300 or at the local centre on (021) 946-1946.

○ The new bus and taxi lane on the N2 will be unofficially open from today. Although bits and taxis have the exclusive use of this lane between 6.30am and 9am, provincial traffic authorities have said law enforcement will not be operational for about a month to allow motorists to adapt to the new system.
Tourists give Cape Town a high rating

Survey proves city's potential

JOSEPH ARANES
Municipal Staff

CAPE Town is ready to compete with the world's best, and if the findings of an assessment survey of the Rugby World Cup tournament are used as a yardstick, the city should beat the pants off the competition in attracting tourists.

About 85 percent of the visitors who came to the city for the tournament said they were impressed with the city's beauty, infrastructure and friendly service that they would like to return for a holiday and bring the rest of their families along too.

Prior to the RWC there was a great deal of concern about the wisdom of holding the event in South Africa, and a good deal of scepticism locally about the city's ability to cope with the increased number of visitors expected to attend the tournament.

Given this concern, the Cape Town City Council's city planner's department decided to assess how well the Mother City performed as a host city for the event.

The findings of the survey were presented to the council's economic development committee yesterday.

In the report's foreword, mayor William Bantam said it was the council's desire to make the city one of the greatest tourism destinations.

"We certainly have the raw material with our spectacular scenic views, awe-inspiring mountains, beautiful beaches, wine farms, flora and gardens as well as our historic buildings."

"However, in order to make ourselves a world player we need to ensure that tourists leave the city with such a favourable impression that they will be determined to come back again."

"And all indications from this survey show that for the RWC we have managed to achieve this objective, and this bodes well for our chances to host the 2004 Olympic Games."

But Mr Bantam warned the city not to become complacent and to constantly monitor and improve its services levels.

According to the findings of the survey, the city was rated by visitors as being the most successful host for the RWC and that it was well prepared to host events on a large scale.

Many foreign tourists returned to the city a number of times and could be introduced to additional attractions currently underdeveloped, such as the False Bay and West Coast areas, local crafts, food and entertainment venues.

Partnerships among roleplayers should be encouraged to plan co-operatively for the firm establishment of a sustainable tourism industry which will promote employment and the development of the Cape's cultural and natural heritage.

The study targeted both foreign and domestic visitors to Cape Town and interviews were conducted at the domestic depart and arrival hall at the city's airport. In addition, self-administered questionnaires were distributed to more than 100 places of accommodation.

The study found that most foreign visitors were not from the bigger rugby playing nations and spent an average of 6.1 days in Cape Town, or about a third of their total stay in the country.

On average the visitors spent about R3198 a day and 62.5 percent of them stayed in hotels - most in three-star accommodation.

A five-point Likert-type scale, which is generally accepted as a reasonable scale for gauging opinion and which is largely more reliable than other scale types, was used to rate services and facilities.

It is therefore important to note that there is a significant difference of opinion in the rating of services as "good" and those rated below "good", and it is evident from the comments that services or facilities rated below good were perceived to be in definite need of improvement.

CAPE TOWN INTERNATIONAL AIRPORT

The average rating of 3.7 falls below good on the scale. There were many favourable comments, but the significant percentage of visitors who rated the airport "average" felt that the shopping and other facilities were limited and not up to international standards, and that departure areas were overcrowded.

TRANSPORT

In general, transport services for the event were successful, with most respondents positive about their movement to and from matches at well as around the city. There were a number of critical comments regarding regular public transport such as buses and trains.

TRANSPORT FROM AIRPORT TO ACCOMMODATION:

This was rated above "good" although ratings by foreigners were lower than those of domestic visitors. Favoured comments were made with regard to the friendly and efficient traffic control service, while unfavourable comments concerned high fees charged by taxi drivers and the poor condition of some tour buses.

TRANSPORT TO AND FROM GAMES:

Was rated slightly below "good" again with foreign visitors giving somewhat lower ratings. Negative comments related to tour buses being overcrowded and the lack of modern vehicles.

TRANSPORT IN AND AROUND THE CITY:

This was given a similar rating of slightly below "good" although a significant minority of foreign visitors rated this as "average". Favourable comments were made regarding tour companies and guides, and negative comments related to the high cost of hired cars and sedan taxis and the need for improvement in the public transport service.

ACCOMMODATION:

Overall, accommodation was rated above "good". Hotels were rated good and got favourable comments for efficient service, good facilities and friendliness.

Guesthouses were rated highest of all types of accommodation, tending towards "excellent" with comments relating to the friendly, hospitable service.

Private accommodation was also rated "good to excellent". This could be expected as most of these visitors were staying with relatives or friends.

NATURAL ENVIRONMENT:

This category got the highest rating of all with the greatest proportion of respondents rating it "excellent". Many complimentary comments were made regarding the Cape's unique natural beauty. Unfavourable comments related to visible pollution, litter, smog and oil on the beaches.

HOSPITALITY:

Most comments were favourable and most visitors described Cape Town as friendly, courteous and welcoming. The few comments related to bad driving and the inconsistent standards of service.

RESTAURANTS/FOOD:

Rated as above "good" with somewhat lower ratings by foreigners. Many favourable comments were made regarding the high quality of food, described as very good, good for money. Complaints were made regarding the lack of variety and the need for more local fare.

On the whole, visitors' levels of satisfaction with services and facilities were generally very good. However, specific criticisms were made, and all services must be taken seriously if the city wishes to build the tourism culture which holds great potential benefit for the city.
Scramble to cash in on tourism boom

COLIN DOUGLAS, Staff Reporter

CAPE Town is becoming a major world tourist city with up to 30 new hotels costing R2 billion due to mushrooming here over the next two years.

While many hoteliers have already acquired sites and are to start construction soon after the holiday season, others are scouring the Peninsula in search of suitable properties.

A huge 450-room luxury hotel on the old President Hotel site in Sea Point is a step closer with the signing by development companies Mark II and Anchor Trade Finance of a multi-million rand deal to buy the site from Sanlam.

Builders are expected on site as early as February.

In Milnerton, the racecourse is set to be transformed into a vast hotel and leisure resort alongside a new residential development.

Dave de Freitas, managing director of the development company Stocks & Stocks which has an option on the racecourse, said he was "90 percent certain" that the project would go ahead.

Construction would begin towards the end of next year and "hundreds of millions of rands" would be invested in the development, Mr De Freitas said.

Hotel developments, by foreign and local companies, could add 5,000 new beds to the Peninsula's stock.

Sites already identified include:
- The 375-room Hilton on the old power station site, which is expected to be accompanied by a second five-star hotel run by another chain - possibly Sheraton;
- Spier wine estate near Stellenbosch, where the Enthoven family are investing R125 million in an arts and leisure resort that will include a hotel run by Holland's Golden Tulip group;
- Protea's 175-room Victoria Junction Hotel in Somerset Road, Groen Point which is due to open late next year; and
- Sol Kersner's R250 million, 330-room Waterfront "palace".

Other hoteliers are clamouring to stake their own claims to the Cape's tourism boom.

- Robert Dawson, manager of Hyatt's newly opened five-star hotel in Johannesburg, said the international group viewed Cape Town as its "logical next step" and was trying to finalise the right site for a hotel here.
- Locally based Fortes King is negotiating a site for a 200-room low-budget "Cas-
NEW DEVELOPMENTS W/CAPE:
1. Chiselhurst, Rondebosch
2. Elan Park Hotel, Sea Point (old residential site)
3. Mount Nelson extension, Gardens
4. The Bantry Bay
5. Oudekraal Hotel
6. Protea Victoria Junction Hotel, Green Point
7. Hilton, old power station site
8. Sheraton, old power station site
9. Sun International "Palace", Waterfront
10. West Quay Hotel, Waterfront
11. Ebenezer Buff Hotel, Waterfront
12. Bloubergstrand Hotel
13. Trovato House, Wynberg
14. The Beachfront Hotel, Hout Bay
15. Hotel at Milnerton Race Course
16. Hotel at Surfer's Corner, Muizenberg
17. Steenberg
18. Hotel at Granger Bay
19. Cape Swiss Hotel extensions, Tamboerskloof

THOSE NOT SHOWN ON MAP:
20. Spier Golden Tulip, between Spier and Stellenbosch
21. Extension to D' Ouvre Werf, Stellenbosch
22. St Francis Bay Hotel
23. Halpendal wine estate, Stellenbosch
24. Caboose Hotels in Outshoorn, Plettenberg Bay, Mosel Bay, Caledon, Swellendam

NO SITE CHosen YEt FOR:
25. Cape Town Caboose Hotel
26. Five Golden Tulip and Tulip Inn Hotels
27. Inter-Continental Hotel
28. Hyatt Hotel
29. Days Inns
30. Holiday Inn Express

The above formula is based on the bond issue promised payment on the bond issue at the maturity date in Scenario 1, the

value of $9,000,000 for the bond issued in Scenario 2, in which the

market price of the bonds at maturity is

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Methods for valuing the

Below, four different methods are presented for the application of one type of the assumptions discussed here. Different types of models reflect the assumptions of some very real costs, the assumption of the loan and loan guarantees are not traded in time and therefore to maintain a current basis on assumptions that inversions are the basic types of valuations we

1.2.2. The Application of the Option

Equation (1.17) is the binomial model's formula for the fair value of a one-period put

\[ \frac{(P-X)(Y)}{(S^n-X)(P-Y)} = d \]
Retail proposals

Renée Grawitzky

THE SA Commercial, Catering, and "Allied Workers" Union has demanded the establishment of a bargaining council for large national retail companies and a statutory council for large employers in the hospitality industry.

The union has proposed, in exchange for the establishment of a retail sector bargaining council, to enter into discussions on flexible work arrangements, to consider various wage increase options, and not to be bound by traditional across-the-board and percentage increases.

The Labour Relations Act provides for a bargaining council which is seen as a modified form of the current industrial council system where wages are negotiated at central level.

The new statutory council provides for the negotiation of training, education and social-welfare funds at central level with wages negotiated centrally only with agreement from the relevant parties.

Union spokesman Leonard Gentle said flexibility could include extended trading hours which could affect turnover and job creation if combined with reduced work hours and the issue of upgrading of casuals to permanent positions.

Extension of trading hours could have a positive effect on the revitalisation of city-centres.
Wienburg kicks out

Cape Town

The Cape Argus

Cape Town, 13 May 1981

Municipal reporter

Cape Town's mayor, Councillor to leave Olympic

meeting

Councillor Frank Steyn has ordered council to leave the Olympic

meeting in Seoul on Friday. He has told council that the

meeting between both councils will not take place due to

the Olympic Games.

The Municipal Council of the Cape

metropolitan council during a

meeting held at City Hall.

Municipal reporter

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Cape Town, 13 May 1981

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Protea warns hotels of pitfalls

CAPE TOWN — Hotel management group Protea Hotels has warned against the pitfalls of unbridled hotel developments in the Cape as room occupancy rates had barely reached internationally accepted levels.

This followed reports yesterday that up to 30 new hotels, valued at R220m, were on the drawing board for the Cape over the next two years, which could add 6 000 new beds to the Peninsula's stock.

Protea MD Arthur Gillis said although occupancy rates in November had been exceptionally high, with a similar trend expected in February and March, occupancy rate from now until December 22 was only about 55%. 

"It takes careful planning to invest hundreds of millions of rands in a hotel where occupancy is highly seasonal, and your hotel will be full only two to three months in a year," he said.

Captour director Gordon Oliver said over the past 15 months the Cape had become an all-year tourist destination and a lack of hotel accommodation and airline travel bottlenecks had been experienced in peak periods.

Latest CSS statistics showed that the Cape Peninsula and winelands had an average occupancy rate of 64.4% in August, compared with 63.3% for Gauteng and 66.2% for Durban.

National average room occupancy rates increased 11.2% to 65.7%.
New perlemoen war between divers, poachers

Staff Reporter

THE Hawston perlemoen war between poachers and legal divers has erupted into pitched battles again, but an uneasy calm returned to the town today.

The main road through Hermanus was open early today after it was closed during the latest outbreak in the Hawston perlemoen war.

But traffic police warn the situation remains volatile and the road will be closed if violence flares again.

Yesterday, at least three cars were damaged as police and a group of so-called poachers (fishermen without permits) fought running battles with sticks, stones and rubber bullets.

The poachers erected burning barricades on the R43 (main road) and traffic was diverted around the war zone until late last night.

The trouble in Hawston revolves around the fact that some perlemoen divers are legally entitled to catch perlemoen, while others have no such rights.

Those without rights are demanding a quote to legalise their presently illegal activities.

According to one of the perlemoen war mediators, librarian Philip Nel, the illegal divers were incensed by television coverage of a demonstration by legal divers, some of whom carried placards calling for illegal divers to be put to death.

The situation was aggravated when police came across a bag of illegally harvested crayfish at Hawston harbour, and were prevented from confiscating it.

Mr Nel said the situation was brought under a measure of control last night after an ANC delegation stepped in to mediate between poachers and police.

A meeting was to be held at the library today to further defuse the tension.

A member of the legal diving fraternity, who asked to remain anonymous for his own protection, said there were two classes of poachers operating in Hawston: subsistence poachers who dived illegally to feed their families, and a criminal element.

It was feared that if poachers continued diving for breeding stock, perlemoen could disappear from the area entirely within five years.

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Local tourism bodies likely

ESTELLE RANDALL,Staff Reporter

The cabinet has approved, in principle, a plan by Western Cape Tourism Minister Lampie Fick that provinces form their own tourism bodies by April 1 next year.

Parliament is likely to enact a law in February to make it possible.

Effectively, the proposal is that the existing South African tourism organisation, Satour, be incorporated into a new three-tier structure.

In the Western Cape, this will consist of a provincial tourism board, 10 regional tourism associations and local tourism boards.

The local tourism boards, based in specific towns, will encompass all local bodies, including local government.

They must be active tourism structures - not simply tourist information offices.

These bureaus will get funding from local authorities and from the community. They also will nominate people to serve on each regional tourism association.

Regional tourism associations will include regional services councils and other relevant organisations, who will also fund them.
Luxury liner passengers laud city — despite muggers

LISA TEMPLETON
CAPE TOWN IS tops for touring despite the muggers — according to the passengers and crew of a luxurious ocean liner that left Table Bay harbour last night after three days.

On their return from their outings yesterday, passengers and crew on board the Royal Cruise Line's Star Odyssey, said they had been greatly impressed during their sight-seeing.

American Mr Stan Kravitz raved about the city — despite being mugged outside Parliament earlier this week.

Mr Kravitz, of San Francisco, who was struck while struggling to prevent his assailants from stealing his possessions, said this type of crime would happen in any large city in the world.

He said Capetonians had been extremely helpful and he found the layout of the city exceptionally inviting with its wide streets and market stalls.

"The city of Cape Town incorporates everything a sightseer would want to do in a given time," he said.

A senior officer, Mr Malagodnistas Konstantinos, from Crete, said he had sailed the world and seen many towns, but Cape Town was one of the most beautiful and pristine.

CLEANLINESS

He said the service in restaurants and shops had been efficient and friendly and described his visit as a great experience.

His glamorous wife grinned when asked about Cape Town shops and rubbed her forefingers and thumb gleefully to show how much money she had spent.

A retired American colonel, Mr Robert Lamont of Virginia, who was dressed in khaki with a neat Smuts-type beard, said he found the historical castle and St George's Cathedral particularly interesting.

Mr Lamont, who spent 35 years in the United States army, largely in Europe, said he was impressed with the city's cleanliness — particularly when compared with Johannesburg.

Mrs Joan Poultney of Kent, England, said television travel programmes in England were "foolishly pushing Cape Town" with its beauty and wide variety of things to do.

She predicted an influx of British tourists.

"She was glad she had hired a car to explore the Peninsula and had found suburban gardens and houses marvellous.

"I am definitely glad I came, I wouldn't have missed it for anything," she laughed.

The Star Odyssey set sail last night for Mossel Bay and from there will sail to Durban.

Tourism ‘could outdo mining’

PRETORIA: Tourism had the potential to bring more income to South Africa than the country’s declining gold mines, University of Pretoria chancellor Dr Anton Rupert said yesterday.

He cited the projected transfrontier national park between Zimbabwe, Mozambique and South Africa as one example of great economic potential.

He told the university’s faculty of economic and management sciences it had an important role to play in promoting tourism. — Sapa
The transport minister is embroiled in allegations that he has linked ministerial support for Cape Town's Olympic bid with moving Parliament to Pretoria, reports Rehana Rossouw.

In a remarkable war of words, leaders campaigning to keep Parliament in the Mother City this week repeated claims that Transport Minister Mac Maharaj wanted to link his department's support for Cape Town's Olympic bid with a move of Parliament to Gauteng.

The Citizens' Alliance for Parliament (CAP) this week refused to apologise for claiming that pressure had been placed on Cape Town to halt its campaign against moving Parliament to Gauteng in return for Department of Transport funding for transport infrastructure needed for the city's 2004 Olympic Games bid.

But Maharaj, who heads a cabinet committee probing the costs of moving Parliament to Gauteng, on Thursday denied linking the two, saying he "firmly believed" they were separate issues. "Each should be approached on its basis and with rigorous examination, of the facts so that national and sustainable decisions are taken in each case."

Maharaj's department has pledged R470-million to bring Cape Town's transport infrastructure up to scratch in the run-up to the bid.

A senior CAP source charged this week the organisation had learnt that Maharaj had attempted to link the bid to the transport funding at a recent national working committee meeting of the African National Congress.

The organisation had also been told from a senior government advisor that discussions were taking place in the Department of Transport about linking the bid to the games. Rumours began circulating in Cape Town that parliament was being earmarked to become a conference centre, which was essential for the Olympic bid.

Maharaj hit back: "I understand those who invest rational discussion and debate with high emotion. Belief by one in one's cause is important, but we need to avoid overcharging the issues with emotion."

"To this end it is crucial that leaders at all levels avoid trading in rumours. In this regard, in the recent period, responsible community organisations have wittingly or unwittingly succumbed to this practice."

CAP working committee member councillor Clive Keegan said the organisation was concerned about the suggestion that Parliament be traded off in exchange for support for the games.

He said Maharaj's name was most frequently mentioned as the Cabinet member most actively involved in a "campaign" to move Parliament to Gauteng. Maharaj's director-general was on record as saying the minister favoured moving Parliament to Pretoria in the interests of efficiency.

"Since the day CAP was formed, we knew Maharaj was part of a faction in the Cabinet in favour of moving parliament," Keegan said. "We appreciate the fact that the minister has now said that there should be no connection between the bid and Parliament, but we will still be watching him closely and reserve the right to continue our campaign."

"Despite the abuse calls from Maharaj's office in the past few days, we will not apologise for suggesting he holds these viewpoints. He will have to live with the fact that he is seen as the prime mover to take Parliament from Cape Town," Maharaj may think that we are publicising baseless rumours, but we are fighting a despicable battle, and we have got to take seriously and respond to any attack on our city."

Maharaj: "As a political figure I accept that I am fair game for any person or parties seeking to promote their own particular causes. But I will always conduct myself in a manner which minimises trading in rumours. I repudiate and reject allegations from whatever quarter based on such rumours and so-called 'inside information'."

ANC MP and CAP member Tony Yengeni said although the ANC had not yet discussed at a national level moving Parliament from Cape Town and Maharaj had the right to express whatever views he held, he had also been perturbed at reports that a linkage was being created between the Olympic bid and Parliament.

"The ANC and the South African Communist Party in the Western Cape both support retaining Parliament in Cape Town and we will campaign to our utmost to ensure that it does," he said.

"A decision to move Parliament to Pretoria will only be taken after a hard struggle on our part. Some people resident in Gauteng are being very arrogant about this, but we will not accept their positions."

Yengeni said the Olympics was a once-off event, not an institution which would benefit Cape Town for a long time. Gauteng already had the constitutional court, the Human Rights Commission and the headquarters of most of South Africa's largest businesses. It was unfair to suggest that it got Parliament too."
The Gauteng Tourism and Marketing Organisation has embarked on an aggressive international campaign to market the province as a top tourist spot.

In the last few weeks it held workshops in Japan, Korea, and Chicago and took a 40 m² stand at the recent World Travel Market in London — regarded as the world’s major tourism marketing exhibition.

Executive director of the Johannesburg Metropolitan Tourism Association Keith Brebner says the 2 000 international tour operators who attended the Travel Market came away with a different impression of Gauteng. “It opened the eyes of many who thought SA’s attractions consisted of only Cape Town and the Kruger National Park.”

Brebner says Gauteng was never a factor in the marketing efforts of the SA Tourism Board which, in enticing foreign tourists, concentrated on the country’s exclusive game reserves and Cape Town’s scenic trips. “It never targeted Soweto, which is becoming a major drawcard,” he says.

According to the Central Statistical Service the Cape area accounted for 85 026 (39,9%) of the 213 100 bednights sold to foreign tourists in February, which is well in season, and the Gauteng area for 65 061 (31%). In July, which is out of season in the Cape, that area accounted for 40 145 (25,9%) of the 155 000 bednights sold to foreigners, and Gauteng for 65 720 (42,4%).
Crime aside, Andrew Young is upbeat on Olympic bid

By JOHN FLEMING

Andrew Young, the co-chairman of the committee organising the 1996 Olympics in Atlanta, this week had some encouraging words and advice for Cape Town in its bid for the 2004 Games.

Young, also the chairman of the Southern Africa Enterprise Development Fund and past US ambassador to the UN, made his comments while passing through South Africa with Vice-President Al Gore’s delegation.

“If the people in Cape Town really want the Olympics, if they pull together and work for it, they’ll get it,” said Young.

Referring to Cape Town’s growing crime problem, he said Atlanta had to struggle with many problems in its bid for the Games but crime was one of the most difficult.

“Certain cities get a reputation of being crime ridden and just can’t shake it off,” Young said. “But you have to ask yourself, is there any place that is crime free? To tell you the truth, the worst place I have ever been to for a convention was Paris. Half the people who were travelling with us were robbed or had some bad experience.”

Young did say that Cape Town should find a way to put more police on the streets, especially in the centre of the city.

“Atlanta, Young added, had beefed up its force for the upcoming Games.

Doug Gatlin, Young’s executive assistant and a key organiser of the Games, also said more police on the beat should help Cape Town’s image.

“Cape Town only has about 17 police in the central business district,” said Gatlin. “Atlanta has hundreds. They have to hire more police down there, but I think things are pretty good in Cape Town, considering how few policemen they have.”

Gatlin did acknowledge that the recent murder of a cashier that occurred during an internationally televised boxing match in Cape Town hurt the city’s image. But he said it would not derail the city’s chances of winning the bid.

“I think the International Olympic Committee will certainly realise that shootings do not occur every day inside boxing arenas in Cape Town,” said Gatlin.

Both men agreed that hosting the Olympics provided not only a certain amount of prestige for a city but the possibility of an enormous amount of income.

“If Cape Town gets the Games, and they play their cards right, it can mean a whole lot of money for the city,” said Young. “Atlanta’s official line at the moment is that we will break even.

“My conservative estimate is that we will make $100-million (R304-million). But if certain projections are right, we’ll make much more than that in profit.”
Hotel bookings crash 10-m ‘bed nights’ barrier

BY SHIRLEY WOODGATE

The hotel industry is heading for boom times, with bookings for the first nine months of this year up from last year’s 7.6-million to more than 10-million “bed nights” according to the latest figures from the Central Statistical Service (CSS). Although the Federated Hotel Association of SA (Fedhasa) uses different criteria, either way local hotels are due to make history in 1995. The CSS trend indicates the number of bed nights sold is set to break all records, said Fedhasa chief Deon Vlijmen.

In September alone, hotels accommodated almost double the number of overseas visitors compared with the same month last year – up from 109 939 to 203 472 this year.

More than half the foreigners who jetted in over the nine-month period under review came from Europe, led by the United Kingdom and Germany, followed by Africa with 17% and the Far East with 15%.

Last year CSS recorded a total of 1.47-million tourists, but the figure was inflated as it included people coming in from the former TBVC states, a CSS spokesman said.

The upswing in the hotel industry has spilled over to the bed and breakfast sector which has grown into a significant player in the accommodation stakes since the launch of John Read’s pilot Bed ‘n Breakfast (Pty) in Johannesburg in 1984.

The general manager of the nationwide organisation, Silke Laubenheimer, said with the exception of the year when Chris Hani was assassinated – and there was international concern about political instability – bookings have remained consistently to the stage where they have about 390 permanent host homes on their books.

It is believed the boom in this sector of the industry now includes niche specialists like Jacana, which focuses on farms and Pretoria and Mpumalanga; Bundu Beds focusing on Mpumalanga; and Underberg Hideaways in the Natal Midlands.

This is the environment which encouraged the entry of Hyatt International into the country with the opening of the R180-million Park Hyatt, financed by the Iscor Pension Fund, in Rosebank, Johannesburg, this month.

“Last month the Don Group launched a R35-million expansion and upgrading of its existing hotel inventory, which will increase the capacity of its existing 76-rooms to 160-rooms.

In addition, several hotel groups are looking at the prospect of building more hotels in various parts of the country. In addition, the capacity of the existing hotels is being expanded, with some of the larger hotels adding more rooms.”

For local...

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Black director in Olympic Bid

Sowetan Correspondent

A GROUPING of black business organisations, the Incorporation of Black Business Structures (IBBS), yesterday proposed that the Cape Town Olympic Bid Company appoint a director of black economic empowerment within the Bid Company’s management team.

According to reports the IBBS, which consists of the Black Business Initiative (BBI), the Foundation for African Business and Consumer Services (Fabcos), the National Black Contractors and Allied Trade Forum (Nabcat), the National African Federation of Chambers of Commerce (Nafco), the SA National Business Unity (Sanbu) and the Western Cape Informal Business Forum (WCIBF), and the Bid Company earlier reached agreements that 40 percent of all business projects stemming from the Games would go to black business.

The IBBS yesterday met with the Western Cape Economic Affairs and RDP Ministry, and said it would ensure that the Bid Company took black economic empowerment “very seriously”.

According to a joint statement released yesterday by MEC for economic affairs the Rev Chris Nissen and the IBBS, the IBBS had made a number of proposals, including the creation of an economic empowerment portfolio within the Bid Company and the creation of a director of economic empowerment within the Bid Company’s management team.

The statement said Nissen had given his “full support” to the IBBS “in their collective quest for black economic empowerment.”
Sunday liquor trade bid fails

Cape Town - Maverick liquor store owner, Vaughan Johnson, yesterday lost his three-year-long bid to be allowed to trade on Sundays when the Liquor Board turned down his application for a special licence.

The move was immediately condemned by Cape Chamber of Commerce and Industry deputy director, Colin Boys, as not conducive to local tourism.

It ignored the fact that South Africa was a multicultural society and that not all considered Sunday to be the Sabbath, he said.

Johnson, who had tried for three years to be allowed to trade on Sundays at his Waterfront store, made headlines when he defied the law in June this year.

The law is expected to be changed to allow Sunday trading, and the Liquor Board is to be dissolved next year. Johnson said yesterday the ruling was in direct contravention of the wishes of the Trade and Industry Minister, Trevor Manuel.
As tourists flood in, businesses battle to find room at the inn.
Fury at board’s decision on Sunday wine sales

TASLIMA VILJOEN
Staff Reporter

WATERFRONT wine dealer Vaughan Johnson has lost his epic battle to sell liquor on Sundays — for now.

The national Liquor Board has turned down an application by Cape Town’s well-known V&A wine merchant for Sunday trading.

Mr Johnson’s application was the last to be heard by the old national Liquor Board. All future applications on liquor sales in the province will be made to a new Western Cape Liquor Board, which could view his case more favourably.

Mr Johnson, who was arrested earlier this year for opening on Sundays, said he was furious at the board’s decision. He said he was sent a fax stating that his application had been refused. No reasons were given.

Mr Johnson said: “The arch-conservative board lacks insight and is riding out their days to retirement on a blaze of mediocrity.”

He said the board’s attitude was very disturbing to people involved in developing the liquor trade.

Mr Johnson said he would not take the decision lying down, but would take legal action. He said he would ask Minister of Trade and Industry Trevor Manuel to overturn the decision.

Mr Manuel was furious when Mr Johnson was arrested for trading on Sundays earlier this year. Mr Manuel said he was in favour of Sunday trading, but pointed out the 1966 Liquor Act had not yet been amended.

Trade and industry spokesman Ismail Lagardien said the Liquor Board was an independent statutory body and the minister could not overturn its decision.

He said the only way in which a board decision could be overturned was by lodging an application with the Supreme Court.

Mr Lagardien said Mr Johnson had been advised to lodge a fresh application with the newly constituted Western Cape Provincial Liquor Board.

He said in terms of the Liquor Amendment Bill, which was passed by parliament on October 4 1996, the Department of Trade and Industry had demonstrated its commitment to bringing the administration of the Liquor Act closer to the community.

Chamber of Commerce spokesman Colin Boyes said: “We are surprised and disappointed at the board’s decision. It appears that the board did not consider the changes taking place in the tourism industry.”

Mr Boyes said South Africa had changed in every respect.

Captour chief executive Gordon Oliver said: “The decision taken by the board is bad news. The board is shortsighted and narrow-minded and has no idea how this will impact on tourism.”
CONVENTION CENTRE NEEDED

‘City losing out on tourism’

CAPE TOWN SHOULD BUILD an international convention centre to boost tourism, Olympic Bid chief executive Mr Chris Ball told UCT graduates yesterday.

CAPE TOWN needs an international convention centre and is losing tourist trade because it does not have one, Mr Chris Ball, chief executive officer of the Olympic Bid Company, told a graduation ceremony of commerce students at the University of Cape Town last night.

The city would never be a major manufacturing centre but should rather capitalise on its potential for tourism which would create jobs, he said.

If the city did win the bid to host the Olympic Games it would gear itself up for a television audience and would not try to compete with the United States, which had already sold 11 million tickets for the 1996 Games in Atlanta.

The Games would generate tourism worth about R24.4 billion in the long term, Mr Ball said.

Students in the faculties of medicine and music will be capped at an afternoon ceremony to be addressed by Professor Sally Benatar, head of the Department of Medicine today.

Later Emeritus Professor Roy Siegfried, outgoing director of the Percy Fitzpatrick Institute of African Ornithology, will speak at the evening ceremony where graduates from the faculty of science will be capped.

Tonight at the University of Stellenbosch students from the faculties of Arts and Military Science will receive their degrees at the D F Malan Memorial centre at Coetzenburg.

Meanwhile, a group of business organisations, the Incorporation of Black Business Structures (IBBS), yesterday proposed that the Cape Town Olympic Bid Company appoint a director of black economic empowerment within its management team.

According to reports the IBBS, which consists of the Black Business Initiative, the Foundation for African Business and Consumer Services, the National Black Contractors and Allied Trade Forum, the National African Federation of Chambers of Commerce, the SA National Business Unity and the Western Cape Informal Business Forum, and the Bid Company earlier agreed that 40% of all business projects stemming from the Games would go to black business.

The IBBS yesterday met with the Western Cape Economic Affairs and RDP Ministry, and said it would ensure that the Bid Company took black economic empowerment “very seriously”.

According to a joint statement by Economic Affairs Minister Mr Chris Nissen and the IBBS, the IBBS had made proposals including the creation of an economic empowerment portfolio within the Bid Company and the employment of a director of economic empowerment.

The statement said Mr Nissen had given his “full support” to the IBBS “in their collective quest for black economic empowerment”.

— Staff Reporters
Major SA airports crippled by strike

ROGER FRIEDMAN, Staff Reporter
and Sapa

SOUTH African Airways flights in Johannesburg, Durban and Cape Town were crippled today in a wildcat strike by members of the South African Railways and Harbours Workers’ Union (Sahruw).

SAA spokesman Leon Els said all domestic flights were affected by striking unions members who were flight attendants.

Some flights were departing Johannesburg and a few from Cape Town as enough flight attendants reported for duty. No flights had departed Durban.

So far Port Elizabeth and East London were not affected.

Mr Els said SAA off-duty staff and staff on holiday were being recalled to assist in the crisis.

He alleged there was intimidation of staff wishing to work despite SAA having obtained a late-night court interdict to prevent striking workers from intimidating or interfering with those reporting for duty.

Ground staff union members were also on strike, although alternative labour had been obtained to load and off-load aircraft.

No overseas flights were affected.

The industrial action hit Cape Town’s airport and harbour as trade union opposition to government proposals to restructure state assets stepped up a gear.

Several hundred Sahruw members downed tools at the Cape Town International Airport, occupying the international departures hall and causing havoc with flight schedules, union administrator Nomvuyo Mtyekisane said.

Earlier, South African Airways’ information desk at the airport said Durban flights were running more than half an hour late, but most others were taking off on time.

Details of action at the harbour were sketchy. A spokesman for Portnet’s human resources department confirmed work was affected.

Official spokesmen for South African Airways and the Airport Company were unavailable for comment.

• See page 5.
Eco-tourism takes on Knysna in the lead in encouraging its growth

LINDSAY BARNES
Staff Reporter

ECO-CONSCIOUS visitors are becoming sought-after in the bustling and beautiful coastal town of Knysna where a new attitude towards tourism is developing.

While most centres are hoping to attract busloads of visitors, a swing away from this trend may soon take hold in this idyllic haven for artists and holidaymakers.

According to Knysna Publicity Association’s marketing manager Pat Slabbert this alternative tourism expounds the importance of the quality and not quantity of tourism, and constitutes a general, worldwide swing.

An extreme example of this has taken place on an island in the Philippines, where the number of tourists has been limited according to the area’s capacity. Only 60 visitors are allowed in at any one time, which allows the residents to control the amount of environmental damage that may occur.

“The natural environment is usually the resource on which tourism survives and this restriction ensures that the tourists look after the environment,” Ms Slabbert said.

In Knysna, an attempt is being made to marry the needs of visitors with the future of the community.

“We are getting all of the stakeholders involved in deciding what we want and there is so much to bear in mind with regard to tourism,” she said. “Development can be a death knell to tourism if it is not carried out in a manner sympathetic with the atmosphere of the town.”

While development could not be halted, it needs to be done in such a way that tourism remains a sustainable resource.

“Many towns reach a peak in tourism and start to die because they killed that thing that attracted tourists to the area in the first place.”

However, every group had a right to the environment — such as scuba divers, sailors, hikers and skiers — and a balance had to be struck in the use of land.

“Up until now I don’t think municipalities have been in a position to understand the full consequences of this problem. At the same time they have to be careful not to cut their own throats.”

In South Africa it would be difficult to limit the number of tourists, however, as the state of the economy and the level of unemployment was such that communities were screaming for resources and the revenue brought in by tourists.

A solution was to target the eco-conscious tourist, usually found in the upper-income bracket, and to market the town in an effort to attract them.

“It’s an interesting marketing challenge and forms an integral part of the development of the whole town,” Ms Slabbert said.

Loose discussions had been held on the concept of a vision — as well as an identity — for Knysna, and this would be raised at a public meeting early next year, said Neil Grange, chairman of the Knysna Environmental Forum.

Knysna’s identity lies with eco-tourism and the town will have to get an identity together, he believes.
Multinational firms play a role in the global economy, often operating under monopolistic conditions in international markets. These firms have significant control over the supply of goods and services in specific regions, allowing them to set prices and influence market dynamics. The strategic decisions made by multinational firms can impact both the domestic economies in which they operate and the global economy as a whole. This can be particularly notable in industries where a single multinational firm holds a dominant position, effectively controlling the market and influencing consumer behavior. Understanding the strategies and impacts of multinational firms is crucial for policymakers, businesses, and consumers alike, as it affects economic growth, competition, and the distribution of resources globally.
Play Monopoly with SA

It is easy to talk about responsible tourism, but what does it mean and what does it entail? South Africa needs to adopt a proactive policy in partnership with all stakeholders to address these issues. The Department of Environmental Affairs and Tourism has released guidelines for the implementation of a responsible tourism policy in accordance with international guidelines. These proposals encourage the use of indigenous guides and local products and propose economic incentives to local communities. In addition to environmental impact surveys, initiatives aimed at encouraging tourists to respect the environment are being implemented. Ultimately, the extent to which a country benefits from tourism depends on its own capacity to benefit.

Although South Africa's White Paper on Tourism will only be released in 2005, the Department of Environmental Affairs and Tourism have proposed a framework for the implementation of a responsible tourism policy in accordance with international guidelines. These proposals encourage the use of indigenous guides and local products and propose economic incentives to local communities. In addition to environmental impact surveys, initiatives aimed at encouraging tourists to respect the environment are being implemented. Ultimately, the extent to which a country benefits from tourism depends on its own capacity to benefit.

| Photo: HENKER FRANKFIELD |

African. According to a local developer, who approached the Hilton with an irresistible South African package deal, a Hilton spokesman gently informed him that "just as McDonald's is in the business of making hamburgers, hotels are involved in the business of hospitality, not investing." Like foreign embassies, most multinational hotels simply have a contractual presence in the host country and are represented by management companies which rent properties from the local owners. Although hotels like the Hyatt have operated for 20 years, agreements with Iscor Properties have been made in principle so close up shop wherever they choose.

In principle, perhaps, but not in practice," says Amelia Gour, marketing manager of the Rosebank Hyatt.

"We have a commitment to share in the development of the Rosebank area in every way. The hotel interior is a chic Manhattan-style ethnic. Most of the staff is local, apart from the floor managers, and we offer training programmes for skills development. We also believe strongly in contributing to local community and culture with a local theatre."

But since its completion, the Hyatt has become an integral part of the local community. Rosebank residents describe the building as almost a mausoleum, which makes the Voortrekker Monument seem light and airy. But Edel Wiek, an architect with the Gaps firm, which designed the Hyatt, disagrees. "We are extremely happy with the design. Although we were assisted by an international consultant, the final product is a truly authentic South African piece of architecture, which stands out from all the rest. It has a Rococco, neo-Renaissance, Neo-Classical and Neo-Gothic look alike."

He adds: "This hotel is a local investment and is entirely in touch with the surrounding area. But multinational hotels inevitably change the address of the buildings they are built on. The surrounding areas should be upgraded accordingly."

Which might explain why the popular Rosebank Shebeen, which faces the Hyatt, has been forced to relocate to Orange Grove.

Out with the old: The Rosebank Shebeen has to move.

Photo: RUTH MOTAU

Hotel and we were in the process of upgrading security systems and discounts for Hyatt guests. So much for the Hyatt's sensitivity to local culture."

But Hyatt management denies it had anything to do with the forced closure of the shebeen. And Old Mutual, which rented the property to the shebeen, is only responsible for the building. The Hyatt was told they would be upgraded."

But, as a Satour spokesman pointed out, there are only suggestions and are not legally enforceable. In order to set up shop in South Africa, hotels simply have to be registered under South African company law. In fact, the current flood of multinational hotels into South Africa cannot be looked at as part of the tourism wave as all things South Africa have been upgraded accordingly.

Which might explain why the popular Rosebank Shebeen, which faces the Hyatt, has been forced to relocate to Orange Grove.

According to owner Paul Tilley, who runned Old Mutual, the lease because the Hyatt management allegedly complained about the noise levels and unsavoury elements frequenting the shebeen.

He says: "I have it on good authority that the hotel's legal advisers went to the Rosebank police. This is the first time in our 16-month existence anyone has complained." The shebeen was a great place for blacks and whites. Fifty percent of our customers were foreign. We had bus tours from the Carlton
The lion shares its African secrets

Caroline Wheel

Tatu Game Lodge is tucked into the north-western corner of Great Kruger National Park. The lodge's 10 suites are spread over the 7,000-hectare property and offer guests a glimpse into the world of the lion.

When local leaders were approached and asked to comment on the plans, the electric fence surrounding the property, which is patrolled every night, was a concern. "The electric fence is a much-needed addition to the property," said one local farmer. "It will help protect our livestock and provide a safer environment for the lions to roam.

A code for responsible tourism

The green behind green tours

L

The image on the right shows a part of the property.
A code for responsible tourism

Tourism is one of the fastest-growing industries in the world. However, it can also have negative effects on the environment and local communities. A code of responsible tourism has been developed to mitigate these effects.

1. Use local resources sustainably.
2. Maintain and encourage natural, economic, social and cultural diversity.
3. Incorporate the local community in the planning and decision-making process.
4. Use less environmental, social, and economic impact as a prerequisite for development.
5. Ensure that the benefits go to the local community and avoid negative economic impacts on the local people.
6. Respect local natural and cultural environments.
7. Promote the use of sustainable travel practices.

Yet even small groups of people, or even one traveller, can make a difference to the local population and the environment. The key is to be aware of the impact of our actions and to make choices that minimize the negative effects.

Governments and the tourism industry have a responsibility to promote responsible tourism. This includes providing education and training for both tourists and local communities, and implementing policies that support sustainable tourism practices.

Tourism as a percentage of GDP can vary widely between countries. Some countries, such as Thailand, have a large tourism sector, while others may rely more on agriculture or manufacturing. However, in all cases, responsible tourism practices can help ensure that the benefits of tourism are shared equally, and that the environment and local communities are protected.

The lion share

The African lion is one of the most iconic species on the continent. It is a symbol of power and majesty, and it plays a crucial role in the ecosystem. However, the population of lions is declining due to habitat loss and poaching. Conservation efforts are needed to protect these magnificent creatures and ensure their survival for future generations.
Wine seller to petition minister to reverse special-licence ruling

BY FRANCOISE BOTHA

Cape Town — Controversial Victoria & Alfred Waterfront wine merchant Vaughan Johnson, whose application for a special trading licence with extended hours has been refused, will petition Trevor Manuel, the trade and industry minister, in a bid to reverse the decision.

"The decision by the national liquor board, based in Pretoria, was in direct contravention to the wishes of the minister to whom they report," said Johnson.

Johnson said that he had written to the minister, stating that he was appalled at the decision.

He rejected the liquor board’s decision as “irrational, ill-advised and probably unconstitutional” because several other businesses at the waterfront were allowed to trade on Sundays.

Colin Boyes, the deputy director of the Cape Chamber of Commerce and Industry, said: “The tourist industry is a seven-days-a-week industry ... for them (tourists) to discover that they cannot purchase the wines about which they have heard so much must be a shock. There are not many tourist destinations that have laws that are this archaic.”

He said reasons for the decision could include the planned devolution of the board’s powers to the nine provinces, which meant that they would probably not want to set a precedent or make any controversial decisions.

“The ostrich-like stance of the board on the eve of their retirement is clear evidence of their lack of vision and inability to meet the challenges of the 1990s,” said Johnson.

Tourism

Extended trading hours have been granted to a number of wine farms and hotels, in keeping with their tourist-based trade.

"Apparently Pretoria is not aware of the tourism that the waterfront is attracting," said Johnson.

"It takes 11 locals to spend the same as one foreigner," said Johnson.

He said that over a three-year period the decision had meant that the business of more than 10 million customers had been lost.

"Besides the lost turnover, we could have employed people that could have supported their families. This (decision) does not reflect the ethos of the RDP, which encourages the creation of jobs and wealth among all South Africans in a spirit of freedom of enterprise," he said.

SA plans to lure Asian tourists

Johannesburg — South African tourism operators will get a chance to promote their wares to the increasingly wealthy Southeast Asian consumer at a travel conference in March.

With an expected growth rate of 7.6 percent in the Southeast Asian region, South Africa’s tourism industry is looking to attract buyers from most of the countries at the conference, which will take place in the Malaysian capital of Kuala Lumpur.

The Malaysian authorities are hoping to make Kuala Lumpur the main Southeast Asian gateway into southern Africa for both business and tourism.

They argue that with a purchasing power parity of $11.320 per capita this year, 14.2 percent up from last year, their citizens are in a good position to invest and spend holidays in southern Africa.

The Travel Mart will feature business exchange sessions where South African sellers will present upmarket travel and tourism products and services to Southeast Asian buyers.
80% in city say ‘yes’ to Olympics — survey

PETER DENNY

EIGHTY percent of adults in metropolitan Cape Town support the city’s bid to host the 2004 Olympic Games, a survey commissioned by the Bid Company has said.

Glasgow opponent Mr Arthur Wienburg did not believe these figures. He wondered whether the questions had been phrased neutrally.

If the figures were correct, he said, it would represent probably the most dramatic shift in public opinion the country had seen. An Argus poll about a month ago had indicated 60% opposition, while research, said 978 people had been interviewed last month after a scientific selection process.

Further surveys would be done to see what happened to those figures over time.

The level of support among black people had been 85%, among coloured people also 85%, and among white people 73%, Mr Carnelly said.

Mr Ball said the Bid Company had 11 firm commitments from sponsors who would provide R60 million. The budget for the bid process was R75m, but he was confident the target would be reached.
Olympic bid has Cape Town’s support

CAPE TOWN has given the 2004 Olympic bid the thumbs up in a research survey carried out on behalf of the Cape Town 2004 Olympic Bid.

The survey said about 80 percent of Capetonians were behind the bid.

Just over 10 percent of respondents had negative feelings towards the campaign. Of these, three percent rejected the bid outright and eight percent were sceptical.

Almost 10 percent were indifferent while the remainder identified themselves as actively supportive (19 percent), ordinary supporters (38 percent) and qualified supporters (23 percent).

The survey was commissioned by the Bid Company in September and the results had just been received, chief executive officer Chris Ball said yesterday.

The findings were statistically reliable and valid, said Tony Cornelley, director of one of the two market research companies which conducted the opinion survey.

The survey used a sample of almost 1 000 people resident in the Cape Metropolitan area.
A French consortium has signed a R600-million deal to develop the prized foreshore site behind the Waterfront and turn it into a new shopping and pedestrian mall, with two new, five-star hotels.

The deal comes after years of planning wrangles over the Imperial Cold Storage site which, when completed, will link Cape Town's vibrant Waterfront development with the rest of the Mother City's CBD.

The property, which was identified by Hilton International as an outstanding hotel site, will also include an office complex currently being contemplated as a new headquarters for BP South Africa, and parking for some 400 cars.

Hilton International took the deal in French construction and development group Compagnie De Batiments Et De Construction (CBC), who have now bought the whole site and will develop it.

The largest hotel will become a luxury Hilton Hotel, while CBC are negotiating with several international hotel groups for the second hotel.

Top CBC executives flew to Cape Town from France this week to formalise the deal, which was signed on Friday by Cape Town's mayor, Rev. William Bantom, acting on behalf of the city council.

"This is a fantastic deal for Cape Town as the city badly needs more five-star hotels. We also had to develop this prime foreshore site and create a link between the busy new Waterfront and the older business centre of Cape Town," said Mr. Rod Young, the city council's development co-ordinator.

Although there are plans for an extended water canal and an overhead light rail from the Waterfront to the new development, these schemes may prove too expensive to be incorporated.

"We no longer have an empty space in the middle of our city. Once the development is completed, the space that separated the Waterfront from the rest of the CBD will form a natural link," said Mr. Young.

The new hotels will mean an addition of about 875 new rooms for Cape Town's booming tourism industry. With the deal finally signed, work on the site is expected to begin at most immediately.
is set for further growth

R3bn timeshare industry

not easy to dissemble
Tourism business council plans to meet in February

Theo Rawana

THE Tourism Business Council of SA, founded last month to voice the views of business on the development of tourism, would hold its first AGM on February 1, when office bearers would be elected, spokesman Anton Roodt said at the weekend.

The council was set up as an all-inclusive national structure to represent the tourism business sector as a leading stakeholder in the development of tourism.

There was consensus that the ability of business to speak out in one voice through a concentrated and highly focused effort would in time have a significant effect on the growth of the industry as a whole.

Tourism Liaison Council chairman Rupert Lawlor said the business council would interact primarily with government on strategic macro issues and operate on a national basis. "Business has the infrastructure, capital base and expertise to provide the research and development so that by the time a proposal is put before government, it will have been researched and agreed upon by all key partners."

Global resorts MD Ernie Joubert said balanced representation on the council by all key stakeholders was critical to the effective functioning of the council. "The constitution has been drawn up so that it prevents domination by the larger companies."

Gauteng Small Business Council chairman Dave Moshapalo said: "The council has to harmonise interaction between all stakeholders and ensure the emerging players can play a significant role. This investment will largely take the form of training and transference of skills."
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BOARD TO CHANGE LAWS

Sunday liquor sales on cards for next year

SUNDAY LIQUOR SALES should become a reality in the New Year as the new provincial liquor board has said it is in favour of changing the regulations. DAN SIMON reports.

Liquor laws in the Western Cape look set to be liberalised in the New Year with the provincial government stating that Sunday trading is a virtual reality.

From early January, more than 1,000 applications for liquor licences, transfers of liquor licences and applications for special permission to trade on Sundays will be processed by the newly constituted provincial liquor board.

The provincial liquor board was constituted in terms of the Liquor Amendment Act of 1995 which came into operation in October. It will aim to regulate the activities of all liquor outlets, including township shebeens.

One of the first in line to submit an application for a licence to trade on Sundays is Waterfront wine merchant Mr Vaughn Johnson who was at the forefront of the call for a change in legislation.

"I am praying that the tourist and job creation aspects will be considered as important criteria for granting permission to trade on Sundays," he said yesterday.

The Western Cape government's deputy director-general of economic affairs, Mr Tony Ruiters, said the provincial liquor board had received over 1,000 applications, including a number referred to it by the national liquor board.

Among those lodged were applications for special permission to trade on Sundays.

Mr Ruiters said the board had adopted a policy which aimed to stimulate economic activity, particularly in the tourism industry.

"We will look favourably on all applications for special permission to trade on Sundays—particularly those within the tourist areas." The board's definition of tourist areas in the Peninsula included areas such as Guguletu and other Cape Flats suburbs which also attracted tourists.

"There are tourists who come to South Africa to see Guguletu and the Cape Flats," he said.

Reacting to religious groups' opposition to Sunday liquor sales, he said: "The department is not the guardian of moral and religious issues in the Western Cape. If the liquor industry can enhance the tourist industry then we will want to impose as few restrictions as possible."

SAPA reports that liquor off sales outlets that openly trade on Sundays could expect strong action to be taken against them.

Western Cape police spokesman Superintendent Raymond Dowd was responding to complaints that some outlets were transgressing the liquor act.

"Certain outlets are even selling commodities of liquor contrary to the conditions of their licences."

Police had act on complaints and enforce the law, he said.
SA travel industry represented at mart

Theo Rawana

THE SA tourism and travel industry would get exposure to the 420-million people of the seven-nation grouping, the Association of South Asian Nations (Asean), at a travel mart in Kuala Lumpur, Malaysia, in March, SA Travel Mart organisers said at the weekend.

The event — presented by consultant Marketing Resources and held under the auspices of the SA high commission in Malaysia and Malaysia Airlines — would be held in Kuala Lumpur on March 20, said Marketing Resources co-ordinator P P Tan.

It was the second in a series of travel marts to bring the SA and Asian travel industries together in a convenient one-stop session.

The inaugural mart held earlier this year attracted more than 60 buyers.

"The mart features business exchange sessions at which sellers representing different parts of SA will showcase quality travel products and services to a select group of buyers from most of the Asean member countries," said Tan.

At the mart, to be held at the Concorde Hotel in the Kuala Lumpur CBD, each seller would meet individually with a buyer in a private one-on-one session at intervals of 10 minutes each. "The business sessions are strictly for registered sellers and buyers," Tan said.

He said the Asean region's economy was expected to grow by 7.8% with Malaysia, Vietnam and Thailand leading the way, followed closely by Singapore and Indonesia.

The seven-nation grouping had a burgeoning market of 420-million people enjoying vibrant economic growth and increasing levels of prosperity.

Tourists

"Against a backdrop of eight consecutive years of high annual growth averaging 8.9%, the Malaysian economy is expected to repeat its strong growth next year with an 8.5% increase," Tan said.

In terms of purchasing parity, Malaysia's per capita income was estimated at $11,328 this year; an increase of 14.2% over 1994.

He said about 18-million outbound trips were made each year against an estimated population of 20-million.

Malaysians would spend $1.87bn on overseas travel, he said.

"With the forging of special political, economic and cultural ties between the governments of SA and Malaysia, as well as the latter's policy of promoting south-south alliances, it is intended that Kuala Lumpur will become the leading Asian gateway to southern Africa," Tan said.
Language group set up

CAPE TOWN — Language intolerance in SA has led Arts, Culture, Science and Technology Minister Ben Ngubane to establish a task group to advise him on language matters and to urgently prepare a language plan for the country.

Ngubane, who announced the formation of the “Language” yesterday, said that in past months it had become clear that there was a tendency towards “unilingualism” in the country which was contrary to the multilingualism provisions of the constitution.

He said there was growing criticism of unilingualism and a lack of tolerance of language diversity.

All South Africans, he said, should have access to all spheres of society through the language of their choice. African languages which were marginalised in the past should be elaborated and maintained.

These issues were aspects of the national language plan, he said.

Langtag will be headed by Western Cape academic Neville Alexander.

Ngubane said that, because of the urgency of developing a language plan, the task group had been asked to report before the end of July next year.

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Kopp Electronics Limited
Cape Town hands in official Olympic bid

Edward West

CAPE TOWN — Cape Town has presented the International Olympic Committee (IOC) with its official candidature as a bidding city for the 2004 Olympics, putting it in a contest with up to 12 other cities in the world competing to host the event.

Cape Town mayor William Banting, accompanied by Nocsas president Sam Ramesamy and Cape Town 2004 Olympic Bid CEO Chris Ball, presented IOC president Jean-Claude Samarauch with a letter of confirmation in Lausanne, Switzerland, on Monday.

According to the Cape Town City Council, Samaranch said the US television rights for the 2004 Games had already been sold.

The host city would receive $350m at today's currency values — as its share of the rights. The council said it was likely that the global television revenue for the host city for 2004 would be between $600m and $700m.

With the current dollar value increasing at an average rate of 3% a year, Cape Town's preliminary budget for television rights income of R620m appeared to be appropriate, the council said.

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(288) BD 21/12/95
Sebo chairman to play dual role after dismissal

By Ron Cowling

Pretoria — The executive chairman of Sehlanala Employees Benefit Organisation (Sebo), Fick Liebenberg, is also to act as chief executive officer of the organisation.

This was confirmed by Peter May, Sebo’s general manager of communications, following an announcement about the termination of the services of former chief executive officer Paul Stone, effective from December 1.

President Nelson Mandela decided to terminate the services of Stone after considering the recommendations of an inquiry, the further representations of Stone, and after consulting Sebo’s trustee and transitional management committee.

But May was unsure if a new Sebo chief executive would be appointed, adding that this depended on a number of issues regarding the future of the pension fund administered by Sebo.

May referred to the new central pension fund currently being planned for the civil service, which would have a separate structure and trustee.

He said when the time came, Sebo might apply to manage part of this new central fund as investment managers. Negotiations would take place in the new year about what procedure Sebo should follow.

Protea set to benefit from African tourism

By Francisco Banda

Cape Town — Protea Hotels is set to see strong growth from African tourists, says the group’s regional director for Africa, Bernard Cassar.

The hotel group has recently entered into a joint venture for the development of a luxury hotel complex on the banks of Lake Victoria.

Uganda has become the tenth African country in which Protea Hotels operates, making it the largest hotel group on the continent.

The move comes at a time when tourism to Uganda has increased more than 40 percent a year over the past two years.

The three-phase development, which is estimated to be valued at $5 million, signals the first formal tourism link between South Africa and Uganda.

No investment in the hotel has been made by the Protea group; but a five-year management agreement has been signed with the investors and developer, Nakaima Estates.

The deal was partly financed by the Development Finance Company of Uganda with loan finance of $600,000 and a structured equity investment of ordinary and redeemable preference shares of $250,000.

The balance of the investment was made by the directors, Edward, Jonathan and Mary Nsubuga of Nakaima Estates.

Aimed at both the domestic and foreign leisure tourism market and the business conference market, the hotel offers watersports facilities and wildlife attractions, as well as conference and boardroom facilities.

Accommodation includes a main hotel complex of 24 rooms, five self-catering or hotel-serviced villas of two bedrooms and two bathrooms each and 13 traditional Ugandan-style rondavels that have four-star international finishes throughout.

Construction of the first two phases is expected to be completed by March. The third phase will be completed by June, say the developers.

POSITIVE Bernard Cassar, Protea’s regional director for Africa
HOTEL DEVELOPMENT

Bold claims?

Hotel developer Mark II Projects has commissioned auditor Kessell Feinstein to re-assess the projected investor returns on its proposed elan Park schemes.

Mark II intends to sell rooms in the hotels on sectional title for 30-day periods. The rest of the year the rooms will be let. Last week, it signed an agreement with Sanlam Properties to develop an elan Park Hotel on the President site in Sea Point.

The developer says buyers have been given an unconditional option of pulling out of the offer if they are dissatisfied with the new projections.

Mark II sales literature promises investors 14.9% on their initial investment. But the return depends on occupancies and room rates.

For A-type hotel rooms, 82% occupancy and a 15% annual rates increase is assumed over 10 years.

Though demand for hotel rooms is growing, auditor John Awhrey of Price Waterhouse says: "It's unrealistic to project room rate increases higher than inflation of 6.4%.

"At certain times, occupancy will be 80% and at others substantially less. As a result, a reasonable average occupancy rate, based on Central Statistical Service calculations, is probably 65%-75%.

Mark Taylor of Mark II Projects says the original projections are optimistic but only for the last five years of the 10. "Buyers can pull out if they are unhappy with the new projections."

Gillian Saunders of Kessell Feinstein says the hotels will operate only in about three years' time: "So the occupancy projections are accurate for year one at 65% and year two at 70%. After that, they need to be adjusted. The R231 room rate starting price, though based on today's prices, is low compared with what it will be in three years."

Jaco Du Plessis of Deloitte & Touche says: "There is nothing wrong with the concept. But, based on the present projections, the risks are high and the variables many and diverse."
Cape Town — There were not enough international flights to meet demand, and this was restricting the growth of tourism and hindering business travel, said Albert Schuitmaker, the deputy director of the Cape Town Chamber of Commerce and Industry.

The chamber had asked the civil aviation department and SAA for more flights and for the relaxation of bilateral agreements which restricted services by foreign airlines.

But Schuitmaker said that Mike Myburgh, the chief executive of SAA, had told him that it was lack of sufficient aircraft, rather than restrictive agreements, which was limiting the number of flights by some airlines.

Myburgh had said that airlines could run supplementary flights for limited periods and had been doing so, and that countries which were dissatisfied with their bilateral agreement could apply for more flights.

"He told us that SAA's views were only one factor taken into consideration when discussing the bilateral agreements," said Schuitmaker. According to Schuitmaker, Myburgh had said that the country was not yet at the stage where it could implement an open-sky policy, where airlines could fly where they liked, as often as they liked.
Full house as tourists flood in

CAPE TOWN is bursting at the seams with an estimated 300,000 visitors — 30 percent more than last year — cramming in for the festive season, underlining the city's status as a tourist mecca for up-country and overseas holidayers.

The tourist invasion has brought a major boost to local business and employment and the SA Chamber of Commerce has predicted the Christmas spending spree will be a record of more than R4 billion.

It is estimated that holiday pay and bonuses paid to workers in the two main industries, clothing and building, have given the local economy a R150-million injection.

The only concern for retailers is that spending has been largely on credit. They fear that many people will have to cut back sharply in the first few months of next year to pay for the splurge.

Besides the annual influx from Gauteng and other parts of the country to the Cape's beaches, Waterfront, winelands and mountains, there has been a big surge in the number of overseas tourists. With Europeans traditionally preferring to spend Christmas at home, a fresh influx of foreigners is expected in Cape Town in the new year, prolonging the tourist boom by several months.

Most hotels and boarding houses in the city centre and Atlantic seaboard are full. Outside the CBD there is still room in guesthouses and bed and breakfast establishments, according to Captour, which has set up an emergency booking centre to help tourists.

Plans are being drawn up to build several new hotels next year to cope with an even bigger tourism boom. One city hotel is awaiting confirmation from an Austrian cultural music group of a booking of 1,000 bed-nights — one of the biggest yet — in early 1997.

Local residents are cashing in on the demand for accommodation. A new organisation that rents self-catering townhouses in the Gardens at up to R700 a day has fully let these until mid-January.

An executive home in Bantry Bay, with a domestic worker, has been let for R3,000 a day — but it is big enough for four couples to share, working out more cheaply than a five-star hotel.

Clifton

At Clifton bungalows have been let for between R300 and R1,200 a day.

The Christmas trek to the Cape has spilled over into nearby coastal towns. Hermanus's population is expected to jump from 20,000 to 50,000.

Spoornet provided 128 extra main line trains to Cape Town for up-country visitors this month. An additional 11 international and 16 domestic flights will land at Cape Town International Airport during this month and next.

Spokesmen for the wine routes, Table Mountain and the V&A Waterfront say they have never been busier.
Tourist trade in for record season as SA takes a break

THIS year's tourist season is expected to be the best ever. Most hotels and resort chains are operating at full or near to capacity.

Ernie Heath, deputy executive director at the South African Tourism Board, says this December may prove to be a record.

"Although the season has only just begun, indications are that most holiday regions will run at record capacity this Christmas," says Heath.

Cape Town expects over 300 000 visitors between December and February. Alone and hotel bookings are running well above 80%.

In Durban and the KwaZulu-Natal North and South Coasts, most hotels are running at occupancies of around 97%.

There is no accommodation available at Garden Route resorts, but there is an increase in rooms available in Port Elizabeth.

"SA Airways economy and super-economy tickets to Cape Town and Durban are sold out, but business-class tickets are still available.

Occupancy figures will be boosted by an improvement in foreign tourist arrivals in South Africa.

Safour reports 1 million overseas tourists will have visited South Africa by the end of this year, an increase of 45% over 1994, and foreign exchange earnings are expected to top last year's R7-billion.

About 1.2 million foreigners are expected to visit in 1996.

Cape Town tourism industry sources say the city is gearing itself up for its biggest tourism season.

"Flights to the Mother City, both international and local, are booked solid and most of the Cape's big hotels have been sold out for weeks.

"We are expecting a 30% increase in tourists to the Cape which will make the best tourism season Cape Town has ever experienced," says Lauren de Wet, manager of CapeAir.

"International flights to Cape Town are booked up until the end of February and local flights from Johannesburg and Durban have few spare seats over the holiday period," says a spokesman for Cape Town international airport.

Clive Booth, communications director of Durban Unlimited, says tourism to the area is exceptionally buoyant. "Last year we felt we had achieved a turnaround and that Durban was bursting at the seams. This year is even better."

The latest figures indicate that hotel occupancies are in the 90%-100% bracket and close to full capacity. In fact, a hot line has been established to help people find accommodation.

Mr Booth says there seems to be more disposable income available and more political stability. There are also a lot more tourists who are not taking holidays a few years ago.

"We are beginning to experience crises at peak periods. With conventions and the new international business, the pattern of off-seasons no longer exists," Mr Booth says.

He says plans for new hotels and conference venues are also contributing to the surge in bookings.

"There seems to be a real enthusiasm this year," says Booth.

Mr Booth adds that although bookings for next year are looking good and will run full-speed right through next year.

Apart from hotels, holiday flats, guest houses and bed and breakfast accommodation is also nearly full.

Industry sources say a major concern is security. Although this seems to have done little to dent enthusiasm this year, they say tourism would be considerably hit not for South Africa's high level of crime.
High occupancy rate in Cape hotels

Edward West

CAPE TOWN — The city's top hotels were virtually fully booked from Christmas until March, with seasonal tarif increases ranging from 15% to 40% failing to deter the predominantly foreign guests, industry spokesmen said yesterday.

Spokesmen from the Cape Sun, the Bay Hotel in Camps Bay, the Lord Charles Hotel in Somerset West, Mount Nelson and the Lanzerac Hotel in Stellenbosch yesterday reported close to full houses from Christmas until March, with current occupancies at high levels.

The Mount Nelson increased its prices nearly 25% in November, the Lord Charles lifted its prices 16% in September, and the Lanzerac and Cape Sun lifted prices 15% in October.

The Bay Hotel increased its prices by between 10%-15%, although there was a 40% difference between the summer season rates and the corporate package rates offered out of season. All the hotels reported that more than half their customers after Christmas would be foreign.

Cape Sun deputy GM Michael Parnell said the price increases might appear to be high to the local public, but the city's top hotels had to compete with the international market.

However, all divisions of hotel accommodation and service remained relatively cheap compared with comparable international venues.

Mount Nelson's latest price increase made the hotel the most expensive in SA, a spokesman said. The increase was needed to pay for increased investment by the hotel to maintain its service standards.

A spokesman from the Cape tourism authority Captour said hotel accommodation price increases this summer had not been as high as in previous years as occupancy levels had, for the first time in many years, remained relatively high throughout the year.
CALL FOR ‘SPEEDY SCRAPPING OF LAW’

Tourist boom traders defy Sunday law

DESPITE PROSECUTIONS, TRADERS have vowed not to sit out the legal scrapping of the outdated law and to continue selling liquor on Sundays to capitalise on the booming tourist trade. ANNEZ SALIE reports.

CONTROVERSIAL liquor laws which prescribe when and where liquor may be sold are being ignored by some businesses, even though a few have already been charged.

Their defiance of the law is in anticipation of its complete overhaul in early 1996, they say, and is in response to the tourism boom.

Among those who have had the bitterest battles with the authorities is Langebaan restaurateur Mr Hans Rammesmayer, charged with five counts of having contravened the liquor laws on a single day.

He said he has been experiencing a very heavy increase in demand from tourists, particularly those from Europe. To cope, he had hired two additional staff members, and extended his restaurant to the pavement outside.

It was an upmarket development, he said, which was constantly packed. However, he does not have a licence for an outdoor restaurant, and cannot be granted one, despite several applications.

“I have been told the old Liquor Board has been done away with, and that I must wait for new legislation which is expected to be passed by Parliament early in the new year,” says Mr Rammesmayer.

“But what must I do in the meantime? It is ridiculous for me to explain to a German tourist, or a French party why I cannot serve them a drink with their meal in that part of my restaurant which is not covered by the roof, but by umbrellas.”

He says he is all for the new South Africa, and that he strongly admires the leadership of President Nelson Mandela.

“The new South Africa is attracting thousands of tourists, creating new jobs and making the RDP work. But once we have the visitors, we say it is illegal to sell them a drink outside.”

Breaking law

On November 27 senior police officers called at his La Taverna Restaurant in Bree Street, Langebaan, to warn him he was breaking the law.

He persisted however, and at 12.45 pm received his first summons to appear in court without the option of a fine. When he would not relet, he was charged at hourly intervals. A court case relating to the changes has been set for January 8.

In the meantime, some of the tourists continue to drink wine and beer outside at the umbrella-covered part of La Taverna, but keep softdrink bottles handy next to their glasses.

Another trader to have brushed with the law is Mr Vaughan John-

son, owner of a wine shop at the Waterfront, which has had a record Christmas weekend, despite the law.

Mr Johnson said on Saturday he had his best sales ever, while Sunday came a close second, even though he was meant to be closed.

The shop, in the heart of one of the city’s major tourist attractions, has been raided, and Mr Johnston charged, for remaining open on public holidays, Saturday afternoons and on Sundays — prime time for any tourist industry.

Far from remaining closed, Mr Johnson said his sales were 40% up on the same period last year. He said he planned to trade over the new year weekend, and any time thereafter, until the law was changed.

Liquor legislation is among the few laws to have survived the apartheid era and its protectionist, siege economy, when tourism was nowhere near the record levels currently experienced in the new South Africa.

The law strictly proscribes liquor sales outside of weekday shopping hours and Saturday mornings.

Trade and Industry Minister Mr Trevor Manuel has rejected the restrictions, and has called for its speedy scrapping.

However, Mr Chris Nissen, the Western Cape Minister of Economic Affairs and of the RDP, has said the law should take its course, and that any changes to it should follow accepted procedures of consultation with all concerned.
Cape Town hotels world’s cheapest (288)
but thanks only to very poor Rand

DENNIS CAVERNELIS, Staff Reporter

49 27/12/95

IF you thought Cape Town’s top hotels were im-
possibly expensive, think again because they are
among the cheapest in the world, an Argus survey
has shown.

But, before you rush into the nearest hotel to
spend the night, remember that our hotels are rel-
atively inexpensive because the rand is weak. It’s
the exchange rate that makes them cheaper than
their foreign counterparts.

The only South African hotel to be categorised
among the “leading hotels of the world”, the Mount
Nelson, has rooms priced from R1 080 a night for a
single room to R1 825 a night for a luxury suite
between November and April.

The “Nellie’s” rates are reduced during winter
months, with single rooms at R785 a night and lux-
ury suites at R8 820 a night.

Compared to the Peninsula Hong Kong in Kow-
loon, on Victoria Harbour, the Mount Nelson’s
rooms and suites are relatively inexpensive.

The Peninsula, considered one of the world’s
greatest hotels, has single and double rooms rang-
ing in price from R$4 460 too R7 980, and suites
for R10 290 to a staggering R79 800.

General manager of the five-star Cape Sun In-
ter-Continental, Harry Murray, who has managed
similarly rated international hotels for 18 years,
said South Africa’s top hotels compared well with
their international counterparts.

“Walk-in” rates at the Cape Sun are R675 per
person per night for a single room and R467 per
person per night for a double room.

Top-notch hotels in the United Kingdom include
the Cleveland hotel, once owned by a Prince of
Wales and three dukes, and London’s Dorchester
Hotel.

The Cleveland has single rooms from R1 883 and
suites from R2 306, and the Dorchester charges
between R1 197 and R9 380 for a single room and
from R1 330 too R1 710 for a twin room.

The UK’s “deluxe and luxury hotels”, the five-
star equivalent, have single rooms priced at R598
to R1 704 a person, and twin rooms from R342 to
R701.

The rates for Cape Town’s four-star Townhouse
Hotel in the city centre are, excluding meals: R246
for a single room and R268 for a double room.

“First class hotels” in the UK, the counterpart to
local four-star establishments, offer single rooms,
from R491 to R616 and twin rooms from R593
to R693.

The three-star Holiday Inn Garden Court hotel
in Newlands charges R224 for a single room, and
R119 for a double.

UK “tourist class hotels” and “superior tourist
hotels” rates are between R125 and R216 for a twin
room and R200 to R268 for a single room.

The Dale Court Guest House in Green Point offers
165 en-suite “bed and breakfast” single, double,
or family rooms.

Their rates per room are: R168 for a single room,
R185 for a double, R210 for a family of three sharing
and R225 for a family of four sharing.

The International Youth Hostel Federation ho-
tels are probably the closest the budget traveller
can come to free accommodation, with rates rang-
ing between R38 and R90 a night locally compared
to between R80 and R109 in London.

Compared to French and German hotels, the
British hotel industry is holding its own, with com-
parable room rates, according to a report by the
Confederation of British Industry’s Tourism Action
Group.
Tourist waves pound V&A — record-busters!

Staff Reporter

CAPE Town's premier tourist attraction, the Victoria and Alfred Waterfront, is breaking records.

Spokeswoman Maureen Thompson said more people visited the Waterfront in November than in December last year.

All indications are that more than 15 million people will have visited the venue by the end of this year.

Last year more than 14 million people passed through the gates.

With the completion of the new shopping centre and the five-star hotel towards the end of next year, and several other hotels planned in the area, tourist numbers are expected to increase.

The Waterfront has become the most popular tourist attraction in South Africa and if and when Robben Island is opened to tourists the Waterfront is expected to reach new heights.

Mrs Thompson said one of the reasons for the increase in visitors was the Two Oceans Aquarium. The number has passed all expectations.

The building of a canal from the recently flooded tank farm to the main gate is still under consideration and such a waterway, which would allow boat trips from the Foreshore, would further enhance the Waterfront.

APR 28/12 95
No flights left as holidaymakers head home

BY ALBERTE D'ANGELO

Cape Town — After the big trek down to the coast from Gauteng before Christmas, the return journey is starting and will reach its peak this coming weekend — with virtually every flight fully booked and waiting lists for cancellations.

SAA's media relations officer, Janie van Vuuren, said flights from Cape Town to Johannesburg were fully-booked for the coming weekend. There were only a few seats available for Friday and next Tuesday.

SunAir's managing director, Johan Boshoff, said that all flights were fully booked for the weekend.

"It is not only flights from Cape Town to Johannesburg that are busy — there is still a 'fair' bit of movement down from Johannesburg to the coast, too," he said.

"We were taken by surprise by the extent of the demand during the holiday season. We expected a big exodus from Johannesburg in time for Christmas but there was only a slight lull between Christmas and New Year.

"People seem to be moving all over the place — it is a mixture of South Africans and foreign tourists who are travelling."

Comair's reservations office said that there were no seats available on flights from Cape Town to Johannesburg this week.

New airline Cara, which has two return flights a day between Johannesburg and Cape Town, has some seats available. But André de Klerk, the general manager, said they would have a completely full plane for the first time on Sunday.

"We have had a fair share of holiday-makers. We have good passenger loads this week and bookings for the whole of the next two weeks look promising," he said.
BE SURE to get your Cape Times every day during the 1996 Round the World Race as this newspaper will be first with a comprehensive daily update on the race — staff reports, features and special live sailing write-up. Dale Granger will be on the communications vessel to give you the latest reports from the fleet as they set off for the carnival city from Cape Town on Saturday.

From Monday the Cape Times will also carry a daily map showing the yachts' updated positions so you can track the battle across the Atlantic.

2004 Bid Company turned down Rio publicity offers

STAFF REPORTER

CAPE TOWN'S Olympic Bid Company had declined offers from several yachtsmen to carry its bid logo on their sails, spokesman Mr Paul Johnson said yesterday.

He was commenting after one of the leading yachts in the forthcoming race, Nicorette, flew Stockholm's logo on its spinnaker. Local yachtsman Mr Andrew Louw, owner of the unsponsored Cape-to-Rio vessel Wizard, said he had offered to carry the Cape Town logo on his spinnaker for no more than the cost of the logo and lettering, but he was turned down.

Mr Johnson said the company had not wanted to go outside its existing tight promotions budget.

"Our plan is in place, and it is dramatic and exciting," he said. "We are not giving in, though we do not have anything planned for the Cape-to-Rio race. We thought we might get a lot of letters of criticism in the press if we had taken a decision to spend thousands of rands on promoting the bid via the yachting event."

He could not say what just the logo and lettering would have cost, but added that if the company had to pay for an entire spinnaker it would have cost in the region of R70 000.

He declined to comment when asked whether the Stockholm promoters were breaking Olympic rules by promoting their logo internationally at this stage.

Instead, financial director of the Cape Town bid company Mr Mike Fuller went out to welcome Nicorette yesterday, and was taken sailing by skipper Mr Ludde Ingvall.

See Page 3
Hotels gain as foreign tourists arrive

BY CHARLOTTE MATHEWS

Johannesburg — Foreign tourists continued to flock to South Africa in October, according to the latest statistics from the Central Statistical Service (CSS). Hotel industry spokesmen said yesterday that this trend appeared to have been sustained through November and December.

According to the statistics, the number of bednights sold to foreign tourists in October surged 46 percent to 256 407 compared with September. October’s figure was almost double the 157 095 bednights sold in October last year. However, the comparison was distorted, because the former homelands have been included only since January last year.

The CSS said bednights sold to foreign tourists were more than a fifth of all the bednights sold in October.

Econometrics, a leading consultancy, Econometrics, said even by excluding the distortions, after adding figures from the TBVC states and the artificial boost given by the Rugby World Cup, year-on-year growth in tourist arrivals in October was probably more than 50 percent.

Although the real growth rate of the hotel industry overall in this period was probably only 10 to 15 percent, foreign tourism had a multiplier effect throughout the economy.

The figures, which exclude residential hotels and timeshares, show that about a third of foreign tourists chose to stay in three-star hotels. Most visitors stayed in Cape Town, with Johannesburg next on the list. Europeans were a major draw.

About 60 percent of all visitors came from Europe, especially Germany and Britain, 15 percent came from Asia (mainly Taiwan and China) and 10 percent from Africa.

City Lodge Hotels managing director Clifford Ross said foreign guests were plentiful in the last two months in certain areas, for example at the Victoria and Alfred Waterfront in Cape Town, where City Lodge’s three-star hotel probably experienced about 50 percent growth in visitors from abroad. These were mainly from Germany, France and England.

As far as foreign business travelers were concerned, hotels in the City Lodge group and in the Courtyard group showed increased occupancy.

Karos Hotels executive chairman Selwyn Hurwitz said the tourist trade up to the first week in December was “outstanding”. Traditionally tourism tapered off between December 7 and the first week in January and then resumed, and the group’s forward bookings were looking good. Again, tourists seemed to favour three- and four-star hotels.

Hurwitz said foreign tourism had really begun to revive from September, after normal tourism was discouraged by reports that hotels were fully booked by Rugby World Cup visitors.

Now foreign tourism was well up to expectations.
vehicle numbers rise and their average age increases. The cost of new vehicles makes extensive repairs to owned vehicles the best option for many people.

TMS has had an active two years. In 1994, it was the subject of a management buyout from Murray & Roberts, led by current MD Phillip Feitelberg, who will stay on until a new MD is appointed. The deal with Hudaco is innovative and offers senior management at TMS considerable incentive to keep the profits flowing.

Feitelberg, who will remain on the TMS board for at least two years, receives 30% of the purchase price due to him in May 1998, calculated on the profits made in financial 1996 and 1997. Other senior executives may opt for a sum related to profits for the four years to 1999 as part payment.

The bulk of the purchase price will be paid by May this year. R17,4m cash has already been disbursed; another R29,8m will be paid in May; R12,4m will be settled by issue of 500,000 shares and loan claim units in March, some to TMS’s institutional shareholders.

Hudaco expects the acquisition to push its automotive component sales to more than R1bn a year and automotive spares will now be its largest division. CEO Stephen Connolly does not expect the acquisition to benefit EPS this year but says it would be of considerable value in the medium term.

On a pce of 16,8, the counter is just off its 12-month high of R27. Though not cheap, it is a solid performer worthy of the bottom drawer.

MARGARET-ANNE HOLTZ

BIG IMPROVEMENTS

Six months to 30 Mar 31st Sep 1994 1993 1992

Turnover (Rm) 390,0 570,0 65,0
Operating income (Rm) 190,0 280,0 35,0
Attributable profit (Rm) 150,0 6,0 0,0
Earnings (cp) 26,0 27,0 10,0
Dividends (cp) 20,0 19,0 10,0

MARGARET-ANNE HOLTZ

KAROS HOTELS

The interims for the half-year to September show the continuing improvement in hotel group Karos’ financial position. Turnover for the six months grew 9% and operating profit rose 7%, flowing through to a 53% jump in after-tax profit.

But the group share of earnings from associates amounted to a loss of R546,000 for the current period, compared to income of almost R1m in the year-ago period.

This drain on income — primarily by the Polana Hotel in Maputo, says chairman Selwin Hurwitz — reduced attributable profit to R601,000 compared to the prior R1,1m (after exceptions).

However, the Polana is expected to return to profitability in 1996 as the Mozambique economy sets down after its liberation and the tourist industry recovers.

The balance sheet shows a change for the better. Borrowings, which have bedevilled the group for years, have been reduced by cutting short-term debt, which is now down from R27,4m in September 1994 to R9,4m a year later.

The benefit is tempered by a R10m rise in long-term debt, but an injection of R24,5m into shareholders’ funds brought down overall gearing to about 27%. This increase in share capital resulted from a successful “shares for cash” issue to three institutional investors.

Closed since July last year for “a major refurbishment,” the Edward Hotel in Durban is due to reopen this July as a five-star hotel.

Hurwitz says the other hotels in the group, which include the Indaba in Sandton, the Safari in Rustenburg, the Karos Lodge on the Sabie River, hotels in the Cape and KwaZulu-Natal, and the Sossusvlei in Namibia, are “generally in excellent condition” and he expects them to gather a fair share of the tourist rand flooding the country over the holiday season.

The second half is traditionally the big money-spinner for Karos and, judging by industry reports on occupancies, the full-year figures should be nicely up on last year.

Kessel Feinstein researcher Christelle Grohmann says hotel occupancies are up and room rates have stabilised and are even showing some growth.

Current emphasis in the industry is on hotel development, in which Karos intends to be an active participant. It plans to apply for casino licences in seven provinces, promising more details of its strategy in the next few weeks.

On a pce of 56, the share looks expensive. However, if solid profits are about to be delivered, at the current share price of 375c it is worth a gamble.
Black tourists flocking to Durban

By Jon Beverley

Durban — The hospitality scene in Durban saw a radical change in the composition of its visitors last year, Eggy Naidu, the chairman of the Beachfront Business Committee, said yesterday.

In previous years, black tourists used to comprise about 10 to 20 percent of tourists to the area, however, they now comprised 60 percent.

The beachfront council had put proposals before the City Council dealing with the change in the composition of visitors.

If numbers increased at the same rate there would be a shortage of accommodation.

The old family entertainment venues had been allowed to die which was serious, he said.

People needed somewhere to go as an alternative to the beach when it was raining.

Figures

Naidu said it was too early for trading figures but hotels, holiday flats, time-share resorts and private accommodation were fully booked over Christmas and New Year.

Fast food outlets had reported a very good season, he said.

The accommodation scene in Durban had changed over the past few years with hotels being downgraded and repackaged while other hotels had been changed into time-share resorts.

Most noticeable was the change of the five-star Maharani and Malibu hotels into the Holiday Inn Garden Court format and the change of the Elangeni and Beverly Hills hotels into liaisons with international groups.

A spokesman for the Amanzimtoti Publicity Association said many resorts in the area had been fully booked over the Christmas season.

The visitor composition appeared to have swung towards businessmen and there had been a change in the racial mix of visitors from previous years, he said.
Foodgro expansion plan will create jobs

BY FRANCOISE BOTHA

Cape Town — Foodgro, the restaurant arm of Leisure Net, has announced aggressive expansion plans that include the opening of 20 more outlets worth R12 million in the Western Cape.

The move will also boost the local economy with 600 permanent and 600 casual jobs over the next year.

The company is set to open 10 Black Steers, three Flame Diners, five Bulldogs Pubs and two Max Frango’s Chicken outlets.

This will bring the nationwide total to more than 120 outlets.

Foodgro’s Cape regional director, Bryan Pridgdon, said that 90 percent of the company’s outlets were based in Gauteng. This meant the company had to spread to the Cape to ensure its continued growth.

"Because the brands have been established in Gauteng for some time, people now want them down here. We have been forced to open," he said.

The company had secured contracts for 20 outlets, but the figure could be considerably higher by the end of the year, he said.

"It’s only January and there is a whole year ahead of us!"

Foodgro’s push into the Western Cape market was spearheaded with the opening last month of its flagship Cape restaurant, the Black Steer, at one of the V&A Waterfront’s landmark sites, the Dock Road Café.

According to Pridgdon, turnover at the new venue was close to R1 million during December.

The opening of the Waterfront outlet brings the number of Cape-based operations to 10 from two at the beginning of 1995.

As a result of the rapid expansion plans, the company expects an increase of more than R4.5 million in income on the back of an additional R50 million in turnover for franchise holders.

In terms of the 20 secured contracts, franchise and joining fees are expected to add a further R800 000 to the company’s figures.

Commenting on the agreements, Pridgdon said that most of the outlets would be established by the franchise-holders, who would also own the facilities.

"In some instances we will be investing in the ventures, but they are a very small proportion of the total," he said.
CAPE TOWN A SENTIMENTAL FAVOURITE

2004 Olympics wide open as bids close

LAUSANNE, Switzerland: Eleven cities are expected to have handed in their bids for the 2004 Games by tomorrow’s deadline. They include three former Olympic hosts.

CAPE TOWN, bidding to bring the Olympics to Africa for the first time, will be the sentimental favourite at least when the race for the 2004 Summer Games begins this week.

In a field left wide open by Beijing’s decision not to run again, rival bids from Athens and Rome promise a Mediterranean tussle that should enliven the contest.

It is expected that 11 cities will have handed in bids to the International Olympic Committee by the midnight deadline tomorrow.

Three — Athens, Rome and Stockholm — have already been Olympic hosts. Three more — Rio de Janeiro, Buenos Aires and Istanbul — have made unsuccessful bids in the past.

The remainder — Cape Town, St Petersburg in Russia, San Juan in Puerto Rico, Lille in France and Seville in Spain — are newcomers.

Under rules first used for cities bidding for the 2002 Winter Games, the candidates will be whittled down to four or five by an IOC electoral college next year.

The IOC’s 100-odd members, a sophisticated if notoriously fickle electorate, will choose between them in September 1997.

The two-round contest and moves to cut the cost of a bid appear to have increased interest among potential Olympic cities.

South Africa and President Nelson Mandela have been courted assiduously by the IOC in recent years. During a visit to Rome in November, however, IOC president Mr Juan Antonio Samaranch warned that the Cape Town team still needed to do a lot of work.

He praised his Italian hosts for presenting “one of the most important” bids for the 2004 Games.

Rome hosted its first Olympics in 1960. Mr Samaranch’s Italian allies on the IOC, including world athletics boss Mr Primo Nebiolo, should give the city a powerful edge.

Perhaps the most surprising bid is by Athens, which hosted the first modern Olympic Games in 1896 but lost out to Atlanta in the contest for this year’s Centenary Games.

Greek political leaders, who had claimed the Games as their virtual birthright, vowed that the city would never run again but decided last month to swallow their pride.

St Petersburg faces a difficult task in persuading the IOC that post-communist Russia is ready to host the Games.

Among the others, Stockholm will be seen as a safe if unimpressive choice. Rio de Janeiro and Buenos Aires will need extra-strong bids to convince the IOC they can rise above Latin-American political and economic uncertainty. — Reuters
Visitors to SA increase by 58%.

The tourist boom is continuing with the number of overseas visitors coming to South Africa increasing 58.1 percent in October 1995, compared to October 1994.

October figures, the latest available from Central Statistical Services, show that in October 1995 91,614 overseas tourists entered South Africa through the three international airports, 30.8 percent more than in September 1995.

Most were from Germany, followed closely by Britain, the United States and the Netherlands.
Satour strives for better service

THE SA Tourism Board, encouraged by the 65% jump in the number of foreign tourists in the first eight months of last year, had started a drive to improve service standards in the hospitality industry, Satour said yesterday.

Standards director Greg MacManus said the number of tourists visiting SA between January and August last year surged to 665 515 from 460 213 recorded during the same period the previous year.

"In keeping with these developments, consumer response to the 1996 Satour Tourism Awards has been most impressive with the number of nominations received to date more than 300% up on 1995," MacManus said.

The awards were first instituted last year to recognize service excellence in tourism. Consumers and the tourism industry are called on to cast votes in favour of service establishments they believe have played a crucial role in furthering the industry.

MacManus said in order to meet the growing consumer interest in the awards and to facilitate the nomination process, Satour had placed entry forms for its 1996 awards on the Internet.

"As the first item of this nature to be advertised on the Internet, this year's awards will allow a greater number of consumers to express their views on hospitality establishments in SA. Given the global nature of the Internet, those overseas visitors to SA who have since returned home will also be able to cast their votes," MacManus said.

The 300% increase in consumer response to the award was evidence that South Africans were finally recognizing the importance of service standards in the hospitality industry.

Tourism would not continue to grow at its current rate unless standards were improved, MacManus said.
Tourism boom to carry on well into the year

BY AUDREY D'ANGELO

Cape Town — South Africa's tourism boom is continuing, with major international airlines reporting heavy bookings well into the new year.

The latest statistics available from the Central Statistical Service for October, when the season started, show that the number of overseas visitors stayed at 91,614 in that month alone. This was 30.8 percent more than the previous month and 58.1 percent more than the 57,941 in October 1994.

German visitors were in the majority in October, pushing those from Britain — who for years had accounted for most of the foreign tourists and business travellers to the country — into second place.

There were 17,974 tourists from Germany compared with 17,502 from Britain, 8,447 from the United States, 5,461 from The Netherlands, 4,287 from France, 3,778 from Switzerland, 3,289 from China and 3,144 from Australia.

More South Africans also travelled abroad. The number leaving through the three international airports — Johannesburg, Cape Town and Durban — rose 18.2 percent to 89,476 compared with 76,358 in October 1994.

Roger Mackie, the national president of the Association of Southern African Travel Agents said he was not surprised to hear that more Germans than British came to South Africa that month.

"They have been running neck-and-neck for some time. The strong Deutschmark makes it easy for Germans to travel and they have developed strong business interests in this country."

But in spite of the strong growth in tourism, Mackie said the association was concerned about the diminishing role of the SA Tourism Organisation in marketing South Africa overseas and its small budget compared with that of foreign competitors.

He said that the organisation's budget of only R33 million was "a drop in the ocean" compared with the A$530 million (R851 trillion) which Australia's marketing organisation had available.

Some of Satour's marketing functions have now been given to recently-established provincial tourism organisations.

Mackie said the travel trade foresaw a danger of money being wasted in setting up provincial bureaucracies which, would have less effect on the international tourism market.
Confident Cape Town

submits Olympic bid

The Cape Town 2008 Olympic bid received much initial support for its innovative, creative, and cost-effective plan. The Olympic bid committee, headed by Mayor Danie Le Roux, presented a detailed plan that emphasized sustainability, community involvement, and efficient use of resources. The bid highlighted the city's rich cultural heritage and its potential for hosting a world-class sporting event.

The bid was well-received by the Olympic Committee, which praised Cape Town's efforts in planning and execution. However, the final decision was to be made by the IOC (International Olympic Committee) after a thorough evaluation of all bids.

The Cape Town 2008 Olympic bid was ultimately unsuccessful in securing the host city status. Despite this, the bid process was lauded for its creative and innovative approach, setting a new benchmark for future Olympic bid presentations.
Negotiations over new hotel under way
(Amanda Vermeulen)

FINANCIAL services company Capital Alliance is negotiating with three major international hotel groups to develop a second five-star hotel near Cape Town’s waterfront.

Capital Alliance CEO Mzi Khumalo said yesterday US group Ritz Carlton, Hong Kong-based Shangri-la and US-based Sheraton were in talks over a hotel on the site, which already has a 370-room Hilton and the new BP head office planned.

The total development is expected to be about R600m.

Capital Alliance brokered the Hilton development in Durban which would be built by Malaysian group Renong. The Durban hotel is a joint venture between Hilton and Renong’s hotel operation, Faber.

The Cape Town Hilton is a joint venture with French company Compagnie Generale de Batiment et Construction.

Hotel consultants said yesterday Cape Town was in danger of oversaturating the market for five-star accommodation, as several hotels were being planned.
Olympic deadline met but city faces tough competition

CAPE TOWN has now officially entered the race with 10 other contending cities in their bid to win the candidacy to host the 2004 Summer Olympics as the deadline for preliminary bids expired at midnight.

The other contenders in the running are San Juan, Buenos Aires and Rio de Janeiro in South America, Seville in Spain, Lille in France, Rome, Athens, Istanbul, Stockholm and St Petersburg in Russia.

Of these, strong opposition is thought to be Rome, Stockholm and Istanbul, which has bid twice already. But Cape Town, which is bidding to bring the Olympics to Africa for the first time, is viewed as the sentimental favourite.

Yesterday was the deadline for submissions of candidacy to host the games with bidding cities having been given until August 15 to submit comprehensive plans on how they will manage the event.

"The bid is in good shape," Cape Town 2004 Olympic Bid chief executive Mr Chris Ball told a media briefing in Johannesburg yesterday. About 500 people were already working on the bid.

"We are confident we will manage comfortably to accommodate the Olympic family and visitors," Mr Ball said.

Meanwhile, officials of the International Olympic Committee (IOC) said technical representatives of the bidding cities would meet IOC leaders in Lausanne on January 23 to discuss bidding procedure.

The cities have to submit full bid documents to the IOC by mid-August after which an evaluation commission chaired by German IOC member Mr Thomas Bach will visit the candidate cities.

The commission will publish its report by the end of February 1996 and an IOC electoral college will whittle down the candidates to a short-list of four or five by early April. After that the IOC's 100-plus members will be invited on expense-paid inspection visits to the remaining candidate cities before making their choice in Lausanne on September 5. — Staff Reporter, Sapa
African Cup to bring in R159m

Mduduzi ka Harvey

SA COULD earn at least R159m in foreign exchange from the 22-day African Cup of Nations football tournament, which will be held in four cities, a Sator report has indicated.

The report, aimed at giving a brief indication of the possible effect of the competition in terms of tourism arrivals and foreign exchange earnings, derived figures from attendance information for previous SA matches and the opinions of soccer personalities.

The R159m figure was based on a Reserve Bank estimate that an average African land arrival tourist spends at least R800 when they visit SA.

A total of 22 600 tourists were expected to arrive in the country.

Sator expected between 300-500 tourists from Cameroon, up to 2 000 from Egypt, 1 500 from Angola and between 5 000 and 10 000 from Zambia.

With the expected influx of tourists, the Johannesburg council started a R3m environmental upgrade of the First National Bank Stadium near Soweto last year, where 10 games will be played between January 13 to February 3.

Other games will be played at Kings Park Stadium in Durban, the Boet Erasmus Stadium in Port Elizabeth and the Free State Stadium in Bloemfontein.

Johannesburg council's sport director Danie Malan said a park-and-ride service would be set up in the city for the duration of the tournament. The R5 return trip, which includes parking and security service, will run from the parking area outside Gold Reef City on Northern Parkway Road close to the M1 motorway.

It will begin two hours before each match and will operate for an hour after the final whistle.

Efforts will also be made to ease traffic and pedestrian flow around the stadium by changing certain streets to one-ways during the game and allocating areas for buses, mini-bus taxis and hospitality sites, Malan said.

Wite Metro Rail Services will also have special trains to transport passengers to Naaroe Station.

Johannesburg council security co-ordinator Jan Smit said security would be tightened by deploying 500 policemen and 500 security guards from a private firm in and around the stadium. Body searches would be conducted and metal detectors would be used to ensure the safety of spectators.

See Back Page
Eleven cities will go to the starting blocks in the race to host the 2004 Olympic Games, it was revealed in Lausanne on Wednesday. That was the deadline set by the International Olympic Committee (IOC) for the filing of candidatures for its headquarters in Switzerland.

Until Wednesday it was like trying to predict the outcome of a race without knowing who the runners would be but the contestants are now clear-cut in the bid to secure the IOC's nomination. In September 1997, besides Cape Town the other cities are: Athens, Buenos Aires, Istanbul, Lille, Rio de Janeiro, Rome, San Juan (Puerto Rico), Seville, St Petersburg and Stockholm.

Although there had been much speculation about a Chinese bid, either from Beijing, who lost out narrowly to Sydney in the bid for the 2000 Olympics, or Shanghai, they declined to file, much to the relief of South Africa.

Whether the mandarins in the political

On the Ball: Cape Town bid boss Chris Ball aiming for a professional technical bid

Photograph: Julian Drew

to be spent at some time in the future anyway. The government is therefore only being asked to bring its funding forward to assist with the staging of the Games.

This means a shifting of the priorities of some of the government's transport budget but in terms of the benefits of staging the Games it will be more than worthwhile. The bottom line for the taxpayers of Cape Town is that the Games will not cost them anything and they will be left with an excellent set of sporting facilities and a much improved transport infrastructure.

Of course this scenario relies on the assumption that Ball and his team have got their sums right. But with R2.5-billion in television rights already guaranteed (more than was budgeted for) from NBC's television deal with the IOC late last year and a well tested marketing programme, much of the revenue is assured irrespective of where the Games are held.

The trick is going to be in keeping the cost of sports facilities to a minimum while still meeting the requirements of the International Sports Federations. Cape Town's operating budget is lower than Atlanta's (R$69-billion) but higher than Sydney's (R$46-billion at the time of bidding). Such figures can be misleading though because they do not always
All the runners in the bid race

Cape Town is confident it can compete with the other

bure were too disheartened with the unfathomable workings of the IOC after losing with what they had incor-
rectly considered a winning ticket, or they were simply making way for their
"comrades" in Africa, remains to be seen. But with China out of the way
South Africa should have some say over the emotional and political votes.
And, provided this country can deliver a competent technical bid, these votes
should be enough to see the Games come to Africa for the first time.

Chris Ball, chief executive officer of the Cape Town 2004 Olympic Bid, is upbeat about Cape Town's chances,
but he warned against complacency. "I believe every single candidate must be
taken seriously. There are still 21 months of this process to go and a lot
can still happen. There have been surprises in the past."

"For example, in the contest for the Winter Olympics when Lillehammer
won it was not the favourite. Therefore one should never discount one's com-
petitors," said Ball.

Obviously it is prudent to avoid counting your chickens before they've
hatched for past experience has shown that the only certainty is that there are
no sure-fire favourites where the mem-
bers of the world's most exclusive club are concerned.

For historical reasons Athens was considered to be a forgone conclusion to
host the Centennial Olympic Games .this year but lost out to Atlanta

through what many believe was the Coca-Cola factor. Also, 1988 hosts
Seoul were considered no match for Nagoya and Mexico City was thought
to be the least likely of the four candidates for the 1988 Olympics because
of its altitude.

South Africa has much going for it in terms of "the missing ring" factor
which refers to Africa (represented by the black ring among the five Olympic
rings) never having hosted the Games,

together with the enormous amount of goodwill that exists towards this
country at the moment.

But there are also issues which will favour
some of the other cities.

South Africa has never hosted the Games, which could favour
Buenos Aires or Rio.

South Africa should be
able to count on Africa's 19 members among the IOC's full
complement of 106 but with Istanbul bidding for the second time, six of
Africa's 19 votes could join an Islamic block if talk of block voting is to be
believed.

Rome can be expected to mount a strong challenge with the powerful,
though not necessarily popular, athlete's union, Primo Nebiolo, leading the
hunt for votes - something he has proved rather adept at when ensuring
his own position.

But Rome has hosted the Games before, as has Stockholm. The
Swedish capital will pose a threat with its superb array of infrastructure
already in place together with a proven record of efficiency and a national
environmental policy without equal. But providing South Africa does its home-
work properly it is difficult to see it los-
ing.

"Our responsibility is to make sure
that we submit a very
professional technical bid. We must not rely
on emotion. We must compete and be profes-

tional and that's what we intend to do," said
Ball.

"We want our techni-
cal bid to be as compe-
tent as anybody's and I
hope that we will then be
able to persuade people
not only that Cape Town is the best
place to have the Olympic Games in
2004, but also that there is validity in
the concept that an Olympics in
South Africa can make a major
impact on the socio-economic and
diplo-political future of this part of the
world."

Socio-economic impact is perhaps the greatest worry for most South
Africans, particularly the residents of the Western Cape. Many people believe
that the Games will prove to be an eco-

donic extravaganza the country can ill-
afford and that the taxpayer and
caterpillars will end up footing any
deficit.

Ball and his committee are well
aware of such perceptions. "We are
starting a proactive approach in Cape
Town which will be extended nation-
ally to give more details of the real
facts, our capability and the excite-
ment of the bid. Until now we've tended
to keep our heads down and deal with
the preparation of the physical prod-

tuct. That was a policy decision. We felt
that we couldn't go ahead and make a
noise until we were satisfied we were
on absolutely firm ground. We are now
quite sure that we are on firm ground," said Ball.

"The only certainty
is that there are no
sure-fire favourites
where the
members of the
world's most
exclusive club
are concerned"
Durban’s bumper 90% hotel occupancy over the festive season underpins research that suggests the city could sustain as many as 10 new 300-bed hotels.

This is a dramatic turnaround from the past few years during which the industry has struggled, with some hotels even downgrading to attract business.

But domestic tourist generates only a small part of bed night turnover.

Says Greater Durban Marketing Authority tourism director Ted Hirst: “The lion’s share of hotel income is generated by business occupancies throughout the year. They account for 85% of bookings. Sport-related events, conventions and international tourism are also gaining in significance.”

He says foreign visitors are likely to provide the main engine for future growth in the region’s hotel industry.

“Domestic tourism, the icing on the cake, though expected to rise by about 10% a year over the next two years, tailing off to 5%-7%, is limited in that it peaks for only about 30 days a year,” says Hirst.

His scenarios assume business traffic will rise 5%-10% a year and international tourism 15%-25%.

Based on a current availability of 1.4m room nights in the city, demand is tipped to rise at least 30% to 1999, possibly 50% and at most 80%.

In any midweek, says Hirst, that translates into a shortfall of 1371 rooms in the low-growth scenario, 2092 in the mid-growth and 3141 in the high-growth projection.

“The high scenario translates into a need for 10 new 300-bed hotels before the year 2000. Even in the unlikely event of this proving to be 50% too high, the developers of the first five would face minimal risk.”

Yet the only significant current hotel development in Durban involves: a 340-room, five-star Hilton International, to be built in conjunction with the city’s International Convention Centre; the R70m upgrade of the five-star Edward Hotel; the upgrading of the Tropicana and Bal-moral hotels; and the development of a large...
TOURISM

Wrong path?

Unless billions are poured into infrastructural development and the promotion of more tourist attractions, the industry could self-destruct, says Simon Woodward, a British expert on ecotourism who recently assessed the industry in southern Africa.

SA, he says, has only been marketing its well-known attractions, such as Cape Town, which is now approaching peak capacity and the Kruger National Park which is also at peak capacity.

But nothing is being done to develop and market other possible tourist attractions. Former deputy executive director of the SA Tourism Board (Satour) Ernie Heath says the industry is being developed without a clear national policy and guidelines. Heath was recently installed as professor of tourism management at the Business School of the University of Pretoria.

He says tourists are flooding into SA at an incredible rate and though a Green Paper has been prepared there is, so far, little government effort to channel it into the right lines and spread the load.

Given a few provisos, such as being able to assure the safety of visitors, and that the current political situation remains stable, Heath projects the rate of overseas arrivals (704 610 in 1994) will increase to 2.3m by the year 2000, and that tourists from Africa will increase from about 3m in 1994 to 5.3m in 2000.


Heath says the increase in foreign tourism will create an additional 113 000 direct jobs and an additional 226 500 indirect jobs "on a sustainable basis between 1995 and 2000." That would obviously give the RDP a significant kick-start, which makes it difficult to understand why, when Satour's main task is to sell SA as a destination overseas, government allows it to retain its poor-relation status.

SA's marketing spend per visitor was R18,33, Bermuda spent R125,23 per visitor, and Australia, also a long-haul destination, spent R64,77 per visitor.

Heath estimates an additional 25 000 tourists can be persuaded to visit SA for every R10m invested in international marketing. That will earn the country an additional R110m, create an additional 2 500 direct and indirect jobs, and give government revenue a R60m boost.

But the hospitality industry will have to

BUSINESS

invest heavily. That process has started. Satour estimates that, compared with 1994, an additional 18,3m bed-nights will be required to cope with demand in 2000, when an additional 50 000 beds per night will be needed in peak season.

To provide this, 58 702 rooms in all forms of accommodation will be needed. According to the Central Statistical Service's latest figures, without the former TBVC states, SA had 41 792 rooms in September 1995, and including the former TBVC states it had 46 172 rooms. Greg McManus, Satour's director of standards, says more than 800 rooms were added to the hotel sector last year, "and a considerable amount to other forms of accommodation, such as guest houses and bed and breakfast establishments." Even if the hotel rooms in the former TBVC states are included, another 12 530 hotels will have to be built between now and 2000.

But in 1993 the Industrial Development Corporation set aside R600m to lend to entrepreneurs to develop ecotourism and accommodation focused on international tourism on recognised tourism routes. It is "disappointed" in the response as only about R89m has been borrowed to date.

Heath says: "It's strange that there are so few takers, though there is a need for the type of accommodation the IDC would like the money to be used for. Maybe the terms and conditions are too complex, or the rates aren't competitive enough."

There is only one thing that can derail everything and dash SA's hopes of promoting tourism from its present position as the fourth biggest foreign exchange earner, and that is crime. All it would take, says Heath, is one well-publicised murder of an overseas tourist to see the current surge slow to a trickle.
Satour forecasts Cape tourism boom

BY FRANCOISE BOTHA

Cape Town — The Cape is set for a bumper tourist season this year with an expected 25 percent increase in foreign visitors, adding R750 million to the local economy.

Figures released by Satour yesterday showed that the Western Cape was set to take the lion’s share of the overseas tourist market with 49 percent of all visiting foreigners coming to the region.

The market was valued at close to R3 billion last year. The Western Cape claims 28 percent of the value of the total overseas tourist market.

The Satour head of tourism research unit, James Seymour, said that the projected increase was “relatively conservative” and could be as high as 30 percent.

The region saw an estimated 500,000 foreigners last year. This figure was expected to increase to more than 625,000 this year.

A spokesman for the Cape Town Chamber of Commerce and Industry, Charlie Adams, said that for every 10 tourists who visited South Africa, one job was created. As a result of the increase, an additional 12,200 jobs would be created in the region.

Leading Cape hoteliers said that occupancies are up between 10 and 20 percent.

While February and March had traditionally been periods of high occupancy, figures showed that April and, to a lesser extent, May would also rate high this year.

The expectations of a boom followed the most recent Central Statistical Service figures that showed a 58.1 percent increase in foreign tourism during October, compared to the previous year. These figures were also 30.8 percent up on September’s.

According to Danny Byer, the sales director of the Protea Hotel group, and Luis Pinheiro, the general manager of the Mount Nelson hotel, occupancies of between 90 and 100 percent were expected for February, falling to more than 70 percent during March and April.
Muggings: Unit set up to help visitors.

JOHANNESBURG. — Seven tourists have been robbed of cash, cameras, credit cards and watches in Johannesburg during the past two weeks, police said.

Visitors venturing into the Johannesburg CBD, known to locals as muggers' territory, are asked to contact the police's new Tourist Unit, police spokesman Inspector Andy Piiek said.

Inspector Piiek said two Singaporean tourists were robbed on December 27.

Both men were robbed by four men carrying knives in the Smal Street area of the city centre near the five-star Carlton Hotel, one shortly after the other. The first man, named as C K Boon, was stabbed in the chest during the attack, he said.

Mr Boon was robbed of 400 Singapore dollars and R1 500. The second tourist, Y L Chen, was robbed of 500 Singapore dollars.

Inspector Piiek said a Japanese tourist, who was robbed of $200 (R70), 15,000 yen and R300 on January 5 by five men, who stabbed him in the arm.

In another robbery on the same day, a German couple were left without cash and credit cards. Their two gold watches were also taken.

Four days later, an Italian tourist was robbed of Rs 250. Another man, whom police identified as a tourist but said they did not know his nationality, was robbed of his camera, passport, and credit cards. — Reuter.
Olympic bid man probed for fraud

A MEMBER OF THE OLYMPIC BID COMPANY's board of directors is alleged to have deposited a cheque donated to a black business organisation into a personal account.

EUNICE RIDER reports.

THE Cape Town Olympic Bid Company is demanding an investigation into the activities of a member of their board of directors who is being investigated by the police for "several counts" of fraud — and possibly theft — amounting to tens of thousands of rands.

Police confirmed last week that Mr Brian Ebdon was being investigated for several counts resulting from his involvement with the Rugby World Cup.

Mr Ebdon is also the managing director of Black Expo SA, a company promoting the business interests of black entrepreneurs, and the procurement officer for Fabcos, the Foundation for African Business and Consumer Services.

He is alleged to have lost Fabcos tens of thousands of rands in donations he received from companies such as Shell SA and Grintner Sports Management (GSM) for the promotion of black business in the Cape Town region.

He is alleged to have opened a personal bank account, Brian Ebdon trading as Fabcos, into which he deposited a cheque for R30 000 from Shell, made out to Fabcos, in May last year.

In a letter to Fabcos last August, Shell SA said: "It is not certain how the funds were distributed or used.

"This gives rise to numerous suspicions. To make matters worse, the Committee (of Indwe Kraal Initiative) is also not sure as to how these funds were utilised," Shell's letter read.

Fabcos allegedly found out about another "missing" donation of R40 000 from Grintner — intended to buy raw materials for black entrepreneurs to make World Cup memorabilia — when the managing director of GSM, Mr Brian Hobbs, asked how the donation had been used.

The Cape Times has a letter written by Mr Hobbs in August, in which he states he had asked Fabcos Western Cape members how their donation of R40 000 had been used, and "no one present knew anything about the R40 000".

Mr Hobbs was not prepared to comment on the matter on Friday, saying only that he was negotiating with his attorneys the possibility of pressing criminal charges against Fabcos.

Mr Ebdon and Black Expo also owe about R40 000 for SA/Rugby World Cup stickpin badges to small jewellery company owner Mr Vivian Stoffels.

Mr Stoffels said he could face bankruptcy unless the money was repaid.

SAA had already paid Mr Ebdon in full for the badges.

Mr Paul Johnson, spokesperson for the Olympic Bid Company (OBC), said yesterday the OBC would demand a full investigation "as a matter of urgency".

"More than likely we will seek an interim suspension.

Mr Chris Ball, chief executive officer of the OBC, said from Port Elizabeth yesterday the OBC had been "unaware" of the investigation of fraud against Mr Ebdon.

He said Mr Ebdon was on the board of directors as a representative of Fabcos and "his private affairs have nothing to do with us".

Mr Brian Johnston, chairman of the Western Cape branch of Fabcos, said yesterday the organisation had expelled Mr Ebdon when it learned of the allegations against him.

But, he said, when he went overseas a short while later Mr Ebdon was "unconstitutionally" reinstated as some members of the organisation felt he had been too harshly dealt with.

"But I still insist that we are the type of organisation which relies heavily on public donations and we cannot tolerate this kind of behaviour."

Mr Johnston said instructions from Fabcos national president Mr Sam Tumbube were that the question of Mr Ebdon's membership be "sorted out" in the forthcoming Fabcos elections.

He confirmed that Mr Ebdon still owed Fabcos member Mr Stoffels about R40 000, but insisted Fabcos could not take sides in this issue, except to say: "We are extremely unhappy that our business development officer who was dealing with the先生 regarding the sale of the stickpin badges was not involved in the decision, and the OBC has taken over the case with Mr Ebdon."
Tourism body gets Cape branch

Staff Reporter

THE Southern African Tourism and Safari Association (Satsa), a leading body representing the private-sector tourism industry in Southern Africa, has established a Western Cape chapter.

Western Cape members have met to debate their association's objectives, which include collective marketing of the region, quality control of tourism products, customer service and training. These objectives will benefit the Cape Town, Peninsula, Garden Route, Karoo and West Coast areas.

Norma Polden, for the Western Cape, said the association would be involved in lobbying government for corrective tourism measures to be taken at Western Cape provincial level.

Also high on Satsa's priority list was the need to help all newcomers to the tourism industry.
Western Cape tourism ‘to create 12,500 jobs’

BY FRANCOISE BOTHA

Cape Town — The boom in Western Cape tourism was set to lead the region’s growth and create at least 12,500 permanent jobs this year, industry experts said yesterday.

“The national economy is going to grow at approximately 4 percent. I would be so bold as to say that in the Western Cape it will probably outpace that. It is going to create formal jobs and will add to the formal sector and the wider Western Cape economy will benefit,” said Charl Adams, the spokesman for the Cape Chamber of Commerce and Industry.

Based on figures released by Sabour, a 25 percent increase in foreign tourists is expected for the region this year, bringing the total to more than 625,000.

Adams said that from every 10 foreign tourists one job would be created.

James Seymour, the head of Sabour’s tourism research unit, said the 25 percent increase was regarded as conservative. The increase could be as high as 30 percent. This is in line with figures presented at a Wesgro/Cape of Good Hope Bank seminar last year, which said a 40 percent increase was possible.
New probe into Olympic Bid director as allegations mount

Mr Johnston yesterday denied statements by Fabcos Western Cape's vice-chairperson, Mr Toto Ntsobi, that he was no longer the regional leader as he had been "suspended".

Mr Johnston confirmed that Mr Ntsobi had "unconstitutionally" re-instated Mr Edden to his position of business development officer.

Mr Johnston had earlier expelled him when he discovered that Mr Edden had placed a cheque for R30 000 donated by Shell SA to Fabcos, into a private banking account opened in the name of Brian Edden trading as Fabcos.

"I have not been suspended from my chair, even though we are in the phase of being restructured to give the regions more autonomy, and will be having elections in March or April to choose a new executive committee," said Mr Johnston.

Meanwhile, it has come to light that Mr Brian Stoffels, the owner of a small jewellery company to whom Mr Edden owes about R40 000 for stockpins he made to commemorate the Rugby World Cup, is also taking civil action against Mr Edden for payment of R5 000, police confirmed yesterday.

Mr Edden told the Cape Times earlier that he had signed an acknowledgement of debt to Mr Stoffels and offered to repay him R5 000 until the debt was settled.

But Mr Stoffels said he could face possible bankruptcy if the debt was not settled sooner.

Mr Johnston said Fabcos was aware of this problem and was "disappointed that Mr Edden had let down a fellow member".

A COMMITTEE has been appointed to probe allegations that a Fabcos member nominated to the Cape Town Olympic Bid Company's board of directors, Mr Brian Edden, is involved in various counts of fraud.

The chairman of the Foundation for African Business and Consumer Services (Fabcos) Western Cape, Mr Brian Johnston, said national president Mr Sam Tumtuile had flown to Cape Town yesterday and ordered the probe.

The allegations involving Mr Edden, the regional office's procurement officer, were made public by the Cape Times yesterday.

The special investigation committee will be headed by general secretary Mr Deloit Moshapelo.
Conference body mooted

BY FRANCOISE BOTHA

CAPE TOWN—South African tourism may be boosted if efforts to promote the R2.6 billion-a-year conference industry get off the ground.

A group from the tourism industry is lobbying for the formation of an independent national convention bureau to develop national policy and strategy for the conference industry.

The formation of the bureau, which has the support of Satour and the South African Institute of Chartered Accountants, would operate as an autonomous division within Satour.

International conferences now earn South Africa R42 million in foreign exchange. The industry contributes R250 million in taxes a year and employs almost 50 000 people.

If the bureau’s objectives were met by the year 2000, the conference industry should be worth R3.5 billion and earnings at least R200 million in foreign exchange a year”, said Gillian Saunders, a director of Keitel Feinstein Consulting and a member of the national steering group.
Fabcos replaces official on Olympic Bid board

Labour Reporter

An investigation into allegations that Foundation for African Business and Consumer Services (Fabcos) Olympic Bid Company board representative, Brian Eden, misappropriated funds will be concluded at the end of this week.

In the meantime, Mr Eden has been replaced as Fabcos’s representative on the Cape Town Olympic Bid Company’s board of directors by the organisation’s secretary-general, David Moshapelo.

Fabcos national president Sam Tsumebi said he had asked for reports to be submitted to him today from former Fabcos Western Cape chairperson, Brian Johnston, former treasurer, Timothy Vundisa, former assistant secretary, Vivian Stoffels and former vice chairperson, Toto Mboli.

He said he had already received a report from Mr Eden.
A SENIOR member of the Foundation for African Business and Consumer Services (Fabcos) has been removed as the organisation's representative on the Cape Town Olympic Bid Company following allegations of misappropriation of funds.

It was reported this week that Mr Brian Ebben, the regional procurement officer for Fabcos, was alleged to have lost tens of thousands of rands in donations from companies such as Shell SA and Grinaker Sports Management (GSM) for the promotion of black business before last year's Rugby World Cup.

Fabcos national president Mr Sam Tshumbule said last night that until the controversy around him had been concluded, Mr Ebben would be replaced as an Olympic Bid Company board member by Fabcos secretary-general Mr David Moshapelo.

Fabcos announced on Monday that a committee would probe allegations against Mr Ebben. Last night Mr Tshumbule said the foundation was not aware of the misappropriation of funds allocated to Fabcos, as had been reported, and that Mr Ebben had "added a tremendous amount of value to Fabcos and the development of emergent black business in general".
R525-million hotel for Mouille Point

Mouille Point is to get a luxury 140-room hotel at a cost of more than R15 million, aimed at the European tourist market. The seven-storey hotel will be built on the corner of Beach Road and Surrey Place by the owners of the Place on the Bay, who took transfer of the vacant site for R33 million last year. See Page 51.
France blocks EU offer of free trade for SA

By John Fraser

Brussels — France is blocking a European Union offer of a free trade area with South Africa.

This has emerged in a series of secret meetings of European diplomats in Brussels.

The union's commissioner for Africa, Joao de Deus Pinheiro, proposed offering South Africa a free trade agreement and had hoped to win the 15 union governments over to the idea before Christmas. However, no offer was made because of divisions among the 15.

The southern union states are deeply worried about the impact of scrapping tariffs on exports of farm products from South Africa, and want an eventual agreement to allow continued barriers against about half of South Africa's agricultural exports.

France apparently has an even more fundamental objection. "The French are very much concerned about the impact on their domestic market," said an union official.

"They believe this would set a precedent for other trade partners such as the Mediterranean states, eastern Europe, the South Americans, and so on.

"The fear is that if South Africa gets a free trade area it will be impossible to say no to others — and that could leave the EU very vulnerable indeed."

Italy currently holds the presidency of the union, and Italian diplomats said yesterday that they hope to overcome the French problem soon and to agree on a trade offer to Pretoria.

The aim is to get agreement among ambassadors next week to prepare for formal agreement by the union's foreign ministers, who meet in Brussels on Monday.

If there is any movement from the French, this may become clear when senior diplomats meet in Brussels on Friday to review the South African dossier.

Pinheiro will be visiting southern Africa next month, and would like to have a clear mandate from union governments to relaunch trade negotiations.

Ideally, he would like an agreement with Pretoria by Easter, although union and South African diplomats believe this is too optimistic.

South Africa still has to decide whether it will accept a free trade area with the union — if this is eventually offered.

While such a deal would help exporters, it would expose domestic industry to fierce competition. — Independent Foreign Service

R85m hotel for Cape Town

By Maggie Rowley

Cape Town — A new super-luxury 132-room hotel aimed mainly at the European tourist market will be built on a beachfront site in Mouille Point, Cape Town, at a cost of R85 million.

The hotel, to be known as the Gateway, will be developed by Western Seaboard Development, the owner of the five-star Place on the Bay hotel in Camps Bay. It will be partly financed by a group of German investors.

Inner Cape Investment this week took transfer of the 3,600m² site on the corner of Beach Road and Mouille Point, which it bought for a record R13 million. Jochem Buechel, a spokesman, said the developers were putting up most of the finance, with R25 million coming from the German investors.

Construction of the seven-storey hotel is expected to start in the middle of this year, with completion due for next year's high season.

Buechel said the project already had sketch-plan approval and the building contract would be put out to tender shortly.

He said further development was justified by the demand for niche five-star hotels catering to the European trade.

"The Place on the Bay has been running at 90 percent to 95 percent occupancy levels this season, which could extend right up to May.

"About 70 percent of bed nights sold are to foreigners, with Germans accounting for the largest slice of the foreign trade."

He said the Western Cape had about 16,000 hotel rooms. This would need to triple or quadruple over the next five years if the region was to keep pace with the growth in tourism, particularly as a destination for European tourists.

Buechel said his company was looking at further developments in the medium term.

It was negotiating with the Victoria & Alfred Waterfront for one of the proposed leisure-industry sites where it hoped to build a holiday apartment block.

Inner Cape Investment was also looking at a site in Camps Bay for a small, exclusive hotel development, he said.
Chief's unusual ally in battle for resort

By MICHAEL SCHMIDT

A YOUNG Zulu chief has locked horns with the powerful KwaZulu Finance and Investment Corporation over his dream of turning a ruined seaside apartment showpiece into a community money-spinner.

And he has an unusual ally in his fight — Hans Bezuidenhout, a 65-year-old white former employee of the corporation who was once the National Party youth leader in the Transvaal, but who is now the "father" of the historic Nthuli tribe.

Chief Phathisile Philibert Luthuli, 34, and his tribal council claim the corporation is illegally occupying the Umgahaba Seaside Resort — once the only place in the country where black people could enjoy a beach holiday — and has allowed it to fall into decay.

The tribe has lodged a claim with the provincial Land Claims Commission for the return of all its property in particular the 17,8ha resort, and for compensation for the N2 highway, a railway line and other developments it says were built on its land without consultation.

In its heyday in the early 70s, the R400 000 resort boasted a caravan park and camping park, dormitories for 176 people, private chalets, an a la carte restaurant, two swimming pools, a roller-skating rink, a miniature golf course, two tennis courts and a licensed bar. Blacks from across the sub-continent flocked to enjoy its 3km-stretch of unspoilt beach.

"In 1981, the corporation's 31-year permission-to-occupy agreement expired, so they shut the place down," Chief Cardmik said.

"But they did not hand the resort back to the tribe; they held onto it, stripped it of whatever they could and for the past five years we have watched the weeds grow higher, the paint peel off the walls and algae grow in the swimming pools.

"They have posted guards at the gate and have not allowed us to take possession of our resort," he said.

Mr Bezuidenhout, a retired accountant, met Chief Luthuli's late father, Chief Mngawuwea "Phillip" Luthuli, 30 years ago while on a fishing trip in the area and they subsequently became firm friends.

He began working for the corporation when it was the old Bantu Investment Corporation and managed the Umgahaba resort for 12 years.

Initially a great believer in separate development, he became disillusioned when he saw how the corporation enriching itself at the expense of the black people it was supposed to be helping.

The corporation's executive director, Dr Marius Spies, said he was unaware of any land claim from the Nthuli tribe.

"The resort was closed several years ago following a steady decline in tourist interest in the Umgahaba area," he said.

The corporation contends that it has a permit giving it permission to occupy the resort until the end of 1999.
New York ‘Blues’ whip crime off the street

Crime rates are down in cities across the United States. SIMON BARBER investigates what is going on.

The crackdown on antisocial behaviour that breaches minor and previously ignored regulations also gives police a legal excuse to frisk the merely suspicious, making it suddenly very risky to carry an unlicensed firearm or some illegal substance.

At the same time, Commissioner Bratton has established a system of weekly meetings at which precinct police captains are called in to review the computerised statistics of crime in their areas. Captains with bad stats, no excuses for unplausible remedies, are fired. Results — in the form of reduced crime — are what counts.

The crux of the matter is the creation of a new force that has civil libertarians cringing and politicians crying.

Mr Giuliani and Commissioner Bratton subscribe to the “broken window” theory advanced by criminologist James Wilson in the early ‘80s. This derives from the observation that to keep a community safe from crime, the police must enforce laws resolutely.

Cops are now told that any and all police officers are to turn a blind eye to minor matters such as public drunkenness and disorderly conduct. The idea is to keep crime out of its normal patterns and make people feel safer.
DUNE WITH A VIEW... property for sale along the coastline in Brenton-on-Sea in Knysna

Areas have been reduced to the level of lower middle-class Sasolburg

"over the plan, and the fact that Mr Nel and Mr De Kock, with their professional interests in the issue, should have been given the job. But Mr De Kock says they know the area best and there is nothing in the plan that could be used to favour their clients. He said meetings had been held to give the public a chance to respond but few had done so.

The environmentalists, however, said the meetings were not adequately advertised. "I said Mr Hellstrom, lay another reason why so much environmentally insensitive development had been allowed. Local authorities were required by law to advertise proposed rezonings, but only local newspapers, where most interested parties missed them. In addition, they were full of legal jargon so that people who could not read it on inside pages in tiny print."

Under the Environmental Conservation Act of 1989, private citizens can take the authorities to court to stop development deemed harmful.

When developers got approval to build on the Langebaan Lagoon on the Cape west coast, some people did just that. In June 1994 the judge ruled that, as the scientific research that Mr Meiring had "floated" the provisions of the Act. The bulldozers were stopped in their tracks.

Getting to court is an expensive option few people can afford. A glimmer of hope lies in what the Department of Environmental Affairs calls "integrated environmental management."

This will legally oblige local authorities to make environmental concerns a part of the decision-making and to include all interested parties and relevant experts in the decision.

Draft regulations were gazetted two weeks ago and, according to a spokesman for the department, are expected to become law in November.

in the Wilderness) have been built on river flood plains and dunes. As a result, river mouths have to be kept open mechanically, dunes are eroding and areas of once-stunning beauty have, in the words of the principal environmental officer for the Department of Environmental Affairs, Shaun Schaefer, "been reduced to the level of lower middle-class areas in Sasolburg."

This rampant despoliation of one of the most priceless natural assets in the world was allowed to happen despite a guide plan drawn up to prevent it by the Department of Constitutional Development and Planning in 1982.

The guide plan was legally binding but property owners and consultants have been able get amendments to accommodate their specific developments, Mr Schaefer said. In accordance with legal requirements, the Department of Environmental Affairs would be asked for its recommendations, he said. "But in most cases our recommendations would be overruled by the Department of Constitutional Development and Planning."

In other cases, he said, political interference ensured sensitive areas were not included in the guide plan.

He gave an example of where the George divisional council wanted to develop a particularly sensitive area in Sedgefield. It was not included in the guide plan, although the Council for Scientific and Industrial Research had rated it as a top priority conservation area.

When the council applied in the mid-80s for the area to be rezoned as a priority to development, the then director of the Cape, Gene Louw, approved the application contrary to the recommendations of the CSIR, the Department of Environmental Affairs and Natures Conservation. It may have been coincidental that high-level members of the government were known to have interests in George and friends on the council.

"The general belief is that pressure was brought to bear on the Department of Constitutional Development (headed then by minister Chris Heunis) and on the administrator," Mr Schaefer said.

Mr Hellstrom said local officials were a major part of the problem. "More development means greater status for their towns. So officials will promote development as much as they can."

Other key players in the development process are the consultant town and regional planners who help developers get their plans approved, often by exploiting loopholes in the guide plan.

Two of the most controversial are Willem de Kock and Deon Nel, former town planners of the Strand and George respectively.

Since they teamed up as planning consultants they are believed to have been used by local authorities to get 40 percent of the developments along the Garden Route. One of their most controversial successes was getting approval for a high-density development at Cola Beach, in Sedgefield.

It consists of 25 units bounded by the beach and stretching along 2km of what environmentalists say is one of the world's most unique dune areas. "How this could have been approved boggles the mind," said Mr Schaefer.

The Department of Environmental Affairs opposed the amendment to the development area, but was overruled by the then administrator of the Cape, Kobus Meiring. "One of the most contentious decisions governed by the future of the Garden Route was to commission the De Kock-Nel team to draw up a sub-regional structure plan for the area — in effect, a blueprint for future development."

Mr De Kock and Mr Nel were cited by the Regional Service Council for the southern Cape, the Cape Provincial Administration and local authorities that delayed their job in December.

Local authorities have approved the plan, and a go-ahead from the council and provincial administration is expected in about three months.

Environmentalists are outraged by what they see as a lack of public debate over the plan, and the fact that Mr Nel and Mr De Kock, with their professional interests in the issue, should have been given the job.

But Mr De Kock says they know the area best and there is nothing in the plan that could be used to favour their clients. He said meetings had been held to give the public a chance to respond but few had done so.

The environmentalists, however, said the meetings were not adequately advertised. "I said Mr Hellstrom, lay another reason why so much environmentally insensitive development had been allowed. Local authorities were required by law to advertise proposed rezonings, but only local newspapers, where most interested parties missed them. In addition, they were full of legal jargon so that people who could not read it on inside pages in tiny print."

Under the Environmental Conservation Act of 1989, private citizens can take the authorities to court to stop development deemed harmful.

When developers got approval to build on the Langebaan Lagoon on the Cape west coast, some people did just that. In June 1994 the judge ruled that, as the scientific research that Mr Meiring had "floated" the provisions of the Act. The bulldozers were stopped in their tracks.

Getting to court is an expensive option few people can afford. A glimmer of hope lies in what the Department of Environmental Affairs calls "integrated environmental management."

This will legally oblige local authorities to make environmental concerns a part of the decision-making and to include all interested parties and relevant experts in the decision.

Draft regulations were gazetted two weeks ago and, according to a spokesman for the department, are expected to become law in November.

in the Wilderness) have been built on river flood plains and dunes. As a result, river mouths have to be kept open mechanically, dunes are eroding and areas of once-stunning beauty have, in the words of the principal environmental officer for the Department of Environmental Affairs, Shaun Schaefer, "been reduced to the level of lower middle-class areas in Sasolburg."

This rampant despoliation of one of the most priceless natural assets in the world was allowed to happen despite a guide plan drawn up to prevent it by the Department of Constitutional Development and Planning in 1982.

The guide plan was legally binding but property owners and consultants have been able get amendments to accommodate their specific developments, Mr Schaefer said. In accordance with legal requirements, the Department of Environmental Affairs would be asked for its recommendations, he said. "But in most cases our recommendations would be overruled by the Department of Constitutional Development and Planning."

In other cases, he said, political interference ensured sensitive areas were not included in the guide plan.

He gave an example of where the George divisional council wanted to develop a particularly sensitive area in Sedgefield. It was not included in the guide plan, although the Council for Scientific and Industrial Research had rated it as a top priority conservation area.

When the council applied in the mid-80s for the area to be rezoned as a priority to development, the then director of the Cape, Gene Louw, approved the application contrary to the recommendations of the CSIR, the Department of Environmental Affairs and Cape Nature Conservation. It may have been coincidental that high-level members of the government were known to have interests in George and friends on the council.

"The general belief is that pressure was brought to bear on the Department of Constitutional Development (headed then by minister Chris Heunis) and on the administrator," Mr Schaefer said.

Mr Hellstrom said local officials were a major part of the problem. "More development means greater status for their towns. So officials will promote development as much as they can."

Other key players in the development process are the consultant town and regional planners who help developers get their plans approved, often by exploiting loopholes in the guide plan.

Two of the most controversial are Willem de Kock and Deon Nel, former town planners of the Strand and George respectively.

Since they teamed up as planning consultants they are believed to have been used by local authorities to get 40 percent of the developments along the Garden Route. One of their most controversial successes was getting approval for a high-density development at Cola Beach, in Sedgefield.

It consists of 25 units bounded by the beach and stretching along 2km of what environmentalists say is one of the world's most unique dune areas. "How this could have been approved boggles the mind," said Mr Schaefer.

The Department of Environmental Affairs opposed the amendment to the development area, but was overruled by the then administrator of the Cape, Kobus Meiring. "One of the most contentious decisions governed by the future of the Garden Route was to commission the De Kock-Nel team to draw up a sub-regional structure plan for the area — in effect, a blueprint for future development."

Mr De Kock and Mr Nel were cited by the Regional Service Council for the southern Cape, the Cape Provincial Administration and local authorities that delayed their job in December.

Local authorities have approved the plan, and a go-ahead from the council and provincial administration is expected in about three months.

Environmentalists are outraged by what they see as a lack of public debate over the plan, and the fact that Mr Nel and Mr De Kock, with their professional interests in the issue, should have been given the job.

But Mr De Kock says they know the area best and there is nothing in the plan that could be used to favour their clients. He said meetings had been held to give the public a chance to respond but few had done so.

The environmentalists, however, said the meetings were not adequately advertised. "I said Mr Hellstrom, lay another reason why so much environmentally insensitive development had been allowed. Local authorities were required by law to advertise proposed rezonings, but only local newspapers, where most interested parties missed them. In addition, they were full of legal jargon so that people who could not read it on inside pages in tiny print."

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'War of wheels' at airport

Tourists are 'up for grabs'

By SAMSON CHANGETSA

PIRATE TOUR operators are seriously damaging South Africa's growing tourist industry by grabbing foreign passengers at Johannesburg International Airport - and sometimes forcing them into their unroadworthy vehicles.

There are threats that the battle between legitimate transporters, who are mostly white, and illegitimate operators, who are mostly black, in this lucrative market could end in bloodshed.

The illegals have formed their own organisation, the National Airport Transport Association, and operate from their own desk at the Arrivals Hall.

One illegal told City Press: "It is a black versus white thing - and very soon it will be guns like in the taxi industry."

Legals have allegedly already launched a war on the vehicles of legitimate permit holders by slashing tyres and badly scratching the paintwork.

Vehicles belonging to legitimate tour operators have also been stolen - and it is claimed this is the work of illegitimate transporters.

The Airports Company Ltd, a private company in charge of running the airport, denies that whites are favoured in the granting of permits. It says permits are only granted to applicants who can prove that their vehicles are not only roadworthy but also clean and appropriate for visiting VIPs and diplomats.

White legitimate tour operators, however, have blamed the Airport Company for the "transport war" - claiming that it refuses to take appropriate action against the illegals because they are mostly black.

According to Wayne Holder, operations manager of the Airports Company, a warning was issued to all operators in December that anyone found operating without a valid permit would be prosecuted.

However, this had been difficult to implement - because the illegals pretended to be meeting relatives at the airport, said Holder.

He said the illegals grabbed tourists' baggage and took it to their vehicles - forcing the tourists to follow. "One woman had to receive 14 stitches after she was forced into a vehicle," said Holder.

City Press this week watched the battle for tourists between the two parties.

The airport was a free for all.

One of the illegal operators admitted to City Press: "We look like 'totalis' here - as a tourist struggled to free himself from porters and drivers who swarmed at him like bees."
WE're fashion photo for now

LEN ASTON takes

IF attitudes don't change
But tourists will dump us

IF attitudes don't change
But tourists will dump us

We're fashion photo for now
MEDIA SPOT

Campaign will promote SA Olympic participation

Reports by Jacqueline Zaina

SA's participation in this year's Olympic Games in Atlanta — the first under the government of national unity — will be promoted in a national radio, television and billboard campaign.

The above-the-line campaign to be launched by the National Olympic Committee of SA (Nocsa) at the beginning of next month, includes seven educational radio spots which will be broadcast in the 11 official languages; television commercials and outdoor hoardings, mainly in metropolitan and rural areas.

National Olympic Programme PR manager Anne Williamson said the radio ads would communicate the meaning of the basic symbols of the Olympics such as the five interlinking rings, which represented the coming together of the world's best talent from all five continents.

Other themes which form the focus of the advertisements included the flaming torch, which had its roots in ancient Greek history when fires were kept burning in honour of the gods.

Williamson said the campaign aimed to extend awareness of the event to all South Africans.

Greater understanding and enthusiasm about the Olympics was expected to boost the athletes' morale.

This had been the case with the "amabhokobhokos" and "bafula bafula" spirit which had spurred SA's rugby and soccer teams on to victory.

She said the campaign also had an educational function and positioned the games as the ultimate non-partisan event — an ideal capable of transcending everyday politics.

Ad agency Ogilvy & Mather had secured the Nocsa account two years ago in a three-way pitch against agencies Herdbuoys and Hunt Lascaris.

The agency had taken on the business at a discounted rate and the SABC — the official broadcaster for the games — and M-Net would screen the advertisements at no cost.

SA would enter teams in 14 of the 26 summer sports including archery, athletics, boxing, canoeing, cycling, hockey, judo, pentathlon, rowing, shooting, swimming, tennis, wrestling and sailing.

Williamson said the squads were yet to be finalised, but athletes in an advanced stage of the selection process would gather in Durban from February 4-11 for a week-long training camp where they would acclimatise to the hot, humid conditions which are typical of Atlanta and be briefed on what to expect at the pre-Olympic camp in La Grange and the Olympic village.

Official sponsors of the SA team, each of whom had contributed R2.5m to fund SA's participation in the games, included Pick'n Pay, Nedbank, Telkom, Volkswagen, Reebok, Kentucky Fried Chicken, Caltex, SAA, Vodacom and Sun International.
NEW TOURISM DIRECTOR HOPEFUL

SA ‘can be top destination’

SOUTH AFRICA could become the world’s top tourist destination within 10 years, says the government’s newly appointed chief director of tourism. DAN SIMON reports.

THE man appointed by the government to put South African tourism firmly on the international map is a visionary who believes Southern Africa could become the foremost world tourist destination in a decade.

Mr Mike Fabricius, who takes up the post of chief director: tourism on February 1, will head a small, specialised team of tourism experts and will set about addressing a number of pressing short-term issues.

Among these are tourism crime, formulating and implementing a dynamic tourism-training strategy, developing a single tourism-funding mechanism and ensuring that every effort is made to create a vibrant support infrastructure for the private sector to flourish during the current growth period.

Fabricius, 38, comes to the job with years of experience in a tourism-oriented career that has included posts as a general manager of a major tour operator company and director of tourism development in Satour.

He was also closely involved with Dr Ernie Heath, now professor of tourism studies at Pretoria University, in formulating tourism development strategies for cities, towns and regions as well as evaluating the tourism potential of the Lesotho Highlands Water Scheme.

Commenting on his forthcoming role, Fabricius said the restructuring of the department of tourism had to be viewed against the background of political changes which led to huge increase in tourists.

“This poses major challenges to all parties concerned with tourism, including the private sector, labour force, communities who act as hosts and the government.”

Fabricius said there was an urgent need for the government to implement a coherent and practical tourism policy as soon as possible.

“Fortunately this process is nearing completion with the imminent publication of the White Paper on tourism which is currently being formulated with the assistance of specialist consultants ... and resulted from an extensive consultation process between the minister of tourism, his provincial counterparts, the private sector, labour and community representatives.

“However, it should be acknowledged that ‘policy’ is not a magic wand. It is the implementation of policies that requires commitment, hard work, dedication and team effort.”

“I believe that the policy, no matter how good and acceptable it is, will gather dust unless the government takes a quantum leap and identifies tourism as a priority growth sector.”

Fabricius said that in spite of government underfunding, for-

1995 and that accommodation establishments and airlines were operating at near full capacity for much of the year.

However, muggings and other crimes committed against tourists was an issue of major concern.

“It should be kept in mind that that the targeting of tourists by criminals is a universal problem and that seasoned travellers are well aware of the need to take precautions against muggings and theft. This does not imply that we are not concerned.”

“Unbridled crime could be singled out as the most important threat facing potential tourism growth. To this end the minister has initiated a tourism security forum which is a co-operative between the SA Police Service, the Department of Tourism, Satour and tourism business.”

Regarding the impact of increased tourism on the environment, Fabricius said the issue of environmental control would have to be scrutinised.

Increased policing alone would not be an answer to environmental problems.

“The key lies in education and communication,” he said.

Fabricius’ vision of the future?

“Given the latent natural and cultural potential of areas such as the Wild Coast, West Coast, Northern Cape and Maputoland and the variety of attractions offered by the Southern African sub-continent, there is every reason to believe that Southern Africa could develop into the foremost world tourism destination within the next 10 to 20 years.”
Olympic bid asks for govt funding

CAPE TOWN — The Cape Town 2004 Olympic Bid would meet central government in April to ask for a "significant release of funds" for infrastructural development, bid financial director Michael Fuller said yesterday.

"Government, which has approved the bid process, would also be asked to endorse the bid's final budget," he said.

Fuller declined to comment on exactly how much would be requested from Cabinet, but the bid's preliminary capital budget shows a R115m requirement from the public sector for 1998.

"Total accelerated capital expenditure to 2004, which includes infrastructure as well as competitive and training facility development, was budgeted at R1,768bn, of which about R12bn would come from government," Fuller said.

Fuller said the bid company had already attracted R80m in sponsorships from SA companies, which was only R15m short of its original target. Sponsors included Nedcor, Caltex, IBM and Carter.

See Page 9
Fabcos replaces Ebden as nominee on Games Bid board

Labour Reporter

THE Foundation for African Business and Consumer Services (Fabcos) has permanently replaced Brian Ebden, its controversial former nominee on the Cape Town Olympic Bid Company's board of directors.

Its new nominee is Sam Montsi, a local businessman.

Mr. Ebden will also face a disciplinary inquiry — and possible expulsion from Fabcos — over his activities related to sponsorships from Shell, South Africa and GSM. He was accused of wrongfully depositing money from these companies into a personal account.

These decisions follow a preliminary investigation by Fabcos's national office of allegations that he was involved in several instances of fraudulent activity.

Fabcos national secretary-general David Moshapalo, who headed the preliminary investigation, said the organisation had replaced Mr. Ebden because it did not want "muddy" the Olympic Bid Company.

"We had to decide what would be in the best interests of both Fabcos and the Olympic Bid Company," he said.

Referring to accusations about Mr. Ebden's activities involving sponsorships from Shell and GSM, Mr. Moshapalo said that although there was correspondence absolving Mr. Ebden of gross wrongdoing, the Fabcos constitution prohibited members from acting on behalf of the organisation unless written permission was obtained from the executive council.

Mr. Ebden could be expelled from Fabcos, depending on the outcome of the disciplinary proceedings.

On the basis of its preliminary investigation, the Fabcos national committee also decided to suspend all Fabcos Western Cape activities.
Conference bureau ‘to raise SA tourist income’

Theo Rawana

THE establishment of a national conference bureau will push the R2,6bn conference industry, which is already a top income generator for SA tourism, into the R3,6bn bracket in the next five years, tourism consultant Kessel Feinstein director Gillian Saunders says.

Saunders, a member of the conference bureau’s steering committee, says negotiations with government on setting up the independent body are proceeding and a “smaller hybrid” of the council should be up and running in a couple of months.

“The bureau will aim to maximise the tremendous potential presented by conference and convention tourism in SA. Operating as an autonomous business division within Satour, the council will seek to develop national policy and strategy for the conference industry,” Saunders says.

“At present the industry is worth an estimated R2,6bn with some 80 000 conferences held annually. The industry contributes R250m in taxes annually and employs almost 60 000. Considering this ... it seems illogical that the total national allocation of destination marketing funds to conference promotion is less than 4%,” she said.

If the council’s objectives were reached, the industry should be worth R3,6bn and earning at least R200m in foreign exchange annually by 2000, compared with present figures of R2,6bn and R142m respectively.

“Over the five years, some 20 000 additional jobs should be created, which should pay an estimated R420m annually to those currently unemployed or in school. In addition, the industry would contribute some R340m in taxes per annum, an increase of almost R100m annually over current tax contributions from the industry.”
BITTER COMPLAINTS FROM TRAVELLERS

Tourism chiefs meet over delays at airport

The Airports Company and tourism authorities meet next week to solve the problem of excessive delays at the airport for tourists arriving in the city. DAN SIMON reports.

The Airports Company seems to be heading for a showdown with the Department of Home Affairs over the shortcomings of its international arrivals procedure at Cape Town International Airport which is causing unnecessary delays for foreign tourists.

Mr Henkie Taljaard, the general manager of the airport, said yesterday he had received one complaint too many regarding the long delays in clearing queues of passengers arriving in the city.

The last straw came at the weekend when 400 passengers on a British Airways flight waited for over 1½ hours to clear passport control after an 11-hour overnight flight from London.

This lead to numerous complaints by tourists, Mr Taljaard said the problems of passenger delays were not confined to international arrivals — international departures were also affected.

The company had supplied immigration officials with enough desks to cope with the growing influx of foreign tourists, but it appeared they were understaffed.

"They didn’t have enough immigration officials on that specific day.

"The desks were all manned, they would have been able to clear a fully loaded jumbo within 45 minutes."

Taljaard said because of ongoing delays, he had now arranged a meeting next week with the Western Cape’s Minister of Tourism, Mr Lamine Fick, to find a solution to the problem.

Representatives of Captour, Satour and the Western Cape Tourism Board will also attend the meeting.

"We will be meeting with Fick as the shortage of immigration staff is one of our main constraints at the moment."

"They (the immigration officials) say they have a lot of vacancies, but they don’t have permission to fill them."

Taljaard said the Airports Company’s income was derived from tourists and that the Department of Home Affairs’ shortcomings in handling increasing numbers of tourists were inhibiting the smooth running of the airport.

"The department must appoint more people to handle the massive increase in tourists."

"The issue has come to a head. Tourists sit for 12 hours on a plane and one cannot expect them to then spend two hours at an airport."

"European airports don’t check everyone’s passport, so I don’t know why we are so strict on this.

"Airports are about queues. If you don’t manage the queues, then you will have chaos."

Taljaard said:

A possible solution is that part-time staff could be trained to help with immigration duties.

All one does is check the visa, see that the passport is in order and feed the information into the system," Mr Taljaard said.
City hotel landmark feeling economic chill

Cut-backs are the order of the day as the prestige Carlton has to watch details to reduce day-to-day costs

BY CHERYL HUNTER

Johannesburg's former hotel of choice, which housed the elite in past years, has been forced to cancel some services and close floors because of lack of guests.

The 30-floor Carlton Hotel in the city centre has been forced to cut costs by cancelling their daily delivery of two newspapers to business-class clients and reducing the flower and other decorations in the foyer and stairways, according to rooms division manager Christel Proester.

"The hotel has suffered greatly and occupancy has gone down considerably," she said.

While the hotel management blames the escalating crime rate in the city for much of the loss of revenue, they realise that there are other factors at play.

"Crime is not the issue. There are more serious crimes in the north, while a fire ever happens. There is a manning or theft," Proester said.

"There are no hotels in the northern suburbs where there used to be none, giving people the choice of forcing out on to pleasant garden scenes instead of a busy main road," she said.

And crime in the vicinity has decreased since the arrival of a private security company on the hotel premises, according to the head of security Bryan Sharky.

"The security guards accompany people from the building and patrol the nearby streets, keeping criminal activity away from the hotel."

"It is not that easy to fill 600 rooms any more," Proester said.

Floors one to 21 are in use by the hotel for guests, while floors 22, 23 and 24 are unused. The International Hotel School occupies 25 to 29.

"We could fill the rooms, but we want to maintain a standard and not reduce the hotel to a brothel where customers rent rooms for a few hours at a time," she said.

"If the Carlton goes, the CBD goes," Proester said, reflecting the views of her colleagues who said that the guests from the hotel provide much-needed revenue for the shops in the vicinity—even if it were only a forgotten toothbrush or a bar of soap.

"These shops depend on us for their survival and we cannot close our doors," she said.

Athor 25/11/16
Build Games facilities now, says Bid boss Ball

JOHANNESBURG. — To win the bid for the Olympic Games, South Africa will have to show it is able to build the facilities and infrastructure needed, says Chris Ball.

The chief executive officer of Cape Town's Olympic bid committee said that although the city was one of the leaders in the race for the 2004 Olympics, it and South Africa would have to show the International Olympic Committee it was able to construct the facilities necessary within the time given.

"We must show we are serious by building now," said Mr Ball, who was speaking to senior businessmen in Johannesburg last night.

He said four projects would be "in the ground" by May this year, but South Africa would have to work to show that the necessary construction capacity was within its reach.

According to a preliminary study, television networks paying for rights to the Olympics and top sponsor advertising would generate around R4,3 billion, Mr Ball said.

Working from a R4,5-bn to R5-bn budget drawn up for the initial bid, Mr Ball's committee had allocated R1-bn to the Olympic village, probably situated at Wingfield.

Accommodation for some 100 000 athletes, 5 000 coaches and support staff and some of the expected 150 000 media representatives would be built at the village.

The housing would later be sold to people earning less than R2,000 a month, Mr Ball said.

Telecommunications for the 16-day event would cost R900 million and the opening and closing events had been allocated R90-m.

But it was not expected that the entire R90 million would be used. "In Africa we can put on extraordinary ceremonies that will grip the imagination of the world for much less," he said.

The rest of the budget was allocated to security and transport.

Cape Town had a good transport network, but this needed development, especially in the area of railway/cross-linkages, Mr Ball said.

He said the SA Olympic Bid Committee's proposal was conservative and facilities built for the Olympics would sustain themselves after the event.

The bid committee needed at least R75-m to present its bid proposal to the IOC on August 15.

An evaluation commission arrives in South Africa between September and December this year, and the winning city will be announced by the IOC in Lausanne, Switzerland in September 1997.

"Olympic Games in South Africa would be Olympism at work," Mr Ball said. "It is a way of moving people along a path, which makes them greater as a group than they are individually." — Sapa.
Mad scramble for city hotel sites

NYC's 271/96

288

Costs of government-led development can't be contained. Development tends to be safe for these areas.
Reports, WILLEM STEENKAMP
The Mother City's potential to build hotels in groups, mountainous areas, and national hotels, both international and with hotel industry requirements.
Particularly in the development of related tourist boom in tourist areas.
Underscored facing an Cape Town.
1. Bloubergstrand Hotel
2. Hotel at Milnerton Race Course
3. Hotel at Milnerton lagoon-mouth
4. Several hotels at Century City, Milnerton
5. Hotel at Milnerton Golf Course
6. Sun International hotel, Waterfront
7. Hotel at Waterfront Tank farm
8. Hotel at Granger Bay
9. Gateway Hotel at Mouille Point
10. Protea Victoria Junction Hotel, Green Point
11. President Hotel in Sea Point
12. Oudekraal Hotel
13. Hotel at Cape Town Showgrounds
14. Hilton, old power station site
15. Sheraton, old power station site
Ball: SA will get Olympics

By JEFFERSON LENGANE

POTTY politics aside, South Africa is set to generate a whopping estimated R94 million net surplus from the 2004 Olympics Games if its bid to host the games in Cape Town is successful, chief executive officer of SA Olympic Bid Committee Chris Ball announced this week.

The net surplus is contained in a preliminary budget after allowing for an estimated operating expenditure of R2.9 billion. Opening and closing ceremonies costs are estimated at R500 million.

Although the Bid Committee had already signed a memorandum of understanding with central government, final conclusions are to be made on April 24.

Ball said he was confident South Africa will win the bid if indications surfaced during lobbying are anything to go by.

"The bid is ours. We are definitely frontrunners — there is no question about that. It will be for us to lose it if we allow petty political differences to intervene. The games will be our games," said Ball.

Ball said the games were a first major sporting event in Africa and would contribute a great deal to ensure "proper economic empowerment for the developing continent".

He said preparations of facilities and infrastructure will bring qualitative transfer of technology and skills and creation of sustainable jobs that will still be there even after the games.

"A major impact for South Africa is that there will be a major economic shift in trade relationships with outside countries. There will be an enormous transfer of technology and skills that will create more than 10,000 sustainable jobs.

"All hotels and restaurants will be upgraded and workers trained to meet international standards.

"On the social impact, tourists to Cape Town will increase beyond 2010 with an estimated R24 billion revenue for tourism and government netting an estimated R7 billion in taxes. As anyone who attests, there is a certain emotional lingering after visiting the Cape that says: Go again.

"There will be at least 10,000 visitors directly paid for by the Bid Committee.

Ball dispelled fears of a repeat of a low turnout as in the 1996 African Cup of Nations that may happen in the 2004 Olympic games if they are brought to the country.
Olympic bid’s team captain clears an early hurdle

CHRIS Ball, chief executive of the Cape Town 2004 Olympic Bid, has mastered the art of blending the Olympic ideals with the task of raising billions needed to stage the event.

Just back from a briefing session with the International Olympic Committee in Lausanne, Mr Ball talks fervently about the horror of staging the Games in South Africa.

He also carries a list of 38 questions which the IOC wants answered in meticulous detail by August 15. The final vote of the IOC’s 106 members takes place in September next year.

“We have done a lot of the hard work already and are well prepared for the bidding process,” Mr Ball told a meeting of businessmen this week.

Cape Town and Rome have emerged as the leading contenders among the 11 candidates.

Mr Ball had with him the latest budget estimates for the staging of the Games and, on the face of it, they make impressive reading.

Boosted by the recent price war among broadcasters for TV rights — Rupert Murdoch is offering $2 billion for the European rights alone — budgeted income from this source has shot up to $650 million from $622 million, a not insignificant increase of R160 million (see table below).

But Mr Ball will also have to rely on considerable infrastructural spending by provincial, local and national government, money that is not guaranteed and which has sparked a fierce debate within the Cabinet.

Total spending on infrastructure, such as the road and rail network, and sport facilities is estimated at R1.75 billion of which Mr Ball hopes to raise R180 million from the public sector, R280 million from the private sector and R500 million from the Olympic Fund controlled by the bid company.

“We are asking for just under R1 billion over a number of years, which can be achieved by blending the Olympic road from Gauteng and Natal to the Western Cape,” he says, holding out a significant carrot to the government.

“An impact study has shown that the increase in the number of visitors to the country surrounding the Games will result in R242 billion in extra spending until 2010 — of this the state’s share is R7 billion in taxes, duties, etc.”

He expects 350,000 visitors during the Games, which will take place in September and October. Sydney has budgeted for an extra 750,000 visitors for the 2000 Games.

The cost of the Olympic village is estimated at R1.04 billion. Mr Ball says the village will be built by private sector developers who will sell off the flats after the staging of the event.

He has already received an offer from one company to build the entire village.

Nevertheless a provision of R150 million has been made to underpin the selling price of housing.

Mr Ball stresses that he has been extremely conservative in setting the budget.

“For example, there is no way we would spend R415 million on the opening and closing ceremonies but we were cautious in our approach.”

He also says that the bidding process alone will cost up to R80 million, which includes flying in about 1,000 visitors to be wined and dined.
IN FOR THE HIGH JUMP: Chris Ball, head of the committee bidding to host the 2004 Olympic Games in Cape Town
Anger at plan for Oudekraal hotel

DEVELOPMENTS along the pristine Cape coast may threaten the environmentally sensitive mountain area and co-ordinator of the proposed Table Mountain National park, Mr David Daitz, is worried there could be a rush of applications to local authorities to push through undesirable developments on the fringe of the proposed national park before the National Parks Board (NPB) has legislation in place to control development.

In the development, the roughly two-kilometre stretch of undeveloped land from Camps Bay to Houtenbos Huisie Bay up to about the 300m contour is also privately owned and has planning approval for a township, including a school, of 230 erven on the section abutting Camps Bay.

The approval for the township was granted in the 1960s and is still valid, according to a spokesperson for the Cape Metropolitan Council.

The landmark “White House” at Oudekraal on the internationally-acclaimed scenic drive between Camps Bay and Llandudno will also be demolished next month to make way for a multi-million rand 70-bedroom hotel, restaurant and conference centre.

This has raised concern that the hotel could trigger a rush of development along the stretch of coast.

The development has surprised many Capetonians who believed the slopes of the Twelve Apostles would not be developed after the announcement last November that Table Mountain and the Peninsula chain were to become a national park.

But the White House is on privately owned land which falls outside the Cape Peninsula Protected Natural Environment (CPPNE), which will become a park.

Mr Rodney Gregory, who organised a placard protest against the new hotel, said: “Everyone now thinks the whole stretch of coast between Camps Bay and Llandudno is part of the nature area. Now it could turn into another St Tropez with wall-to-wall houses. The mountain should belong to the nation and we don’t want a township or a hotel here.”

Another angry Capetonian, Mr Julian Brandton, said: “If the hotel is built, that whole area will soon look like the concrete jungles on the European coast. Tourists don’t come to the Cape to see hotels; they come for things like the world-famous beauty. Fifteen years ago tourists flocked to the Canaries Islands because they were so beautiful. Now they don’t go there anymore because of the gross development. We cannot let that happen here.”

Another development on the fringe of the proposed national park which has raised concern is the controversial housing scheme on the slopes of Eagles Peak in Fish Hoek.

The proposal to sub-divide the 4,1ha slope into housing plots has been revived after huge public outcry when it was first proposed in 1992.

The controversial housing development on Fish Hoek’s Zone C abutting the CPPNE is still on the cards after years of wrangling between the council, province, developers and environmentalists.

Daitz said it had been envisaged by many that NPB would control all development on the fringes of the future national park, by having the final veto on any development proposals in this area.

It was essential that the park board find some mechanism to influence what happened on the edge of the park, he said.

Architects Martin and Seyffried said yesterday the White House hotel development had been approved after three years of negotiations with local authorities in which plans were amended several times to comply with environmental controls.
GREEN PROTEST: Young Capetonians staged a placard protest against the proposed hotel to be built on the site of the "White House" at Oudekraal. From left are Pier-Paulo Bucci, Steven Naylor, Mark Elliott, Gra-Anna Goldman and Mungo Shelton.

PICTURE: NIC BOTHMA

Fick wants end to 'boom-type' development

EUNICE RIDER

STANDARDS of service in the Western Cape were yesterday slated as "appalling" and road signage described as "really Third World" by Agriculture, Planning and Tourism minister Mr Lampie Fick.

Mr Fick said it was "vital" to institute a new system of accrediting service training providers to improve general standards.

He also criticized development for "boom-type tourism purposes", saying this should be "strongly discouraged in order not to sit with derelict coastal hotels such as those dotted along the Mediterranean coastline, in a decade's time".

"Crude exploitation of our natural heritage by boom-period planners and developers should be strongly prohibited in our strategy for the industry," said Fick.

He said he was powerless to consider a controversial new coastal hotel development unless there were public complaints and the local council took the issue to him on appeal. He declined to identify the development in Victoria Road on the Atlantic seaboard, but it is understood to be sited at the "White House" at Oudekraal.

Fick said natural beauty and eco-tourism were the Western Cape's major attractions and should underpin tourism strategy.

He said a recent assessment of tourists had produced complaints of inadequate public facilities; inadequate parking; pollution and littering in sensitive nature areas and along highways; inadequate service hours; and poor standards of customer service.

Captour could not be reached for comment.
TOURISM BODY HOPES TO EXTEND ROLE

Captour seeks new funding and name

UNCERTAIN ABOUT ITS future since the Cape Town City Council threatened to slash its grant last year, Captour hopes to negotiate a deal with the Cape Metropolitan Council that would give it a wider role. DAN SIMON reports.

CAPTURA — Cape Town's official tourism promotions and marketing arm for the past 18 years — could change its name next month.

The non-profit organisation is holding discussions with the Cape Metropolitan Council to secure new funding.

Captour also wants to change its name to the Metropolitan Tourist Authority (MTA).

Last year, the Cape Town City Council wanted to slash Captour's R2 million grant by R1.5m. The council later reduced the proposed cut and ultimately was persuaded to pay the full amount.

Chief executive Mr Gordon Oliver said yesterday that Captour was "re-evaluating" its position as a tourism promotions organisation. From July, Captour would face an "uncertain future".

"We took a huge knock last year when the Cape Town City Council decided to slash our annual grant," Oliver said. "The council then decided to cut it by R500,000 and after further discussions reinstated it.

"This financial year we are okay, but we have absolutely no certainty about our financial resources from July because of the municipal restructuring."

If everything went according to plan, the new MTA would be funded by the Cape Metropolitan Council and the Peninsula's six municipalities, Oliver said.

It was hoped that a financial package of R6m could be negotiated for the financial year beginning in July. The organisation hoped to increase its budget to about R10m in three years.

"Our most pressing priority is to ensure that we have funding which will enable us to market the greater Cape Town area far more vigorously and do justice to our economy.

"We are already marketing the metropole. We are not starting a new operation. We want an increased budget to expand and continue our work."

"Previously municipalities such as Cape Town, Bellville and Durbanville tended to look after themselves and their own interests. It's about time that we started thinking metropolitan as opposed to municipal."

The political restructuring at municipal level augured well for the Peninsula, Oliver said.

The Peninsula had a population of about three million, whereas the Western Cape's population was about four million.

"We also have three quarters of the attractions and tourism stock in the Peninsula," Oliver said.

Extending Captour's functions would see the organisation join hands with other community tourism organisations to market the Peninsula as a "metropolitan city", he said.
Not the Fairest Cape for business travellers

Mother City prices leap past Rome, Barcelona

The Argus Foreign Service

A SURVEY reveals what many South Africans have suspected for a while — that Cape Town is becoming one of the world's more expensive cities for the business traveller.


But Cape Town is now more expensive than Mexico City, Bangkok, Kiev, Rome or Barcelona.

The survey, funded by the European Union, compared a business traveller's costs of spending a day and a night in cities in over 100 countries.

The survey added up the costs of a night in a top hotel, lunch, dinner, taxi fares, phone calls, drinks in the hotel bar, laundry of a shirt and a daily newspaper.

It reveals that Moscow is the most expensive city, with a one-night stay costing R1869.

Next came Tokyo, Buenos Aires, Hong Kong and Copenhagen.

Minsk in Belarus is the cheapest, at just R330, followed by Tirana in Albania and Erevan in Armenia.

Cape Town costs R1043 — not far behind London on R1211 and New York on R1177.

And it is more expensive than Rome on R943 and Barcelona on R750.

The most expensive hotel meals are in Copenhagen, where a main course, dessert, coffee and half bottle of wine costs R234.

The cheapest food is in Erevan, with a bill for the same meal coming to just R17.

Eating in Cape Town is relatively good value for money with dinner at R65.

The survey gives warnings about several cities.

Travellers to Tokyo are told to be careful before ordering a steak, which can cost from R206 to R988.

There are security problems in many cities including Luanda in Angola, Baku in Azerbaijan and Brazilia in Brazil.

It is risky taking a taxi in Lagos, Nigeria — and if you do get safely to your hotel, you should remember not to drink the tap water.

Heating, water supply and electricity is intermittent in Erevan.

It is difficult to get a phone line out of Minsk, Belarus.

And you are likely to be subjected to a body search before you check into your hotel in Tel Aviv.
Currency shops being planned

New venture targets tourism

Business Staff

Corner shops buying and selling foreign currency, a common sight at any major tourist destination in Europe, could also be a regular feature in the Cape in a new business venture announced yesterday.

Property developer and Gugulethu entrepreneur Zitulele KK Combi has joined forces with Rennies Travel, part of the Salert group, to establish Master Currency.

The currency shops will target the Cape’s burgeoning tourist industry, bringing in billions of rand a year with continued growth forecast.

Already Master Currency is operating one store in Strand Street, which opened a little over a month ago. Four more outlets are planned over the next few months, in Greenmarket Square, the Waterfront, and Cape Town and Johannesburg international airports.

Mr Combi’s firm Combi and Company and Rennies Travel control Master Currency, equally, ownership struck at 50 percent each.

Rennies Travel already offers foreign exchange services and managing director Lilian Boyle admitted Master Currency would compete with existing operations.

However, the investment represented a commitment to the New South Africa, “a grass roots operation without the baggage of the past,” said Mrs Boyle.

A Reserve Bank licence to operate the bureaux is held by Rennies Travel, but Mr Combi hoped Master Currency would win a licence in its own right later this year.

He added the firm expected to employ about 40 people with emphasis on training black multiculturals.

Mrs Boyle and Mr Combi declined to specify profit forecasts for the new venture, but Mrs Boyle said Rennies Travel’s new outlets usually took about six months to break even.

Master Currency’s commission charge would be around 1.5 percent, Mr Combi said. This was compared with rates of between one percent to 1.25 percent being levied by two major banks contacted yesterday.
Economic boost for city

A powerful new joint venture company, with a strong representation of black business, plans to build at least three hotels at Milnerton and to go after one of the Western Cape’s casino licences. Maggie Rowley reports.

Southern Sun Group and a major black business consortium have thrown their weight behind Icoo’s R2.4-billion Century City hotel, casino and entertainment complex in Milnerton, boosting the region’s tourism industry and creating at least 15,000 permanent jobs.

The link-up — which draws in business, trade unions and a hotel group into the net — is likely to silence critics of developers Monex and Eco Homes’ controversial and ambitious multi-billion rand plan.

At a press conference yesterday it was announced that Togo Sun, a partnership between the Southern Sun Group and Togo Investment, is to jointly develop 80ha of Icoo’s 200ha site on the N1 opposite the proposed Olympic stadium, 6km from the city centre.


The joint venture company, which plans a minimum of three hotels on the site, is going after one of the coveted casino licences for the city, linked to the proposed Olympic stadium and the proposed Northern wine and sport city.

Togo Sun has, in its submission, included a R100m convention centre in the proposed building plans for the site.

The Century City site has been reserved for large-scale, mixed-use commercial and hotel developments, but through its new partner company, Monex, has previously announced multi-billion rand development plans for the site.

Traffic impact assessments are being undertaken and the SIR is carrying out an environmental impact study on the wetlands on the site.

In the joint venture agreement, Togo Sun will participate in those developments, which include 135,000m² of retail spaces, including a shopping centre, an aquatic park and other entertainment facilities, office blocks and a residential component.

In addition, a 20,000-seat amphitheatre, with undercover seating for 6,000, designed for musical productions, sporting events and pageants, will be built under an agreement with Togo Sun and musical promoter Haezel Feldman.

Strangfield said they hoped the rules and regulations for local casino applications would be out by the end of April with adjudication by September.

"Either way we will be on site starting work on about 100m of required infrastructure by the end of the year.
"If temporary licences are granted, we will also immediately undertake a feasibility study for the tourism potential of the site."
Excitement in city tourism circles as new policy awaited

NEW tourism policies expected to be implemented in the Western Cape in April should provide clear guidelines on how best to sell the province and draw the support of disadvantaged communities previously excluded from the industry.

The transitional Western Cape Tourism Board (WCTB) should be reconstituted when the Western Cape Tourism Act is approved by Parliament. The WCTB was formed a year ago to take over the job of promoting the province from the SA Tourism Board.

Mr JohnRobert, adviser to provincial Tourism Minister Lampie Fick, said prospects were "very exciting": "For the first time we'll be able to plan from the bottom up.

"Opportunities are now open for tourism bodies which in future must be accredited and be fully supported by their communities," Captour, which is redefining its role as Cape Town's top marketing body, says the metropole should redouble efforts to position itself as a prime international destination.

This view is backed by the Cape Chamber of Commerce which says the Cape metropole needs to "combine its resources" more effectively and mount a more dynamic marketing campaign.

Executive director Alan Lighton said the rapid expansion already experienced in international tourism to the Cape was only "a taste" of the potential.

While growth of 25% last year looks impressive, this only translates into 100 000 additional foreign tourists.

Stephen Calne of Tourist Rendezvous said an extensive marketing drive should be undertaken by the WCTB.

"Captour chief executive Gordon Oliver said that although greater Cape Town attracted 1.2 million tourists last year, much hard work lay ahead.

"We need to quadruple efforts as we are facing stiff competition from Australia and the Far East," Oliver said black and coloured people had made an enormous contribution to tourism. "In terms of the history of their political struggle, coupled with their music and cultural lifestyles."

"We need to build opportunities to create tourist-oriented businesses for disadvantaged communities and address the needs of young people wanting to enter the tourism industry."
Cape Town joins list of costly cities for business travel

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[Date] 11/11/98

By Tom Harms
SA gets bureaux de change

With the revival of foreign tourism to South Africa, an enterprising businessman has initiated bureaux de change shops, reports Lynda Loxton

FREE-standing foreign exchange “shops” have been a common sight for South African travellers abroad, but something foreign exchange-strapped South African authorities have definitely not encouraged.

All of that changed this week when it was announced that the Reserve Bank had approved a joint venture between Rennies Foreign Exchange and a black-owned Western Cape company to run South Africa’s first free-standing foreign exchange shops or bureaux.

To be run under the name of Master Currency, it is the culmination of more than 18 months intensive negotiations with the authorities by Combi & Company chief executive Zitulele (KK) Combi.

He said he had been struck by the fact that tourists did not have to cope with long queues at banks or travel agencies to change their money — they simply went to a foreign exchange bureau and received a fast and efficient service.

With South African tourism facing a massive revival after the recent democratic elections, Combi saw a gap that needed to be filled and set to work with the help of partner Hesh Tshabalala as soon as he returned home.

He ruefully admits that it has not been easy to persuade the authorities, who had long kept a very strict control over foreign exchange transactions, that this was a good idea.

“It had just never been on the cards before and we came at them out of the blue... they were in a spot and did not know how to respond,” Combi said. But once they got used to the idea, and possibly with the prospect of the lifting of foreign exchange controls in mind, Reserve Bank officials were “very helpful”.

Rennies, the authorised representative of Thomas Cook in South Africa, has been the only non-bank institution licensed to deal in foreign exchange. It has had the licence since 1900 and has run its foreign exchange activities alongside its travel services.

Rennies will provide management, operational support, technical advice and training to Master Currency staff, who will all be “raw” matriculants, Combi said.

“We aim at real job creation, not poaching people from other jobs and thereby just contributing to the creation of an elitist group of people who move from one company to another,” Combi said.

He said he expected to create 40 new jobs in the first five new outlets in Cape Town and Johannesburg by June this year.

Combi said the Reserve Bank exchange control general manager John Pestman had told him that after running the joint venture for “nine to 12 months, we could make a formal application for our own licence”.

Rennies travel chief executive Lilian Boyle said Master Currency would naturally provide direct competition to Rennies’ own foreign exchange operations, “but we are comfortable with that... we are committed to creating new job opportunities for others”.

Master Currency will charge the same commission as banks “but much less than the hotels”, Combi said.

Combi said several bureaux from Europe, mainly Britain, had already expressed interest in setting up shop in South Africa but the Reserve Bank wanted local firms to enter the field first.

“The first bureau has already opened in Cape Town and provides a 7am to 7pm service, including the sale of travellers cheques and foreign cash as well as the endorsement of passports for the use of credit cards abroad.”
Southern Sun CE Ron Stringfellow says the deal has no suspensive conditions and the project will go ahead even if a casino licence is not granted. "We'll just have to develop more slowly."

But he believes his partnership with a black group will help secure a licence. Tsogo represents the interests of: the National African Federated Chamber of Commerce, Foundation for African Business and Consumer Service, the National Council of Trade Unions, SA Clothing and Textile Workers' Union, Black Management Forum, African Renaissance Holdings and others.

Stringfellow says he has tied up with a Las Vegas group — as yet still unnamed — which should also boost the group's chances of getting a casino licence. He expects licence applications to be invited before midyear.

"If Cape Town has only one casino, it will be the premier one in the country," he says. He and Ico chairman Martin Wragge say they are going ahead immediately with the project. It will absorb 80 ha of Century City's 200 ha. Ico will invest R100m in infrastructure once the Milnerton Town Council approves the project.

The agreement with Tsogo Sun should help Wragge realise his vision of Century City becoming so powerful a tourist attraction that it would shift the centre of gravity of tourist activity away from the centre of Cape Town. He predicts that it will eventually surpass even the success of the V&A Waterfront.

For Wragge and Century City, the Tsogo deal is just the first. He expects to make other announcements soon.

**SUN CITY REVISITED?**

_**Southern Sun** is making a play for casino rights in Cape Town._

Tsogo Sun Gaming & Entertainment, a joint venture with black consortium Tsogo Investments, is to develop a R2,4bn casino complex with Ico Homes on the Ico-owned Century City site next to the N1 between Bellville and Cape Town.

The scheme will comprise an R800m, 135 000 m² retail centre, hotels, a theme and water park, a 20 000-seater music amphitheatre in partnership with promoter Hazel Feldman, and possibly a convention centre.
Call to freeze upgrading of cableway

THE Cape Town city council has been urged to delay approving plans to upgrade the Table Mountain cableway until an environmental survey into the R45-million project is completed.

The appeal by the National Parks Board follows the council's decision to call off its legal battle to expropriate and evict the cableway's owners, from Table Mountain.

The company, however, still needs approval from at least four statutory authorities before it can go ahead with an ambitious multi-million rand programme to upgrade the cableway.

The NPB said it would be "inappropriate and premature" for the council to approve rezoning and building plans until the company's integrated environmental management process had run its full course.

"This implies that pertinent issues raised or highlighted during the process must be satisfactorily addressed by the (company) before the process of approval can proceed," NPB chief executive Robbie Robinson told Cape Town's City Planner this week.

And, according to the Mountain Club of South Africa, it was essential that an enforceable environmental management plan be added to the cableway company's lease with the city council.

While Mr Louis de Waal, the chairman of the Table Mountain Aerial Cableway Company, said he was happy with this proposal, a Mountain Club spokesman said there were so many unresolved substantive issues "that it would surely make sense to delay the project by a year".

It was impossible, however, to draft such a plan until the environmental impact of acceptable alternatives had been publicly assessed, he added.

"Waste and litter disposal, sewerage and combined routing of these services with the power supply have not yet been addressed," he said.

Mr de Waal said the company hoped to have approval for the main aspects of the upgrade by early March. If all goes to schedule, the revamped cableway should be ready for operation by December 1 this year.

But this week Mr de Waal admitted that there was "absolutely no way" that work could start if any of the relevant authorities disapproved.

These include the city council, the Cape Peninsula Protected Natural Environment Management Advisory Committee and the National Monuments Council.

The National Parks Board, as the future managers of the mountain chain, would also have to be satisfied.

Mr de Waal said a sewage disposal system still had to be finalised for the top cableway station, but this should not have to delay work as an existing seepage system was functioning normally.

Official city council correspondence this week confirmed that the council and cableway company had resolved their differences.

Key elements to the settlement—endorsed by the company on January 25—include the company upgrading the cableway to international standards this year.
Freeze of cableway construction sought

ENVIRONMENTALISTS ARE CONCERNED that in the rush to rebuild the Table Mountain cableway the mountain could be harmed. LOREN KOLEVSOHN reports.

The Mountain Club of South Africa and the National Parks Board (NPB) have asked for a freeze on the R45-million facelift for the Table Mountain cableway, due to begin later this month, claiming time pressures are overriding important environmental factors.

The Table Mountain Aerial Cableway Company still needs approval from at least four statutory authorities before it can go ahead with the upgrade, but the head of the mountain club, Lester Coelen, said yesterday he did not believe the company had explored the various options, but had favoured some and excluded others far too quickly.

He said: "If they cannot complete the environmental assessments properly, then they cannot go ahead with the development."

Coelen said it was accepted that the cableway needed to be upgraded, but he felt there was "enormous political pressure" to go ahead, as the project needed to be completed by the next holiday and tourist season — December 1.

Mr Robbie Robinson, chief executive of the NPB, one of the future managers of the mountain chain, told Cape Town's city planner last week that it would be "inappropriate and premature" for the City Council to approve rezoning and development plans until the environmental impact and management assessments had been completed.

The head of the Cape Peninsula Protected Natural Environment Management Advisory Committee, Dr Douglas Hey, said he shared the concerns of the NPB and the mountain club that "any development should be secondary to the existence of the mountain, its flora and fauna."

Hey said the danger of too many people eventually being accommodated at the top of the revamped cableway was also of grave concern.

The new R20m Swiss cable cars will be able to ferry 700 passengers an hour, compared to the current cars, which only carry 230 people an hour.

He added: "The cableway company have got to have official approval before construction begins, and we have not yet given any formal go-ahead. We are having a meeting with the developers shortly."

The cableway plans to close to the public completely from May so that full-scale construction can begin. This includes facilities and equipment for the disabled, a 120-seat auditorium and an additional restaurant and restrooms.

Environmental convener Mr Jonathan Levy said he wanted to see the right balance between development and environmental protection, "but with the current rush to get construction off the ground, this balance is not being achieved."

Levy and Coelen both say the City Council has failed to show them important issues in writing, such as detailed proposals on sewage, waste and litter disposal.

City planner Mr David Daniels could not be reached for comment yesterday and the managing director of the cableway company, Mr John Harrison, was on business in Switzerland.
Cableway upgrade to be ‘environmentally sound’

□ Council bid to allay the fears of pressure group

ANDREA WEISS
and JOHN YELD
Staff Reporters

THE Table Mountain cableway will only be upgraded if the proposals are environmentally sound, city planner Dave Daniels promised.

The plans, which have been submitted to Cape Town City Council, will be considered by the full council before any approval is given.

Mr Daniels was responding to some environmentalists who claim the improvements are being tackled too hastily without due regard to the mountain’s environmental sensitivity.

The upgrade is part of a legal settlement between the Table Mountain Aerial Cableway Company and the council, which had earlier tried to terminate the company’s right to operate the cableway.

As part of its agreement, the company undertook to follow a full Integrated Environmental Management (IEM) process, including an environmental impact assessment.

At the end of January, a draft summary impact assessment report was sent to interested and affected parties with a request for comment by February 19.

The report includes specialist study assessments of the mountain’s carrying capacity, of the impact of an increased number of visitors on the vegetation, and an assessment of the upgrading proposals.

But the Mountain Club has criticised the IEM process, saying the cableway company kept presenting new plans for consideration and that major issues of concern hadn’t been fully addressed.

These included an environmental management plan to ensure that any agreements were adhered to during the future operation of the cableway, and the size of the new restaurant complex and the removal of sewerage.

“For example, they originally said the sewerage would be taken off the mountain, now they want to use the existing facilities — that’s a hell of a change,” said Mountain Club spokesman Lester Coelen.

“Some of the new plans are very good and can probably be implemented after just a little discussion, but overall there are a lot of broad issues that need to be resolved, and it will take a lot of political will to do what is right for the mountain and not be bungled into acceptance.

“There is no doubt that we have to upgrade the cable car system, but it’s a question of how.”

Louis de Waal, chairman of the cableway company, said groups like the Table Mountain and the National Parks Board, which will manage the mountain in future, wanted the IEM procedure completed in its entirety before any work on the upgrade started.

However, the city council was keen to have the work completed as soon as possible for tourism purposes, and also because of the city’s Olympic bid. International Olympic Committee members will visit Cape Town in September to assess the bid plans.

Mr De Waal said views expressed by the environmentalists arose out of the IEM procedure which was started last year, and the company was willing to abide by them.

He believed it was important for the upgrade to proceed and for individual issues, such as the question of sewerage, to be dealt with separately.

Referring to the dispute about sewerage, Mr De Waal said the existing soakaway system could be used in the interim and decisions about how to lead sewerage pipelines off the mountains with minimal environmental impact could still be taken.

“We are willing to give a written undertaking,” he said. Mr Daniels said that plans for the new upper and lower cableway station had been submitted but these would still be circulated to interested parties, including the National Parks Board, the National Monuments Council and the Cape Peninsula Protected Natural Environment (CPPNE) management advisory committee.

Thereafter, they would be taken to the urban planning committee and the full council before approval would be granted.
Hotel beds fill up as tourist trade blooms

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Business Editor

TOURISM boomed in South Africa last year; with the number of nights in hotels sold to foreign tourists increasing 68 percent between November 1994 and November 1995.

Central Statistical Service figures released today show foreign tourists bought 297,425 bednights in November last year, compared to 176,715 in November 1994.

The Western Cape took the lion’s share with nearly 40 percent of bednights sold. Most of the tourists (69 percent) were from Europe, with Germany providing the biggest contingent (nearly 24 percent). The percentage of tourists from Asia and Africa dropped over the year.

The figures also show that hotels without star gradings are gaining popularity. Nearly 28 percent of bednights sold were in this category in November 1995, compared to 10.5 percent in 1994.
Cape Town leads the national tourist stakes

By JAMES LAMONT

Johannesburg — Amid a country-wide upward trend in the number of tourists, Cape Town and its environs stole the early summer season honours in increased hotel occupancy and income rates in November last year.

Cape Town, including the peninsula and winelands, recorded the highest hotel room occupancy rates in the country at 88.2 percent for the month, according to a survey released by the Central Statistical Service (CSS) yesterday.

"The most impressive thing is the impact the Cape has made," said Renasha Pietersen, a CSS survey statistician. She said Cape Town had done very well during the tourist boom in the run-up to Christmas.

Hotel income for the Cape Town area in November last year rose 38.3 percent on the same period in 1994, with a corresponding 22.9 percent rise in room occupancy. The favourable figures have prompted plans to build about 28 new hotels in the area.

Pietersen attributed Cape Town's success to a marketing campaign, orchestrated by a group of hotels, that has successfully attracted European visitors, especially from Germany and the United Kingdom.

The number of bednights sold by hotels to foreign tourists during November last year increased by 68.3 percent, from the same month in 1994, to a total of 297,425 nights. Cape Town accounted for 30.7 percent of the bednights sold, almost three times higher than Johannesburg, its nearest competitor.

"A lot of these people (visiting Europeans) have business and family here and now they see it's not so bad they are coming again," said Pietersen. European tourists increased their market share of foreign visitors by 15.3 percent.

While three star hotels absorb the largest number of bednights sold to foreign tourists, five star hotels boosted their income by 29.6 percent and bed occupancy by 20.3 percent during November.

"The latest survey indicates that the nationwide average room occupancy rate for November last year increased by 12.2 percent to 61.9 percent, with income up 20.2 percent on the same period in 1994. Pietersen said Gauteng had also attracted more tourists in summer. Although she said the Johannesburg central business district was not attractive to tourists, room occupancy rates in the rest of Gauteng were as high as 79.4 percent. She said that the years when Pretoria had not done so well as a tourist destination had been reversed.

Catherine Musil, the South African Tourist Board's (Satur) information officer, agreed. Taking into account winter and summer seasons, she said that Gauteng was doing exceptionally well, followed by the Western Cape.

According to Satur figures for last year, Gauteng accounted for 63 percent of foreign visitors in summer, with the Western Cape running second with 25 percent and KwaZulu Natal third with 17 percent.

The CSS survey found that, adversely affected by political violence, Durban and Umhlanga enjoyed 14 percent higher room occupancy, but income for the month declined by 2 percent, the result of offering discount packages.

"Many people skip Natal now to go on to the Cape," said Pietersen.

However, Pietermaritzburg, the Natal Midlands and the Drakensberg increased income despite substantially lower occupancy rates. Room occupancy was up 36.5 percent in the Eastern Cape, but income was down 5.3 percent for the month.

Only central Johannesburg registered a fall in both income and occupancy rates.
Tourism council elects representative board

BY CATO FEDER

Johannesburg — The Tourism Business Council of South Africa elected a management board broadly representative of the tourism industry in South Africa at its first annual general meeting last week.

The council was formed in November last year to draw together the divergent strands of the tourism industry. It plans to address the broad macro-economic issues facing tourism in South Africa in association with the government, communities and labour.

According to the latest Satour statistics, overseas visitors spent R7 billion and domestic tourists R12 billion in 1994, underlining the need for the council.

Delegates agreed Satour was underfunded with a budget of R50 million last year. They also agreed on the need for a ministry of tourism. The board expected a department of tourism would be formed soon.

As a parastatal, Satour is not eligible to become a core member of the council, but the council is planning to work closely with it.

Fedtec's David Wigley was appointed chairman of the council. Liz Westby-Nunn of Portfolio of Places and Moss Ngwenya of NTEDI were appointed vice-chairmen.

The council has yet to appoint an executive officer but hoped to do so within six to nine months.

The National Parks Board, Morbico Investments, the National African Federated Transport Organisation and the National Black Business Caucus are represented on the board, as are the Foundation for African Business and Consumer Services and the National African Federated Chamber of Commerce, among others.

"The immediate aim of the council is to broaden our membership base," said Westby-Nunn. Ngwenya said that previously marginalised communities had to become part of the tourism industry.

The council would concentrate on helping emergent black businesses to become involved in tourism. The aid given to small and micro business would include training in business skills.

Wigley said there should be a cultural change in South Africa to ensure people understood the importance of tourism. He said the council would look at what effect it could have on crime levels that were damaging the industry.
Scarcities in tourism industry pinpointed

Theo Rawana

ACCOMMODATION, luxury coaches and guides with command of foreign languages were the areas of the SA tourism infrastructure that were causing concern, industry leaders said yesterday.

With foreign tourism figures having surged by about 50% in the past year, the tourism industry would have to work harder to cope with the flood of both local and foreign tourists, they said.

ROI Southern Africa MD Steve Griessel said that last year Western Cape hotels ran at 92% occupancy and there was no let-up throughout the year. Durban hotels ran at 71% occupancy for the year, while Mpumalanga was running at 92%.

But there had been no severe shortage in and out of season. Inbound tourism was up by 30% on 1994, and the same growth was expected this year. Domestic travel was up 26% on 1994.

"The black market is getting to understand about tourism, and that market was to continue growing. SA has to realise that tourism is not only international," said Griessel. There was also sport tourism, which had suddenly come up on SA, "and it happens out of season; unlike traditional tourism. We will find that the infrastructure is to suffer — we are beginning to turn away people. There has been a big upturn in inquiries," he said.

In coping with demand, Griessel said the last three years had been quiet, and the infrastructure took time to build.

"The big problem is the casino business. Hotel groups are paralysed, waiting for government to decide on casino legislation. They are holding back, because they do not know which way it will go. The money is there," said Griessel.

There was an "inesiable demand" for timeshare holidays at Western Cape resorts but the supply of quality accommodation was "hopelessly inadequate".

"As a result, a timeshare week in the Western Cape costs up to twice as much as it would at a comparable resort elsewhere in the country ... we are crying out for space in the Cape throughout the year, which should send a signal to developers that they should be searching for sites to build new resorts," said Griessel.

Kesel, Feinstein Consulting's Gillian Saunders said the industry had "just absorbed" the market last year.

"But we have infrastructure constraints, especially in the accommodation and coach sector. We are beginning to turn away people. Coaches take about eight months to build — and hotels take longer. But this should be alleviated by next year."

"SA had to tangle with more than 45% growth — it was phenomenal. But we will be equal to the task next year."

The SA Tourism Board said there was pressure on the accommodation sector in peak periods.

"A spokesman said that overseas investor interest in SA has been advantageous as has the growth of guest houses and bed-and-breakfast establishments."

He said one of two areas of concern was the scarcity of luxury coaches. "This sector is under immense pressure — we have used up all our coaches."

The other was the demand for tourist guides in specific languages.
New council plans to develop tourism

By Isaac Moledi

The South African tourism industry has launched the Tourism Business Council of South Africa (TBCSA) with the aim of making tourism a national priority and a key contributor to economic growth.

Unlike other countries where tourism is the largest foreign exchange earner, tourism comes a poor third in South Africa where forex earnings are concerned, the council said.

The council, whose founding members include major businesses and associations involved in the tourism industry, believes South Africa’s tourism resources can be further developed to contribute significantly to improving the quality of life of every South African.

TBCSA chairman Mr. David Wigley, who is also the managing director of food and catering giant Fedex, says there is vast scope for expansion in both the domestic and foreign tourism sectors.

"If tourism is to realise its potential of becoming a key contributor towards sustainable economic growth in the country, it has to be elevated to a national priority, with due consideration to Southern Africa’s natural and cultural heritage," says Wigley.

The council’s primary task, according to Wigley, is to ensure that through comprehensive and united representation at national and provincial level, the appropriate national strategies are adopted for developing and maintaining growth in tourism.

Mechanisms aimed at bringing small and emerging businesses and people who have been excluded from the mainstream of the South African tourism industry are going to be put in place, says Wigley.

Working committees dealing with crime and safety, marketing, training and culture, organisational development and finance will also be established.

Wigley’s words are echoed by vice-chairman Mr. Moses Ngwenya who says: "This will help realise the potential of tourism in fulfilling the objectives of the Government’s RDP programme."
Call to protect poor if bid for Games succeeds

ANDREA WEISS, Municipal Reporter

SPECIAL legislation will be needed to protect the poor against rent hikes and evictions in the run-up to the proposed 2004 Olympics in Cape Town.

This warning was sounded at a seminar in the city today by the Development Action Group (DAG) which presented a study of the effects of bidding for the Olympics on eight cities.

The seminar was attended by Land Affairs Minister Derek Hanekom, who sits on the cabinet sub-committee dealing with the Olympics, Olympic bid chief Chris Ball, and provincial and national representatives of the departments of sport and finance.

DAG, a non-governmental organisation which has been active in the city for a decade, said its concern was the impact the Games would have on the poor.

This included short-, medium and long-term effects such as evictions, public debt, exacerbation of unemployment and disruption of property markets.

Another problem area pinpointed by DAG was that small businesses were not always able to gain access to economic opportunities created by the Games.

DAG also warned that price hikes related to the influx of tourists increased the cost of living for everyone.

Three key economic studies are under way to help the national cabinet decide whether to back Cape Town's 2004 bid for the Olympic Games.

The cabinet is due to finalise its position on the Olympics in April.
Facelift for tourism

Fun in the sun; Durban's beaches are a major attraction for both local and international tourists.
Facelift for tourism

From PAGE B1

"However, private sector companies promote their own interests and there will always be a need to generically position South Africa as a global tourist attraction, through a national marketing organisation.

"Fabricius says the issue of funding is always in the spotlight. "It is my firm belief that tourism should receive an adequate budget once the process is finalised. The challenge at this moment is to accommodate visitors coming to the country.

"However, in the medium and longer term, the interest in South Africa will decrease, and especially then the marketing function will be essential.

"Msimang concurs, adding that the changes in South Africa have opened a small window of opportunity for increased tourism. "But we need to market ourselves aggressively if we are to sustain and increase the number of visitors to the country.

"He says growth in overseas visitors has risen from 700,000 in 1994 to an estimated one million tourists in 1995. "Satour has set a target of getting 3.2-million overseas visitors by the year 2000, which is achievable if certain changes are implemented.

"One of the first initiatives that Msimang wants to implement is flattening the management structure of Satour from its current pyramid structure of 14 levels down to six.

"The public service-type structure of Satour is totally unsuitable because it creates long lines of communication and bureaucracy. You literally have to climb the ladder to get an answer.

"This suggestion of flattening management was made by consultant Ernest & Young, which drew up recommendations for Satour in March 1995. These have been accepted by the new board of Satour but no changes can be implemented until approved at government level.

"Last month, government told Satour it would need to consult further with the Public Services Commission before structural changes could be made or Satour could risk losing some of its revenue.

"Mavuso Msimang: Satour must be restructured in the near future

"Our flexibility to reshuffle posts is limited as long as Satour is being viewed through a civil servant-type perspective," says Msimang.

"But why is Satour looking to make changes before the White Paper on tourism - due out at the end of April - has been approved? Msimang feels whatever else the White Paper will contain, it will certainly confirm that a national organisation must market South Africa internationally.

"Whether that body is a reformed or renamed Satour is not the point, if we get changes on the go now they will be taking on an organisation in better shape to do that task than it is now.

"Also, everyone knows changes need to happen and the longer it takes, the worse the effect on morale," he adds.

"So what can be done in the meantime? Msimang sees the beefing up of international operations as vital, despite the lack of finance. "We're hoping to increase our 14 international offices by making use of the many international offices of the Department of Foreign Affairs."

"Also on the cards are partnership ventures with the private sector. "We're negotiating with certain businesses on whether they could sponsor some of our activities in exchange for some promotion of their product overseas."
BID MUST AIM AT DEVELOPMENT

Olympics 'must benefit all' (288)

AGREEMENT was reached yesterday that the Olympic bid would have development as its basic theme.

BARRY STREEK reports.

A SERIES of meetings between central government departments, the Western Cape government and the Olympic Bid Company were held yesterday to liaise on research and planning to enable the cabinet to decide by the end of April whether to support Cape Town's 2004 bid.

Representatives of both governments and the head of the bid company, Mr Chris Ball, committed themselves to an Olympic bid that formed part of Cape Town's long-term development and avoided white elephant projects.

Ball said the bid should be "totally developmental" when he spoke at a breakfast seminar, organised by the Development Action Group (DAG) at the Milnerton Race Course.

DAG's Ms Charlene Houston said there were obvious benefits to the bid, but the negative aspects had to be identified and managed.

Ball welcomed the DAG analysis, published in a book which was released yesterday, saying he would like to incorporate its approach into the bid offer.

The DAG charter stresses that the economic benefits of the Games had to "improve the quality of life of all people, especially the urban poor" and all housing prepared for the Olympics should afterwards be available as affordable housing.

Ball had to leave the seminar, which was attended by Land Affairs Minister Derek Hanekom, a member of the cabinet core committee considering the bid, to attend a meeting with four Western Cape MECs. Officials of the national and provincial government also met yesterday to discuss the matter.

Afterwards, the head of sport and recreation in the Western Cape, Mr Rod Solomons, said the bid process had been discussed so that the cabinet could be provided with sufficient information to determine whether the bid would contribute to social and economic development in South Africa.

This included a detailed macroeconomic assessment of the bid, a preparation of a regional impact assessment, specific information for the core cabinet committee and detailed interaction between the different levels of the government to achieve consensus.

Solomons said the provincial government fully accepted that the bid would have to be made within the objectives of reconstruction and development.

Mr Cyrus Rustomjee, from the office of Deputy Finance Minister Alec Erwin, said the cabinet would consider whether or not to support the bid after the core committee had reported back to it at the end of April.

"We are asking a very fundamental question: Is this a bid that can produce economic benefits and succeed in promoting development in our country?"
Lagoon project's fate in the balance

By TOM HOOD

The fate of a R200-million hotel and residential development at Milnerton Lagoon hinges on the outcome of an environmental study.

"Twelve organisations formed a protest organisation to stop the project in its present form and they say the site should be used in the broader interests of the general public."

Replying to critics, Johannes Coetsee, managing director of Lagoongate Waterfront Development, said yesterday the company had complied with all the conditions stipulated by Milnerton council when it put the property out to public tender.

However, the company commissioned an in-depth environmental impact assessment in October and its results would determine the outcome. The study was due for completion next week and would be discussed with all the parties concerned.

"We hope to find a solution which reflects the wishes of most, if not all, those involved," he said.

Mr Coetsee said the development had received significant support from residents and the business community and this should be balanced with the concerns voiced by the environmental group.

Johan Roos, managing director of the company marketing the development, said, "a lot of interest has been shown in all parts of the proposed development."
Plan for tourist safety policy

Theo Rawana

THE tourism security task group set up last November to help formulate policy and develop strategies on tourist safety would meet this week to draw up action plans, spokesman Supt Eric Pelser said.

Pelser was responding to reports that five foreign tourists had been attacked in four incidents in Cape Town in the first six days of this month. Two of them were Scotsmen, both over 60, who were stabbed several times.

Tourism Minister Dawie de Villiers, at the launch of the task group, said it was designed to influence the Cabinet's crime prevention committee to have tourists' safety on its permanent agenda. It had been given the task of developing a strategic framework for security measures and providing guidelines on security structures at provincial and local levels.

Pelser said the meeting of the task group would be held in conjunction with the Tourism Business Council of SA.

The incidents in Cape Town highlighted the need for the group's initiatives to be operational.

Cape Town police reported they had arrested a 16-year-old youth after he and six others allegedly stabbed and tried to rob the Scottish tourists in central Cape Town on Tuesday evening.

Inspector Virna Simon said John Stewart, 66, and Eric Buchanan, 62, were taken to hospital and discharged after treatment.

A Polish woman was robbed of her camera valued at R3 500 on February 1. On the same day an Israeli man was stabbed by six youths who tried to rob him of his wallet and wrist watch. A German man was robbed of his camera and cash on February 2.

Simon said Cape Town had tourism protection units which worked 24 hours a day to prevent crime, but the city covered a large area and police could not be everywhere.
Solid trading ups bottom line for Sun International

JOHANNESBURG. — Economic growth and favourable trading conditions lifted Sun International's results for the six months to December 31, with profit before tax improving 21 percent.

Pre-tax profit rose by 21 percent to R252.9 million, from R205.9 million during the same period last year, as a result of cost efficiencies and an increase of R4 million in interest income.

Turnover increased by 13 percent to R1,088 million (R969.6 million), with room occupancy's contribution up 21 percent and gaming revenues 13 percent higher.

Earnings per share stood at 25.8c (23.3c) and the group declared an interim dividend of 15c a share.

Increased demand from foreign and local business travellers lifted hotel chain City Lodge's performance for the six months to December 31, with the group increasing turnover by 21 percent and earnings by 47 percent.

Attributable earnings rose by 47 percent to R152.2 million from the previous R103.6 million, mainly as a result of improved margins and a lower effective tax rate.

Group turnover increased by 21 percent to R535.8 million (R437.7 million).

Road transport group Vastra Limited boosted turnover by 42 percent for the six months to December 31, but a higher interest charge kept earnings growth down to 29 percent.

Attributable earnings improved 29 percent to R33.56 million, from R25.13 million during the same period in 1994.

Chief executive Eduardo Garcia said the results were enhanced by the acquisitions of Matheysen Bus Transport and Cane Carriers during the period. Turnover increased by 42 percent to R351.925 million from the previous R247.21 million.

Frame lifted income before tax by 26 percent to R51 million for the six months ending December last year. This was achieved on a turnover which decreased from R399 million to R382 million.

The group's cash resources increased by R63 million compared with the previous six month period ending December 1994.

While the income before tax increased the group moved into a tax-paying position.

The tax charge for the six months was some R6 million from R159 000 for the comparative period the year before. Consequently, earnings per share in Frame and Confram amounted to 68.4c and 38.4c from 73.3c and 43.2c for the six months ending December 1994.
Greed will kill tourist market

Political Correspondent

Tourism Minister Dawie de Villiers has urged the industry not to price itself out of the international market. "I appeal to the industry to take a long-term view of tourism... If we become a little bit too greedy we might destroy this great potential of ours," he said.

At present, for a tourist coming from San Francisco it cost the same to travel to South Africa as to Australia. Excessive prices would mean tourists would choose Australia.

Speaking at a press briefing, Dr De Villiers said any request by his ministry for further money for marketing was likely to be turned down by the Treasury because the industry could not presently cope with demand.

Outlining the scale of the post-apartheid tourism boom, he said pro...
R35m resort for White River

Lukano Mnyanda

A R37.5m luxury resort and conference hotel is to be built at White River Country Club in Mpumalanga.

It will provide a major boost to the region’s economy by employing local subcontractors and labour.

The development, Greenway Woods, will be built by Condev North, which plans to complete the work in 10 months and put White River firmly on the international conference and tourism map.

Condev North MD Tom Buckle said: “No effort will be spared nor detail ignored to ensure absolute satisfaction for our investors. We are determined to produce a facility that will serve as an excellent advertisement for our country’s tourism and conference industries.” The development will include luxury chalets overlooking the country club’s golf course and will be managed by an international hotel group.

Satusc conference promotions division director Nick Statthakis welcomed the development, saying SA’s conference industry generated about R2.6bn annually and could be worth more than five times that amount, given the right facilities and promotion.
Lukanyo Mnyanda

THE head of one of SA's largest property groups, Homenet, has accused Durban's municipal authorities of letting the city fall behind other major coastal resorts in competing for peak holiday tourist trade.

Executive chairman Victor Webster called for immediate action to remedy what he called the city's "general slovenly and littered appearance", and notably the beachfront area, which he slated for its "lack of quality entertainment".

Half-hearted

Port Elizabeth and Cape Town had also been overrun by visitors during the holiday period but local authorities there had, he said, made "exemplary" efforts to clean-up in the wake of the invasions.

Durban's response in clean-up operations had been "half-hearted and more in keeping with an attitude of "what the hell, it's only going to happen again."

"Durban is on course to miss the boat as a holiday resort unless the council and business leaders make a supreme effort to recover lost ground," Webster said.

The city authorities also had to realise that visitors did not only want to spend endless hours on the beach but were also on the lookout for alternative entertainment venues such as those which were extensive and well supported in both Cape Town and Port Elizabeth.

Webster warned that the beachfront and city residential market would take a serious knock unless there was a reversal of Durban's ailing tourism image.

"I would also like to see residents and visitors making more responsibility towards the maintenance of standards, even if it means fining people heavily for littering," he said.

Beachfront: Homenet's Janis McManus also called for an improvement of general cleanliness and orderliness on the beachfront, saying that this would create a more positive image for tourists.

The municipality should set aside an "attractive" area for informal trading, she said.

"Removal of the current pockets of traders would definitely enhance the area, reduce noise levels and create an orderly environment."

McManus said the general deterioration of the beachfront over the past couple of years had led to a negative growth in residential property value, though investors were being lured back by property market trends favouring buyers.
CAPE TOWN IS LIKELY to host the 2004 Olympic games according to the regional government. The minister for the regional government and the international Olympic Committee, ANTHONY JOHNSON reports.

Sports Minister Steve Tshwete, who says he has received a formal contract from both the central government and the international Olympic Committee, reports.

"We were offered 2 tickets from the IOC," foreign minister Tshwete said yesterday. "We have to be careful about taking on the Olympic games. The region is not prepared for the Olympic games. We are only interested in hosting the Olympic games."

The minister said the region had been encouraged by the government to host the Olympic games. "We are interested in hosting the Olympic games. We are not interested in hosting the Olympic games."

The region says it has received a formal contract from both the central government and the international Olympic Committee.

"We are interested in hosting the Olympic games. We are not interested in hosting the Olympic games."

The minister for the regional government and the international Olympic Committee, ANTHONY JOHNSON reports.
A tale of eight cities

Sharp lessons to be learnt from the experiences of those who

have hosted the world's greatest sporting showpiece.
The impact of economic pressure on the country's economy is a major concern. The government has implemented various economic policies to stimulate growth and reduce unemployment. The recent shift in economic priorities has led to a focus on sustainable development and the promotion of renewable energy sources. These initiatives aim to create jobs and stimulate the economy, while also addressing environmental concerns. The success of these efforts will depend on the support of both public and private entities, as well as international cooperation. The government is working closely with the business community to ensure a smooth transition to a more sustainable economic model.
street dwellers.

In addition, rent control and the protection of tenants in the city are being phased out and affordable rental accommodation is already limited.

"Rent increases and overall increases in the price of houses associated with the Olympics could further increase the number of people unable to enter the formal rental market," DAG warns.

"The lessons from other cities highlight that as inner-city suburbs become desirable to the middle-class or to tourists, existing lower-income communities may be forced out of these areas through economic pressures."

On the issue of economic opportunity, DAG observes that the Olympics has implications for small and emerging business, the sustainability and number of jobs created and the capacity of local business to meet the tight deadlines imposed by the International Olympic Committee.

Examples of cities that have lost jobs in trade over the period of the Los Angeles Games owing to the arrival of international competitors and the decrease in the usual tourist trade.

In Seoul, small informal businesses were forcibly prevented from trading in the city centre for the duration of the Games, and in Barcelona, small businesses, such as restaurants on the beachfront, were destroyed to make way for Olympic-related development.

DAG says that formal Olympic Games trade is also limited for small traders as official rights to the logo are often restricted to large firms.

"Six months after the 1982 closing ceremony, unemployment in Barcelona was up 19 percent almost back to the 1985 level of 21 percent, business taxes were up 30 percent and the cost of living was rising at 1.6 percent a month (compared to an average rise in the rest of Spain of 0.9 percent).

"The cost of living in Barcelona is 170 percent that of the rest of Spain. While the cost of living in cities closer to the metro area can sometimes be employed, there is substantially more than the average difference."

In the Cape Town context, DAG points out that 80 percent of people in the metropolis do not have a driver's license, and over 17 percent are unemployed.

"Cape Town's biggest hope for economic sustainability is the training and development of individuals and small and emerging businesses. But this sector will not benefit unless explicit steps are taken."

On the issue of community participation, DAG maintains that the Olympic history has unfortunately been peppered with civil rights violations, among them the passing of an ordinance in Atlanta preventing people from sleeping in vacant buildings, begging or even walking across a public car park where they don't own a car.

In Beijing, anti-Olympic protesters were simply arrested.

"DAG comments: Civil rights abuses are very often the antithesis of community involvement and have featured in a number of bidding cities. Cape Town needs to ensure that our emerging democracy is not threatened by such abuses."

On the issue of public debt, DAG observes that the public sector usually has to pick up the tab while the private sector often drives the bid. While the actual hostings of the Olympics usually show a profit, the capital input and maintenance of Olympic facilities are not part of this equation.

"Socio-economic studies and cost estimates need to be critically assessed. Most cities tended to have over-estimated benefits and under-estimated costs," DAG says.

Finally, on the subject of tourism, DAG maintains that the Olympics often drives away thousands of regular tourists and local holidaymakers, "repelling" people because of added costs and congestion.

Amidst all these lessons, DAG is suggesting that the city put in place "timeous and appropriate mitigating measures". If not, one might find that while the Olympics provide a temporary boost to national pride, they may leave behind a disillusioned public.

DAG's contribution has been welcomed by the Olympic bid company as a positive contribution to the debate because it has focused the bid on the developmental needs of Cape Town.

Olympic chief executive Chris Bell has also suggested that a draft Olympic charter proposed by DAG be adopted. This charter says the Olympic bid should be based on the RDP and the benefits should improve the quality of life of all people, especially the urban poor. But for DAG, the bottom line is action.

"In the absence of appropriate policy measures, major events like the Olympics tend to have negative economic impacts which fall most heavily on those least able to afford them.

"The issue to consider is the scale of the negative socio-economic impacts on the poor, not whether there will be any at all."

""
Too few being trained for tourism sector

Theo Rawana

SA's tourism industry was training only 25% of the 40 000 people it needed to train each year to meet the demands of the expected 8.8-million foreign visitors the country would be receiving by 2000, a tourism expert said yesterday.

Cape Town-based Tourism Development Corporation director Kobus Steyn said the total number of visitors would be double the current 4.4-million by 2000. "This will undoubtedly have a profound effect on all sectors of the tourism industry."

Analysts projected an increase of 110 967 jobs as a result of the increase in tourism. "If the additional effect of African tourism and a steadily growing domestic market is taken into account, an additional 200 000 jobs could conservatively be added to the existing 300 000 in the industry," Steyn said. "Coping with that level of demand would require a significant increase in education and training capacity of 40 000 people a year."

A successful Olympic bid by Cape Town could put severe pressure on Western Cape and have a profound effect on the projected visitor totals.

Steyn said that while the accommodation sector had a comparatively larger demand, the other sectors such as transport and food also had significant demand, "suggesting the need for a comprehensive education and training package".

In view of the tourism industry's expected growth rate, there was a definite need to train at all levels. "The most critical need, however, appears to be at the lower end of the scale, where a wide range of basic skills are required — especially among people in the first line of contact with the customer."

At tertiary level training was offered at two universities and six technikons; and at the secondary or post-school level, training was done by a variety of public institutions like technical and private colleges.

"The range and level of tuition offered at private colleges varies considerably. The 35 private colleges, plus the 57 accredited institutions for the training of tourist guides, offer 18 different courses ranging from one day to three years in duration," he said.

Training at the lowest level — of waiters, barmen, cleaners and porters — was done mainly on an in-house basis.

Of the more than 7 000 people receiving training in tourism and hospitality at formal training institutions in 1996, almost 800 were trained at technikons and universities — an additional 550 at technical colleges — and the remainder (3 700) at private institutions. The number of private institutions offering training was increasing and these were destined to play an ever-increasing role.

"Of all the people receiving training only 282 were trained in hotel management and 836 in catering and food service management," he said.

Final figures for foreign visitors last year were not yet available, but indications were growth could be high as 57%.
FOOD AND LIQUOR REASONABLE

‘City may overprice itself’

TOURISM EXPERTS SAY Cape Town remains competitive compared with other major destinations, but is in danger of overpricing itself, Tourism Writer DAN SIMON reports.

CAPE TOWN as an international tourist destination is still considered excellent value for money by foreign visitors, as the prices charged for accommodation, food and liquor are still way below those in other international tourist destinations.

But the hotel industry should guard against pricing itself “too high” as it adjusts its rates, says National Hotel Association chairman Trevor Lombard.

“In previous years Cape Town discounted itself to attract tourists. But this has changed with the increase in foreign tourists, and prices becoming more market related.”

Lombard said the costs of hotel accommodation had confused foreign visitors.

Guest House Association secretary Ms Joanne Harris said most visitors who used city guest houses were “more than happy” with the costs.

“Guest lodges have an individual touch and have become particularly popular with German tourists,” she said.

But there were some guest houses that “ripped off” their guests — particularly in the holiday season.

Restaurant Guild founder Mr Aldo Girolo said city restaurants were still “much cheaper” than in London, Rome or Milan.

But some suppliers were inflating prices to capitalise on the increase in tourism.

“One supplier who supplies shellfish has increased his price 70% in six days without reason. The same supplier, who sold his solids for R7.95 each is now suddenly asking R13.50,” Girolo said.

Captour chief executive Mr Gordon Oliver said city hotels had to guard against pricing themselves out of the market.

“If one looks at five-star hotels it appears that their prices are pretty much on a par with other tourists destinations, but we must bear in mind that Cape Town will face increasing competition from other cities in the country, from Southern African countries as well as Mauritius, the Maldives and the Comores.”

John Robert, special adviser to Western Cape MEC for Tourism Lampie Pick, said the city had to watch the price of its accommodation.

“We tend to be overpriced. In Paris, which is considered one of the most expensive tourist cities in the world, I found the price of accommodation on a par with Cape Town.”

“If that is the case then it is important that we have another look at the price of our accommodation. We need to have a wider range of accommodation prices.”
WARN TOURISTS OF THE DANGERS

CAPETONIANS have to become personally involved in helping to protect foreign visitors, says Mr John Roberts, special adviser to Western Cape MEC for Tourism Lammie Pick.

"We must loan to act proactively and warn tourists of the dangers when we see them with cameras dangling from their necks," he said.

Attacks on tourists were eroding Cape Town's reputation as a prime tourist destination, and this could damage the province's economy.

He was commenting on the recent spate of attacks on tourists in the city centre and near the Waterfront.

In the past week three German and two Scottish tourists were attacked and robbed by gangs.

Police say 96 tourists were attacked and robbed last year and these attacks are increasing.

Roberts said Capetonians had "become accustomed" to reading about attacks on tourists, but when they witnessed them they did nothing to help the victims.
A LODGE AWAY FROM HOME
(MB) FRN 16.12.96

Clever positioning has enabled a selective service provider City Lodge Hotels to benefit from the tourist boom while avoiding the pitfalls of a full-service operation.

The interim to December shows group occupancies up to 82% (79%) and there is every indication that they will hold. With four chains across the spectrum, City Lodge is proof that the idea of high-quality, limited-service accommodation—in particular for business and international travellers—is a winner.

The group’s strength has several roots. Concentration on a niche market, paying keen attention to its needs and expectations, is perhaps the key. Management skill is also shown in cost-containment, which improved operating margins and translated a 21% rise in turnover into a 37% jump in pre-tax profit.

Ownership of the buildings that house the hotels is another advantage. Executive chairman Hans Enderle says the group is a property developer and a hotel manager, and the foundation of “bricks and mortar” gives shareholders a broader exposure.

Hotel ownership also carries financial benefits such as property allowances. “We like to have solid assets as well as the hotel trademarks,” says Enderle.

One drawback to internal develop-

ment is the scarcity of suitable and affordable sites. Enderle is also concerned that improved fortunes in the construction industry will raise building costs. The five luxury Courtyard suite hotels are fully operational and expansion plans for the City Lodges are on track. The balance sheet, with gearing of 20% and R11.7m cash on hand, is strong enough to provide at least some of the funding and Enderle is emphatic that he would not compromise investment and growth just to avoid debt.

Because the group has no interest in the casino industry, it has avoided the paralysis that afflicts other hotel operations.

A second Road Lodge, which caters for the budget end of the market, is scheduled for Cape Town soon. The 92-unit complex will cost around R8m or about R87 000 a room compared with up to R700 000 for a five-star room. Joint ventures in Zimbabwe should also get the go-ahead from the authorities soon.

On an historic p/e of 38.8 in a sector that is now averaging 34, the price of R37 may seem high. However, full-year earnings are expected to show similar growth—which gives a forward p/e of about 31. An acquisition is recommended. Margaret-Anne Halse
Trying to fill the gap

Developer of hotel is
Tourists and business men flock to South Africa and break record
Cities to launch protocol to attract conferences

BY STUART RUTHERFORD

Durban.- Tourism executives from Durban, Johannesburg, and Pretoria have also been invited to sign the protocol and participate in the executive meetings to be held several times a year. The move is in response to pressure from Durbancite.

Mr. Hirst said the public still did not understand the full potential of the convention tourism sector.

The director of tourism, for his part, said the proposals had been positive and he expected representatives of the cities to sign the protocol with "enthusiasm".

The project is expected to include the use of an "official" protocol to share information and guidelines on the operation between South Africa's major cities.

"Each city is now taking the proposals to their management board for approval, but we hope to launch international conferences in the country," said Mr. Hirst, adding the campaign would be launched by the end of the year.
What a year! SA tourists top a million

LINDSAY BARNES
Staff Reporter

"THANKS a 'million." That's the message to the record number of foreigners who toured South Africa in the past year.

The tourism industry clocked a first with 1,118,000 foreigners finding good reason to visit the country last year.

And the upward trend should continue as long as South Africa remains "flavour of the month", says Captour boss Gordon Oliver.

An all-time high of a million-plus people arrived between January and November, compared to under 700,000 for the same period in 1994.

The total number of foreigners who sought our sunny shores increased by 42.3 percent, according to figures released by the Central Statistical Service (CSS). More than 67 percent of visitors last year were on holiday while 20 percent were on business.

During 1995, 915,000 overseas visitors, excluding those from Africa, entered the country, an increase of 51 percent.

A bumper crop was expected to pour in for the Rugby World Cup but this did not materialise, and the annual lows of 55,000 to 60,000 were recorded in the months of May and June during the World Cup.
Tourism policy on schedule

Theo Rawana

PROGRESS towards a tourism White Paper was running well and on schedule and the document would be finalised and submitted to the Cabinet towards the middle of April, the environmental affairs and tourism department said yesterday.

The department said a national plenary session would be held on March 4 where a draft white paper would be submitted to all interested parties for comment.

A spokesman said EU tourism consultant Alunna Poon, who was seconded to the department late last year to assist in developing the White Paper, submitted an early draft of the document early this month.

"This document was distributed to members of the interim tourism task team (which consists of business, labour, government and community representatives), the interprovincial tourism committee and the MinMac (consisting of the minister and provincial tourism MECs)," the spokesman said.

"MinMac met in Pretoria on February 16 when Poon presented the draft document. The interprovincial committee and the task team will meet soon to discuss the early draft. These inputs will then be used to refine further the white paper." A national plenary was expected to be held on March 4 where the document would be submitted to interested parties for comment. "Based on comments received, the tourism white paper would be finalised and submitted to the Cabinet towards mid-April," the spokesman said.

The process had involved wide consultation with stakeholders in the tourism sector, including non-governmental organisations, business, organised labour, community organisations and members of civil society. This had resulted in the publication last September of a tourism green paper which served as a discussion document during workshops conducted throughout the country.
Kersaf boosted by surge in tourism, economic growth

Amanda Vermeulen

LEISURE group Kersaf Investments reported a 34% hike in attributable earnings after exceptional items to R138.6m in the six months to December, benefiting from increased economic growth and a surge in foreign tourists.

Earnings a share before exceptional items rose 19% to 147c (126c), with earnings after exceptional items reflecting a 34% improvement to 167c. An interim dividend of 90c (72c) was declared.

Chairman Buddy Hawton said improved margins, particularly at Sun City, lifted pretax profits 16% to R350.2m on turnover 10% ahead at R1.4bn, despite a 16.3% hike in interest costs to R31.4m.

Earnings performance reflected higher tax charges after Sun International SA’s (Sisa) earnings were subject to full SA legislation.

This was offset by the improvement in associate earnings boosted by City Lodge’s 47% hike in attributable earnings and strong trading by Bahamas resort Paradise Island. Positive exceptional items of R16.7m arose from the sale of a portion of the holding in City Lodge convertible debentures and project costs written off.

Hawton said Sisa had achieved satisfactory results, with an 11% improvement in earnings to R138.7m, a 13% increase in turnover and a three percentage point improvement in room occupancies to 71%. But casino revenues had been adversely affected by illegal casino operators, who had shifted towards slot machine gaming.

Margins improved after introducing cost efficiencies and a R24m rise in interest income. However, earnings were knocked down by a significant increase in tax.

Hawton said the draft national gambling Bill’s proposals could force the group to reduce the number of its casinos, but he hoped these restrictions would be imposed in a reasonable manner.

Another issue which would have major ramifications for the group was the level of taxation on casino operations. If the Katz proposals were retained, taxes would be punitive, affecting profitability, future growth and investment.

Interleisure’s earnings grew 16% before exceptional items to R24.6m and Ster-Kinekor traded strongly, achieving a 12% increase in cinema attendances.

City Lodge earnings were 47% higher at R15.2m, and room occupancies rose to 81%.

Douglas Green Bellingham reported a drop in earnings, mainly after pruning some of its brands to improve efficiencies, Hawton said.
Kersaf boosts earnings, 16%

Johannesburg — Despite pressure on San International's casino revenues, holding company Kersaf reported a 16 percent increase in earnings a share to 147c in the six months to December last year from 126c in 1994.

An interim dividend of 80c a share was declared for shareholders who wished to receive a cash dividend in lieu of the capitalisation share award.

San International dominated Kersaf's income statement, particularly at turnover level, where there was a 10 percent increase to R1.4 billion from R1.2 billion in 1994.

An improvement in operating margins from 28.6 percent to 28 percent produced a 16 percent advance in operating income to R381.6 million from R330.1 million in 1994.
Weary travelers met by thick, indifference at Jopurs.

For their Spartan Busha brothers,

Caught up in the euphoria,

I slowly walked in the surrounding.

The airport, Cape Town Airport, Mr. Henrie Haak, and my family was at the entrance. No, it was not the end of the world as we knew it. No, it was not the end of the world as we knew it.

The international airport was liquid, calm, and colorful. The airport was quiet, peaceful, and colorful.

Contact with Joburg.

Airport as a place for domestic flights.

Distant, but close by, near the entrance.

Long queues indicated childbirth.

CT 21/12/96
Durban to host Indian Ocean tourism body's meeting

Theo Rawana

DURBAN would strike a first for Africa by hosting the annual meeting of the Indian Ocean Tourism Organisation's executive committee next week. Satour said yesterday.

Satour executive director Mavuso Maimang said the meeting, at which members would discuss joint marketing strategies with relevant international and regional bodies, would serve to sustain SA's current tourism boom.

The organisation was founded in June to market and promote the travel, tourism and aviation industries of an initial 25 countries whose shores touch and are surrounded by the Indian Ocean.

Chairman Sir Harry Tirivagadum, who is MD of Air Mauritius, said the February 29 meeting would also discuss a proposed Indian Ocean regional tourism and air transportation seminar and a two-year series of nationwide training workshops for Indonesia.

These events would be sponsored by the organisation.

Tirivagadum said the choice of Durban came as SA's travel and tourism industry was poised to take a leap forward.

Maimang said the organisation had lined up three major events this year which offered both the trade and consumer quality promotion opportunities.

These were the Indian Ocean Tourism Fair in Jakarta from May 11 to 17, IOTO's Second Marketing Seminar on August 19 and IOTO's Adventure Travel Market on August 20 and 21 - both to be held in Perth, Australia.
Mbeki to launch Cape development

Own Correspondent

BISHO — One of the most ambitious projects undertaken in the Eastern Cape will be officially launched in Umtata today by Deputy President Thabo Mbeki.

The R1.2bn "priority development", was announced by Eastern Cape premier Ray Mhlaba last Friday, and is the first stage of a R8bn restructuring plan aimed at transforming the former Transkei into a tourist mecca.

Ultimately the development plan is to open a coastal route stretching from the Kei River to the KwaZulu-Natal border.

Mhlaba told the legislature the economic development of the eastern part of the province would involve the upgrading of access roads and other infrastructure, and investment in the promotion of tourism, agriculture and mining ventures.

Details of how the R1.2bn will be allocated will be announced by Mbeki this morning.

Moves to correct the imbalances existing in Transkei were initiated by President Nelson Mandela at the beginning of October last year.

Minister without Portfolio Jay Naidoo and Mhlaba later visited six Transkei towns to assess the level of these imbalances.

They found that more than 75% of the population did not have a water tap on their property, did not have access to a telephone or electricity, proper sanitation or refuse removal.
Olympic job for fighting Griffiths

DALE GRANGER
STAFF WRITER

FIRED Sarfu chief executive Edward Griffiths has been hired for a crucial job in Cape Town’s Olympic bid — and has vowed to defend his “integrity and reputation” in the wake of his dismissal.

Griffiths has been hired by Churchill Murray Publications on a three-month contract to prepare Cape Town’s Olympic bid document, which must be submitted to the International Olympic Committee in August.

Griffiths said yesterday he would be demanding a reason for his dismissal through lawyers who will also seek an unfair labour practice ruling from the Industrial Court.

Griffiths has been stung by controversial rugby supremo Louis Luyt’s comment that the reason he was fired was “too embarrassing” to mention in public.

He said that despite requests Sarfu had still not given him “a clear and coherent reason” for his dismissal, adding that Luyt’s statements were “nothing less than an incitement to rumour.”

He said his new career path toward the Olympics was “quite a relief”, but “some people still want to know why I was fired and as long as that question is unanswered there remains a stain on my reputation.”

Churchill Murray chief Mr Paul Bell said Griffiths was ideally suited to write and edit the Olympic bid book with his team.
R8-billion plan to transform Transkei into tourist mecca

POLITICAL STAFF

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Ultimatly the plan is to open a coastal route stretching from the Kei River to the KwaZulu-Natal border.

Mhlaba said the economic development of the eastern part of the province would involve upgrading access roads and other infrastructure, and promoting tourism, agricultural development and mining ventures.

Moves to “correct the imbalances” in Transkei were initiated by President Nelson Mandela at the beginning of October last year. By the end of October, a special RDP task group had been formed to develop a joint strategy.

Minister without Portfolio Jay Naidoo and Mhlaba later visited six Transkei towns, finding that more than 75% of the population did not have a water tap on their property, did not have access to a telephone or electricity supply to their property or proper sanitation or refuse removal.

It has been recommended that the private sector should “manage” the public service in Transkei for the next two years, while the new public servants concentrate on managing the remainder of the province.

A project team has been created, with experts in the technical, local government, finance and safety and security fields, and representatives of labour and business will serve part time.
Mbeki to launch Cape development

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Black business group claims Olympic bid company is reneging on agreement.

We're left in the cold.
GLOBAL competition in service excellence was so high that none of SA's establishments had appeared in one of the world's most influential accommodation guides, Satour said at the weekend.

Satour standards director Greg MacManus said SA's establishments did not feature in the list of resorts on the American magazine Conde Nast Traveller's Annual Gold List of Best Places Worldwide, said to be "the industry's bible".

It covered destinations ranging from grand hotels to wilderness lodges.

Africa was represented by one entry each from Egypt, Kenya and Morocco.

"While SA is increasingly regarded as an attractive foreign tourist destination, the tourism industry needs to be mindful of competitive offerings and ensure that our standards are at least on par with what is available worldwide," MacManus said.

"Standards across the globe were becoming higher, and SA could not afford to lag behind if the country was to realise its abundant potential," he said.

"Our first challenge as a country and an industry is to see that our top destinations attain the levels required in the Conde Nast magazine's annual gold list of best places to stay worldwide."

MacManus said the starting point was the Satour Tourism Awards, which were now in their second year and were designed to recognise and encourage high service standards in the tourism industry.

The awards were launched last year to recognise establishments with globally competitive standards.

"It is through creating an awareness of internationally acceptable standards that the tourism industry will fulfill its potential and emerge as SA's largest earner of foreign exchange," MacManus said.

He said the consumer could also make a contribution to the tourism industry, not only by continuing to be helpful and friendly, but also by nominating the best establishments for the Satour Tourism Awards.
Hotel and casino deal could bring R1bn to SA

By Simon Jones

Durban — Investments worth about R1bn could flow into South Africa and southern Africa over the next eight years, following a strategic alliance between American hotel chain Days Inn and casino operators Ondie Sharp Southern Africa (OSSA).

"Should the appropriate gambling licences be approved by the authorities, the joint venture will result in the development of 15 local casino and gambling operations, with supporting hotels in South Africa, Lesotho, Swaziland, Namibia and Zimbabwe," said Ondie Sharp, CEO of OSSA.

"According to Days Inn spokesman Owen Holland, if the gambling licences are refused, the hotels will be developed as satellite multi-million rand entertainment entities. Details of the form these will take are not yet available." Holland said in addition to the 15 potential casino projects, Days Inn was also looking to collaborate with various franchise holders in developing between 25 and 45 two, three and four-star hotels.

The first R16m four-star Days Inn East London opened with construction starting in March. This will be "closely followed by" a R12m bushtel lodge in Phalaborwa, near the gate to the Kruger National Park.

He said the next project on the drawing board was a casino resort at Strandfontein on the False Bay coast, "Negotiations with one of South Africa’s largest oil companies for the establishment of a hotel as part of a petrol stop complex along a national holiday route were also "pretty much finalised".

Holland also confirmed that further possible developments included: one in Mozambique and Namibia, five in the Cape Town CBD, some in both the Eastern and Western Cape, developments in the former Transkei, three in Zululand and two along the KwaZulu Natal north coast.

Holland explained that Days Inn of Southern Africa was a franchise similar to its American parent — which is in turn controlled by the Hospitality Franchise System (HFS), which services more than 250 casinos overseas — investment would come via franchise holders, most of whom were South Africans.

In exchange, franchise holders would buy into HFS’s international reservations system, believed to be the largest of its kind in the world.

Holland said franchise holders would be drawn from the entire spectrum of South African investors. However, both Days Inn and OSSA intend concentrating on RDP inspired initiatives and will provide extensive support and training for emerging entrepreneurs.
SA must capitalise on tourism - Mbeki

430 000 jobs could be created

MAUREEN MARUD
Business Reporter

SOUTH Africa has been slow to capitalise on tourism, one of five sectors of the economy that will drive future job creation, says Deputy President Thabo Mbeki.

Tourism's potential for creating work and foreign exchange earnings "must surely compel us to move faster in this area," Mr Mbeki said in Cape Town at the inter-governmental forum on the draft growth and development strategy.

"Currently tourism accounts for two percent of the GDP compared to six percent worldwide, and for only four percent of employment, compared to eight percent worldwide," Mr Mbeki said.

"Reaching international levels would create as many as 430 000 jobs."

The other job-creating sectors he said had been identified by various government departments and the growth and development strategy draft document were manufacturing, mining, construction and engineering, and the financial and administrative services.

"Infrastructure provision will no doubt be one of those areas where we can generate high levels of employment while meeting people's basic needs," he added.

"Significant trade-offs, compromises and sacrifices" were necessary to meet high-level targets for the country's development objectives.

Major budget shifts, gains in productivity, fiscal discipline, restructuring the civil service, tariff reform and a transitional period of hard work were all necessary to achieve a competitive economic plateau, Mr Mbeki said.

"It involves innovative strategies to enable us to create new economic activities."

Mr Mbeki said the process of opening up the economy in a way that minimised short- and medium-term damage to industries and employment in South Africa had to strike a balance between labour-absorbing economic growth and high-tech modern forms of production, often essential to penetrate export markets.

"It is in this context that the process of trade reform must of necessity be accompanied by supply side measures to help sectors to adjust to the new competitive situation."

Mr Mbeki identified what he described as "high level targets" that had to be met to reach the country's development objectives.

These were:

- The annual creation of 800 000 to 100 000 new jobs by the year 2000;
- Sustained annual GDP growth of at least six percent by the year 2000;
- A doubling in the share of national income, including government services and household infrastructure, received by the poorest households; and
- Provision of basic household infrastructure to all by the year 2005.
The host or not to host the Games?

That is the question taxing the minds of many Capetonians, including its environmental community.

One of the most influential members of this community, the Western Cape branch of the Wildlife Society, has made its decision, and last night host- ed a meeting of environmental and developmental organisations under the banner "Olympics: An environmental threat towards a collective and co-ordinated solution."

In a letter sent out to publicise the meeting, the society said it could not support Cape Town's bid, "as we believe it will fail to contribute to the sustainable development of the city and its people."

The environment was the third pillar of Olympicism - the other two being sport and culture - but this had not been addressed adequately in the bid process, the society charged.

"The structure and the process for decision-making have not been participatory and civil society has been afforded no real influence in the process or the development of the concept plan," the society said.

"The involvement of environmental non-governmental organisations and community-based organisations at the supra-local level is paramount to the Cape metropoli- tan environment being accorded its rightful place, on which all development is dependent.

"At this stage, the environmental pillar of the Cape Town 2004 bid has no foundation, and we therefore see the current efforts of the bid team to engage organisations in looking at details of Olympic sites as co-option into a flawed process."

"The environmental community in the Western Cape, under the auspices of the Western Cape Branch of the Wildlife Society, is highly concerned about the implications of the bid for the environment - both in Cape Town and across the country."

"The bid company has not engaged with us in a meaningful way, despite repeated calls for consultation.

"The environmental threat to the Cape Metropo- lan area from the Olympic Games bid is significant, and we urge all Capetonians to consider the implications for our environment before making any decisions in support of the bid."

The society's Western Cape ecolo- gist, Marlene Lamos, who attended a "Sport and the Environment" conference at the headquarters of the Inter- national Olympic Committee (IOC) in Lausanne, Switzerland, last year is deeply concerned about the implications of the Cape Town bid.

"The compressed time-frame of the planning process, which could lead to environmental considerations being compromised;"

"The possibility of inadequate environmental impact assessments (EIAs) of sites and facilities, and associated public involvement, due to the time frame;"

"The lack of multi-disciplinary input into conceptual planning studies; and"

"Time restraints which have led to the lack of integration, in the concept planning process, of the local and surrounding environment and commu- nities."

Ms Lamos said her concern is greatest with the biggest potential environmental impact of hosting the Games - the need to appropriate land for venues and the surrounding environment and communities.

Ms Lamos said she considered the biggest potential environmental impact of hosting the Games was the need to appropriate land for the city and the skyway functioned, the movement of people and goods, transport efficiency and energy.

"The Olympic Bid Company's plan- ners have stated that they are using the Metropolitan Spatial Development Framework (MSDF), which recom- mends certain development nodes and corridors as a means of transforming the city so that it works more efficiently.

"The MSDF is a spatial development framework - it's very important to remember that - and deals with land use, but on a very large scale, and it's always been a concern that the MSDF needs to be translated to a local level with greater local participation.

"I'm really concerned that we're committing ourselves to the bid document, committing ourselves to doing things that we haven't thought through properly. That's our biggest fear."

"The bid company would not confirm to environmentalists how envi- ronmental impact assessments (EIAs) of the proposed sites would be used, Ms Lamos said.

"Will EIAs be decision-making tools or reports on the mitigation of environ- mental impact?"

"And will a strategic environmental impact assessment, or global EIA, inform the decision of whether or not to host the Olympic Games?"

"Such a strategic assessment would
"Sport and the Environment" conference at the headquarters of the International Olympic Committee (IOC) in Lausanne, Switzerland, last year is deeply concerned about the environmental implications for Cape Town and, in a wider context, for Africa.

"It really revolves around the amount of time left in the bidding process, and people feeling they haven't been involved at the right levels," Ms Laros said.

"As we indicated at our meetings at the Civic Centre in May and June last year, we were worried about this lack of involvement and we wanted to initiate something. That's been a concern of the NGO (non-government organisation) sector all along.

"We feel the environment is a priority in terms of the Olympic Bid, and sufficient attention should have been given to this right from the start.

"There was supposed to be an environmental taskforce, and we don't know whether it exists and, if it does, who's represented on it.

"We believe we have made an effort to focus the process on the environment and the sustainable development of Cape Town.

"However, we want to engage you at a level where we feel we are making a difference and having an input to decision-making. But, people believe our questions aren't being answered and it seems as if the whole environmental aspect isn't being taken seriously."

Ms Laros described the IOC as a "multinational company", and said her experience in Lausanne had made her aware of the contrast between the priorities of the Olympic movement and those of reconstruction and sustainable development.

"It's a franchise you buy into, and the question is whether we should be buying into this in the first place. Fundamentally, commercial and public money is going to the Olympics instead.

Ms Laros said she was also deeply concerned that the social environment did not seem to be getting sufficient attention.

"My perception is that the IOC's definition of the environment is limited to the biophysical. Basically, it doesn't stretch the concept of the environment beyond that which influences the athletic ability of the Olympic competitors - clean air, clean water, and so on."

But what are the principal environmental threats posed by hosting the Olympics?

Ms Laros points to a statement of environmental concern that followed a meeting in November of a multidisciplinary group of scientists and planners that included some proposed Olympic sites.

The group expressed concern at the potential for enhancing and upgrading environmentally disturbed sites, and the restructuring of an ineffective and inefficient city, which the staging of the Olympic Games could afford.

But it also expressed a number of concerns about environmental and planning issues. These related to:

environmental impact.

"And will a strategic environmental impact assessment, or global EIA, inform the decision of whether or not to host the Olympic Games?"

"Such a strategic assessment would incorporate all aspects of the environment."

Is there any way in which the environmentalists who have withdrawn from the bid can be brought back? An environmental charter is needed to define the conditions under which the Olympics could go ahead in Cape Town in an environmentally sustainable way, Ms Laros says.

"The charter must be legally binding on all the signatories - on the city, on the NGOs and on the bid company and its successor. That is a precondition for critical engagement."

The bid company had suggested parallel processes, doing site assessments and drawing up an environmental charter at the same time, Ms Laros said, but the environmental charter and policy frameworks had to be in place before site assessments could be addressed.

"We need to establish what the principles are and establish first the policy framework for the Olympics from an environmental perspective - for example, habitats which are threatened or which have high diversity will not just simply be developed."

What about the Olympics as a catalyst for change?

"You've got to be sure that it's going to benefit the people you want it to benefit, and I really don't think we've got that sorted out."

"The small business sector suffers - that's documented through research by the Development Action Group and perhaps there are all sorts of ways to ameliorate that, but our concern is sustainability."

There will be a huge rush of people looking for jobs if the Games are held here, Ms Laros predicts.

"There will be internal migration as well as illegal immigrants from outside Cape Town and South Africa."

"It's a more acute problem here because of the environment we have and the diversity of the Cape Peninsula."

"You have to understand we're sitting on one of the most species-rich areas in the whole world, and we've lost such a lot."

"The habitats of the Cape Flats are hopelessly under-represented in formal conservation areas."

The NGO (non-government organisation) environmental sector had been working towards an environmental policy in partnership with the Cape Metropolitan Council and the Cape Town City Council, Ms Laros said.

Local Agenda 21 - the sustainable living framework developed at the Earth Summit in 1992 - and its implementation in metropolitan Cape Town were seen as a priority by the Western Cape branch of the Wildlife Society.

"Clearly, addressing the problems of poverty and environmental degradation in our city is the only rational priority.

"Efficient, equitable and sustainable land-use defined through public participation can therefore not be compromised," he said.
White paper suggests SATOUR be replaced

Theo Rewana  

SATOUR will be replaced by a tourism development authority if the recommendations of the draft white paper on the national strategy for the development and promotion of tourism in SA are adopted.

The document is also believed to provide for the environmental affairs and tourism ministry to be replaced by an environmental co-ordination and tourism ministry, with the tourism division not being "simply a subdivision of the environment" but sharing the ministerial portfolio with the environment.

The document points out that, with government structures not having the flexibility, resources or the financial clout to effectively implement it, it is important that the statutory agency (the SA Tourism Development Agency) with an independent budget, takes the lead in promoting and developing tourism and implement projects of national significance.

The representation, structure, organisation, management, leadership and staffing of this organisation will determine the success of the tourism initiative, sources said.

The authority will report directly to the minister and be governed by a board of directors that will be representative all segments of the tourism industry including airlines, ground transport, tourist accommodation, tour operators, national parks, culture attractions and ancillary services.

The document is to be submitted for discussion by all tourism stakeholders in Pretoria on Monday. The white paper will be finalised and submitted to the Cabinet towards the middle of April, according to the tourism department.

The draft white paper said that the international trend was move away from tourism boards to the formation of more comprehensive tourism development agencies.

The proposals and responsibilities of the development agency would include product development, marketing, promotion and public relations, research and market intelligence.

The document also stated the need for a strong statutory body whose functions extended beyond tourism promotion and encompass product development and other functions.

Six provinces to close books by June

Linda Ensor  

CAPE TOWN — Six provincial finance departments expect to close their books by June, despite reports last week from the auditor-general that provincial accounts were in miserable shape.

Gauteng, KwaZulu-Natal and Northwest said yesterday that they were on track to close their books by the end of next month, while the Eastern Cape, Northern Cape and Western Cape expected to complete their books by the end of June.

The Free State, Northern Province and Mpumalanga failed to respond to inquiries about their situation.

Several finance MECs objected to auditor-general Henri Kruysen's report to the parliamentary standing committee on public accounts that many provinces had failed to reconcile their books since April last year and were failing to perform basic accounting functions. But Kruysen said yesterday he stood by what he had said and had no reason to retract it.

"We will have to await the audit reports," he said.

"The bottom line is that they cannot say I didn't warn them."

Gauteng has already rejected Kruysen's findings, while KwaZulu-Natal finance MEC Sonzele Mhlungu said the province's books had been closed until November last year.

"Bank reconciliations are done on a daily and a monthly basis," he said.

The Western Cape said monthly bank reconciliations had been hampered by administrative changes. But such problems had been resolved by January and reconciliations at central level had been completed until end-June last year.

By next month, the books would have been closed up to the end of December.

Northern Cape said its books were reconciled and closed until end-June last year. It added that it was scheduled to finalise the 1995/96 books by the end of April and to finally close them before June 30 this year.

It said problems had been caused by the introduction of a new banking system last year, but that all banking transactions were now reconciled on a weekly basis and were due to date to February 19.

Northwest province's books were reconciled until the end of December and it was on track to close them in good time. This was despite the accounting backlog and books that had not been closed since 1991/92 which it had inherited.

The Eastern Cape's accounts were reconciled up to end-November, with only three reconciliations relating to grants of the former Ciskei and former Cape Province Administration still outstanding. The province planned to close its 1995/96 books on May 16.

Auditors said problems encountered included the "small part of the rationalisation process in the financial division of various ministries" and the fact that the various ministries had inherited different accounting systems from former administrations.
‘Focus on people crucial for bid’

‘Green Team’ concerned over environmental controls

AS the official deadline for submitting Cape Town’s bid to host the Olympic Games in 2004 draws rapidly closer, prominent environmentalists have come out against the bid saying the environment has not featured sufficiently. But, the Bid Company insists there will be proper environmental controls. This is the second in a two-part series by Environment Reporter JOHN YELD.

WHEN the organisers of the 1994 Winter Olympics, held in the small Norwegian town of Lillehammer, decided they wanted to build one of the new facilities—a bird sanctuary, local environmental groups threw their proverbial toys out of the cot.

The end result? The disputed facility was moved to a less sensitive site.

The infrastructure for the Norwegian Games, considered one of the most successful yet, was developed according to strict environmental principles, and the environment was elevated to the status of one of the three pillars of the modern Olympic movement, along with sport and culture.

These days the International Olympic Committee (IOC) has a fully-fledged Sport and Environment Commission, headed by one of its four vice-presidents. President of the National Olympic Committee of South Africa (Nocsas) Sam Ramosamy is one of its members.

Sydney is acknowledged to have won the nomination to host the 2000 Games primarily because of its “green” bid. It is ironic, therefore, that none of the Lillehammer sites was subjected to an environmental impact assessment (EIA) before being chosen, says Mary Jane Morris, the environmental scientist who has been seconded from Caltevec to work for the Bid Company under Peter de Tolly, Cape Town’s deputy city planner, who heads the bid company’s Planning and Environment Section.

A town of only some 24,000 inhabitants, Lillehammer was crammed with up to 100,000 visitors a day and a total of about one million for the 16-day event.

It is experiencing some post-Games problems. For example, the community struggles to maintain some of the more specialised facilities, such as the obbleigh course, and the big arenas are seldom full. But, overall, the impact has been minimal.

In Sydney, some social impact assessments are still being done, three years after the city won the bid. One of the equestrian sites may be moved because of environmental concerns. “A lot of the decisions are being made in the post-bid process, which is surprising,” Ms Morris says.

The message from Lillehammer and Sydney is clear, she suggests: Nothing is cast in stone, in spite of the notion that the Bid Document is a binding contract with the IOC and that all the guarantees given in it are legally binding on the host city. Also, environmental planning is a process that extends through and beyond the handing in of this document.

“The standards of a planned facility can’t be renegotiated, but the actual site can, that is, you have to produce the same ‘product’ for them. There is a degree of flexibility,” Ms Morris said.

Ms Morris, who has just returned from Lillehammer, where she attended a Sport and Environment conference, is responsible for co-ordinating Theme Four of the IOC’s Manual for Candidate Cities, which deals with the environment.

“The IOC has been saying that the Games need to be scaled down, but what does that actually mean in practical terms? It’s not so easy,” she told The Argus.

Sydney was taking a significantly “hi-tech” approach to the Games, she noted.

“But, there is no sensitivity to the fact that this technology may not be appropriate for developing countries like those in Africa, and that is of deep concern.”

Cape Town’s focus on people and on the social upliftment process was crucial to its bid, Ms Morris suggested, and it was this aspect that set it apart from other cities in the 2004 race.

“There is a huge amount of interest in Games’ circles overseas about South Africa, and people are looking at Cape Town to put some of the human values back into the bidding.

“One of the key messages to come out of Africa in terms of sustainable development is that of simplicity and of the strong ties between people and the land.

“The message from this continent is the need to be less resource consumptive, to live within the carrying capacity of the ecosystems, or Mother Nature, or whatever you want to call it.”
Street people ‘could hinder Cape tourism’

Municipal Reporter

TOURISM and business in Cape Town will suffer if the problem of street people continues, a city councillor has warned.

During a Cape Town City Council debate yesterday on proposals to deal with vagrants, Clive Keegan said concrete plans must be made and money spent on the problem, otherwise, in five years’ time, when the whole city is awash with marauding bands of feral children, we will assemble again and say: ‘Let us do something!‘

The council’s housing committee proposed the adoption of a report arising from a conference on the issue.

Among recommendations by the council’s housing committee were that the city administrator liaise with government bodies and welfare organisations on problems identified by the city; that it declare its support for the resolution of problems; and that department heads should act when possible.

The council agreed with Mr Keegan’s proposal that the report be referred to the committee for further recommendations.
Hoteliers pledge to project name.

The Argus.
Business Day, Friday March 1, 1996.
This will help make Atlanta one of the major sports centres in the world.

One of the lasting reminders of the Games will be the $57-million (R228-million) Centennial Olympic Park, hewn out of derelict warehouses and office buildings in downtown Atlanta.

Atlanta’s universities will also inherit many Olympic facilities:
- The $47-million (R188-million) worth of new dormitories built to house athletes in the Olympic village.
- The hockey stadium at Morris Brown College which will become a football stadium for the college team; and,
- The $24-million (86-million) Olympic swimming pool which will be given to Georgia Tech.

Less directly, the Games have been a spur to other developments such as housing. The Centennial Olympic Park Area (Copa) is an organisation formed to exploit the opportunity of the new park to develop surrounding housing and entertainment to revitalise the previously-shabby western downtown area.

Much of the housing will be used to accommodate Olympic visitors and the high rents they will receive have made many otherwise unfeasible projects viable for developers.

The developments there and around other Olympic venues will add more than 6,000 housing units to the city.

The airport has been expanded and beautified, streets have been widened and planted with trees, and rotting bridges have been replaced or renovated to help cope with the influx of more than two million visitors and to put the best face on the city.

Another legacy which Atlanta wants from the Games is investment and so Atlanta businesses have launched Operation Legacy.

It is a campaign to bring hundreds of selected top corporate executives to Atlanta before and during the Games to showcase the city and persuade them to relocate.

The target is to stimulate the relocation of 20 major companies, creating 6,000 direct and 12,000 indirect, service-type jobs.

The executives will be told that since winning the Games bid in 1990, Atlanta has been ranked by several major publications as the best city in which to do business.

The Atlanta Chamber of Commerce has undertaken a marketing campaign, Forward Atlanta, to exploit the momentum of the Games and the Georgia state administration has received $8 million (R128 million) from the state assembly for a marketing campaign Georgia Global Now.

About 77,000 jobs will be created, throughout Georgia, most of them in Atlanta as a direct result of the Games.

Since Atlanta won the Games bid in 1990, 330,000 jobs have been created as a result.

One of the biggest legacies of the Games will be the world-wide publicity, most Atlantans agree.

“When we started a five-year marketing campaign in 1992, we said Atlanta should be thought of in the same vein as New York, London or Tokyo. We wanted a world image,” says Jerry Bartels, president of the Atlanta Chamber of Commerce.

“We think we are now awfully close to being so regarded as a world-class city...”

But, perhaps the most important legacy will be the shared pride the city’s people feel at hosting the Games.

“It has bound the city together more than anything else,” says Mr Bartels. “We are more close-knit than ever before.”
The Neighbourhood Job Training and Employment Programme aims to train and employ at least 300 workers on the construction of Olympic venues.

The Construction Related Employment of Women (CREW) is a Georgia state programme funded by the federal government to train and employ people in Olympic construction jobs.

Many of the 6,000 housing units being built because of the Games will be made available to the poor.

Several huge, ugly and unsafe public housing projects are being torn down near the Olympic stadium and replaced with a mixture of subsidised and market-related housing to avoid "ghettoising" the poor.

Atlanta Mayor Bill Campbell also points out that many of the 77,000 jobs which the Games will bring to the state are lower-skill and construction jobs benefiting the poor.

The Games also have played an important role in securing government and private grants for community projects such as the $100-million (R400-million) federal "empowerment" grant.

During a speech at the Atlanta Committee for the Olympic Games, President Bill Clinton said the hosting of the 1996 Games was a critical factor in distinguishing the city from other applicants for the Empowerment Zone grant.

ATLANTA is the birthplace and the burial place of America’s great civil-rights champion, Martin Luther King.

His protégé, former mayor Andrew Young, chairman of the Atlanta Committee for the Olympic Games, was eager that the rising tide of the 1996 Games should "lift all ships".

Several of the Olympic venues have been sited on the campuses of historically-black universities, such as the $11-million (R44-million) basketball arena on Mr King’s own alma mater Morehouse College. It will be given to the university after the games.

Morris Brown College and Clark Atlanta University also will receive new football and athletic stadiums, converted from Olympic hockey stadiums.

The Olympics also inspired several job-training programmes.

Clark Atlanta University and Atlanta Olympic Broadcasting have launched a programme to enable students to broadcast the games.

Spin-offs abound for the poor in the home of civil rights movement.
Atlanta all set for influx of 2.5 million visitors

Atlanta is America's second-largest convention centre and so, rather remarkably, feels no need to add to its present 60,000 hotel rooms to accommodate the 2.5 million visitors who will descend upon it this summer for the Olympic Games.

But, to ensure Olympic lodging and prevent price gouging, the Atlanta Olympics Game Committee (Aocg) has formed the Hot Sale Network of 450 hotels in Olympic venue cities which have committed 80 percent of their rooms for the Games and agreed to tariff restraints.

This has provided about 45,000 hotel rooms where Olympic-season tariff increases over 1994 rates can be no more than twice the inflation rate between 1991 and 1994.

This means in effect that the Olympic tariffs can be no more than about 15 percent above the 1994 tariff.

Aocg is also supplementing hotel accommodation with a pool of private homes and apartments.

Private Housing 1996, a private company approved by Aocg, finds private homes for visitors at fair prices.

So far it has signed contracts with about 7,000 house- and apartment-owners to market their homes during the Games.

Many Atlantans are moving in with friends and relations to rent out their homes and make some money.

The rents are set by Aocg to be slightly less than the tariffs for a hotel suite, which means a rate per bedroom per night of about $150 (about R100) to $450 (about R300). A three-bedroom house near the bottom of the market, rented for the minimum of six days, would cost $2,700 (about R1,800).

Private Homes inspects the homes to ensure Aocg's rates are not exceeded. Hoteliers calculate that about 60 percent of visitors to the Games will stay with family or friends.

Bill Howard, vice-president of the Atl. Convention and Visitors' Bureau, said the Olympics were the largest event Atlanta was likely to host, so it didn't see any point in building more than the present 60,000 hotel rooms.

Since some hotels within an hour's drive of the Games site, he believed it had not erred in deciding not to build more hotels.

Atlanta's top hotels have joined forces to each other maintain a high quality of service during the Games and to present a good image of the city to the world.
John Yeld, Environment Reporter

One of the down-sides of this amazing transition of ours to a fledgling democracy — and we can be grateful there have been so few — is that debate in areas other than straight politics has been stifled.

Or perhaps "stifled" is the wrong word. A better way of putting it probably is that it diverted attention away from, or drew the energy out of other debates. And one such debate which should have been enjoying centre stage because of its huge potential impact, at least in Cape Town, is the bid to host the 2004 Olympic Games.

In particular, debate on the possible environmental consequences of winning the bid has been too low-key. Consequences could include being able to develop a more sustainable, equitable and environmentally friendly city — or the further destruction of the Cape's already greatly reduced natural heritage. We have to debate, discuss, argue and talk if we are to achieve the former and avoid the latter.

The most crucial question is whether Capetonians actually want the Games, and whether — before they make such a decision — they are fully informed of the potential positive and negative impact it could have in the area.

You might think it's an odd time to be asking such a question, with the deadline for submitting a bid almost upon us. But even the most ardent supporters of the bid will have to admit that people of the metropolis have not been asked in any meaningful way for their opinion. And the decision to go for the bid, at the most basic level, was taken by the Cape Town City Council which was not fully representative — and still won't be until after the local government elections.

Bid company chief executive Chris Ball quotes a poll showing that some 80 percent of the people of Metropolitan Cape Town support the notion of hosting the Games. Let's see the details of that poll — how the sample was selected, what the questions were, whether respondents were questioned in their first language, and so on. And let's have it peer-reviewed. Then we can be sure it is valid. And why shouldn't there be a full referendum, as suggested by city councillors Clive Keegan and Arthur Wernburg?

Another question which needs to be debated is why we shouldn't avoid the present rush by going for the 2008 Games instead. There may well be a "never-to-be-repeated window of opportunity" now that we need to take advantage of, but we need to be convinced of that.

A third question, and the most directly environmental, is why there are not professional environmentalists or ecologists on the board of directors of the present Bid Company. Almost all other interest groups are represented — why no Greens?

The International Olympic Committee (IOC) sets great store by the environment. Indeed, with sport and culture, it forms the three pillars of the modern environmental movement. The lack of environmental expertise (as opposed to well-meaning concern) at the core decision-making end is inexcusable, and the politicians need to take corrective steps urgently.

That hosting the Games in Cape Town in 2004 holds huge potential benefits for transforming the currently unsustainable, apartheid-planned city is incontrovertible — but equally so are the potential damages of environmental degradation and the further loss of the Cape's unique biodiversity.

The debate must continue.
‘Tourism for all’ by new Captour head

Municipal Reporter

NEW Captour chairman, Usman Ahmed, has pledged to bring the benefits of tourism to communities previously excluded from the industry.

Mr Ahmed, managing director of Flyway Travel, succeeds Ted Partlabeen as head of Cape Town’s tourism organisation.

Captour chief Gordon Oliver welcomed the election of Mr Ahmed, saying that his experience in tourism made him ideally suited to the task.

Mr Ahmed also wants Cape Town to remain the “number one tourism destination in South Africa”.

Cape Town is undergoing major change and I am proud to lead the new and more representative board of directors and management into an exciting and challenging future in which tourism works for everyone,” he said.

A comprehensive guide to the Western Cape’s main tourist attractions will appear daily in The Argus from today.

It contains useful information on where to go, what to see and when, such as what’s on at the Castle, what time the Table Mountain cableway opens and how to find out more about the Stellenbosch Wine Route.

Make the most of the beautiful Cape by using the Cape Tourist Guide, daily in The Argus. See page 14.
Tourism potential ‘is not exploited’

Theo Ravens

About 7 000 overseas visitors were victims of crime in 1994, and only one-third of departing visitors regarded personal safety in SA as very good, the draft National Strategy for the Development and Promotion of Tourism in SA says.

The document, the fourth draft of the Tourism White Paper which was discussed by a plenary session of tourism stakeholders yesterday, cites the “growing proportion of crime and violence meted out not only to visitors but to residents alike” as one of the immediate problems facing tourism.

However, Environmental Affairs and Tourism Minister Dawie De Villiers said after the plenary session that petty crime was not keeping tourists from visiting SA. He said the strategic tourism security task team, set up last November to formulate policy to curb crime against tourists, was working well and had started some projects.

The draft document said only 10% of SA’s tourism potential was being exploited. A threefold increase of this sector’s contribution to the economy by 2000, creating 2-million jobs, was a real prospect. About 480 000 jobs are currently generated by tourism.

However, the paper said several factors hampered the growth of the industry. Among these was the attitude of government, which did not view tourism as a priority. Only marginal resources were being devoted to promoting the sector, it said.

Another factor was “the myopic private sector”. Hotels tended to look after only their hotel business, leaving the rest to government. “Hotels and other tourism establishments need to begin to play a far more active role in influencing the quality of total visitor experience in SA,” the paper said.

The document accused most tourism enterprises of providing mediocre service. “There is little excitement in delivering service or to go the extra mile to satisfy the customer.”

Local communities and previously disadvantaged groups also had to be involved in tourism, reversing the perception that tourism was “a white man’s thing”. It said tourism, more than any other sector, could be the basis for and sustain government’s RDP.

The industry was labour-intensive, employed a variety of skills and could bring development to rural areas.

Targets set by the discussion paper included a sustained 20% increase in the number of visitors in the next four years, bringing to 8-million the number of visitors by 2000.
Tourism potential 'is not exploited'

Thabo Ramatsi

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Game lodge portfolio gets boost

Robyn Chalmers

CONSERVATION Corporation Africa is to boost its game lodge portfolio to a total of 14 properties across Africa in the run-up to the company’s proposed listing on the JSE and in London next year.

The corporation, which changed its name from the Conservation Corporation yesterday, is set to open six new lodges in SA, Zimbabwe and Tanzania as part of its major expansion drive this year.

Deputy chairman Alan Bernstein said yesterday that R24m would be spent on development projects within the next few months, including R16m at Matetsi in Zimbabwe and R14m redeveloping the Ngorongoro Crater Lodge in Tanzania.

In addition, R10m would be invested at Makalali in the Mpumalanga lowveld, R10m in the Phinda Resource Reserve in KwaZulu-Natal and nearly R4m refurbishing Londolozi and Kichwa Tembo camps.

Bernstein said the Makalali Private Game Reserve would open in the Mpumalanga lowveld in May. Two lodges in the new Matetsi private game reserve near Victoria Falls were scheduled to open in July.

The current development of two new lodges at the 17 000ha Phinda Resource Reserve in KwaZulu-Natal and the total redevelopment of the Ngorongoro Crater Lodge were scheduled for completion by the end of the year.

Bernstein said that with its extended range of 14 properties and more than R200m invested to date, the company was well prepared for its proposed listing on the Johannesburg and London stock exchanges next year.

“We moved into a profit at the end of last year after five years of operation and our decision to embark on a period of development and acquisition is in line with the proposed listing next year,” he said.

The organisation was founded in 1990 as an investment and conservation development vehicle for sub-Saharan Africa, using the medium of ecotourism to boost international interest in rural Africa’s natural resources.

Conservation Corporation Africa recently concluded a partnership with Zimbabwean company Chizim Investments and government-owned Rainbow Tourism Group over the development of Matetsi — a 500 000ha reserve.

Negotiations were also under way for the acquisition of four lodges in the Serengeti, which would give the company a strong presence on the northern Tanzanian circuit, including Lake Manyara and the Zanzibar coastline.

Final discussions were also being held to secure a desert lodge in the Kalahari for the company.

Bernstein said the Phinda Resource Reserve — one of the company’s first projects — could eventually be sold to the state to ensure it was preserved in good condition for future generations.

The project initially involved the consolidation of 7 500ha of farmland between Mkuzi Game Reserve and Satiwana State Forest, just north of Lake St Lucia.
SA’s slow tourism growth under discussion

BY BOSBY BROWN

About 7,000 foreigners were victims of crime in South Africa in 1994 and this, along with a lack of co-ordination between government departments and a lack of enterprise in the private sector, was primarily responsible for the slow development of the tourism industry, a new discussion document says.

The document, released by Tourism Minister Davis de Villiers in Pretoria yesterday, calls for greater co-operation between government departments such as transport, safety and security and justice.

It also calls for the deregulation of the airline industry by the year 2000, and privatisation of South African Airways, to ensure affordable airfares.

The Government’s attitude towards tourism is a huge stumbling block, the document says. Only marginal funds are made available from the annual Budget, De Villiers added.

The report says local communities and previously disadvantaged groups have become involved in tourism to reverse the perception that tourism is “a white man’s thing.”

There is a belief that tourism is what whites do when they go to the Kruger Park or the beach in Durban, and that it is not within reach of the previously disadvantaged,” the document says.

Tourism, more than any other sector, could be the basis for, and sustain, the Government’s Reconstruction and Development Programme. The document says the industry is labour intensive, employs a variety of skills and could develop rural areas.

Targets set include a sustained 20% increase in the number of visitors in the next four years, with a target of 8 million foreign visitors by the year 2000.

The document claims that a threefold increase of the sector’s contribution to the economy by 2001, creating 2 million jobs, is a real prospect since about 480,000 jobs are currently being generated by tourism.

A presidential tourism commission should be set up this year and several tourism projects identified. Tourism should be introduced as a school subject by 1998.

It also suggests several government actions to give disadvantaged groups access to finance in order to set up small tourism enterprises.

The hotel industry is urged to be more helpful in the overall marketing of South Africa.
Local councils, sports groups asked to OK plans for the Olympics

Local councils, sports groups asked to OK plans for the Olympics

ANDREA WEISS
Municipal Reporter
TRANSITIONAL councils are being asked to give preliminary approval to plans for Olympic competition facilities around the metro, including the placing of the Olympic stadium and athletes' village at Wingfield.

The plans, which focus on six sites, are being circulated to all affected local authorities as well as the joint executive committee, which are tasked with achieving political amalgamation for the six new municipalities.

Planners have identified Culemborg and Wingfield as the potential main Olympic centres to accommodate the large competition facilities and villages.

The other four sites are Belhar, Philippi East, Mew Way Khayelitsha and Khayelitsha Town Centre.

Local sports federations for the 26 Olympic sports as well as representatives of all the relevant international federations have been asked to assess the proposals to give their approval.

In addition, 17 architectural firms are working on 11 projects for Wingfield and Culemborg to develop cost estimates for the presentation to the cabinet at the end of April, when central government backing for the 2004 bid will be finalised.

Original letters of guarantee, which will have to be presented to the International Olympic Committee (IOC), have to be given by April 10 and will form part of the bidding document which is handed over the committee on August 15.

At Wingfield the planners are proposing an Olympic rowing lake as a water feature, with an island at the one end accommodating related facilities and a venue for the archery event.

The lake would be about 2.2 km long from Voortrekker Road to the main stadium. Closely linked to the lake would be an Olympic Promenade providing an "urban waterfront" along the eastern edge of the lake.

Other Olympic facilities such as the practice gymnasia, restaurants, medical centre, meeting rooms and shops would be ranged around the promenade.

The western shore of the rowing lake would form a park or green belt for public recreation and conservation of an existing wetland.

An athletes' village accommodating about 15,000 people would be built between the parkland and 18th Avenue in Kensington, linking into the existing residential area. Residential density is planned to be about 100 units per hectare.

At Culemborg, the planners are proposing the siting of the media village, the main indoor arena and the main Olympic swimming complex.

The media village will have to have enough space to serve about 15,000 media personnel and a hotel for VIPs and other dignitaries. The hotel is likely to be placed within the Custom's House precinct, already earmarked for a convention centre.

In addition, the development would have to include about 4,000 housing units for the media.

Pedestrian walkways will link the development with the proposed waterfront at the harbour around the Royal Cape Yacht Basin.

Other public facilities, such as schools, libraries and halls, have also been proposed for this area.

"The area will be inhabited by 10,000 residents during the Games and will be a high-density, affordable, compact and pedestrian-dominated world," says the planner's report.

Olympic proposals at Philippi East are located in the area earmarked for the development of a CBD and include a basketball stadium, a baseball stadium and table tennis facility.

At Belhar, the planners are suggesting that a 12ha site be used for the Taekwando and Judo indoor hall, which will be close to the station, and a small indoor weightlifting hall. The outside of the centre will be "wrapped" with multi-functional facilities fronting the street, with a pedestrian link to the Pentech and the University of the Western Cape.

Plans for Khayelitsha town centre include an Olympic complex with a football main stadium, a multi-purpose town/sports hall and administration offices which will be used for boxing during the Olympics.

Mew Way Khayelitsha, which is at the Khayelitsha interchange entrance, has been earmarked for a new football stadium with about 20,000 spectators and a multi-purpose indoor hall which will be used for boxing, with seating for 10,000 people.
Captour hit by 3 staff resignations

JOSEPH ARANES, Municipal Staff

An unfortunate series of resignations by three of Captour’s senior staff has shocked the organisation at a time when it is busy transforming itself after weathering a major funding crisis.

Captour’s marketing and public relations manager, Lauren de Wet, her deputy, Radika Kicera, and the marketing support services manager, Marion Keider, who between them have served Captour for almost 20 years, have all resigned to further their careers in the private sector.

Last year the Cape Town City Council, which is the main source of funding for the organisation, halved its contribution from R2 million to R1 million.

Captour then retrenched almost half its staff in spite of the fact that tourism was showing a general boom.

Recently, a new board was elected with the managing director of Flywell Travel, Usman Ahmed, taking over the chairmanship and pledging to bring the benefits of tourism to communities previously excluded from the industry.

Ms De Wet said the spate of resignations were coincidental and that there was nothing sinister about the motives.

“Radika and myself handed in our resignations last year already, as we plan to open our own tourism marketing consultancy.

Last month Marion tendered her letter of resignation as she will be joining a tour operator to further her career in the industry.”

Ms De Wet said they had weathered the storm at Captour and had gone into the new year on a very positive and exciting note.

“We went through some difficult times but working there was an honour and we will continue to provide a marketing and public relations function on behalf of Captour.”

Chief executive officer Gordon Oliver said the loss of the three key people would have a major impact on the organisation, but emphasised the move was not some kind of “palace revolt”.

“Their coincidentally simultaneous resignations could certainly create the impression that something is wrong in the management of Captour, but I can assure you this is definitely not the case.

“These resignations are indeed based on positive grounds and the need for growth and greater opportunities.

“Captour does tend to provide a training ground and stepping stone for staff to move on to greater challenges.”

Mr Oliver said a new opportunity was being created out of the crisis as the organisation was in the process of restructuring and revising all its functions.

“We have already advertised the post of marketing manager and are keen to appoint a person of colour to the position, which will help bring the organisation in line with the views of the new South Africa.”
Tourist unit aids drop in crime

Theo Rawane 6/3/96

There had been a marked drop in crime in the former Transkei since the establishment of the SAPS tourist protection unit, and local and foreign tourists were now flocking to the coast in great numbers, said the unit's Capt. Nonzuko Nkqayi.

Eastern Cape Tourism Board marketing director Blacky Komane has credited the unit with creating a sense of security for tourists and local communities.

The 11-member Eastern Cape tourist protection unit started working last November, not long after the attack on four tourists in Lusikisiki made international headlines, Komane said.

The unit's functions ranged from looking after tourists en route to their resorts, to visiting resorts to ensure the safety of tourists, Nkqayi said.

She said the unit was engaged in an educational campaign known as the Tourist Awareness Campaign, which involved workshops for communities in coastal areas, where they were informed of the importance of the tourist to the economy of their area.

The unit had done a great deal to prevent attacks on hiking trails and camping sights by maintaining high police visibility.
N West, Free State team up to boost growth

BY JOYCE PIRASTO
Political Reporter

A new era in interprovincial relations dawned across the Vaal River yesterday when the North West and Free State governments established a joint cabinet committee to co-ordinate co-operation on economic growth and tourism and boost job creation.

Members of the councils of the provinces met at a farm in Vljoenskroon where they decided that the joint cabinet committee should formulate a co-ordinated approach to dealing with foreign investors.

This step is aimed at eliminating the fierce competition for development aid and economic partnerships with overseas countries.

The provinces, which decided to include the Northern Cape, plan to approach potential investors as a team and not as competing neighbours.

Free State Premier Patrick Lekota said of yesterday's forum: "The joint cabinet felt there was a need to make the voices of the provinces heard in the Constitutional Assembly."
JILYAM PITMAN Staff Reporter

PALM trees should be planted on the N2 freeway to beautify the approach from Cape Town International Airport to the city, and a programme instituted to upgrade and maintain the road which tourists and local residents say is a “disgrace”.

This is the opinion of Gordon Oliver, chief executive officer of Captour.

“We are inundated with complaints from visitors from all over the world about the filth and the ugly approach to the city,” said Mr Oliver.

Palm trees could be planted in the middle and on the sides of the freeway. They are hardy, wind resistant and grow in sandy soil. Within two years they would look good and make a big difference to the approach to the city.”

Mr Oliver said the problem of beautifying and cleaning up the N2 could not be left to the Department of Transport and Public Works.

“Minister of Transport Leonard Ramatlakane is ultimately responsible,” said Mr Oliver.

“And it’s not good enough to say there is no money available.”

“Has the minister contacted leaders of the communities living close to the freeway?”

Deputy director-general of Transport and Public Works Romy Petersen said about R30 600 was spent monthly fixing the concrete fence on the southern side of the freeway and “future costs will increase”.

He said “the situation” on the N2 had improved considerably since the building of the fence.

“Sites for more pedestrian bridges have been identified but the planning has been put on hold pending further investigations and money becoming available.”

On the subject of pollution, he said one team of 12 full-time workers maintained the road reserve and it cost between R10 000 and R15 000 a month for clearing only.
White Paper key to Satour’s fate

DURBAN—The future of the South African Tourism Board (Satour) hinges on a tourism White Paper which is expected to reach draft form by mid-year.

According to Martin van Niekerk, assistant director of corporate communications at Satour, while it is not certain precisely where Satour will fit into the new tourism strategy, the body would not disappear.

Instead, he believes it is likely to play a key role in the single tourism authority which has been proposed. Known as the South African Tourism Development Authority, it is expected to have a variety of responsibilities including the development of domestic tourism, product development and international marketing.

Van Niekerk said he expects that Satour will be absorbed into the wider body to carry out these functions.

He said that he expects major changes by early next year, but added that as some issues still have to be clarified, comment was premature and it was still too early to establish if downsizing will occur.

Van Niekerk stressed that Satour has been a keen commentator on White Paper proposals and following a final meeting on Monday he expected that Satour will make final written submissions.

Johann Kotze, the deputy director of tourism, confirmed that final comments would be incorporated into the draft White Paper on tourism which had been called for by March 18.

Kotze said at this point all documents were regarded as proposals and not as government documents. However, the post-March 18 document, which is expected by late May, will be presented to the cabinet.

Kotze said that Dawie de Villiers, the minister of tourism, hoped that the draft document would be finalised before the parliamentary recess.
does Cape tourism

Cinderella syndrome
Neglected tourism sector Cinderella of the economy

The tourism industry could generate R46-billion a year and create 2-3 million jobs by the year 2000 if its current potential is doubled, according to a working document prepared by the Department of Environmental Affairs and Tourism.

Tourism contributed only 2% to gross domestic product in 1994 and an estimated 4% last year. If this were to increase to the world average of about 10%, it would create more employment, provide business opportunities for the previously disadvantaged, bring development to rural areas, increase national income and foreign exchange and give a boost to the RDP.

Tourism employs about 480,000 people directly and indirectly and is the country's fifth largest earner of foreign exchange, says the document. "The potential for South Africa to grow its tourism industry, to triple its contribution to national income and to at least double its foreign exchange earnings by the year 2000 is very real."

More than 4-million visitors entered South Africa last year, although almost three-quarters of the arrivals were from African countries. Visitors from Europe accounted for only 15% of the tourists or about 1-million people. In addition, almost 3-million local tourists took 17-million holidays.

Tourism is seen as one of the strongest potential growth areas in the economy. DON ROBERTSON looks at the industry.

The potential for the country to increase both arrivals and expenditure from these markets is considerable, says the document.

Perhaps the greatest problem facing the tourism industry is the virtual absence of adequate education and training opportunities.

Various training institutions have the ability to produce about 8,000 students each year, but the industry will require more than 100,000 qualified people each year for the next five years, says the document.

"This is not to mention the general need for community-wide tourism awareness programmes, as well as the urgent need for a wide range of basic skills among persons who are the first line of contact with the customer. The data suggests that South Africa is not capable with present output to satisfy more than 10% of its training needs."

There are many factors which have mitigated against the development of tourism, says the document. Tourism is not viewed as a priority by the government and marginal resources have been committed to its development and promotion.

The document says the private sector, in the form of hotels and other tourist establishments, do not take sufficient interest in the welfare of their customers outside the hotel. "Hotels look after their hotel business and let God and government handle the rest."

The poor integration of local communities, inadequate protection of the environment, poor service and lack of infrastructure are said to be other problems.

"In addition to these constraints, an immediate problem facing the industry is the growing level of crime and violence, not only on visitors, but on residents as well."

It is estimated that about 7,000 visitors were victims of crime in 1994 and only a third regard personal safety as being good in South Africa.

Dawie de Villiers, Minister of Environmental Affairs and Tourism, says government has taken note of the problems and is giving the recommendations priority.

Among the proposals is that the SA Tourist Organisation be replaced by the SA Tourism Development Authority, which will develop all aspects of the tourism industry. This body would be directly responsible to the minister.

It has been proposed that the Department of Environmental Affairs and Tourism be replaced by the Department of Environmental Co-ordination and Tourism, with the former being stripped of functions such as the weather, sea fisheries, the Antarctic and pollution control.
Let's get rid of roadside rubbish

LINDSAY BARNES, Staff Reporter

Is it the fairest Cape or the foulest? That is the question on the lips of foreigners and locals alike.

Visitors driving on the N2 in the vicinity of Cape Town International Airport are treated to a charming panorama of roadside rubbish.

But things have improved considerably since the erection of a concrete palisade that separates the road from informal settlements, said head of the department for Transport and Public Works Roy Petersen.

The task of cleaning that stretch of N2 was tackled by a team of 12 workers.

The fence cost an average of R30 000 a month to maintain as pedestrians constantly removed or damaged poles to be able to cross the N2.

But there was no intention of scrapping it, Mr Petersen added.

"Although the fence is still damaged at various points, the situation has stabilised," he added.

Sites of future pedestrian bridges had also been identified, but planning was put on hold pending further investigations. These projects also depended on funds becoming available, he said.

A pedestrian bridge built recently cost between R2 million and R3 million.

While there was no doubt that better solutions to the problems of the N2 existed, these were restricted by financial and other restrictions, Mr Petersen said.

Captor chief Gordon Oliver said it was in Cape Town's interest to keep the city clean.

He regularly heard comments from visitors as well as Capetonians about the state of the N2, he said.

"People are concerned about the litter. They stop me in the street and ask what I'm doing about it."

He said a big clean-up held before the Rugby World Cup was successful and appealed to the provincial authorities to carry out regular clean-ups.

"I actually wonder about the garbage removal in those areas and suspect it may be a management problem," he added.

Part of the problem could be blamed on apathy towards cleanliness.

"I often see people throwing cigarette butts out of car windows. I don't know why they do it as the vehicles all have ashtrays," he said.
Sun Hotels clears debt

Amanda Vermeulen

SUN International Hotels' successful public offer in the US, which raised $280m for the group, had boosted its market capitalisation to $1.1bn from $250m, chairman Sol Kerzner said at the weekend.

The public offer was the largest in gaming industry's history, and one of the biggest equity offerings by a foreign company in the US. The sum raised by the 8-million shares offered at $35 each would be used to fund part of the $285m Mohigan Sun casino in Connecticut, the $275m expansion of the Paradise Island resort in the Bahamas, and to repay the group's borrowings.

Kerzner said the offer, closed on March 1, was significantly oversubscribed. At the opening of the offer, shares traded at $35.50, and the plan was to raise $170m. After a roadshow to US investors, the deal was priced at $35 a share, and the number of shares increased to raise $110m more than originally intended, he said.

Kerzner said a year ago the group had a market value of $200m with $105m in debt.
Azapo plans Olympic ban

(283) Sunday 13/3/96

By Joe Mdilela
Political Reporter

The Azanian People’s Organisation in the Western Cape is mobilising communities to boycott attempts to have the Olympic Games held in Cape Town in 2004.

Azapo’s publicity secretary Mr Vuyisile Qunta argued that it was pointless to “dabble in luxurious things like the Olympics” when millions of the people have been turned into squatters.

“Part of the Olympic village is made up of a piece of land our people lost during the apartheid era. On the basis of this, it would be morally wrong to allow a venture like the Olympics to deny our people land,” Qunta said.

He said the broad-based organisations in the Western Cape have started to gear themselves to challenge the Olympic bid.

These included the South African Council of Sports, the civics and other interest groups.

Meanwhile, the Western region of Azapo is expected to hold an annual general meeting in Langa on Sunday. The organisation is expected to take a position on what strategies should be used to fight the bid.

Spokesman for the bid Mr Chris Ball is on record as having said the Olympic Village to be constructed would afterwards be used to settle communities who lacked housing.

He said the village would also create jobs and thereby improve the economy of the region.

The meeting is also expected to deal with the Truth and Reconciliation Act and how the organisation should prepare itself for the 1999 general elections.

It is expected that Azapo’s national organiser Mr Strike Thokoane will deliver a main address.
Holomisa's vision for SA tourism

Formulation of a national policy, aimed at realising growth of up to 17% a year and creating 600 000 jobs, has almost been completed.

South Africa's burgeoning tourism industry is set to continue growing, with the full support of the Government. This was the message of an address to the World Travel and Tourism Council meeting in London by Deputy Minister of Environmental Affairs and Tourism Gen Bantu Holomisa.

As a vision for the next decade, Holomisa said the country saw international tourism growing at between 12% and 17% a year.

This would create, about R390-billion in foreign exchange as well as 600 000 job opportunities over the 10-year period.

To sustain such growth, innovative tourism development and marketing strategies would have to be implemented. To this end, the formulation of a national tourism policy and strategy had almost been completed, Holomisa said. A draft document had been circulated to interested and affected parties, and the policy would be finalised by next month.

Holomisa said "responsible tourism" would be the guiding principle for tourism development in South Africa.

Five factors had been identified as being crucial to the success of tourism in South Africa, he said. These were:

- Implementation of innovative tourism training and education programmes. The challenge to Government in this regard was substantial and it would require Government direction and support, Holomisa said.

- Promoting local involvement in tourism. Communities should take pride in developing and maintaining their tourism product.

- Effective management of natural and cultural environments. Should the country's diversity of natural resources and cultures not be managed effectively, "we could well kill the goose that lays the golden egg. We recognise this and regard it as wise that tourism has been linked to the same ministry as environment affairs," Holomisa said.

- Promotion of tourism investment and product development. The provision of more hotel beds, coach and airline seats and other products directly associated with tourism were necessary and would be direct- ed to areas where development needs were the greatest.

- Aggressive international marketing. Holomisa said that while the exchange rate provided value-for-money holidays for international visitors, it was costly to market South Africa internationally.
Holomisa's vision for SA tourism

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OWN CORRESPONDENT
Pretoria

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Community wants Olympic village site

BY Monali Mahanya

Political Reporter

Nov 15 1996

The planned erection of an Olympic village in a prime Cape Town industrial site is set to clash head-on with a land claim by people removed from the area in 1994.

The KwaNdameni Land Restoration Committee (KLRC), which comprises former residents and their descendants, has threatened to invade the land if it does not obtain the co-operation of the land claims authorities.

Spokesman Vuyisa Qunta – also an Azanian People's Organisation executive member – said the committee had lodged a land claim two months ago but had still not received an acknowledgement from Western Cape regional land claims commissioner Amos Mbqoq. The claim is being backed by Azapo.

Ndambeni is one of Cape Town's prime industrial sites and about 124 km of the tumultuous land has been earmarked for one of the Olympic villages if Cape Town wins the 2004 Olympic bid.

But the KLRC has other plans for the area and wants to set up a “healing community” for the offspring of removed landowners whose community suffered social dislocation after their removal.

According to Qunta, there will be a prohibition on the sale and distribution of liquor in the proposed settlements.

He said the claimants were concerned by the “encroachment” on the area by the Olympic committee. He warned that if there was no progress on the claim, the claimants would invade the space they have identified.

“One day we're going to drive our cars there and put up our zinc shacks.”
Bidding for Olympic sponsorship

Gavin Du Venage

The Cape Town Olympic Bid Committee is about to clinch the two crucial sponsorship deals that will bring it close to the R80-million it needs to fund its bid to host the 2004 Olympic Games.

The two sponsors, almost certainly Sun International and South African Airways, are expected to announce their backing within the next few weeks. SAA is apparently planning a lavish ceremony to announce its support.

The bid committee has already secured support from major corporations like Mercedes-Benz, Unifruitex, Rothman, CapeTel and Nedbank. However, R80-million is the minimum the committee has to raise if it hopes to present a credible bid.

Bid representative Paul Johnson would not confirm either SAA or Sun International’s participation. He did say that official announcements could be expected soon from a major airline and hotel group.

"The procurement of sponsors is ongoing," he told the Mail & Guardian. "Estimates of how much money we need have ranged from R78-million to R80-million, but the most recent audit showed that R80-million was the cut-off mark."

The bid committee has tried to woo sponsors by offering a package of exclusive marketing rights. These include the right to use Cape Town’s Olympic bid logo — a map of Africa made up of the South African colours over the words: Cape Town 2004.

Another drawcard was to accept only one major sponsor from a specific industry sector. Hence Mercedes Benz will be the only motor manufacturer to support the bid. SAA as the only large South African airline was the sole credible candidate for the committee. It would not even have had to come up with a generous package to have its name attached to the bid, although it would have to do better than suppliers.

Suppliers get to label themselves according to the service they provide. However, to be recognised as a supporter would take substantial financial support. Sun International is already an official sponsor of the South African Olympic team taking part in Atlanta.

Sponsorship runs until September 1997 when the winning city is announced. After that, sponsorship has to be renegotiated with the International Olympic Committee (IOC).

The immediate challenge facing the committee is the presentation of its bid book, which takes place in August. The book, to be published by Churchill Murray, is a technical manual written to specific requirements setting out the bidding city’s proposals on how it will provide transport, sports facilities and various other essential elements of hosting the games.

The IOC will select a shortlist of candidates on the strength of the bid books from the 11 competing cities. About half will be eliminated after the books have been analysed.

Deposed South African Rugby Football Union (Sarfu) chief executive officer Edward Griffiths is to edit the book. Griffiths told the Mail & G and he took the job as a stop-gap until his fight to get his post back was settled.

"My priority is my reinstatement with Sarfu," Griffiths said. Sarfu president Louis Luyt fired Griffiths without explanation last month. He said he had no plans to stay on after August, although he would consider extending his commitment if he failed to win back his Sarfu job.

Griffiths played a major role in organising the Rugby World Cup experience which will no doubt greatly benefit in planning the bid presentation.

Griffiths dismissed critics who say the event is too large for Cape Town to handle: "A year before the World Cup there were great fears that we could not manage such a large event. What happened was we hosted the most successful World Cup ever. The bid will take an enormous amount of work, but the underlying success of South Africa is its ability to think big. It can be done."

Griffiths said even if Cape Town did not win the bid to host the Games, "the impressive thing about the bid is that it will transform a city of two halves into a single entity."
Olympic Bid runs into TV broadcast snag

TASLIMA VILJOEN

AN attempt by the Olympic Bid Committee to secure a community television licence, to promote the 2004 Olympics, seems to have failed, as members of the Independent Broadcasting Association (IBA) rejected the Olympic Bid Committee's application on a public hearing yesterday.

In February the Olympic Bid Committee applied for a 30-day temporary community TV licence to promote Cape Town's Bid for the 2004 Olympic Games.

The application was postponed to yesterday but at the hearing it seemed that the Olympic Bid Committee may have failed to convince the IBA to grant a licence.

The IBA will now make representations to the council - the controlling body of the IBA - before making any decisions.

IBA representative Pieter de Klerk said the IBA was not convinced that the committee would be able to create the broader communities of Cape Town in a period of 30 days, with only two hours a day dedicated to Olympic programming.

Representations made by the Olympic Bid panel indicated that they will broadcast six hours a day, and two hours will be dedicated to the Olympics. The other hours will then be re-screened at various times.

The chairperson of the IBA, Sebilelo Mokone-Matabane said: "If the Bid Committee's primary aim was to promote Olympism, then why does it form only a small percentage of the programming?"

Ms Matabane said the Bid Committee had failed to demonstrate the need, demand and support of the Cape Town community for a television station.

Iver Williams from the Stop 2004 Olympic Forum made representations opposing the Bid Committee's application. Mr Williams said the proposed station would be a propaganda station and that the larger communities of Cape Town would not benefit at all.

An attempt by the Cape Town Olympic Bid Committee to obtain a 30-day TV licence to promote the bid for the 2004 Olympic Games seems to have little chance of success.

Mr Williams said that big business would be the only people to benefit from such a station.

Martina Della Togna, who represented the Community Video Education Trust, said that the Bid Committee's application did not fulfill the community media philosophy which is spelt out in the IBA act.

Ms Della Togna said that an application such as the one by the Bid Committee should have a strong community support base which it clearly does not have. She said the Bid Committee wanted to use television to establish a support base for the Olympic bid.

At the previous hearing the Bid Committee was represented by the advertising company, Hunt-Lascarino. Ms Matabane, then criticised the all-white male panel, saying that it did not reflect the community it wanted to serve.

Ironically, yesterday's panel was inclusive and represented the rainbow nation.

Members of the Olympic Bid panel said the station would promote the Olympic bid, provide information on it and engage in discussions with the community and interested groups.

The Olympic Bid needs the support of 80 percent of the Western Cape population for the International Olympic Committee (IOC) to consider Cape Town for the games.

The panel said by using the community TV channel it would reach a target audience of between 1.5 million to 2.5 million people.

Pieter de Klerk from the IBA said this was unrealistic and that the station would battle to get an audience of 500 000 people.
Games: Landmarks to be transformed

ANTHONY JOHNSON

A NUMBER of Cape Town landmarks will be transformed—and many new ones created—as part of the International Olympic Committee (IOC) requirement of 50 competition venues and 116 training venues for the 2004 Summer Olympic Games.

Apart from the main stadium still to be built at Wingfield, venues in line for upgrading include Newlands rugby and cricket grounds, Athletic stadium, the Good Hope Centre and Bellville Cycling track, the Olympic Bid Company announced.

Every available space and facility in the West Coast Cape has and will be assessed as a potential venue, Olympic director of sport and facilities Mr Robbie Stewart said.

See Page 9

The opening and closing ceremonies and athletics will be held at Wingfield.
All designs considered in Olympic bid
The design competitions are seeking innovative design within a realistic cost budget. The successful designers will be invited to join the professional team. The extent of their involvement will depend on their qualifications and resources. When the project is built they will be acknowledged as the designers and remunerated according to their contribution to the ultimate project.

There are two reasons why the competitions are restricted to people or firms with a presence on the African continent. First, we want to prove to the rest of the world that we have the capability to produce fine architecture. We need to get away from the feeling that “overseas is always better”. We are consulting some of the best technical expertise in the world but believe that our architects who have been isolated for so long should be given a chance.

The second is that our bid is an African bid and we wish to encourage the rest of Africa to identify with it.

Barnett also criticises us for not restricting the design competitions to architects. There was debate on this issue within the Bid Company. It was decided to open the competition for a number of reasons.

There is no reason why a structural engineer cannot come up with a better design for a stadium or a bridge where the structure is the predominant feature.

On the other hand the Vietnam Memorial in the Arlington Cemetery in the US is one of the most successful results of a design competition. This was won by a design student. She would have been precluded from entering if Barnett had set the rules.

Lastly we would love Barnett’s aunt to enter the competition. In the interest of transparency and inclusiveness we would like every person in Africa to feel part of the process.

If Barnett’s aunt happens to win the competition we will welcome her aboard. If in the unlikely event she does not have the qualifications to implement her design she has a very strong professional team to back her up.
Forced removal victims claim Olympic site

Municipal Reporter

ABOUT 200 Langa families who were moved from Ndabeni in the 1930s have submitted a land claim for Wingfield – which has also been earmarked as the main Olympic site for Cape Town's 2004 Olympic Bid.

The claim, supported by the Azanian People's Organisation, will have to go before the Land Claims Court after mediation between the Olympic Bid Company and the families.

The court will have to ratify any agreements reached. The claim was submitted by the KwaNdabeni Land Restoration Committee, made up of former residents and their descendants.

The committee is asking for nearby Wingfield in lieu of the land they originally occupied, which now forms part of Epping Industria.

Under the Land Restitution Act, claimants can either get their original land back, or, where that is not possible, alternative state-owned land.

Failing this, they stand a chance of being paid out or benefiting from a state development.

The families were forcibly removed in the early 1900s under sanitation laws to Ndabeni, and in the 1930s from Ndabeni to Langa. Pre-1913 removals are not covered by the Land Restitution Act, but their removal from Ndabeni is.

The Olympic-Bid Company has proposed Wingfield as the location of the main Olympic stadium, a 2.2km rowing course and the athletes' village.

It has to submit these proposals in their final form to the International Olympic Committee on August 15.

The bid document is likely to go before the Cape Town City Council for approval in mid-May.
Olympic Bid Company concerned at low level of public’s interest

But, Cape Town’s city engineer Arthur Claydon did not agree with these estimates and commissioned independent consultants to produce another assessment of the costs.

The Bid Company said the design for the course took account of the technical requirements of the International Rowing Federation. Details included:
- A width of 135m, consisting of eight lanes of 13.5m.
- A depth below the lanes of 3.5m. The course slopes on a gradient of about 1:4 on either side of the lanes.
- A proposal that excavated material be used for landscaping as well as to provide an earth embankment for the main stadium.
- A 60-m verge on either side of the course to ensure wind patterns were not influenced by buildings and other structures, so that wind was uniform for all competitors.
- Landscaped areas as well as a roadway for TV camera vehicles and a cycling path for coaches to be incorporated into these verge areas, and.
- An island at the northern end of the course where facilities such as boathouses would be located.

The company said the level of public input into the bidding process was of concern.

The Wingfield proposal had been in the public domain for several months, and there had been several opportunities for public input.

A site visit had been undertaken on November 15 as part of the “Environmental Scan” of all the potential new competition venues.

“An invitation to join this visit and review the conceptual plans for the respective sites was sent to the Coalition for Sustainable Cities, the Green Coalition and Development Action Group. None of these organisations was able to take part.”

The Environmental Scan involved a brief site visit and a workshop session, the company stated. A draft report had been prepared and circulated to environmental organisations for comment.

The impact on the hydrology of the Wingfield site was identified as a key issue which required further investigation. In addition, it was recommended that if the rowing course is developed, every effort should be made to provide a habitat for bird life, particularly waterbirds.

“As a result, the revised concept plan includes an additional island at the northern end of the site, specifically for the development of an habitat suitable for waterbirds.”

A group of specialists had been commissioned to do a more detailed investigation than had been done by the Environmental Scan, for both Wingfield and Culemborg.

“This work has been completed and the draft report will be available this week,” Bid Company spokeswoman Mary Jane Morris said.

Alternative rowing courses had been assessed on the basis of the International Rowing Federation requirements and included Zeekoevlei, Liebeek River and the Berg River at Paarl.

“Given that the Wingfield proposal has been in the public domain for several months, that the relevant documentation has been available and that the Wingfield plan was on display at the Consultative Conference in November, I am somewhat puzzled as to why the issue is only being raised now.”
R45 MILLION TO BE SPENT

Qualified consent for cableway upgrade

THE COUNCIL’S Urban Planning Committee set conditions yesterday for the upgrade of the cablecar on Table Mountain, Environment Reporter MELANIE GOSLING reports.

The City Council’s Urban Planning Committee gave its conditional consent yesterday to the controversial R45-million development project to upgrade the Table Mountain cableway.

The conditions include that:
- The National Monuments Council and the Provincial Premises give their approval;
- The sewage and waste water system be modified to remove it from the mountain;
- The water supply be investigated and changed to the council’s satisfaction;
- The unsightly overhead electric cable be removed;
- No building start until a construction environmental management plan has been formulated;
- The investigation into the sewage water and electricity will form part of an environmental impact assessment which will be submitted to the National Monuments Council, said the council for approval.

Co-ordinator of the Table Mountain Project, Mr David Daitz, told the committee tourism in Cape Town depended largely on the quality of the environment. He said the upgrading project should have been subjected to a full integrated environmental management (IEM) process which would have prompted several environmental impact assessments (EIAs) looking at specific aspects like sewage disposal.

"Instead this began with engineering design and the EIAs came later. It’s like taking medicine to ameliorate the effects of this design," Daitz said.

He said the impact assessment had not given inadequate attention to alternatives in the project.

Mr George Hofmeyr of the National Monuments Council said, given that Table Mountain was of national importance and that it was a potential World Heritage Site, approval to the project should be given only once all parties were satisfied with the IEM process.

"It would be premature to issue approval at this stage. The project must be able to stand up to international scrutiny," Hofmeyr said.

Dr Douglas Hey, chairman of the CPPNE’s Management Advisory Committee (MAC) said: "Table Mountain is a priceless natural and recreational resource. Once degradation takes place, it can never be restored."

He said his committee supported the fact that upgrading was necessary, but questioned the need for three eating places on the summit.

"People who go up there should be there to enjoy the scenic beauty and the fresh air, not to eat five course meals. The take-away facility is quite unnecessary. They just generate litter," Hey said.

MAC had reservations about the extent and size of the buildings, the water supply and the disposal of sewage.

Hey said the provincial minister of environment, Mr Kobus Meiring, would call a meeting next week of all interested and affected parties to discuss the problems.

The meeting was delayed for an hour because the Urban Planning Committee did not have a quorum. In a crowded board room, representatives from the architects, planners, National Parks Board, MAC, National Monuments Council, legal advisors, NGOs and council officials waited while committee chairman Mr Strive Maita, dispatched people to round up enough councillors to make a quorum of five. Once they had arrived, three of the five councillors did not utter a word on the entire issue in the nearly three-hour-long discussion.
Association plans to develop hotel industry

(288) CT(BR) 21/3/96

BY MAGGIE ROWLEY

Cape Town—A South African chapter of the Hotel and Catering International Management Association was relaunched in Cape Town this week by David Wright, the president of the British-based association.

Harry Murray, the executive director of Cape Sun Intercontinental and a member of the association, said previous attempts to launch a South African branch of the association had failed.

However, during the past 18 months there had been "unbelievable" growth in international tourism and South Africa was poised for a huge influx of tourists, said Murray.

In Cape Town alone, 31 new hotels were being planned for construction during the next five years and, even at half that number, the industry would face a serious short-

age of adequately trained staff.

This made it even more imperative to develop the hospitality industry through training and education and to gain expertise through the association to become internationally competitive, he said.

Wright said that South Africa was in the enviable position of being able to determine the way forward for the entire hotel and catering industry and, in so doing, could avoid others mistakes.

"The association will help create a network of professional managers in this country," he said, as well as provide the industry with a single voice.

The association has branches in 16 other countries and promotes professionalism in hospitality in more than 90 countries.

The Cape Town launch is to be followed by similar launches in Durban on March 26 and Sandton on March 28.
Cape Point needs major to stop

MANY COMPLAINTS OF POOR SERVICE

The tourism industry is facing a tough battle to improve its reputation. Cape Point, a popular tourist destination, has been criticized for poor service and lack of responsiveness from the management. The industry is in need of a major overhaul to address the concerns raised by visitors.

TOURISTS ARE DEMANDING

Visitors to Cape Point are demanding better service and a more efficient management. They are seeking a more personalized experience and a focus on customer satisfaction. The tourism industry has to step up its game to meet these expectations.

OVERSEAS ATTENTIONS LIRELY TO INCREASE BY 25%-

The tourism industry is expected to see a significant increase in overseas visitors, with a projected growth of 25%. This is due to the improving economy and increased availability of travel packages.

THE NEWS

March 22, 1996

Friday

DAN SIMON reports

By:...
100-room Cape Grace set to open this year

The Waterfront is about to get a new addition close to the tank farm—yet another upmarket hotel, which will cost more than R70 million.

WILLEM STEENKAMP
Staff Reporter

The popular Victoria and Alfred development at the waterfront is getting another upmarket hotel—which is being constructed at a cost of R70 million—next to the recently opened ten-year-old Waterfront.

A spokesman for Maureen Thompson confirmed that a deal for the construction of the hotel had been signed between the developers of the Waterfront and the owners of the new hotel.

The hotel will have 100 rooms, including a number of apartments which will be sold to the public.

The hotel will be known as the Cape Grace hotel.

Co-owner Charles Brand said construction of the hotel had already started.

It was expected to open to the public in December this year.

Mr. Brand and his partners also own and operate the upmarket Mount Grace hotel in the Magaliesberg near Johannesburg.

This is the second major hotel deal concluded at the Waterfront in less than a year.

Construction work on Sun International's five-star hotel at the Waterfront is progressing well.

And construction of the new shopping centre—which will nearly double the size of the existing shopping centre—opened four years ago—is also on schedule, according to management sources.
Tourist boom 'may not create any jobs.'

THE SA Commercial Catering and Allied Workers' Union (Saccawu) has cautioned that a tourism boom will not necessarily result in job creation.

This warning comes as government's growth and development strategy which highlights tourism as a possible sector which could drive job creation.

Addressing a media conference this week on centralised bargaining in retail and hospitality, Saccawu's collective bargaining co-ordinator Leonard Gentile said job creation often did not follow on from a boom in tourism as the increase in the number of hotels did not necessarily result in increased jobs.

Gentile said often these hotels were more capital rather than labour-intensive and were run by fewer staff. It was crucial for unions to play an integral role in the job-creation process, and the need for a statutory council in the hospitality industry was thus essential.

The response of employers to the demand for a statutory council had been uneven and even hostile.

He warned that a "boom will lead to a bust", if a tourism policy was not directed at being labour and community friendly.

In the retail sector, the parties agreed to the appointment of John Brand to act as an independent third party to facilitate the process of setting up a central forum. The union was in principle demanding a bargaining council while employers agreed to enter into discussions on centralised bargaining without committing themselves to the type of structure.

Meanwhile, the union warned of an impending showdown with Southern Sun. Saccawu said Southern Sun had refused to enter discussions on the proposal for linking wages to skills grading, and had declined a dispute against the union for its refusal to negotiate. Saccawu said the company, without entering proper talks, tabled a final offer of 13%. The union was demanding a minimum wage of R1,700 a month while the present minimum was R1,000.

Southern Sun spokesman Steve Lonie said the company had declared a dispute and applied for a conciliation board on the basis of the union's failure to accept the offer.
Battle rages over two oceans tourism

By HERMAN WASSERMAN

A BATTLE is looming between tourism operators from Cape Town and those from the small Southern Cape towns of Agulhas, Struisbaai and Bredasdorp. The reason? A dispute about where exactly the Indian and the Atlantic Oceans meet. A seemingly ridiculous matter, but, according to the residents of these small towns, a matter which is robbing them of their bread and butter.

The meeting place of the two oceans is a strong sales point for tour operators, and overseas visitors flock to the light house at Cape Agulhas to see the place where the oceans meet.

But in recent times allegations have been increasing that Cape Town tourism agents are also using the meeting place of the oceans to encourage people to visit Cape Point.

This week the matter came to a head when delegates from the Cape Overberg Tourism Association (Cota) went to see the chief executive officer of the Cape Town based tourism organisation Captour. Gordon Oliver, 24 B 13 96.

They presented him with a document of the International Hydrographic Association which certifies the meeting place of the two oceans at 20 degrees longitude, the line which runs through Agulhas.

Oliver undertook to inform local tourism operators in future "not to encourage misunderstanding" about where the oceans meet.

Stephen Brown, one of the delegates of Cota, said after the meeting that they are satisfied with the outcome, but would definitely watch closely for any wrongful use of what they see as a unique selling point for the Agulhas region.

Oliver denied however that Captour has ever used the meeting place of the two oceans as a feature in the marketing of Cape Town.
Moment of Truth for Cableway Upgrade
Fresh plans for tourism in Gauteng

Ingrid Salgado

GAUTENG should encourage the development of tourism facilities in underdeveloped areas in order to create job opportunities and a wider and more diverse range of tourist attractions, a draft policy document on tourism in the province has recommended.

The document, which emanates from the finance and economic affairs department and has the support of the Gauteng cabinet, says that tourism opportunities have become an integral component of both land use and economic planning strategies.

Service infrastructure dependent on tourism, such as roads, rails and airports should be planned and located in rural and lesser advantaged areas and communities. The document recommends that the private sector become more involved in financing joint ventures with the proposed Gauteng Tourism Agency through development opportunities.

Other financing should come from fixed levies on car rental companies, a percentage of taxes on casino establishments, a food and beverage levy on restaurants based on seat numbers and flat rate charges on accommodation establishments. The regional services councils should also allocate a percentage of their levy income for tourism facilities.

The province needs to examine the feasibility of creating a large world class conference and exhibition facility in Gauteng while a convention bureau could be established to sell conferences and conventions in the domestic market.

A standard curriculum for tourist guiding needs to be developed and a representative body should formulate a nationally-accredited training course at tertiary level and adult education should be built into informal training and taken to communities.

It says that the licensing of tourism businesses in Gauteng should follow similar considerations to casino licensing. This includes the extent to which the business enhances the environment and neighbourhood, promotes sustainable employment, and provides training and participation in ownership or profits by people disadvantaged through discrimination. A provincial tourism public protector needs to be created to police overpricing and tourism complaints while policy guidelines for tourists' safety and security have to be drawn up.

Gauteng should motivate at national level for an improved road signposting system.
The postal rise is in the mail

Cape budget boosts balances

R72,5m cash

IAAF official backs Cape's bid

Storage

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Tourists urged to take steps against malaria

Kathryn Strachan (28)

WITH the sharp increase in the number of malaria cases during the past two months, the health department has urged people to take precautionary measures over the school holidays when traveling to high-risk areas.

More than 8 000 cases and 55 deaths have been reported over the last two months. The increase is attributed to the high rainfall in the malaria areas during the previous three months.

Because of the increasing number of reports of people contracting malaria despite taking adequate prophylaxis, the Medical Research Council is appealing to people who have recently contracted malaria in southern Africa to contact the council's centre in Durban.

This will enable it to piece together the geographic distribution of prophylaxis breakthroughs occurring in southern Africa. The highest incidences are being reported in the low altitude areas of Northern Province, Mpumalanga and north-eastern KwaZulu-Natal.

Since the risk of contracting malaria is at present very high, visitors to these areas are urged to protect themselves by taking anti-malarial drugs. Since no prophylactic drug is 100% effective, people also need to take measures to prevent mosquito bites.

In the high-risk areas chloroquine should be taken together with proguanil, which is available without a prescription. An alternative is mefloquine, which requires a doctor's prescription. The combination of mefloquine and chloroquine is not recommended, as it can give rise to side effects.

Privatisation, public sector cuts essential – De Klerk

Nicola Jenvey

PORT EDWARD — Government had to push ahead with privatisation and public sector cuts in order to ensure funding for social and developmental needs and an internationally competitive SA, Deputy President FW de Klerk said yesterday.

Speaking at the Life Pensions Advisers' Institute national convention, de Klerk said government had three possibilities for cutting its debt: higher taxes, privatisation and a reduced public sector.

Raising tax was not "investor-friendly," de Klerk said. Public sector salaries and loans accounted for a far higher chunk of the GDP than in other developing nations.

"Government must progress with privatisation, ensuring that the capital raised through the sale of state assets either lowers government debt or finances state capital expenditure programmes," he said.

De Klerk blamed the unions' imposition of northern European labour standards for the economy's inability to create new jobs, particularly in small and medium businesses.

"These rigid (labour) standards, which make it increasingly difficult for exporters to compete in global markets, are simply not suited for a country rating unemployment as one of its most serious problems," he said.

Government had formulated new policies for the retirement industry including a consistent treatment of private and public sector funds, neutrality between forms of retirement provision, minimisation of opportunities for tax arbitrage, and incentives favouring lifetime annuities and taxation of income as it arose and not on payout.

Yet finding new revenue sources should not be an excuse not to find better ways to cut government spending.

The economy had improved despite stronger agricultural conditions, the upsurge in exports and export prices, an improvement in the terms of trade, strengthened consumer and business confidence, and higher capacity utilisation due to increased demand.

Also positive had been removal of non-residents' foreign exchange controls and government's undertaking not to raise the general tax burden, to reduce the fiscal deficit and dissaving, and to increase capital expenditure.

Government still needed to improve the investment climate and alleviate constraints on the balance of payments and create capacity, and people's income-generating capacity, had to be boosted.
Robbery of student puts airport guides on agenda

Theo Rawana

The abduction of a Cuban student from Johannesburg International Airport to Carletonville, where he was robbed of possessions worth about R150 000, highlighted the need for the hospitality guides the tourism safety task group was introducing, the task group said yesterday.

Three men, who had offered to take Nico Baggio to his destination in Johannesburg yesterday morning, took him instead to Carletonville and robbed him at gunpoint, before leaving him stranded.

The task group, which consists of representatives of the environmental affairs and tourism department, the Tourism Business Council and the SAPS, was set up last November to develop a strategic framework for security measures and provide guidelines regarding security structures on provincial and local levels.

Task group spokesman Superintendent Eric Pelsier said the group had approved, in principle, a pilot project to assist tourists at international airports.

"The project intends to recruit unemployed youths, provide them with police reservist and tour guide training and then deploy them to assist with the safety and information needs of tourists at airports," Pelsier said.

A committee had been appointed to liaise with airport security staff and other stakeholders to develop criteria for the recruitment and selection of candidates, he said.

The task group also decided at its meeting last week that Business Against Crime would gain permanent representation on the task group.

A database, aimed at enabling detailed analysis of tourist flows to particular areas and crimes against tourists, had been established and would assist in the development of preventative policing activity. Quarterly reports, enabling detailed trend analyses, would be available from June for distribution to the tourism industry.

A project team had been appointed to streamline the flow of information to tourists on their arrival in SA and during their stay in the country.

"The SAPS has compiled a number of tips for tourists to be conveyed via interested tourism-related publications, brochures and the Absa Bank Travelphone Service. The SAPS will provide the Travelphone Service with the telephone numbers of all police stations in the country."
Hotels ‘cannot afford to ignore working traveller’

Reports by Andrew Gillingham

WHILE the SA hotel industry may become less dependent on business travel in the future due to the influx of foreign tourists, it cannot afford to ignore this important sector.

Furthermore, rising prices and a potential fall-off in standards could have an equally negative effect on the leisure traveller.

Kessel Feinstein Consulting CE Delano Caras says business travel constitutes an important part of the travel industry, particularly during the tough times.

"There are many hotels for whom business travel forms the major part of their business. Business travel occupies vary according to season, and part of the week—namely midweek, as well as the location and standard of the hotel.

"As we saw in the past recession, when times are tough it is business travel demand that keeps business going. However, the current upsurge in the travel industry, is mainly being generated by overseas tourists.

Caras says the acceptance of SA back into the world community, and the resulting increase in tourism, could make the country's travel industry less vulnerable to dips in the local economy.

He notes that domestic business and leisure travel is subject to the effects of the local economy. In the future, however, should the economy cause a fall-off in local demand the industry can still expect an influx of foreign visitors.

"We estimate a growth rate of around 10% this year—due to a 15%-20% growth in the foreign component, with the domestic market growing at around 4%-6%.

Business travel is growing more slowly than leisure.

Caras says rising occupancies have enabled the hotel industry to achieve large increases in room tariffs. This has been good for the industry as, after a decade of low occupancies, they are able to improve their financial positions.

However, there are signs of laxity creeping into the industry that could have a longer-term negative effect.

"During the downturn, occupancies were poor and hotels competed fiercely to sell rooms; they tended to invest more in training and maintaining physical and service standards.

"Furthermore, in this period a lot of trained people left the industry mainly as a result of retrenchments. As the industry recovers, so hotels are taking on more staff, but there is a lag between hiring and training."

Caras says there is a complacency that comes with high occupancies, standards become tomorrow's problem, and as a result service can slip.

"Higher prices may be more acceptable when you have high standards. In addition, it is not an industry in which you can continue to raise prices. SA is becoming an expensive destination.

"Already businesses are starting to look for alternatives. They are not simply staying in four- and five-star hotels and we are seeing a rise in the popularity of limited service hotels, serviced executive apartments and guest houses."

"The issue is value for money. Businesses are not insensitive to price, as they have to meet their own budget constraints."

06 20/1/96 (288)
Tremendous wealth’ in Games

CAPE TOWN, through the 2004 Olympics, can show Africa to the world, says Andrew Young, co-chairman of the Atlanta Olympic committee.

Mr Young – an American civil rights leader, former mayor of Atlanta, colleague of Martin Luther King and former ambassador to the United Nations – addressed an audience in Newlands last night on the Atlanta Games and the Cape Town bid.

The Olympic Games were perhaps the greatest sport for economic development in the world today and the Atlanta Olympic bid had meant tremendous economic growth for the city and the region, he said.

In the case of the Atlanta games, he said, major businesses had moved their headquarters to Atlanta and there had been a steady infusion of new investment, new capital and new development – inspired by the Olympics.

“About 120 days, more than 80 percent of the world will look at Atlanta.

“We will be broadcasting in 85 different languages to 197 countries and more people will focus on this one event than have ever shared an experience in common in the history of the earth.”

Mr Young said everybody favoured Cape Town and South Africa as the “golden boy” of the 2004 Olympics.

“Everybody wants to see you win the bid because of what you stand for, because of what your president stands for, because of the dream of the Olympics, which is that people who are different can can stand together and prosper.

“A tremendous amount of wealth is going to be generated by the Olympic Games. Global capitalism has been desperate for new markets.

“If you look at this region, all it needs is confidence, technology and a little time to develop.”

2004 Olympics bid gets nod from the State

CLIVE SAWSER
Political Correspondent

THE parliamentary committee on sport has warmly endorsed Cape Town’s bid for the 2004 Olympics.

Some members of the committee have sought putting a bill to parliament to cut red tape to ensure all levels of government assist the bid as efficiently as possible.

Bid chief executive Chris Ball, in a presentation to the committee yesterday, emphasised that the argument for the bid was backed up by cautious and sound business principles.

The preliminary operating budget, drawn up in September last year, estimated that revenue from television rights, sponsorships, ticket sales, local marketing and other sources would total about R4,3 billion.

Funding for the preliminary capital budget was estimated at R1,76 billion.

Of this, R504 million would come from the Olympic operating budget, R278 million from the private sector and R270 million from the public sector.

The economic impact from the increase in tourism up to the year 2016 would include an increase of R25 billion in the gross domestic product.

The impact would be one-third in the Western Cape and two-thirds in the rest of Southern Africa.

Mr Ball said there was an incorrect perception that the influx of people into the area would be overwhelming.

The peak would be only about an extra 300 000 people, about the same number as visited Cape Town during the summer season.
Tourism blues in W Cape towns

WHILES Captour prepares to negotiate a R5 million budget to promote tourism in the Cape Peninsula, many towns in the Western Cape are promoting themselves on shoestring budgets and cake sales.

This is unlikely to change over the next year, even though towns are establishing tourism bureaux to be funded by their respective municipalities in terms of new provincial legislation.

This emerged this week during a Western Cape Tourism Board workshop at which several tourism publicity officers spoke of the financial problems they have faced in securing funds to promote tourism in their towns.

Part-time Stilbaai tourism marketer Ms Anthea Rossouw said a lot of the tourism promotion work in the plateau and towns was being done by volunteers on small budgets.

"Tourism in the plateau and towns being developed by volunteers who are by no means employed in this," she said.

Rossouw said her marketing budget for the southern Cape coastal town was R10 000 a year. A large portion came from the local authority and the rest through memberships and fund-raising activities such as cake sales.

"I am not paid to market Stilbaai," she said. Rossouw, Nethersole, Jerme Reid of Riversdale.

Ms Sonja Rautenbach of Vanwyksdorp, a hamlet near Riversdale, said she didn't get "a cent" from the town to promote tourism, adding: "The money is from cake sales.

Rossouw said Stilbaai, now recognised that tourism was beginning to provide employment opportunities and the town's businesses and the local authority were to increase her budget.

However, she said that unlike Stilbaai, "other towns" would be unable to make it on their own and would seek alternative funding from the Western Cape Tourism Board.

Rossouw said if tourism did not create jobs in the plateau and people would migrate to the city and further exacerbate the squatter problem. "Tourism has got to work in the rural areas before it works in the city," she said.

Clanwilliam publicity officer Ms Hannelie Smuts said the town also operated on a limited budget — even though tourism had increased by 35% since last year.

"Our biggest challenge is to make the community aware of the tremendous tourism potential that our town has," she said.

West Coast Publicity Association officer Ms Jolene Rabe said 3 100 000 a year was allocated to promote and market the region.
Cableway plans get green light

ANDREA WEISS
Municipal Reporter

THE TABLE Mountain cableway upgrade came a step closer when the full Cape Town City Council gave provisional approval for plans for the R80 million project at a monthly meeting – but only after several councillors expressed reservations.

Clive Keegan, an independent candidate in the May election, suggested the matter should be referred back until environmental studies had been fully completed.

Mr Keegan said nobody questioned the need for a “very expensive, very radical and very far-reaching upgrade” but this was being planned in an “a very sensitive environment and studies should be of international standard.”

“I can’t help feeling this matter is being rushed through,” he said.

Mr Keegan said he believed the public was entitled to more responsible and closer scrutiny than the council was willing to give it.

The most important entity in the debate was not the financial books of the Table Mountain Aerial Cableway Company, or the planning prerogative of the Cape Town City Council, but the mountain itself.

“That is all we should be concerned with. We are being bulldozed into this decision by commercial interests.”

Urban planning committee chairman Siviwe Matika said the council had a “responsibility to make a decision because the matter was being discussed at provincial level.”

Ruth Ortlepp said she believed the upgrade should be facilitated as speedily as possible so as to look after the city’s tourists.

She was backed by Leon Markovits, National Party candidate for the election, and Chris Joubert, Democratic Party candidate, who both urged that the council get the project moving.

But Mamiki Gaba, of the SA Communist Party, said there was public concern about the mountain.

Mr Gaba said a decision taken on a project of this magnitude at this stage would be treating the new council, to be elected on May 29, with contempt.

Clive Justus, of the National Party, also expressed his reservations against the upgrade on the basis that an integrated environmental management (IEM) procedure had not been completed.

He said the IEM procedure was a critical, accepted practice, which although not binding in law, was used by all leading developers in the country.
Cableway upgrade approved

STAFF WRITER

The full Cape Town City Council granted its conditional consent yesterday to the R45-million to R60m upgrade of the Table Mountain Cableway and its facilities.

Mr Clive Keegan opposed yesterday's decision because he felt it was being rushed through with "undue haste".

He said too much attention was being paid to "commercial interests" which wanted to bulldoze the application through before the required studies had been made in enough detail.

No other landmark had to be treated with as much sensitivity as the Western Table, he said.

The environmental impact study was "woefully inadequate", and it had been much criticised. Final proposals for the upgrade had not been subjected to proper public scrutiny, he said.

According to reports before the council, the upgrade involves replacing the existing cable cars with larger, faster and more stable ones.

This will mean more than twice as many people will be taken to the top of the mountain, which in turn means more toilet facilities will have to be provided there, among other things. The existing toilets have septic tanks, but in future sewage will probably have to be taken off the mountain by pipe or in containers. Their issue has not yet been finalised.

Fewer than half-a-million people a year go up and down the cableway at present, but soon after the upgrade, the million-a-year mark is expected to be reached. On peak days, more than 8 000 people could be taken to the top.

Urban planning co-chairman Mr Siviwe Matika said the council would be abdicating its duty if it sent the report back to his committee.

"Either refuse, or give the go-ahead, but don't send it back. We know there are inadequacies, which we want addressed before we give full approval." These points had been addressed in the conditions, he said.

He noted that the final approval would be granted by the provincial authorities.

See Page 9
All whale watchers welcome!

International tourist interest in Cape's route

WILLEM STEENKAMP
Staff Reporter

WHALE-WATCHING and the establishment of a whale route committee to promote the best whale-watching spots in the Western Cape, is set to add a substantial boost to tourism in the region.

Jolene du Plessis, spokeswoman for the newly formed whale route committee, said members of the committee were going all out to promote the route.

“We have attended several international tourism conferences, where we have promoted our whale route and the reaction has been unbelievable.

“We have one of the best and most accessible whale routes in the world and the interest among international whale-watchers is growing by the day.

“We believe it is important that we promote the route, as any increase in tourists to our area will have a positive effect on job-creation.”

Mrs Du Plessis said a new pamphlet had been printed.

Promotion of the Cape’s popular whale route, which stretches from Lamberts Bay on the West Coast to Plettenberg Bay on the South Coast, could be increasingly important in generating tourism to the region.

and would be distributed among tourists and tourism organisations to promote the whale route.

Lauren de Wet, spokeswoman for Captour, said although the whale route fell mostly outside Captour’s area of operations, the organisation was very much aware of the importance of the route to attract and promote tourism to the Cape.

The necessary information about the route and the best spots to watch whales from was available at the offices of the organisation, she said.

Greg Vogt, chairman of the whale route committee, said a meeting was held in October last year to formulate ideas to promote the whale route and to establish a committee to get the ball rolling.

Mr Vogt said since the establishment of the 11-member committee earlier this year, every goal the committee had set for itself had been met.

“We are providing a network within which local communities can operate,” he said.

“We have defined the natural resource and packaged them together as a product, bringing an opportunity to many of the local communities along the coast to benefit from the increased tourism.

“The most important thing is the birth of a new tourism product. The international and local response has been incredible.

“We believe the whale route will grow into something huge, but it is important that we lay the right foundation for this tourism-generating industry.

“In 1994 more than five million people were involved in whale-watching excursions around the world.

“This clearly shows the enormous potential the industry has.

“But it is important that we get it right from the very beginning,” Mr Vogt said.
Bombshell ruling on cableway upgrade

BY CHARL DE VILLIERS

IN A devastating blow to Table Mountain's cableway upgrade, the National Monuments Council on Friday ruled against the R156-million project which was due to start tomorrow.

The bombshell decision effectively rules out City Council approval of the Table Mountain Aerial Cableway Company's building plans and may lead to a costly, year-long delay for the project.

The National Monuments Council said it could consider approving the upgrade only once an integrated environmental management (IEM) process had been completed.

The company hit back immediately, saying it would take the decision on appeal to the Arts, Science, Culture and Technology Minister, Ben Ngubane.

"We'll be speaking to our attorneys on Monday on the grounds that Table Mountain is a national asset, not the buildings on top. We also believe that the procedure we set up in September has been an IEM process," cableway company managing director John Harrison said.

City Engineer David Bradley said the cableway company had stuck to "the spirit" of the IEM process.

But environmental bodies such as the National Parks Board, Cape Peninsula Protected Area, Natural Environment Management Advisory Committee and Mountain Club of South Africa said the decision of the monuments council, supported their view that the IEM process had been flawed.

"Given the significance of Table Mountain as a national monument and potential World Heritage Site, any impact assessments must stand up to national and international review," NMC director George Hofmeyr said.

Expressing disappointment at the NMC's decision, City Council development coordinator Rod Young said the council had done its utmost to facilitate the upgrade.

Leading Cape Town architect Revel Fox, who headed a committee to review the cableway company's building plans, said the national monuments council's decision had not come as a big surprise.

The Provincial Administration this week conditionally approved a permit for the upgrade.

Mountain Club spokesman Lester Coetzen said: "We're setting a dangerous precedent if projects of this magnitude and impact get approved on the basis of a flawed process."

City planning official Steve Towse described the Department of Environmental Affairs' IEM guidelines would lead to a "nightmare" situation if made mandatory.
St Lucia set for a boom

By CRAIG BOONAN

NORTHERN KwaZulu Natal is getting ready for an ecotourism boom following this week's cabinet decision to protect Lake St Lucia from dune mining.

Investors and conservation bodies have been waiting to pour millions of rand into the St Lucia wetlands area — which could become South Africa's first World Heritage Site.

Environmentalists and tour operators said this would lead to a tourism boom in Maputaland.

The chairman of the Natal Parks Board, Pat Goss, estimates that ecotourism will generate as much as four times the amount of foreign exchange as mining (about R8-billion), provide three times as many permanent jobs and generate more tax.

But there are several obstacles to ecotourist development. Tony Pooley, the chairman of the Campaign for St Lucia, said a law to protect the area was needed. The Wetlands Bill, brought before Parliament a year ago, has not yet been passed.

Mr Pooley said St Lucia had to be set aside as an area of international conservation importance in terms of the Ramsar Convention on wetlands.

South Africa also had to apply to the UN to register the St Lucia wetlands as a World Heritage Site, he said.

Red tape is hindering private-sector investment in parts of the region. Largely rural, the region is controlled by several authorities, including the Natal Parks Board, the Department of Forestry, various tribal authorities, the Department of Nature Conservation and the Department of Land Affairs.

This week the government announced an "integrated development and land-use planning strategy" to draw together the various sectors involved in developing the area.

It also agreed to set up a task team under the Minister of Environmental Affairs and Tourism, Dawie de Villiers, to co-ordinate the development of a land-use strategy for the greater St Lucia area.

The Natal Parks Board said it planned to build several new camps, luxury camps and bush lodges.
The school has been using the most modern equipment available to provide top-flight training. At the completion of their training, the students are well equipped to take up positions ranging from supervisors to heads of departments in the catering industry. The school is one of the few schools in the country offering this type of training.

The school offers a three-year course in food and beverage management. The course is divided into two main sections: practical and theoretical. The practical section includes hands-on training in the kitchen, dining room, and front office. The theoretical section covers subjects such as food production, service, and management.

The school is located in a prime area of the city, which provides easy access to all the necessary facilities. The facilities include modern classrooms, a library, a computer lab, and a well-equipped kitchen.

The school is recognized by the Department of Education and is accredited by the South African Catering Industry Council. The graduates are well respected in the catering industry and are employed by some of the leading restaurants and hotels in the country.

Apart from the classroom training, the students are also given practical training in the school's own restaurant, which is open to the public. This provides the students with the opportunity to gain real-life experience in the industry.

The school is continuously looking for new ways to improve the quality of its training. In order to keep up with the latest trends in the catering industry, the faculty is constantly更新ed with new knowledge and skills.

Overall, the school is a great place to start a career in the catering industry. With the right attitude and hard work, the students can achieve their dreams and make a big impact in the field.