SERVICES SECTOR - Accom. Liquor & Catering

GENERAL

1995

JANUARY - MAY
There is no doubt that 1985 will be a bumper year for international tourism to SA, says Piet van Hoven, chairman of the SA Tourism Organisation (Sautour). He expects all major airlines flying to SA to increase their capacity to cope with the rising demand.

He said tourism from Taipel, in particular, was growing fast. It had increased by 40% in 1984 compared with 1983. “Tourism from more established markets, such as the UK and Germany, is of course growing at a lower rate than this. The coming year promises to be very buoyant. There is so much interest in SA and there are events such as the World Rugby Cup which will bring people here.

“The challenge will be to continue these levels of interest in 1985 and beyond. We shall have to work very hard to extend current levels of interest.”

Sautour is already planning to market SA in 1985 with eco-tourism as the theme. “A number of internationally-linked events are being planned for this,” said Van Hoven. He said the number of domestic tourists had also risen this year. “People must be feeling more confident and relaxed, and ready to travel.”

Hennie Taljaard, GM of DF Malan Airport, said international flights and many domestic flights were full to capacity at present. “There has been an incredible number of passengers passing through the airport since December 20. But we have managed to cope with them all.

“My deputy and I have been on duty all through the holiday period and all our staff and companies supplying support services have been on standby.”

Services
Passenger numbers for December are not yet available but Taljaard said the airport currently handles 800 scheduled passenger flights a week. Charter, freight and passenger flights bring the number up to 1,100.

He expects this to increase in coming months as more services are introduced.

The number of check-outs in the international terminal has been increased from 12 to 17.

A new restaurant and coffee bar in the international terminal, which have not yet been opened officially, were completed in time to be used in the holiday season.
Tourism boosts Protea Hotels in the wake of general election

BY ROSS HERBERT

Peaceful elections and a shift to free-market policies in a host of countries has revitalised African tourism and provided a boost to Cape Town-based Protea Hotels, which is undergoing a significant expansion outside South Africa.

In the last two years Protea has taken over more than 20 African hotels outside South Africa.

Management

This month it takes over management of a chain of four state-owned hotels in Tanzania from Tanzania Development Finance Ltd.

In March, the group plans to open a new 160-bed hotel in Egypt on the Red Sea.

"In April it will open a hotel with 50 chalets on Lake Victoria in Uganda.

"We are experiencing tremendous growth throughout Africa," says Arnold Cloete, group financial director.

According to Cloete, Protea's turnover grew by about 25 percent from 1993 to 1994 to something in the region of R310 million.

Protea is the largest hotel company in Africa and the third-largest in the world.

It operates 76 hotels with 7,100 rooms in 10 African countries, including 54 in South Africa.

The group is also working on hotel deals in Botswana, Namibia, Nigeria, Senegal, Ghana and Egypt.

"Political instability and violence are starting to fade away," says Bernard Cassar, who is director of Protea Hotels outside South Africa.

"And, for the first time in a long time, South Africans are being welcomed and can now start to travel more throughout Africa."

The development has boosted Protea's business, he says.

Violence in other parts of the African continent has worked to Protea's advantage because travellers are drawn to name-brand chains in a position to offer proper facilities and service.

Cassar says the company has benefited particularly from an increase in American and European tourists who are interested in package deals that can offer stops in a number of countries.

Presence

The combination of peace, the ability to market packages internationally and Protea's expanded African presence is creating an "African tourism axis."

It stretches from Egypt to Kenya to South Africa, according to Otto Siehlik, head of Protea Hospitality Corporation.

Protea had 1994 occupancy rates that were well above 80 percent, he says.

The number of tourists visiting Africa has grown by 55 percent since 1989, with north and southern Africa being the main attractions.

According to the South African Tourism Board, tourist visits to South Africa increased by something like 15.5 percent in the first 10 months of 1994, these being the most recent figures available.

Visits to South Africa by North American tourists grew by about 32 percent.

Those by tourists from Europe grew by 6.5 percent.

The number of Asian tourists grew by 39.9 percent and by 66.5 percent by Central and South American tourists. 
New tourism policy expected by June

THE interim tourism task team set up to formulate a tourism vision for SA should produce a new policy and relevant structures by June, tourism director Hendrik Steyn said yesterday.

The task team, which consists of two representatives each from government, the provinces, urban and rural community organisations, labour and business, was set up last October.

Steyn said discussions were characterised by a shift from the initial confrontational positions of parties demanding the disbanding of the SA Tourism Board (Satour) to a spirit of co-operation.

All the parties had agreed that Satour should continue with its marketing role while a new policy framework was being worked out. "It is not clear whether the restructuring of the Satour board will wait until the new policy is in place or will be effected now," said Steyn.

The task team's terms of reference were:

☐ To formulate a vision for SA tourism development;
☐ To draw up a set of principles to serve as a framework for the development of a tourism policy;
☐ To recommend structures that would pursue the vision and implement the policy and strategy;
☐ To propose the allocation of responsibilities to the recommended structures; and
☐ To outline the further actions required for this project to culminate in a national tourism policy.

Steyn said the task team had met twice and would meet again at the end of the month.
BUSINESS

But the chains are having none of it. They argue their interests are vastly different from some members of the hotel association who maintain hotel rooms only to keep their liquor licences and whose bar sales are their main sources of income. Moreover, they contend that at a Fedhasa meeting or congress the value of the vote of a large five-star hotel is no different from that of a derelict downtown hotel sustained by its retail liquor sales.

"We need to be represented by a body that represents only those who provide transient accommodation for tourists and businessmen and Fedhasa in its present guise does not do that," says Protea Hotels MD Arthur Gillis. "We have no objection to restaurateurs belonging to a lobby that represents their interest. Though we have restaurants in our hotel, we see no need to join that lobby."

Forrester says it is necessary to get rid of the "them and us mentality. We changed the constitution to accommodate them and I'm sure they will come back. The (hotel) groups are only 20% of the hospitality industry. They're important but not as important as they think."

He says Tourism Minister Dawie de Villiers has indicated he wants only one body to represent the industry and that government would like to work with Fedhasa. He adds: "If the groups join Fedhasa in their own autonomous segment, they could play a part but they're excluding themselves at their own cost."

HOSPITALITY INDUSTRY

A broken chain

Since the large hotel chains pulled out of the Federated Hospitality Association of SA (Fedhasa) two years ago and formed their own representative body, there hasn't been any narrowing of the chasm separating the various entities in the industry.

Fedhasa is sticking to its view that it is capable of effectively representing the interests of the major hotel chains. But the chains, which broke away to form the Industry Liaison Group, feel they can be represented adequately only by a body that represents groups and independent hoteliers whose main business is catering for tourists and business travellers.

Still, Fedhasa's new chairman, Ken Forrester, insists Fedhasa is an umbrella organization divided into four autonomous segments — the SA Restaurant Guild, the Caterers' Guild, the Self-Catering Accommodation Association and the National Hotel Association — the last one being perfectly positioned to represent the interests of the hotel chains.
Tourism development

No Satour office in Hong Kong means we’re losing out on the vast East market needed.
Johannesburg dubbed a tourist’s bargain city

NEW YORK. — For five-star hotel guests and gourmet food lovers, Johannesburg ranks as the ultimate travel bargain among 20 selected world cities listed in the latest issue of Conde Nast Traveler. And for those who would settle for mere four-star treatment, only Las Vegas beats Jo’burg.

A table in the prestigious American magazine shows the amount, in US dollars, a business traveller can expect to spend daily on accommodation and three meals in the 20 cities: Johannesburg ranked 20th at $117 (R128), this is less than half the $316 (R328) for equivalent food and lodging in sixth-ranked London.

In the survey, attributed to the Runzheimer Meal-Lodging Cost Index, Johannesburg beats even Las Vegas — $156 (R168), hotels there charge bargain rates for rooms and meals as an incentive for patrons to make cash donations to the casinos.

Tokyo is at the top of the scale, by both measures, at $464 and $368 (R567 and R1,314) respectively, making second-ranked Hong Kong a relative bargain at $348 and $314 dollars (R1,243 and R1,121).

Govt pays Boesak while investigation continues

AMBASSADOR-designate to the UN in Geneva, Allan Boesak, was not receiving a full ambassador’s salary, the Foreign Affairs Department said yesterday.

"Boesak does not qualify for his full ambassadorial salary in SA as he has not yet taken up his post," a statement said.

"In terms of this contract he qualifies for a salary at the level of a director in the public service until such time as he takes up his post as SA’s permanent representative at the UN in Geneva.

Boesak’s Foundation for Peace and Justice is the subject of an inquiry following claims that Danish aid money intended for socioeconomic upliftment projects was diverted for the personal use of foundation staff.

At a meeting in Pretoria on Thursday between Deputy President Thabo Mbeki, Foreign Affairs Minister Alfred Nzo and Boesak it was agreed that Boesak would not take up his appointment until the controversy had been satisfactorily resolved.

Scramble for local council seats

JOCKEYING for positions by non-statutory organisations is holding up the establishment of local transitional councils in KwaZulu/Natal, says provincial local government minister Peter Miller.

At present, there are 13 transitional councils in the province, including Mtatiele, Dundee, Greytown and Kokstad.

Miller said a proclamation setting up the Durban Transitional Metropolitan Council was being fine-tuned and would be gazetted soon, hopefully before January 12.

He said the jockeying for positions on the interim municipal structures by non-statutory organisations — bodies which had not been involved in local government in the past — had necessitated “wide arbitrations” by his ministry.

Several committees had been set up to arbitrate over the allocation of municipal seats to non-statutory organisations, which included the ANC and the Inkatha Freedom Party.

These committees would be arbitrating in at least seven towns in KwaZulu Natal this week.

In another development, the translation into Zulu of regulations governing the elections would be completed by January 20, he said. Miller has said the regulations, which were published last month for information only, would be proclaimed in the province only after they had been translated into Zulu.

Tourism booms after election

SA tourism had jumped to a record high by September last year, with an increase of 21.6% in overseas visitors for that month over the previous year’s September figures, a Central Statistical Service (CSS) survey reported yesterday.

Rapid increases in the number of visitors began shortly after the April elections. September recorded about 10 000 more visitors than April, bringing the total for the period to more than 60 800.

CSS figures for the last quarter of 1994 were unavailable.

More than 60% of visitors were holiday-makers, 20% entered for business purposes, and about 5% for work. Europe accounted for more than half of the visitors and the Americas and Asia followed at nearly 20% each. Residents of other African countries were excluded from these figures.

The number of SA visitors abroad also increased — 29% against comparable 1993 figures. Most were tourists but businessmen accounted for more than 30%.

Immigration and emigration figures showed a net loss of nearly 3 500 SA residents for 1994’s first three quarters, compared to the previous year’s estimated net gain of more than 2 700 people for the same period. SA lost more than 700 professional, semi-professional and technical people.

The most popular emigration destination was the UK while most immigrants also hailed from the UK.
Plans to privatise town

THE Eastern Transvaal government has indicated it might proceed with plans to privatise the national monument town of Pilgrim's Rest - a move which could reap millions for the region.

Local businessman Mike Sapiro, who sits on the Pilgrim's Rest Tourism Association and the steering committee on tourism for the region, said last weekend the town was drawing up plans to recreate the gold-rush era which gave rise to the town. But plans to revert to horse-drawn transport and period costume were being stalled by the fact the town was still state-owned.

"However, the regional government has indicated it is willing to support privatisation of the town,

Funds to support the town's new strategy to enhance its tourism potential will be raised by selling off government-owned property to the private sector.

Once privatisation was complete, the town would embark on a marketing drive to promote its historical significance to boost an already flourishing tourism and conference industry.
SA tourism boosted by stability

IMPROVED stability in South Africa has boosted tourism in the country, which has had one of its best holiday seasons in years, tourism officials say.

"In the Western Cape there was an unofficial 10 to 14% increase in (accommodation) occupancy rates compared with the previous season," Satour spokesman Mr Martin van Niekerk said.

And Cape Town executive director Mr Gordon Oliver said Cape Town expected its record summer holiday season to last well into March with more than 250,000 visitors from South Africa and abroad.

He said this was a vast improvement on last year, when pre-election political uncertainty and violence had kept visitors away.

Cape Town usually received 76% of all foreign visitors and was expected to host 100,000 domestic and 250,000 foreign tourists between December 1 and the end of February. The next influx of tourists would be for the Rugby World Cup in May, when about 30,000 foreigners were expected visit South Africa.

Mr Van Niekerk said KwaZulu-Natal had experienced its best holiday season in four years.

Eastern Cape regional director of Satour, Mr Peter Myles said improved security in the former Transkei had boosted occupancy on the Wild Coast and resorts further south. — Reuter
Litterbugs cost the city R46m in '94

By MELANIE GOSLING

LITTERBUGS cost Cape Town R6 million last year.

If trends continue, ratepayers will spend even more this year to keep their streets clean, according to the chief of the City Council's cleaning department, Mr Bruce Black.

He said Cape Town's street cleaning bill was the biggest single item in the city's cleaning budget of R106m.

"And it is increasing at a frightening rate. We have to divert resources on a continuing basis to deal with it."

We spend more money on removing what people don't put into refuse bags than on what they do put into refuse bags," he said.

The council spent R42m on refuse removal last year, R3m on beach cleaning — excluding the oil pollution clean-up — and R1.4m on river cleaning.

"Littering is everyone's problem. The most frequent answer is to say the authorities should be stricter, but we have only 10 law enforcement officers in the city and don't have the budget to employ more. It is up to each individual to curb it," Mr Black said.

He said businesses in the city exacerbated the litter problem by leaving their rubbish in bags or boxes on the streets where vagrants had access to them.

Mr Black appealed to businesses to be responsible about disposing their rubbish.

"Many companies have a key role to play in reducing litter. People who leave rubbish out are as responsible for littering as if they themselves had strewn it around the streets."

"I know vagrants go through the refuse to get material for recycling, and some may say by denying them access to the rubbish you are denying them a living. Recycling must be done but there are responsible ways of doing it," Mr Black said.

Excrement

He said the city's social problems became cleansing problems as vagrants who slept in alcoves and on pavements left excrement which had to be cleaned up.

"The problem is exacerbated by certain businesses who make financial rewards available to street people consciously by giving them handouts or unconsciously by allowing them access to alcoves.

"They could eliminate access with gates," Mr Black said.
Get ready for influx of tourists

MORE than 13 000 jobs are expected to be created in the tourism industry this year, generating an additional R700 million to the economy, says the South African Tourism Board.

Satour says the tourism industry expects about 800 000 overseas visitors in 1995, a development which will create about 4 500 direct and 9 000 indirect jobs. Airport arrival statistics for October 1994 showed foreign tourist numbers are increasing constantly. Already there is a 14.2 percent increase on 1993. “Most important is the Asian market, which is now starting to fulfil its potential,” says Satour’s chief executive Masimang.

Visitors from Japan increased by 24.5 percent last October, while the Taiwanese influx increased by 41 percent. There was also a huge leap in the number of visitors from Hong Kong. “Europe still remains South Africa’s primary tourist market with 35 865 European visitors having entered the country in October.”

“But the United Kingdom is still by far our biggest market with 12 269 visitors in October, reflecting an increase of 13.3 percent over October 1993,” adds Masimang. Satour believes the trend will continue this year.

“South Africa is entering a new era of tourism. The 1995 World Rugby Cup is expected to draw an additional 30 000 foreign visitors to our shores,” says the Satour boss.

A recent study by the World Tourism Organisation showed South Africa enjoyed the third largest share of Africa’s foreign arrivals. In terms of foreign exchange earned from international tourism, South Africa ranks first in Africa, making tourism the fourth largest foreign exchange earner in the country.”
GOODBYE VALUES

BY EVERETT WOODS

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Great foreign tourist invasion of the Cape

We had the best October and November for three years and it was all foreign tourists," said Mr. Spickernell.

The Cellars, Hohenort, in Constantia, fast gaining a reputation as Cape Town's top hotel, has set something of a record by being fully booked for Christmas and New Year next year.

"As the guests left this year, they booked and paid deposits for next year," said general manager Deon Lotz.

Luiz Pinheiro, deputy general manager at the Mount Nelson, in Cape Town, said last year was a disaster with the elections pending.

"But this year all our English and German guests have come back. We were fully booked over Christmas, there is a slight lull now, but next week we are fully booked through to the end of February and bookings for March are looking very good."

The big news for the Mount Nelson is the arrival of American tourists.

"We have quite a number of Americans staying here and even more are booked to arrive later this month. This is the first time in recent years we have seen American tourists in any numbers."
Hotels continue festive mood

By ALFIA FRAH

The five-star hotels in Dubai have been celebrating the festive season in style, with a variety of special events and activities to ensure guests have a memorable holiday experience. The hotels have been offering a range of festive dishes, theme parties, and entertainment options to create a celebratory atmosphere.

One of the most popular hotels in Dubai is the Emirates Palace, which has been hosting a series of festive events. The hotel has transformed its ballroom into a winter wonderland, complete with a large ice rink and a life-sized Christmas tree. Guests can enjoy a variety of festive dishes, including roasted turkey, while sipping on mulled wine and hot chocolate.

Another popular hotel is the Burj Al Arab, which has been offering a range of festive-themed dining experiences. The hotel’s signature restaurant, Al Mahara, has been transformed into a winter wonderland, with a large ice sculpture and a life-sized snowman. Guests can enjoy a range of festive dishes, including a Christmas feast featuring roast turkey and all the trimmings.

The Jumeirah Beach Hotel has been offering a range of festive activities for guests to enjoy. The hotel has transformed its pool area into a winter wonderland, with a large ice sculpture and a life-sized snowman. Guests can enjoy a range of festive dishes, including a Christmas feast featuring roast turkey and all the trimmings.

Overall, the hotels in Dubai have been offering a range of festive experiences for guests to enjoy, creating a festive atmosphere that is sure to put a smile on the face of any holidaymaker.
Season ‘one of the best’ for hotels

CT 16/11/95

Staff Reporter

CITY hotels are enjoying an unprecedented high occupancy rate and hoteliers are optimistic that the trend will continue through the coming Rugby World Cup.

Mr Harry Murray, general manager of the Cape Sun hotel, said February and March would continue to be busy months because of the positive weather predictions.

The Rugby World Cup would also mean a high occupancy rate and efforts were being made to ensure that the Cape Sun was full between March and then, Mr Murray said.

Mr Nick Seerwes, general manager of the Mount Nelson Hotel and regional director of the Orange Express Hotels, said the past season had been wonderful and "one of the best" for a long time.

He said business usually picked up from January 20 to the end of March, but the hotel was running at an extremely high occupancy of about 75%.

"The season has been excellent and no one should feel unhappy," Mr Seerwes said.

February was historically the hotel's best month and indications were that the World Cup would be good for business, he said.

Ms Peggy Klement, general manager of the Breakwater Lodge, said occupancy was very good and the hotel was nearly full.

"We have no rooms left to sell in February," Ms Klement said.

Mr Mac McCaffrey, general manager of the Ritz Protea Hotel, said: "The Ritz is going through one of its busiest periods."

Tourists

"The Protea Group is looking at record occupancy," Protea Centrtl Reservations has, however, been able to accommodate people," Mr McCaffrey said.

He added there had been a substantial increase in overseas tourists and that the Cape was "in vogue" for South Africans and visitors from neighbouring states.

Mr Richard Johnston, general manager of the Victoria and Alfred Hotel on the Waterfront, said the hotel was currently fully booked and that the situation would continue for the next few weeks which would normally have seen a downturn.
‘Birding best in Africa’
SA urged to capture ecotourist market

BY ANITA ALLEN
SCIENCE WRITER

The biggest growth sector in the travel business is the burgeoning ecotourism market, according to David Allan of the University of Cape Town’s department of statistical sciences.

Writing in Paxton 1995, the annual of the Endangered Wildlife Trust (EWT), Allan warns that for South Africa to capture its share of the market there must be a clear understanding of what today’s ecotourist expects.

“Ecotourism spend more per capita on their trips than any other type of tourist,” says Allan.

“This buzzword means different things to different people. For inefficient and uncaring operators it is a cover under which to charge naive tourists exorbitant amounts in return for shoddy and uncomfortable outdoor experiences. For others, it is just another marketing label for the same old game-watching holidays that they have been offering for the past 20 years.”

The Ecotourism Society’s definition of ecotourism is internationally accepted as “purposual travel to natural areas to understand the cultural and natural history of the environment; taking care not to alter the integrity of the ecosystem, while producing economic opportunities that make conservation of natural resources beneficial to local people”.

Allan warns that today’s traveller is better informed than previously and is looking for a wide experience and understanding of the environment being visited.

“This demands that tourism managers and their staff match these expectations by becoming more knowledgeable themselves and by presenting a wider variety of ways in which their customers can explore natural environments,” he says.

Migrants

Allan, a specialist at UCT’s avian demography unit, argues that much more needs to be done to project South Africa as a premier birdwatching destination.

“Avitourism” has the potential to play a major role in ecotourism, he says. Some 600 bird species have been recorded in the sub-region, of which 600 breed in South Africa and 211 are non-breeding migrants.

South Africa ranks tenth in the Afrotopias in terms of the total number of species present, but lack of infrastructure and extreme political instability in many African countries probably means that the most species can be seen in South Africa, Allan notes.

“If we offer a product that is attractive, well-packaged and reasonably priced, tourists will come. If not, they will go elsewhere. Any strategy based on inequality, greed, inefficiency or a hint of blackmail (‘pay up or we will destroy the place’) will not succeed in the long term.”

Paxton is the EWT’s coffee-table annual in full colour. It presents an overview of environmental issues and strives to point to the road ahead. This year, in addition to the ecotourism focus, there is a conservation update on the southern African region, with contact details for responsible government and NGO bodies; a chapter on people and organisations in South Africa and the work they are doing — including 21 years of the EWT; a feature on businesses in the country which are doing outstanding conservation work; and a look at wildlife artists and their art.

The book is available from the EWT’s Bushwillow Stores at R69,95, or direct from the EWT in Johannesburg: telephone (011) 489-1922 or fax 489-5999.
S

The South African Tourism Board has developed a multifaceted strategy to encourage tourism, both as an economic stimulus and as a generator of employment, writes Winnie Graham. It is starting by giving jobs to unemployed youth to protect visitors.

SATOUR has plans for SA

SATOUR has targeted South Africa's unemployed youth between the ages of 18 and 25 for training as "tourist protection officers" in the country's main tourist centres.

In addition, it hopes that at least 50 young people will be operating as tourist guides in a pilot project supervised by government-based institutions and private tour operators by the end of this year.

Information on these schemes is contained in a comprehensive document prepared by SATOUR detailing its "reconstruction and development strategy" until 1998.

The document contains an array of preliminary proposals in various fields where tourist development projects could have urgency in meeting basic needs, developing human potential and building the economy.

South Africa's current earnings from tourism are relatively low. SATOUR estimates that they contribute somewhere between 1.5 and 2 percent of the gross national product. The average world figure is 5 percent.

SATOUR's current earnings from tourism are estimated at about $3 billion, but they could expand to $10 billion within the next three years," the document states.

Although the challenge of achieving tourism growth by 1998 is seen as vital, SATOUR's determination to develop the "human face" of tourism is greater. It has, as a top priority, the need to ensure that South Africans embrace a culture of hospitality, friendliness and service.

As a large section of the population was for long excluded from participating in tourism, research has indicated that many do not appreciate the potential benefits and responsibility of a growing tourist industry.

As the year 1997 approaches, SATOUR is compiling a comprehensive inventory of cultural attractions, museums, monuments and other political landmarks for inclusion in the 1997 tourism theme year of "sports and cultural experiences".

SATOUR is still considering the types of tourist packages to be offered to South African tourists who will travel in their own country before considering trips abroad.

The document states: "The largest section of the South African population has been particularly supportive of efforts to promote tourism." The trend should be reversed to ensure that South Africans develop a pride in their beautiful country. It plans to ensure that all forms of racial discrimination are eradicated from the tourist industry this year and will proactively pursue discriminatory facilities or establishments.

The new political dispensation has opened many new tourist markets to South Africa. Growth in international tourism, SATOUR stresses, is at the core of the potential economic contribution of tourism.

The documents makes three points:

1) By the middle of 1997, a tourist development fund should be established which will cater strongly for the needs of the emerging tourism entrepreneur, particularly in the development of tourist attractions, accommodation facilities and tour operators in and around townships and rural villages.

2) A comprehensive marketing campaign to promote SA tourism should be effective.

3) SATOUR will launch an investment in creative package of the development projects in rural areas to create new economic opportunities for the youth in the country.

S

SATOUR is world
The largest section of the South African population has been prohibited through past policies from being tourists. This trend should be reversed to ensure that South Africans develop a pride in their beautiful country.

Bringing home the bacon... foreign exchange earnings from tourism (including the popular trips down Gold Reef City’s mine shaft) are estimated at about R7 billion, but they could expand to R9 billion within the next three years, says a Labour document detailing its reconstruction and development strategy until 1999.

...has developed a multifaceted as an economic stimulus and as Winnie Graham. It is starting by youth to protect visitors.

'Ans for SA youth

...national geography curriculum. In a bid to draw attention to South Africa's wide variety of scenic and sporting experiences, the South African Tourism Commission is developing a comprehensive inventory of cultural attractions, museums, monuments and natural features for inclusion in the 1997 tourism year's brochure and guidebook.

It wants South Africans to travel in their own country before considering trips abroad. The document states: 'The tourism sector of the South African economy has been protected through past policies favouring tourism. This trend should be reversed to ensure that South Africans develop a pride in their beautiful country.'

...to ensure that all forms of racial discrimination are eradicated from the tourist industry this year and will promote positive discriminatory facilities or establishments.

The new political dispensation has opened many new tourist markets to South Africa. Growth in international tourism, however, is still at the core of the potential economic contributions of tourism.

The documents makes these points:

- By the middle of 1996, a tourism development fund should be in place which will cater specifically for the needs of the emerging tourism entrepreneur, particularly in the development of tourist attractions, accommodation facilities and tour operations in and around towns and rural villages.
- An investment and funding incentive package to encourage the development of tourist projects in rural areas will be put in place from the beginning of this year.
- A structured advisory programme for small business development in tourism, consisting of educational literature and video material, is now available.
- A programme to facilitate marketing opportunities for emerging entrepreneurs should soon be operational.

The problem of crime is also addressed. Research indicates that only 40 percent of tourism to South Africa regard safety and security as "good". This trend needs to be reversed substantially if tourism is to grow.

Labour is working to ensure that by the end of 1996 a substantial tourist protection force will be operating in all major tourist centres.

All tourist areas with a high crime rate are to be identified and a comprehensive tourist information service, comprising information brochures and self-service emergency numbers, made available. The police, public service, business community and unions will be involved.

There are plans, too, to provide tourists with improved road signage at every tourist facility in South Africa by 1997. A new electronic tourist information and reservation system will be functioning by 1995 and a series of 56 tourist information maps should be located at strategic points along the South African road network within a year.
The biggest growth sector in the travel business is the burgeoning ecotourism market, according to Dr David Allan of the University of Cape Town’s department of statistical sciences.

Writing in Vision 1998, the annual of the Endangered Wildlife Trust (EWT), Allan warns that for South Africa to capture its share of the market there must be a clear understanding of what today’s ecotourist expects.

“Ecotourists spend more per capita on their trips than any other type of tourist,” says Allan.

“The biggest mistake many different biomes and different people. For intelligent and maintenance operators it is a new world where to change needs and travelers expect qualified visitors to return for steady and unprepared little experience. For others, it is just another marketing tool for the same old light-brighting holidays that they are being offered for the past 20 years.”

The Ecotourism Society’s definition of tourism is internationally accepted as “purposeful travel to natural areas to understand the cultural and natural history of the environment taking care not to alter the integrity of the ecosystem, while producing economic opportunities for conservation of natural resources beneficial to local people.”

Allan warns that today’s traveller is better informed than previously and is looking for a wide experience and understanding of the environment during their visit.

“This demands that tourists manage their stay to match these expectations by becoming more knowledgeable themselves and presenting a wider variety of ways in which their customers can explore natural environments,” he says.

Migrants

Allan, a specialist at UCT’s urban demography unit, argues that much more needs to be done to protect South Africa as a premier birdwatching destination.

“Avitourism” has the potential to play a major role in ecotourism, he says. Some 880 bird species have been recorded in the sub-region, of which 500 breed in South Africa and 111 are non-breeding migrants.

South Africa ranks tenth in the African region in terms of the total number of species present, but lacks infrastructure and extreme political instability in many African countries probably means that the most species can be seen in South Africa, Allan notes.

“If we offer a product that is attractive, well-packed and reasonably priced, tourists will come; if not, they will go elsewhere. Any strategy based on incompetence, greed, dishonesty or a lack of teamwork ("pay up or we’ll destroy the place") will not succeed in the long term.

Vision is the EWT’s coffee-table annual in full colour. It presents an overview of environmental issues and aims to point to the road ahead. This year, in addition to the ecotourism focus, there is a conservation update on the southern African states, with contact details for responsible government and NGO bodies; a chapter on people and organisations in South Africa and the world they are doing — including 90 years of the EWT; a feature on businesses in the country which are doing something about conservation work and a look at wildlife artists and their art.

The book is available from the EWT's Braamfontein Office, 151 Shortmarket Street, Braamfontein, or directly from the EWT in Johannesburg, at 469-1192 or fax 496-1199.
Eco-tourism fund ‘a flop’

THE Industrial Development Corporation’s (IDC) R600m pool to fund eco-tourism development has been a failure, tourism consultants said at the weekend.

The fund, established in May 1993, has to date allocated only R65m for 14 projects from a total of 33 applications for R287m.

An IDC spokesman said that the unsuccessful applicants had failed to meet IDC criteria. The scheme required that they provided at least 40% of the investment required for individual projects.

 Loans were provided only to those projects that developed, improved or expanded tourist accommodation in the larger private reserves and in areas adjacent to or under the control of the relevant conservation authorities.

The IDC spokesman said loan facilities were “tailored to the cashflow of the project and interest rates are in line with capital market rates”.

However, various tourism consultants have said the terms were too stringent, thus defeating the scheme’s object.

Kessel Feinstein Consulting director Gillian Saunders said the loans were not soft enough to attract prospective developers, who in many cases were unable to assemble the number of potential applicants.

The IDC spokesman said one of the reasons more loans had not been granted was the uncertainty over the future of the national and regional nature reserves, and future legislation governing them.

Potential investors were reluctant to commit to any projects until this matter had been resolved.

However, he said the expected improvement in domestic and foreign tourist numbers should have had a beneficial effect on the body’s general tourism scheme, established in 1983. Of a fund of between R100m and R200m, 17 projects to the value of R26m had been approved.

IDC

raise the capital through the traditional lending institutions.

“Many small and medium-size enterprises need a kick start to get them going, as well as favourable loan facilities to tide them over the generally unprofitable introductory period when the business is being established.”

• Price Waterhouse Meynell’s Hospitality Group co-ordinator John Ambrey said the IDC had not advertised the scheme sufficiently to the general public, leaving most potential entrepreneurs ignorant of the funding facilities.

In addition the criteria regarding location was limiting, which further reduced the number of potential applicants.

[From Page 1]

[To Page 2]
Funds row

‘Adviser’ accuses Minister

By CHRIS BATEMAN

A ROW over alleged abuse of travel funds erupted between Western Cape Tourism and Environment Affairs Minister Lerumo Kalako and his special ‘adviser’ Mr Nic Malherbe yesterday.

Last night Mr Kalako rejected as “sour grapes” claims by Mr Malherbe that Mr Kalako and his private secretary, Mr Kwanda Sojolo, either spent or pocketed over R2 000 sponsorship money on a recent Australian trip.

Tardy

Businessman and tourism specialist Mr Malherbe, who set up the promotional eco-tourism visit in November and acted as tour guide, also claimed they were inefficient, tardy and rude.

In the face of praise from Mr Kalako for his “excellent work”, Mr Malherbe yesterday quit his unofficial job with the ministry, citing frustration at the lack of recognition and gross departmental inefficiency.

“Tourism is in my blood and when I see people degrading or milking it, my hair stands on end,” he said.

Mr Malherbe—alleged Mr Kalako and Mr Sojolo:
- Spent or pocketed a remaining R2 185 in Western Cape Tourism Board-sponsored travelers’ cheques on returning to Jan Smuts Airport.
- Ran up telephone bills in excess of R2 000 phoning home to organise Mr Kalako’s upcoming wedding.
- Had to be constantly reminded of appointments.
- Left him to carry bags, open doors, confirm flights and reservations and “carry gifts” for their Australian hosts.
- Lost all documentation accounting for spending on the trip.

Contested yesterday, Mr Kalako denied any funds abuse, saying a personal cheque for the outstanding money, dated four days after their return was “in a safe at my office”.

He said he “repeatedly” asked Mr Malherbe for a full financial report on the trip for presentation to Admiral Martin Kramer, chairman of the (Interim) Western Cape Tourism Board, but to no avail.

Admiral Kramer last night said the R75 000 allocated to the trip had “very definite conditions attached,” but reserved comment until he had spoken to Mr Kalako.

Admiral Kramer has to account to the SA Tourism Board which originally allocated the funds.

Mr Kalako said he did not want to get into a “heated exchange” with Mr Malherbe.

“His major problem is the issue of an official appointment as my special adviser,” he added.
Youth to benefit from tourism

SATOUR has targeted South Africa's unemployed youth between the ages of 18 and 25 for training as "tourist protection officers" in the country's main tourist centres.

In addition, it hopes that at least 50 young people will be operating as tourist guides in a pilot project master-minded by government-based institutions and private tour operations by the end of this year. Information on these schemes is contained in a consultative document prepared by Satour detailing its "reconstruction and development strategy" until 1999.

The document contains an array of preliminary proposals in various fields where tourist development projects could have spin-offs in meeting basic needs, developing human potential and building the economy.

South Africa's current earnings from tourism are relatively low. Satour estimates they contribute somewhere between 1.5 and two percent to the gross national product. The average world figure is six percent. "Foreign exchange earnings from tourism are estimated at about R7 billion, but they could expand to R9 billion within the next three years," the document states.

Although the challenge of achieving tourism growth by 1996 is seen as vital, Satour's determination to develop the "human facet" of tourism is greater.

It lists, as a top priority, the need to ensure that South Africans embrace a culture of hospitality, friendliness and service.
Make the disabled also welcome, says Satour

Staff Reporter

WITH South Africa preparing to welcome an estimated 800,000 overseas visitors this year, the country’s tourism board (Satour) is looking at ways to meet the needs of every individual tourist, including those with physical disabilities.

Greg McManus, Satour’s standards promotions director, said the increased consumer demands made it essential for the accommodation industry to be able to cope with all kinds of visitors.

“We must remember when a disabled visitor is turned away because of the lack of adequate facilities, family and friends of that visitor are also turned away.”

For more information about the conference phone 011 804 7022.
Kalakao hits back

Expenses row:

In a statement to the regional
Council yesterday, Dr Kalakao said he
would not take any action until the
situation was clarified. He said he
had been informed by the council's
legal officer that he had used $2,300
of his travelling allowance for a
business trip to Australia last year.

In his statement, Mr Kalakao said
he had never made any official
travels. He also denied that he had
received a $1,000 cheque from the
regional council.

‘I can only speak for myself,’ Mr
Kalakao said. ‘I do not want to
make any comments at this time.’

Earlier this week, the regional
council said it had received a
$1,000 cheque from Mr Kalakao.

Mr Kalakao said he had
received the cheque in error and
had not intended to use it for any
official purposes.

The official allowance is for
official travel expenses and Mr
Kalakao said he had not
misused the funds.

In a statement to the media,
Mr Kalakao said he had
received the cheque in error and
had not intended to use it for any
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Homeless a threat to tourism – Oliver

Cape Times, Wednesday, January 18, 1995
Cango Caves 'mismanaged'?

Staff Reporter

THE world famous Cango Caves are deteriorating rapidly due to mismanagement by the Oudtshoorn Town Council, according to Dr Stephen Craven, President of the Speleological Association.

He warned that unless something was done to combat the town's 'mismanagement' of the national monument, the tourism industry centred on the caves in the area could collapse.

Speaking to association members in Cape Town last night, Dr Craven said the limestone formations in Cango 1, which is open to tourists, had "dried out" in comparison to Cango 2 and 3, where access is limited.

Dr Craven's thesis, Management Problems of the Cango Cave, was published in October.

Dr Craven said last night he believed the deterioration was caused by huge numbers of people — up to 3,000 a day — planned to blast another hole for him to visit Cango 2. This was "thankfully averted" when one of Vorster's aides said he would not crawl through the hole.

Funds derived from the caves had paid for a library in the town and a statue outside the police station. Town council members and the town clerk had also flown overseas to attend conferences on international caves, he said.

He said continuous monitoring of the temperature, humidity and carbon dioxide pressure in relation to the number of daily visitors should be implemented to save the caves.

An independent management board with members from the Cape Nature Conservation, the Parks Board, the town council and tourism bodies should be established.

A museum, "a sacrificial cave", and a nature trail to attract excess visitors disqualified from visiting the cave when the quota of daily visitors was exceeded should also be built.

City to get 'photo stops'

TWO "photo stops" should be established in the city — one in St George's Mall and on the Foreshore - as an experiment, the utilities committee recommended this week.

At each of these stops a mounted photograph of the view from there would be displayed. Passers-by would be told by a signboard how to take their own replica photograph.

A council spokesman said yesterday only two spots had been recommended initially as the council thought it best to be careful the stops do not turn out to be excuses for advertising billboards.

It is unknown how the public will respond.

Sponsors who advertise on the signs will pick up the entire tab.

Fishing rights row in Galapagos

Staff Reporter

SOUTH AFRICAN conservation bodies have joined a world bid to save the Galapagos Islands from the onslaught of illegal fishermen who held conservationist staff hostage last week.

The fishermen were demanding that the sea cucumber fishery be reopened.

A spokesman for the Southern African Nature Foundation, Mrs Ronel Beukes, said yesterday the organisation condemned the violence on the Galapagos which had "a remarkable parallel" to the perlemoen war in the Cape.

In a statement yesterday the World Wildlife Fund (WWF) said a group of fishermen, some masked and armed with clubs and machetes, had held conservation staff on the Galapagos hostage, demanding that the sea cucumber fishery, which was closed last month, be re-opened.

"Sea cucumbers fetch high prices as a delicacy in Europe and Asia. They have been decimated in other parts of the world because of overfishing. Because of a higher price, people have been lured to the Galapagos where they have already had a severe impact on the marine reserve," the WWF said.

The sea cucumber fishery was opened experimentally in October last year, where a maximum catch limit was set at 550.000. By December, between six and 10 million had been taken out.

"In addition to devastating sea cucumbers, many fishermen are illegally taking sea horses, oysters, scallops and conches," the WWF said.

"Fishermen are camped illegally on the shore inside the National Park. Trade values to accumulate on the shore and mangroves are still being cut as fuel."
Minister accused of misusing funds

Sowetan Correspondent

THE Democratic Party has released documents, given to it by a senior Western Cape official, which it says shows that regional environment minister Mr Lerumo Kalako misappropriated large amounts of public funds for his own use.

The documents, which include bank transaction slips, hotel bills and correspondence, were obtained by the DP from Kalako's former "special adviser", Mr Nick Malherbe, who resigned from the job on Monday.

The documents form the basis of allegations by the DP and Malherbe that Kalako ran up telephone bills in excess of R2 000 during a publicly funded trip to Australia in November to make arrangements for his wedding, which took place the following month. This "unhappily high" bill allegedly prompted concern among the Australian hosts.

Kalako used R2 141 of travelling funds during the trip for his own purposes. He also bought personal gifts with public funds. There is also angry correspondence over Kalako's alleged failure to pay a R3 500 bill for his birthday party.

A spokesman for Kalako yesterday denied financial misappropriation and said a detailed response to the allegations would be made in due course. Malherbe said he had resigned because the ministry was inefficient and its staff was rude.

In a document in the possession of The Argus newspaper, Malherbe claimed that Kalako had failed to attend official engagements during his Australian trip because he went to sleep after complaining of tiredness. During the 18-day trip, Kalako's secretary, Mr Patrick Sojola, allegedly incurred unnecessary expenses by "watching pornographic movies".
SA's hospitality industry barely managed to cope with the heavy increase in local holidaymakers this summer — let alone the rise in the number of foreign visitors.

The warning signals are there: unless the country's tourist infrastructure is overhauled soon, the industry will not cope once most South Africans can afford to go on holiday again. And the situation will worsen when the 1m overseas visitors a year target is met.

At this stage it is too early to say accurately how many foreigners visited SA over Christmas. The SA Tourism Board (Satour) information is that 111 457 arrived at Jan Smuts airport in December. Figures from the Central Statistical Service (CSS), which measures arrivals at SA's three international airports, Johannesburg, Cape Town and Durban, only go as far as October when nearly 58 000 landed — 15.4% more than October 1993.

Satour estimates that, excluding Africa, 642 500 overseas tourists came to SA in 1994 compared with 618 500 in 1993. According to CSS figures, the number of overseas visitors has been increasing since June. This is good news for the hotel industry which not long ago was complaining about occupancies being as low as 40%. It is also a warning to the tourist industry that it doesn't have much time in which to put its house in order. It is common cause that overseas tourists expect a higher level of service than is currently being delivered to them.

Days after the schools closed for the Christmas holidays resort hotels were turning people away. Hotels in tourist areas averaged 80% occupancies while some claimed to be 90% full. As executive director of the Association of SA Travel Agents (Asata) Chris du Toit, puts it: "There wasn't even room for a mouse.”

Satour's post season round-up shows how tightly the tourist infrastructure is being stretched.

In the Western Cape holiday accommodation was over 80% full from mid-December.

In East London virtually all hotels were full between Christmas and New Year. Port Elizabeth was also packed. The number of foreign visitors to the city was 20% up and retailers reported turnovers 40% up on the previous year.

Natal enjoyed its best season in four years. Most accommodation in the major resort centres was full and many visitors had to be turned away.

A further indication that service standards are slipping was the number of complaints Satour received — especially in Gauteng. At least three busloads of passengers travelling from Sandton City to Sun City, nearly all of whom had booked through Computicket and paid in advance for their tickets, were left stranded on the morning of December 28 when the tour bus company, Rand Coach, failed to arrange their transport. MD Kosie Marais' blames a "breakdown in communication" for the mishap. Passengers were refunded.
Cape tourism: Is it too much of a good thing?
Minister 'instructed me to form company'

By CHRIS BATEMAN

WESTERN CAPE Tourism and Environment Minister Mr Eruitume Kalako instructed him to set up a non-profit company for "special projects", Mr Nick Malherbe claimed yesterday (28). He was responding to Mr Kalako's accusation that he set up the section 21 company, the Cape Rainbow Trust, without informing any officials.

The ministerial row began early this week when Mr Malherbe, angered at not being paid for three months of voluntary continuous service, accused Mr Kalako of travel fund abuse during the Australian fact-finding mission.

Mr Malherbe said he was instructed by Mr Kalako and his Strategic Management Team Coordinator, Mr Liso Ngcoloto to set up the company.

The practice, while not illegal, is allowed only under 'exceptional circumstances' by the Western Cape administration.
Funds row: Aussie official defends Kalako’s conduct.

Argus Correspondents and Sapa

A SENIOR Australian tourism official has defended the conduct of the Western Cape Tourism Minister, Lance Kalako during a visit to the country last year.

And, in a further development in the row, tourism promoter Nick Malherbe has confirmed inquiring about “loose women,” for Mr Kalako and his private secretary, Kwanda Sipola.

Malcolm Wells, deputy-secretary of the Tasmanian Department of Tourism and chairman of last November’s Hobart tourism conference, said: “The minister’s behaviour in Tasmania was exemplary.

“There was never any evidence that they wanted prostitutes, loose women, anything like that.

“On the contrary, Mr Kalako was very interested in talking to us because he was trying to get the 1996 world conference for his government.

“Mr Malherbe yesterday confirmed he had asked an Australian contact: ‘How do I go about maybe getting a bit of loose for my men?’

Shown a copy of a facsimile dated October 26 last year and written under a Western Cape executive committee letterhead, he said it was his.

“Asked why he had made the inquiry, he said: ‘If they wanted it, it must be organized away from the club (the men were visiting). Did they want it? I’m really not interested. I’m preparing what perhaps may happen.’

“Asked if the two men had asked him to make the inquiry, he said: ‘No; they wouldn’t necessarily have done that, no.’

“Nevertheless, he was ‘happy with the letter, entirely’.

“I’m covering all eventualities.”

Meanwhile, Western Cape Democratic Party leader Hennie Bester denied a report that he had received a letter from Mr Kalako threatening legal action.

Mr Kalako’s attorneys confirmed they had instructions to pursue a civil defamation suit against Mr Malherbe and possible proceedings against the DP.
THE National Party has demanded an inquiry into a report that millions of rand went missing from the National Tourism Forum while it was under the control of ANC activist Peter Mokaba.

The party, responding to a report in Beeld, said yesterday the ANC had created the forum before last year’s election and would have to take full responsibility for it.

"Mr Mokaba is presently chairman of the parliamentary standing committee for tourism and environmental conservation and should resign from the post so that the activities of the forum can be properly exposed in public.

"The NP also requests that auditors make a complete report to the Commercial Branch of the SAP so that the accusations can be properly investigated and, should it be necessary, refer the matter to the Attorney-General."

Beeld said the forum was being disbanded because it had run out of money. It had been set up with donations from the private sector to study tourism issues.

Auditors had reported that some major donations to the forum, of which Mokaba was chairman, could not be traced. — Sepa.
New skating rink
to boost tourism

Spectacular shows on ice and international figure-skating competitions may soon bo yet another tourist drawcard to Cape Town when an ice-skating rink opens in July.

WILLEM STEENKAMP
Weekend Argus Reporter
CAPE Town is to get an ultramodern ice rink of Olympic standards with ice-hockey facilities, seating for 1 500 people, modern change-rooms and a restaurant. Cape Town’s town planning committee has approved the rezoning of land just north of the existing rink in Goodwood. The Goodwood Showgrounds were sold recently and the existing rink is to be demolished. The new rink will be built on land belonging to the August Berg Investment Trust and will be completed by July.

Chairman of the Cape Peninsula Ice Skating Club Bryan Devine said the cost will be carried by the Augustberg Investment Trust and the rink will be leased to the Cape Peninsula Ice Skating Club.

The rink will have a concrete floor which will allow the ice to be melted down and the surface used for basketball, table tennis tournaments and other indoor sports.

Said Mr Devine: “We are very excited about the new rink. It will undoubtedly be the best facility of its kind in South Africa, if not Africa.

“Besides the modern change-rooms, comfortable seating and fair-food kiosks, a restaurant and bar with big glass windows will be suspended over a section of the rink.

“Because the rink will be of international standards, we believe international figure-skating competitions, ice hockey tournaments and ice shows will be held there regularly.”

Mr Devine estimates that about 200 000 people would use the rink annually.

Building is to start early next month.

Loony latest — gender U-bender

ALAN ROBINSON
LONDON.— It may be a small step for the People's Republic of Islington, but it is undoubtedly a giant step for womankind in the North London borough.

That, anyway, is what the women's committee of the Isling- tos council (best known resident Labour leader Tony Blair), says of its decision to allow nervous women tenants a specialised plumbing and house decorating service.

In the interests of gender equality, cultural dictates and political correctness, fearful fe- males will be able to summon threatening female plumbers, plasterers and painters.

Committee chairman Louise Mallard was quick to hail the scheme as “a valuable and essential part of the repairs service”.

“It is an improvement in the quality of service we give to women,” she said.

A council official in the Labour-controlled borough, which already runs an gymnastics and lesbian self-defence classes and non-sexist jigsaw puzzles for the under fives, explained: “Where possible, women will be able to request a woman repair worker.”

Conservative councillor Clive Blackwood observed: “I trust there will be such a scheme for all minority groups... gay repair teams for gays, Asian plasterers for Asians, transvestite plumbers for transvestite tenants, Irish painters for Irish and, of course, red-haired teams for red-haired occupiers...”

The council spokesman, refusing to become bogged down in such trivialities, added that, yes, nervous male tenants afraid of female plasterers would be able to ask for man-only workmen, oops, workers.
Mokaba gets salary payment of R250 000 from now on.

By DESMOND BLOW

In November 1993 he received two salaries of R16 500. Most of his salary cheque was R39 600 and R16 500 a month. He was suspended for R1 050 000 and R25 000. The total amount was R27 460.64. He was suspended from the ANC.

Peter Mokaba's salary for that period was R24 000. He was suspended and his salary was R27 460.64. He was suspended from the ANC. As of March 1994, he received R16 500 a month. He was suspended from the ANC.

Mokaba has refused to approve the investigation by the ANC. He has refused to approve the investigation by the ANC. He has refused to approve the investigation by the ANC.

The council of the National Tourist Forum has refused to approve the investigation by the ANC. He has refused to approve the investigation by the ANC. He has refused to approve the investigation by the ANC.
EXECUTIVE DIRECTOR of the National Tourism Forum Mr Ngkosko Maphala has threatened to take his boss Mr Peter Mokaba to court if he does not frame charges or hold a disciplinary hearing against him within seven days.

The letter, which is in Sowetan’s possession, was issued by Maphala’s lawyer, Beder-Friedland Incorporated of Orange Grove, Johannesburg.

According to an auditors’ report at least R1.2 million cannot be accounted for.

Mokaba had allegedly received R246 000 in salary from the NTF up to September last year.

He also received a further R20 001 for sundry expenses and a R12 000 monthly car allowance. Highly places sources in the NTF, who declined to be named for fear of reprisals, have accused Mokaba, an ANC MP, of trying to close down the forum to “hide things”.

Mokaba, who was in a meeting of the national executive committee of the ANC in Cape Town, could not be reached for comment yesterday.

Maphala was suspended with full pay by the NTF council on December 14 after a report by Johannesburg auditors Deloitte and Touche of financial irregularities within the forum.

The Deloitte and Touche investigation claimed that:

- Income tax of more than R200 000 had not been deducted from salaries;
- An amount of R3 090 151 was received from donors up to September 30 last year;
- Between September 1999 and September 1994 salaries totalled R1 507 448, which was almost 58 percent of the total expenditure for the period; and
- Sundy expenses amounted to R706 993 and motor vehicle leases totalled R265 105. Motor, travel and accommodation costs were R210 473.

The inquiry was ordered by Mokaba who is chairman of National Tourism Forum. Also suspended were other NTF directors John Rothschild and Clive Strangnell.

“We have been instructed by our clients to place your client on terms either to frame charges and hold a disciplinary inquiry within seven days of date hereof, alternatively reinstate our client within such period,” reads the letter from Maphala’s lawyers to Mokaba’s.

“Our client considers your client’s failure and or refusal to reinstate our client as a strategy on the part of certain of your client’s members, who have some hidden agenda, to ensure that our client is not at the helm of the NTF, while such members attempt to close the organisation down.

“The chairman of the organisation has already gone on record in the Press as stating that the NTF will be dissolved, this notwithstanding the fact that no such decision was taken at the council meeting on the 18th,” reads the letter.

The letter also states that:

- The report by Deloitte and Touche was completed without Maphala being interviewed at any time;
- There is no suggestion in the report that Maphala was in any way implicated in the theft or removal of the amount of R100 420 or any lesser amount whatsoever; and
- Sundy payments to Maphala stated in the report were paid in respect of commission to which he is entitled as a fundraiser.

Maphala’s attorneys said there was no reason for his suspension to continue.
Mokaba’s Satour merger attempt rejected

A TOP Tourism Ministry source said yesterday the Ministry recently had to resist strenuously because of suspicions of possible corruption, efforts by ANC MP Peter Mokaba to merge his National Tourist Forum with Satour.

This follows a disclosure by forum lawyers that forum executive director Albert Maphala is shortly to appear before an internal disciplinary committee to face allegations that he and former colleague Clive Strugnell had misappropriated R100 000 from the organisation.

Maphala has been quoted as saying Mokaba, the forum’s chairman, had “framed” him. Mokaba denied the charge.

The government source said Mokaba had sought the merger.

But a departmental investigation left officials with doubts about the organisation and plans were aborted. Satour was being restructured without the participation of Mokaba’s forum.

Auditing firm Deloitte & Touche, which investigated the forum’s finances, said apart from the R100 000 that still had to be accounted for, there was no evidence that fraud had been committed by any other member of the organisation.

Forum director and Bennies Travel operations director Rupert Lawlor said the forum had been alerted to unusual payments made by the organisation.

Following initial investigations Maphala and fellow director John Rothschild were suspended. Strugnell resigned from his management position on the forum late last year, but would also face a hearing to be held soon.

Lawlor said Mokaba had asked Deloitte & Touche to conduct the investigation into the organisation’s finances, and had also to produce a detailed report of the organisation’s transactions.

Deloitte & Touche partner in charge of forensic services Mark Pinnington said the forum’s financial records had not been kept up to date, and it appeared that some donations of the total R5.1m banked for the year to September had not been accounted for in the organisation’s records.

It appeared that some donations might have been paid directly to creditors without first being entered in the forum’s account. Pinnington said these donations, still under investigation, amounted to R142 000.

Lawlor said the auditors would also examine the forum’s expenses, which “could have been a little high”.

The details of the investigation into the unusual transactions coincided with the announcement that the forum would be disbanded. Sources said Mokaba and other forum members had been unhappy with the functioning of the body.

One source said the forum would be reconstituted to operate in a more meaningful way, but Lawlor said the forum felt it would be more appropriate to operate within existing tourism structures. He said the organisation’s donations had dried up.

Mokaba, Maphala and Strugnell could not be reached for comment.
Mokaba 'knew' of swindle
Continued from page 1

Strugnell says he withdrew money from that account twice and paid it to Maphala in cash. In his third affidavit, also dated December 7, 1994, Strugnell says he did not at any time give R85,000 to Maphala or anyone else. He said he had not told Mokaba or anyone that he had given money to Maphala.

In another document, Strugnell apologises to Mokaba and all the directors of NTF for charging the company money for information he did not pay for.

"These documents were offered to me free of charge by the company which originated them," Strugnell wrote.

"I decided to ask the NTF to pay for this information and I originated the invoice in my wife's name so that the cheque could be issued for them. I knew that Mr Maphala did not know her name and that he would accept this name as being that of a promotions company."

"Mr Rothschild signed the cheque very reluctantly. Later when Mr Mokaba queried this transaction, I lied and told him that the company we had paid for the document was a promotional company."

Strugnell could not be reached for comment yesterday.
Commission to Probe Kaliko Funds Allegations

Politics
Mokababa's hands are clean: auditors confirm MP's claim

BY KAIZER NYATSUNGA
POLITICAL CORRESPONDENT

Former Youth League leader and current ANC MP Peter Mokababa's insistence that he took no part in the embezzlement at the National Tourism Forum (NTF) has been confirmed by auditors.

The organisation is said to have lost at least R100 000 to its staff members.

Mark Fumungn of Deloitte and Touche, the auditors who investigated alleged mismanagement at the NTF, said Mokababa's hands were clean.

Mokababa, who is chairman of the NTF, told The Star he left moves within the non-profit body for a clean and sound administration.

Not guilty... says ANC MP Peter Mokababa.

Fumungn confirmed the investigation took place at Mokababa's instigation and there's "certainly no information of Mr Mokababa's involvement in any wrongdoing".

Pierce was able to get hold of the NTF's books.

Mokababa said last November the firm phoned him in Cape Town to query some "cheques he (Pierce) did not understand". They were co-signed by NTF directors Ntoko Maphala and John Rothschild and made out to J Laurence Promotions.

He claims the two men told him the R100 420 in cheques were payment for research on behalf of the forum.

Mokababa said Rothschild had told him he was forced to sign the cheques after being asked to the marketing director Clive Strugnell.

Mokababa says upon further investigation, the following emerged:

There was no such research commissioned. Instead, an Alberton-based woman who had prepared a document on train coaches had approached the NTF for assistance, and Strugnell allegedly took the document and promised to bring back to him.

It was allegedly that document which was being passed off as the commissioned research.

Laurence was the maiden name of Strugnell's wife, in whose bank account the R100 420 had been deposited.

Strugnell gave Mokababa an affidavit implicating Maphala, and allegedly confessed he had deposited the money into his wife's account and later transferred it into his own account, from which R90 000 was withdrawn.

He allegedly said he had left only R10 000 for himself, but would not say what had become of the R90 000.

The NTF human resources director Pauline Ramnoss had shown Mokababa an affidavit, allegedly prepared by Strugnell for Maphala, in which he denied having told either Mokababa or Rothschild he had deposited R90 000 into Maphala's bank account.

Strugnell, who was asked to resign, undertook to repay the money, and Maphala was suspended, first by Mokababa and later by the NTF council, with full pay. Maphala challenged his suspension on the grounds that it had come from Mokababa and not from the council.

In a meeting of NTF employees and directors, Mokababa announced that a three-member team of experts made up of Pierce, Reuel Khoza and a Dr Krieff would look at the forum with a view to restructuring it.

On December 15, Pierce and Mokababa were appointed new signatories of the NTF, and the ANC MP suggested that an independent firm of auditors should be appointed to take over the investigations.

On January 18 this year, Deloitte and Touche's findings were presented to the council, confirming the fraud allegations against Maphala and Strugnell, and the report's recommendations were accepted.

The council, according to Mokababa, also resolved to close the NTF with effect from January 31 because of lack of finance.

February 2 was set as the day on which the two men will be given a chance to respond to the report's findings, and Mokababa said he had informed them of this in writing.

Mokababa said he still believed a structure like the NTF was necessary to do research, engage in capacity-building in the community, introduce blacks into tourism and help the Government in the implementation of the Reconstruction and Development Programme.

"The other guys (in the tourism industry) should not be allowed to rest, they have a challenge to meet, to get more, and they can go back to their old ways," Mokababa said.
Mokaba sets up probe of forum funds

JOHANNESBURG. — ANC MP Mr Peter Mokaba has set up an investigation into claims that “millions of rand” donated to the National Tourism Forum (NTF), which he heads, has gone missing.

The investigation follows calls, reported at the weekend, for his resignation as chairman of the parliamentary standing committee on tourism.

But Mr Mark Fumington, of Deloitte and Touche, the firm of auditors that has already probed alleged financial mismanagement at the NTF, said here that Mr Mokaba’s hands were “clean”.

And Mr Mokaba said yesterday he had been at the forefront of a fight for clean and sound administration in the forum.

Mr Fumington said there was “certainly no information of Mr Mokaba’s involvement in any wrongdoing”.

In his first reaction yesterday to weekend reports about alleged fraud at the NTF, Mr Mokaba, the former ANC Youth League leader, said he had expressed his concern as early as before last year’s election about the need for the NTF to do proper book-keeping so that it could organise its budget.

He had subsequently engaged a firm to look at the NTF books, but it had complained about a lack of co-operation. It was only when he took some members of the management with him on a fund-raising tour to Hong Kong that the firm was able to get the books for auditing.
Kalako: Inquiry into use of funds

By Chris Bateman

A COMMISSION of inquiry is to probe alleged travel-fund misuse, and financial and staff mismanagement by Western Cape Tourism Minister Mr Lerumo Kalako.

The inquiry was set up yesterday after talks between NP and ANC cabinet ministers, Western Cape Premier Mr Heman Kriel and Mr Kalako.

According to Mr Kriel, regional ANC chairman and Economic Affairs Minister Mr Chris Nissen and Mr Kalako agreed to the commission being chaired by a lawyer, with an auditor and senior public administrator assisting.

Yesterday's hurriedly called meeting was prompted by the latest development in a series of controversies involving Mr Kalako and his former self-styled former "special adviser" Mr Niek Malherbe.

This was confirmation by Mr Niel van Wyk, director of Nature Conservation in the Western Cape, that Mr Kalako had claimed R3 220 for a birthday party thrown for him by Mr Malherbe at Kelvin Grove in September last year.

A spokesman for Kelvin Grove confirmed that this amount, sent to their member, Mr Nick Malherbe, was settled in full last week.

Mr Kwanda Sojolo, Mr Kalako's private secretary, said Mr Kalako refused to pay the bill, which was "Mr Malherbe's responsibility". He confirmed that Mr Malherbe had collected more than R1 000 at the club door from tourism industry guests and that the remainder (from ANC members) remained uncollected, by him owing to a "misunderstanding".

Later, to settle the bill, Mr Sojolo made a claim on Mr Kalako's entertainment allowance, but Mr Kalako instructed him not to pay.
Sol gave cash to Mokaba

By Ruth Bhengu

ANC MP Mr Peter Mokaba told Sowetan yesterday that his organisation had received money from hotel magnate Sol Kerzner.

Kerzner yesterday admitted giving financial assistance to Mokaba’s National Tourism Forum.

Speaking from the Bahamas Kerzner said: “We gave Mr Mokaba and his organisation all kinds of help, including financial assistance, guidance and encouragement. But we did not give him money as an individual,” he said.

Sun International managing director in South Africa Mr Peter Bacon would not disclose the amount of money his company had contributed to the NTF. But he said his company was among many from the private sector that donated money to the non-governmental organisation.

Mokaba, who said he was closing the NTF, told Sowetan he was planning to launch a new tourism organisation with a “new vision”.

The staff of NTF have called for the prosecution of individuals implicated in money missing from the coffers of the organisation.

In a petition sent to the council on Wednesday, the staff also opposed the imminent closure of the NGO. “The closure of the NTF by the council because of financial irregularities is totally unacceptable,” reads the appeal signed by Ms Moriti Manale (director), Mr Ephraim Mogale (deputy director) and 10 other individuals.

“The law must take its course with individuals implicated in the embezzlement of funds,” they say in the petition addressed to NTF deputy chairman Mr Rupert Lawlor.

Mokaba yesterday confirmed that he was closing down the organisation. “The decision to close down the NTF was taken by council because the organisation is in the red. We don’t even have a cent,” said Mokaba from his office in Cape Town. “In fact we should have closed down last year. We have asked the auditors to wind up the affairs of the organisation. We will close at the end of January.”
Mokaba asked to step down as tourism chief

The NP said Mr Mokaba should resign so that alleged mismanagement of the forum could be investigated without political interference.

"According to media reports Mr Mokaba contends he is not guilty of mismanagement of the forum because he requested (auditors) Deloitte and Touche to investigate its financial affairs.

"If this is what he said, (this) indicates he does not understand the responsibilities of a chairman of organisation which looks to the public for its funding."

The NP said Mr Mokaba was paid a substantial salary of R246 000 in addition to unspecified fringe benefits as chairman of the forum.

Alleged intervention by Mr Mokaba to scale down the investigation to exclude certain matters which would be dealt with internally suggested "a cover-up of fraud and corruption resulting from the mismanagement he admits to".
Former AG to head probe on Kalako

MICHAEL MORRIS
Political Correspondent

FORMER Cape Attorney-General Niel Rossouw is to head the commission of inquiry into allegations that Western Cape Environment Minister Lerumo Kalako misappropriated public funds during a trip to Australia.

He is expected to be assisted by former city engineer of Cape Town, Jan Brand, and auditor Anthony Christie of the accounting firm Ernst and Young, sources said.

A formal announcement by Premier Hernus Kriel is expected later today.

The three-member commission will investigate the allegations of misappropriation of funds, the financial management of Mr Kalako's ministry and claims that Mr Kalako's behaviour was "unacceptable and unbecoming" for a minister.

The commission has been instructed to make findings by the end of February.

The investigation follows allegations by Nick Malherbe, a former special adviser to Mr Kalako.

Mr Kalako has denied any wrongdoing and briefed his lawyers to sue Mr Malherbe for defamation.
Transitional councils ‘by next week’

Municipal Reporter

TRANSITIONAL councils will be in place by next week.

This was confirmed today by local government minister Peter Marais who said he planned to make a proclamation on Friday which would set the transitional process in motion.

Mr Marais was speaking at a Press conference to publicise voter registration for municipal elections. Registration starts on Friday.

He said certain technical difficulties would have to be ironed out but he and provincial committee chairperson Hilda Ndube had these in hand.

If the proclamation were for any reason delayed, this could delay the October deadline for municipal elections.

Former AG to head probe on Kalako

MICHAEL MORRIS

Political Correspondent

FORMER Cape Attorney-General Niel Roosouw is to head the commission of inquiry into allegations that Western Cape Environment Minister Lerumo Kalako misappropriated public funds during a trip to Australia.

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The commission has been instructed to make findings by the end of February.

The investigation follows allegations by Nick Malherbe, a former special adviser to Mr Kalako.

Mr Kalako has denied any wrong-doing and briefed his lawyers to sue Mr Malherbe for defamation.
Turn national parks into assets, SA urged

SA NEEDED to rethink its approach to national parks in order to make them more relevant to the majority of the population, world-renowned Kenyan conservationist Richard Leakey said yesterday.

The emphasis had to change and facilities altered to attract more foreign tourists, thereby bringing in foreign exchange and creating tourism sector jobs.

The Kruger National Park was a good example of a resource which had become identified with the former NP regime and was irrelevant to the majority in the country, said Leakey, who was in Johannesburg to deliver an address last night.

The parks had been akin to private resorts for the Afrikaner elite. And the way they continued to operate was not conducive to attracting foreigners. "Afrikaners used to enjoy having braais and the like. But you cannot expect Japanese tourists, for example, to want the same thing. They want a proper meal at the end of a day."

Parks such as Kruger were a world resource and should be retained, but their preservation depended on whether they could be made into an asset right now.

Historical factors meant many blacks did not view parks in the same way as whites. And while blacks could now benefit from them, there was not enough space or facilities for everyone.

"The average Soweto voter could not give a damn about biodiversity. But he would listen carefully to the argument that such areas might contribute to development in the country," he said.

"The historically deprived must be considered, and a strategy must be adopted that is realistic and addresses the concerns of the majority of the voters." The best option was to improve the tourism aspects.

Leakey, who played a leading role in getting ivory trade banned, said he foresaw that within a few years it might be possible to drop the ban.

"If we do not see in principle why there should not be trade in ivory. But you need to deal with the practicalities of Africa, where there is inadequate policing and smuggling is so easy that it inevitably leads to poaching. Poaching has been stemmed by the ban. But in two or three years time we could look at it again to see if it is feasible trading again."
New revelations in Mokaba fiasco

By Ruth Bhengu

The plot of Peter Mokaba’s National Tourism Forum saga thickened yesterday as one of its former directors claimed his life had been threatened. The National Party has asked Mokaba to resign.

NP spokesman on tourism Dr Francois Jacobz said Mokaba should resign from the select committee on environmental affairs and tourism to uphold the dignity of Parliament, as he clearly had a conflict of interests.

Mokaba has denied involvement in the alleged misappropriation of funds, saying he ordered an investigation by auditors Deloitte and Touche and suspended two officials after discovering money was missing.

Dr Jacobz said Mokaba’s statement was simplistic.

He said Mokaba was paid the “substantial” annual salary of R246 000 in addition to unspecified fringe benefits to carry out his duty as chairman, including ensuring public donations were not mismanaged.

Strugnell, who was reported to have been suspended as executive director Ngoako Maphala said international affairs director John Rothschild, said he resigned on December 12 after he had been allegedly threatened by Maphala.

Maphala has denied taking the money and has instructed his lawyers to take Mokaba to court.

Strugnell, who wrote three different affidavits, said he had lied because he was afraid of Maphala.

“When Mokaba discovered the money was missing, I went to Maphala and told him to tell the truth.

“But after two days when I realised he was not going to give me the money back, I told Mokaba that Maphala had the money,” claimed Strugnell.

Strugnell told auditors he had received two cheques worth R100 000 from Maphala.

The money was deposited into an account of J Lawrence Promotions allegedly on the instructions of Maphala.

The director, Strugnell, claimed he later drew R95 000 and gave it to Maphala.
The finances of the National Tourism Forum (NTF) chaired by former ANC youth leader Peter Mokaba are in a mess, according to Papi Kaba, the organisation’s public affairs director.

He told a news conference in Johannesburg the NTF has run out of funds and will disband on January 31. Kaba said staff had been paid inconsistently.

Tax was not deducted and salaries had to be cut later to pay arrears owed to the Receiver of Revenue.

Journalists who asked about allegations of wrongdoing by Mokaba, who is also an ANC MP, were warned by NTF deputy director Ebrahim Mogale that “those who had previously attacked Mokaba with the sword and now attack him with the pen” were also attacking the ANC.

That was “something which would not be tolerated.”

Last night, the National Party called for Mokaba to stand down as chairman of the parliamentary select committee on environment affairs and tourism.

NP tourism spokesman Dr Francois Jacobaz said he should step aside to allow an “untramelled” investigation into mismanagement of the non-governmental organisation.

While the controversy surrounding the NTF deepened yesterday, auditors Deloitte & Touche confirmed that the R3 690 151.88 donated to the forum before September had been placed in the forum’s bank account, but only R2 947 532.04 was actually recorded in the cashbook.

Deloitte & Touche partner in charge of forensic services Mark Pinington said this was not necessarily suspicious, but that the books had not been kept up to date and the omission was being investigated.

Pinington confirmed that donations had been anonymous because the NTF had not wanted donors to feel they had to identify with any political organisation.

Three directors were suspended at the end of last year after the auditors found that R100 000 in two cheques had apparently been paid into an unauthorised account.

The directors — Ngoako Mapula, John Rothschild and Clive Strugnell — would “definitely face the wrath of the law”, the NTF said.

Mapula has denied wrongdoing and is suing the court for defamation. A staff member tearfully told the conference that she had been present when Rothschild was forced to sign cheques against his will.
Niel Rossouw to head Kalako probe

By CHRIS BATEMAN

FORMER Cape Attorney-General Mr Niel Rossouw will head the probe into allegations of financial abuse and staff mismanagement by provincial Tourism and Environment Minister Mr Lerumo Kalako.

This was announced yesterday by Western Cape Premier Mr Hernus Kriel.

Mr Rossouw is also a former member of the Goldstone Commission and the Peace Secretariat.

He will be assisted by local chartered accountant Mr Anthony Christie and Mr Jan Brand, a former city engineer.

The commission of inquiry will also probe allegations of rude and unseemly behaviour by Mr Kalako made by Mr Nick Malherbe, who organised and guided a fact-finding tourism mission to Australia for Mr Kalako and his secretary, Mr Kwanda Sojolo.

Mr Malherbe claims Mr Kalako pocketed most of the balance of outstanding travel funds upon the trio's return to South Africa at the end of September.

CT 261195

He also claims Mr Kalako claimed expenses for a surprise birthday party he organised and for which he received part-payment.

The party was held at Kelvin Grove Club in Newlands shortly before the Australian trip.

The findings of the probe are expected to be released at the end of next month.
JOHANNESBURG. — The financial situation at the National Tourism Forum (NTF) chaired by former ANC youth leader Mr Peter Mokaba was “a mess”, the group’s public affairs director said this week.

Mr Papi Kabu said here the NTF would disband on January 31 because it had run out of money.

He said staff had been paid inconsistently and tax had not been deducted from their salaries. The salaries were later cut to pay the tax arrears.

Auditors Deloitte Touche confirmed that all R3 000 151,88 donated to the forum before September last year had been banked into the forum’s account, but only R2 497 332,94 was actually recorded in the cash book.

Deloitte Touche partner in charge of forensic services, Mr Mark Pinington, said this was not necessarily suspicious, but indicated the books had not been kept up to date.

Asked if the Deloitte Touche investigators had found any wrongdoing on the part of Mr Mokaba, Mr Pinington said: “The report did not indicate any misappropriation as far as the subject matter of what we have looked into.”

He confirmed that the over R2 million in donations which had not been recorded was still being investigated. — Special Correspondent
Tourism forum staff oppose 'early' closure

A FACTION of National Tourism Forum employees yesterday opposed the closure of the forum before investigations into alleged embezzlement were completed.

Forum officials yesterday cleared chairman and ANC MP Peter Mokaba of any wrongdoing, and confirmed earlier reports that the forum would disband.

A statement read by publicity director Papi Khupe at a news conference said the forum had cleared Mokaba of any wrongdoing and that he was the target of "forces that wanted to maintain the status quo in the tourism industry — that is, they wanted to maintain a white, Afrikaner, male-dominated organisation like Satoor".

He accused the NP and DP of launching a "political onslaught" against the forum.

Three directors had been suspended.

Following reports that theft of R100 000 had left the forum with no funds and had forced its council to close it down at the end of the month, some of the 27-member staff insisted that taking such action before the findings of an investigation into the affair would not be proper.

Staff member Lucas Marolwen said at the conference it was not proper to close down the organisation before investigations had been completed.

Issues "swept under the carpet" should be brought to light before there could be talk of closure, he said.

Marolwen said the employees wanted to know where the funds — such as the R80 000 deducted from last month's salaries, said to be for tax purposes — had gone.

Other staff members wanted to know where R300 000 pumped into the forum by a donor in Hong Kong since last May had gone.

Khupe said individual staff members, realising there was no direction from management, had initiated projects "which will be carried out under new structures."

Sapa reports that NP tourism spokesman Francois Jacobz said yesterday Mokaba should stand down as environment affairs and tourism select committee chairman to allow an untramelled investigation into mismanagement of the National Tourism Forum.

By stepping down, Mokaba would ensure that he could not use political clout to influence or frustrate the investigation into the forum.
City Lodge hotel group has a winning formula

LIMITED service hotel group City Lodge was on track for yet another good earnings performance for its interim period to December, analysts said yesterday.

The group, which posted a 36% increase in earnings to R14,5m in the 11 months to June, was likely to show earnings growth of more than 25% for the first six months of the current financial year.

Two new Town Lodges had opened shortly before the period under review, and were expected to show a strong contribution to turnover.

The number of beds had increased from 1,604 to 1,828, and several hotels had experienced high occupancy rates, particularly over the Christmas season.

Added to the revival of the tourism industry's fortunes was an increase in business travel, resulting in occupancies exceeding 90% in many of the lodges around the country, and particularly in Cape Town, Port Elizabeth and Durban.

One analyst said one of the group's strengths was its targeting of the business and not the resort market, which meant it was not subject to the same seasonal conditions affecting most hotels.

"The group has also proved to have a consistent formula and well-positioned sites -- two drawcards for the travelling businessman," the analyst said.

Although the interim results should show strong growth, analysts predicted the influence of the Rugby World Cup in May and June would further boost the group's performance in the second half.

A consequence of this could be upward pressure on room rates. However, rates would still be in line with prices offered by City Lodge's competitors.

In addition, the group began construction on its new concept, the Road Lodges, in early January.

This new brand was designed to cater for the budget-conscious traveller, and would present a serious challenge to the Formule-1 hotel chain.

One analyst said hotel sector shares were becoming a good investment, as the industry was entering a growth phase and the outlook for tourism was bullish.

AMANDA VERMEULEN

EXECUTIVE QUOTE
Cape can become real ‘powerhouse’

Tourism industry continues to show growth

TOS WENTZEL
Diplomatic correspondent

THE Western Cape has the potential to become the economic powerhouse of South Africa, but hard work was needed to realise this, regional minister of finance Kobus Meiring said.

Addressing a seminar in Bantry Bay on trade and investment possibilities with Chile, he said the Western Cape’s economic growth recently outperformed that of other regions.

Indications were that it could grow by more than 3,5 percent this year against an expected average of three percent for the country as a whole.

The region also had a well balanced and diversified economy with agriculture contributing 6,1 percent, manufacturing 22,5 percent, financial and business services 16,6 percent, commerce, catering and accommodation 20,9 percent and personal and social services 18 percent.

The region had only 10 percent of the country’s population and 10,3 percent of the labour force, but its contribution to South Africa’s gross geographical product was 14,2 percent.

Mr Meiring referred to the “very promising and important tourism sector”, the fourth largest industry in South Africa. In 1993 there were 822 000 overseas visitors which earned the country R6 billion in foreign exchange.

“We have the potential, especially in the Western Cape, to increase this dramatically. Tourism currently contributes five to six percent to the gross regional product and this should increase to eight to 10 percent over the next five to seven years.”

There were problems, however, including:

- Clean water had yet to be supplied to many, while sanitation services would have to be improved and extended;
- The huge housing shortage had to be addressed urgently;
- Health services had to be improved and extended;
- Widespread poverty had to be addressed, the disadvantaged uplifted and living standards of many in rural and informal settlements improved;
- Education and training had to be improved as it was also a critical factor in improving productivity.
Mokaba in R246 000 pay row

CLIVE SAWYER
Political Correspondent

PARLIAMENT'S policy-making committee on tourism could be split by a row between chairman Peter Mokaba and the National Party.

The NP has called for Mr Mokaba's resignation and has asked the African National Congress leadership for an independent inquiry after claims that:

- Mr Mokaba paid himself R246 000 annually as chairman of the National Tourism Forum in addition to his NP's package of R190 000 a year, and

- Tax was not deducted from the salaries of Mr Mokaba and other employees.

But Mr Mokaba has hit back, accusing the NP of blowing up a non-issue in an attempt to oust him because it disapproves of his tourism policy.

This policy he has vowed to "ram down their throats" even if it means NP members walk out of the committee.

Mr Mokaba said it was time for the ANC to take the kid gloves off in its dealings with its junior partner in government. His fiery comments come days after a rift in the government of national unity was healed.

In a statement yesterday, NP finance spokesman Theo Alant said that if claims made about Mr Mokaba and the tourism forum were true, he was unfit for public office and should resign from parliament.

"Any public representative who controls public funds should be prepared to account in public for how the money was handled," Mr Alant said.

He called on the ANC leadership to set up a "credible" inquiry into the forum.

Mr Mokaba should step down as chairman of the parliamentary committee on tourism, Mr Alant said.

Mr Mokaba said management of the forum decided salaries and he had had no say, including about his own salary.

Today Mr Mokaba hit back at the NP, saying his hands were clean while the NP had tried "to give themselves indemnities after murdering our people".

Mr Mokaba said he had initiated the probe into the forum and an independent firm of auditors had found he had done no wrong.

The attempt to link him to mismanagement of the forum showed "the political bankruptcy of the NP to find an issue where there is no issue."

He had told ANC secretary-general Cyril Ramaphosa of the probe, Mr Mokaba said.
inned gold
Casino giants were tourism body’s big, secret donors

THE NATIONAL Tourism Foundation (NTF) received most of its funding from two rival companies who hoped to get a monopoly on gambling casinos in the new South Africa.

They were Sun International and the Legarcon Group of companies based in Hong Kong. But neither knew that the other was a major contributor to the funds of the NTF.

This, City Press learnt, was because the NTF’s chairman, Peter Mokaba, and its general director, Albert Mapela, decided that doners would remain anonymous.

Although Sun International MD Peter Bacovic was on the NTF committee, he was not aware that Legarcon, Sun International’s strongest rival, was the donor supplying the NTF with more than three times Sun International’s available ability contribution. Almost all the NTF funds came from the two rival companies, with Sun International supplying a maximum of R200 000 a month and Legarcon R300 000 a month. A small contribution came from Gold Reef City and Southern Sun supplied free facilities.

Mapela successfully conned the deal with Legarcon in Hong Kong but only to keep Mokaba from finding the identity of the donor.

Before the April elections, Mokaba was removed from the NTF committee, but he did not get the Cabinet post.

Sex slave ‘ate foetus’

A BLOOD-CURDLING tale of cannibalism on the East Rand unfolded this week as a 25-year-old woman described how she was made to eat a human foetus while being kept as a sex slave.

The mentally retarded woman – who is four months pregnant – has told of being held captive – in a cave for two months by suspected cannibals who ate human flesh and swopped captive women for sex.

She claims they killed a pregnant woman, tore out the foetus – and forced her to cook and eat it. Johannesburg clinical psychologist Johannes Kistner, who interviewed the girl after her escape, said her story was consistent and warranted investigation.

Mufamadi’s tough line

By SEKOLA SELLO and SIPHIWO KHUMALO

The Minister of Safety and Security, Sydney Mufamadi, has thrown down the gauntlet to his KwaZulu/Natal counterpart, the Rev. J.C. Mtswana, by declining that the issuing out permits of 200 police in the province will not take place.

Mufamadi said “this government will not tolerate criminals and thugs in its police services” – a reference to claims that among the 600 graduates are suspected criminals, including murderers.

Mufamadi’s hardline stance follows the week’s media statements by Mtswana’s outspoken on safety and security, Volophi Ndlouv, that the police force would go ahead whether the minister liked it or not.

A defiant Ndlouv said the police would take place next Friday and that Mufamadi had no jurisdiction over police in KwaZulu.

Mufamadi also revealed that an estimated 14 recruits are said to be suffering from hepatitis B – a contagious disease.

Some of the recruits are said to have falsified their academic qualifications while about 200 of them have not been fingerprinted – a prerequisite of joining the police force to establish that they do not have a criminal record.

According to Mufamadi last November, Colonel Dlamini, the Officer Commanding the Umlindi College (where the recruits trained), told him of a breakdown of discipline at the college, including absentmindedness and abuse of liquor.

However, when Mufamadi asked Dlamini to give him a full report on the matter, the latter failed to do so.

Dlamini is also said to have refused to cooperate with the investigation into the。“...”

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Mokaba's big gamble

From Page 1

Mapalà and Mokaba, long-time friends and fellow karate instructors, have fallen out. The NTF is to close at the end of the month amid allegations of financial irregularities. Mapalà claimed Mokaba’s lack of business administration skills led to the irregularities, but Mokaba’s supporters pointed out that after Mokaba’s and accountants Ian and Rick took over the accounts at the beginning of December a further R180,000 went missing.

Mapalà and his assistant, John Rothchild, have been suspended due to allegations of irregularities and Mapalà has started a R150,000 defamation action against the NTF. Mapalà says he started the NTF and brought, in Mokaba as chairman. Also brought into the company as marketing director was another karate instructor, Clive Strugnell.

Among the irregular payments made from NTF funds was more than R45,000 paid to the Sheriff of the Supreme Court on behalf of Strugnell. The Sheriff was about to attach Strugnell’s assets after he had failed to settle a debt with Southern Sun for R45,688.19 for visiting overseas karate competitors. Strugnell has also admitted to falsifying invoices for more than R100,000 which he placed in a company in his wife’s name. He claimed he paid most of this to Mapalà in cash, which Mapalà denied. NPF finance spokesman Theo Alant expressed shock on hearing that Mokaba had paid himself R246,000 salary, plus unspecified perks from NTF funds.

[Image]
Regional council 'augurs well for tourism'

THE entry of SA into the Southern African Development Community cleared the way for a merger which would lead to a single, representative tourism organisation for the region.

The SADC and the Southern African Regional Tourism Council said at the weekend the body was formed following a meeting in Lesotho between representatives from the SADC, the council and the European Union (EU).

The EU appointed consultants to undertake a study at a cost of R400 000 to formulate proposals on structures, broad strategy and recommendations to be ratified by SADC Tourism ministers at the community's summit in August. It is expected to take six months to complete the study.

THEO RAWANA reports the SA Tourism Board said this was a timely development. A Sateur spokesman said the move would make joint marketing of the region much easier.
US hotel chains stake SA claims

By BARRY STREEK
Political Staff

TWO leading US-based multinational hotel groups — Hilton and Sheraton — are negotiating their entry into the South African market in the light of the anticipated granting of casino licences.

A top Sheraton team, headed by its vice-president, Mr Georgelais, was in the city last week to pave the way for a R500 million development, probably in the Mouille Point area.

Another potential venue for the Sheraton development is the site of the old President Hotel in Sea Point.

And the Hilton International Hotel Group has entered negotiations with Malaysian and black investors for the establishment of a hotel and casino complex in the northern suburbs of Johannesburg.

Both groups are linking their decisions to the awarding of casinos rights in urban areas.

The Lotteries and Gambling Board, which is to deliver a report at the end of February, is expected to recommend that 42 casinos be licensed in South Africa, including the existing 18 legal casinos located in the former independent homelands.

The Sheraton team's visit to Cape Town last week was low-key, although the delegation met a number of important role-players in the Western Cape, including members of the provincial government.

The office of Minister of Economic Affairs in the Western Cape, Mr Kobus Meiring, confirmed that Mr Georgelais and his associates met the Minister last week. They were accompanied by Cape Town business consultant, Mr Sam Montsi.

It is understood that the Sheraton executives have decided that Cape Town should be the site of the first development in its South Africa operations, although negotiations on sites are continuing.

Hilton, on the other hand, has linked up with the African Development Corporation (Afair), whose executive chairman, Mr Tiny Naidoo, has invited black investors to a function in Johannesburg on February 8 to promote the venture.

Mr Naidoo said 30% of the shares would be available to black investors, an investment of about R36 million. A group of Malaysian investors would be putting up 70% of the capital needed — approximately R126 million — while Hilton would provide 5% of the capital and the developers a further 5%.
Staff at resorts call off strike

An illegal strike by 336 Pilanesberg National Park and Golden Leopard Resorts staff, which closed the resorts in the North-West for a week, ended yesterday.

— Sapa (283)
Millions lie in wait for tourism development

Own Correspondent

The conservation and ecotourism industry is not making use of hundreds of millions of rand, which the Industrial Development Corporation (IDC) is prepared to make available for development, the general managers of the state-owned agency's industrial development division told yesterday.

They said the two main reasons for the lack of applications for funding were the uncertainty about the control of national and other proclaimed parks, resulting in developments being put on hold; and misconceptions of what constitutes an economically viable project.

In the two years since the IDC first announced it was willing to grant R600 million in loans for ecotourism ventures, only 32 applications for R287m have been received. Only 14 projects, mainly for lodges and accommodation, have been approved for a total R86m.

The only significant projects have been the upgrading of the National Parks Board's Hilltop Camp in Hluhluwe Game Reserve, the building of a link road through the corridor between Hluhluwe and Umfolozi, and the construction of two new lodges in the Madikwe Game Reserve.

IDC general managers Mr Jan de Bruyn, Mr Ben Smith and Mr Bertus de Vos rejected recent criticisms in the media of the corporation's modus operandi. They said the problem with applications was a lack of understanding about how the IDC's ecotourism financing worked.

The IDC's traditional role has been to provide loans for industrial manufacturing development. In 1992, it announced its willingness to extend this to the development of ecotourism after the government's White Paper on Tourism identified that a lack of finance was impeding the development of the industry.

Foreign tourists

At the time, the IDC said it could make R600m available, a figure based on the estimated cost of providing 3,000 extra beds over the next five to six years to cater for a 12% annual increase in foreign tourists.

Mr de Bruyn stressed there was no R600m "hand" gathering. Money was available from the normal cash flows of the IDC.

As far as individual loans were concerned, the IDC collaborates with shareholders and banks on financing and technically does not look at the amount that is required. It has granted loans as small as R150,000.

What determines whether it is handled by the IDC or its subsidiary the Small Business Development Corporation (SBDC), is the entrepreneur needed. The latter has a mentor plan, which caters for new or budding entrepreneurs.

After an application has been received by the IDC, it is handed to a project team which conducts its own feasibility study to determine economic viability.

Whereas banks do financing mainly on collateral, we do it mainly on potential. Our security is the feasibility study concerning the applicant's potential to meet commitments and generate enough revenue to finance loans.

The advantages of IDC funding over private-sector financing is that it offers two schemes - fixed interest rates and risk-sharing. With interest rates, the shareholder or owner must provide at least 40% of the funding.

Risk-sharing equity financing lends towards larger projects and the IDC enters as a shareholder, with a limit of 49% of the shares. No interest is paid, but the IDC reserves the right to sell its shares at a profit.
Protea heads for Uganda

Business Editor

PROTEA Hotels, which now manages 76 hotels throughout Southern Africa, is expanding into Uganda.

It has signed a management contract for a new 50-room lakeside hotel 20 minutes' drive from the capital, Kampala.

Bernard Cassar, Protea's regional director for Africa, said the group planned to run other hotels in the country.

The new Ranch on the Lake Hotel was being built at a cost of about $9.5m. The owner was Ugandan entrepreneur Edward Naugka whose son Jonathan, a London-trained architect, had designed the complex.

Protea Hospitality Corporation chairman Otto Stihl said the move into Uganda was the latest step in his company's expansion into Africa.

It was already in Tanzania, Egypt, Kenya, Swaziland, Zimbabwe, Malawi, Mauritius and Reunion and planned to be able to offer international tourists a chain of hotels stretching all the way from Cairo to the Cape.

Stihl said Uganda was a peaceful, stable country with a high economic growth rate. Kampala was becoming an increasingly modern city.

The country, known as "the Switzerland of Africa" had great potential for tourism. Its attractions included opportunities to watch mountain gorillas without the risks of travel into Zaire or Rwanda.
SA hotel groups seek
African opportunities

SA HOTEL groups are looking at new developments or acquisitions elsewhere in Africa.

The Protea hotel group announced yesterday it had signed another hotel, the 36-
room Ranch on the Lake, which is located on Uganda's Lake Victoria, as part of its Africa network.

The hotel, which would open on May 1, brings Protea's number of hotels to 32 in 16 countries since the group's establishment in 1984. It was also planning several Ugandan ventures.

Protea regional director

SAMANDA VERMEULEN

for Africa Bernard Cassar said the continent had a strong 'historical' tourism tradition, but politics had a negative affect.

"This trend has reversed in countries like Tanzania and Uganda, with more government and private enterprise emphasis on the industry."

Cassar said developments in new areas such as Botswana, Zambia and other countries in Africa were under consideration.

Limited service group

City Lodge said recently it wanted to expand into Zimbabwe and Mozambique.

The Kapos group, which has the Polana Hotel in Maputo, would also look at increasing the number of hotels it had in Mozambique.

Ernie Joubert, who is part of a consortium which will develop casino resorts in SA, said yesterday a development beyond SA's borders was under consideration.

One industry source said there had been a sizeable increase in tourism, business and diplomatic travel to Africa.

Stocks Hotels & Resorts MD Bruno Corte said the group, which already had two hotel developments in Namibia, was also looking at possible acquisitions elsewhere in Africa.
Grundado Posts 36% Earnings Rise

ISC to Outpace Industry After Set to Build

Worldstock Markets

Five Top Hotels

From HBC ENSA

In Cargo Tonages

PORTER SEES SINGLE

WSM weekly noted a 10-year high of 96 cargoes handled in May for the Cargo Service, a 3% increase over the 93 cargoes handled in May 1978. This record volume in May was

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Tourism industry attracting blacks

BY THABO LESHIMO

The previously marginalised black majority could soon become a significant player in the growing tourism industry, if several planned forays into the hotel industry bear fruit.

The black economic empowerment group, African Development Corporation (Afcor), said yesterday it had secured the backing of overseas financiers to build five international hotels.

MD Tiny Naidoo said work on the first of the five-star hotels would begin in Pietersburg in a few months' time.

Others would be set up in Johannesburg's Bruma Lake area, and in Durban, Cape Town and Nelspruit.

He said such big names in the hotel industry as Sheraton, Marriott, Intercontinental and The Taj had been invited to manage them.

All should be operational within three years.

Naidoo said talks were at an advanced stage to have an Austrian airline charter planes to bring at least 600 European tourists a week.

Afcor is currently setting up a consortium of black businessmen to buy a block of shares in the R200 million Hilton International Hotel, to be built in Sandton.

The aim is to take a 20 percent stake, amounting to R30 million, in the five-star hotel.

Naidoo said 100 percent of the money for the Sandton project was already in place.

The Business Focus Group from Malaysia had provided 70 percent of the capital and Hilton five percent. Another five percent had come from local developer Team Development Concepts.

The remaining 20 percent is held by Investec Merchant Bank.

It is envisaged that this shareholding will eventually be acquired by the group being set up by Afcor.

Naidoo said 14 black businessmen had already subscribed for the shares, but Afcor wanted to increase the number to 20.
Millions for ecotourism development go unused

IN spite of general agreement that ecotourism is one of the keys to growth in South Africa, development of the country's natural assets is markedly slow.

General managers of the state-owned Industrial Development Corporation (IDC) identified two main reasons for the lack of applications for financing of ecotourism projects:

- Uncertainty surrounding the control of national and other proclaimed parks, which has resulted in development plans being put on hold.
- Fundamental misconceptions within the conservation community of what constitutes an economically viable project.

In the two years since the IDC first announced it was willing to grant R600 million in loan financing for ecotourism ventures, only 39 applications — for R257m — have been received. Of these, 14 projects, mainly for lodges and accommodation, have been approved for a total of R65m.

The only significant projects have been the upgrading of the Natal Parks Board's Hilltop Camp in Hluhluwe Game Reserve, the building of a link road through the corridor between Hluhluwe and Umbokazi, and the construction of two new lodges in the Madikwe Game Reserve.

Two projects were rejected and 17 applications were either not investigated or were withdrawn, mainly due to being incomplete or for not complying with the basic criteria of the scheme.

ICD general managers Jan de Bruyn, Ben Smith and Bertus de Vos said two problems identified in the IDC's 1993 and 1994 annual reports remained unresolved.

The 1993 report said tourism needed "a higher priority in government as obstacles to the development of South Africa's unique selling features in the international market relate mainly to inadequate co-ordination and bureaucratic impediments".

The 1994 report said: "It is unlikely that there will be any significant increase in demand for IDC finance until the control and direction of the public sector nature reserves have been resolved."

The IDC managers said the fundamental problem with applications from conservation authorities and organisations stemmed from a lack of understanding by applicants about how the IDC's ecotourism financing operated.

The IDC's traditional role has been to provide loans for industrial manufacturing development. In 1992 it announced its willingness to extend this to the development of ecotourism, after the government's White Paper on Tourism identified that lack of finance and lack of ready access to sources of finance were impeding the development of the industry, which is potentially one of South Africa's most important generators of foreign exchange and new jobs.

At the time the IDC said it could make R650m available, a figure based on the estimated cost of providing 3,000 additional beds over the next five to six years to cater for a 12 percent per annum increase in foreign tourists. But, strictly speak-

- The conservation and ecotourism industry is not making use of hundreds of millions of rand which the Industrial Development Corporation is prepared to make available for development.

ANITA ALLEN

ing, there is no limit on the total amount the IDC could make available for the development of ecotourism facilities.

Mr De Bruyn stressed there was no R600m "fund" gathering mothballs. Finance was available out of the normal cash flows of the IDC.

As far as individual loans were concerned, the IDC collaborates with shareholders and banks on financing and technically does not look at the amount required. It has granted loans as small as R150 000.

What determines whether it is handled by the IDC or its subsidiary, the Small Business Development Corporation, is the amount of aftercare needed. The latter has a mentor programme which caters for new or budding entrepreneurs.

According to the way the IDC operates, an applicant's submission is handed to a projects team, which conducts its own feasibility study to determine economic viability.

"Whereas banks do financing mainly on collateral, we do it mainly on potential. Our security is the feasibility study — can the applicant meet commitments and generate sufficient revenue to finance loans," Mr De Bruyn said.

One problem he pointed out was that conservation authorities have traditionally been funded by government through the Budget. "They are used to receiving grant money and expect us to do the same. We don't offer grants. If a grant is needed the authority goes to government."

Another potential block was that the idea of commercialising to attract tourists was a "culture shock" for conservationists, whose concerns centred on the protection of biodiversity and wilderness areas.

"Commercialisation is the only way to finance loans," Mr De Bruyn said. "Some people have the tendency to look at ecotourism as property development. But it's not. You don't have revenue unless you have tourists walking through the door."

This means IDC loans allow for land acquisition and infrastructure development other than tourist accommodation, provided it is a proclaimed conservation area. However, for this type of project the application must be by a national, provincial or regional conservation authority and the project must also be linked to commercial development.

The IDC managers agreed that financing ecotourism projects needed lateral thinking. They believe their organisation has the talent to do this and to be flexible.

"Our doors are always open and our commitment to ecotourism remains," Mr De Bruyn said.
Don’t mess up tourism
— Stehlik

TOURISM in the Cape has unlimited expansion potential, but the opportunities will dry up if the province and its investors do not take the industry more seriously.

This was the warning from Otto Stehlik, executive chairman of Protea Hospitality Corporation, at the Cape of Good Hope Bank/Wesgro Business Development panel.

"We’ve just had the busiest Cape Town tourist season I’ve seen in 25 years, with hotel occupancy running at nearly 100 percent in November and December," he said.

"But will we mess up our chances of expansion, as we have done before?"

"We now have a window of opportunity that will be open for a few years, but not too many people in Cape Town appear to be concerned about tourism."

While on paper, South Africa attracts 3.5 million tourists a year, 2.8 million of these are border crossings and most of the rest are visitors of relatives, leaving only about 500,000 bona fide foreign tourists, Mr. Stehlik said.

Zimbabwe has 600,000 foreign tourist visitors a year.

Accusing financial institutions of being “anti-tourism”, Mr. Stehlik complained that investment in new tourist facilities in the Cape was negligible.
Nepotism and corruption plagued tourism forum

by JACOB DAVIS

The National Tourism Forum was
to be held in Mumbai, and the event was
designed to discuss issues related to
tourism. However, the forum was
attended by various political figures
and business leaders, who used the
event to promote their own agendas.

The forum was marred by nepotism
and corruption, with many politicians
and businessmen using their influence
to secure speaking slots and
endorsements. The forum organizers
were criticized for their lack of
efficiency and transparency in
managing the event.

Despite the complaints, the forum
continued to attract a large number
of participants, and its impact was
felt across the tourism sector.

The event was seen as an
discussion platform for
improving the
tourism industry, but its
corruption and nepotism
left many questions unanswered.

The forum organizers
promised to take
immediate
action to
address the
issues raised.

However, it remains
to be seen how effective
their efforts will be.
‘Slur’ on hotels capacity rejected

By DALE GRANGER

Capultour was "shocked and most disappointed" yesterday by reports that International Rugby Board chairman Sir Ewart Bell had said South Africa's hotel and tourist industry would not be able to cope with the number of visitors for the Rugby World Cup. Sir Ewart had said the IRB accepted that after years of isolation South Africa's hotel and travel industry would not be able to cope with the flood of rugby fans, but dismissed claims by British rugby writers that the IRB were expecting a major organisational disaster.

Capultour chief executive Mr Gordon Oliver said: "Cape Town can certainly cope and we will cope extremely well. Visitors and the media will leave Cape Town having experienced one of the best-run sporting events in the world."

Safari spokesman Mr Martin van Niekerk disagreed strongly with Sir Ewart's comments, saying: "The tourist industry will be put to the test and all major hotels are full, but we expect people who can't find space in hotels to use the house bed and breakfast option which has mushroomed in recent years."

Mr van Niekerk said Satour anticipated 25,000 international visitors. Around 17,000 overseas fans had already booked flights and accommodation.

Mr Oliver said Cape Town had 13,000 beds in formal (hotel) accommodation, with 22,000 in the Western Cape. "We have not even tapped the private home accommodation sector but will do so should the demand increase."

He said accommodation-lenting agents had thousands of private homes on their books offering accommodation and Captour would be running a seven-day a week booking centre.

Rugby World Cup tournament manager Mr Craig Jameson acknowledged that the industry would be stretched but "only in peak periods" such as the semi-finals and the final.

IRB official Mr Brian Skirrow yesterday denied that Sir Ewart had said South Africa would "not cope". Sir Ewart had said South Africa's hotel space was "limited" and it would be "an extremely delicate situation to give everyone what they want".

The comments arose over the England team's desire for three separate bookings for their team, with options for coastal and up-country accommodation depending on where they would be playing next.

Mr Skirrow said if England were allowed this option, it would also have to be available for all the other teams and complications would arise.
FOREIGN entrepreneurs are on a spending spree, buying hotels in Cape Town.

In a multi-million rand deal, a Malaysian group called Serting has just bought the Lady Hamilton Hotel in Union Street, Gardens, behind the Mount Nelson.

Another group, also from Malaysia, has expressed interest in the Cape Town Hotel on the Foreshore, according to Protea Hotels executive chairman Mr Otto Stelik.

"The Cape Town deal has not been finalised," he said. "The money has not changed hands. Should it happen, it would be within the next four to six weeks."

Mr Stelik said the expected abolition of the financial rand was certainly a factor. The existence of the financial rand at present was an advantage to any prospective foreign buyer.

"As owners of a hotel group, we have had a number of negotiations," he said. "The Germans have indicated an interest, and lately the Chinese, Malaysians and Singaporeans.

"For the right price, several of our 76 hotels would be on the market," he said.

Ms Rosita Talib, one of the directors of the Serting Group that has bought the Lady Hamilton, declined to disclose the price.

But she did say that the 33-room hotel had cost millions of rands.

She said the property market in Cape Town was still at a very reasonable level by international standards. Her group had been able to buy in financial rands but she believed this would not be possible for much longer.

Mr Talib said she did not expect a change in the hotel's name. It was the first hotel her group had acquired, but it was planning to buy others in various countries, including South Africa and perhaps even Cape Town.

"Hotel standards in Malaysia are particularly high. We will probably raise the standard of service in our hotel and do a lot of upgrading," she said.

Lady Hamilton manager Ms Petra Snyman said the hotel had had several names. Built in the 1960s, it had been called the Orange, then the Piccadilly Gardens (when Mr Jan Pickard owned it) and then Garden-Village, then Park Avenue.

"It had been part of Masterbond and it had been 'bought out of liquidation' in August 1983 by an owner who was not a hotelier."
Lift in earnings for Transkei Sun

From CHARLOTTE MATHEWS

JOHANNESBURG.—Hotel group Transkei Sun International (Transun) grew profit by 21% to R29.8m in the six months to December 1994, compared with the same period in 1993, on higher turnover and interest income.

Turnover was R137.8m from R120.2m in 1993 and margins were steady at 29%.

Operating profit of R40.4m (R34.9m) was boosted by interest income of R1.4m against R1.6m interest expense previously.

The tax rate rose to 29% from 26% because investment allowances were lower than in previous years.

Earnings rose to 20.6c a share from 17c. An interim dividend of 14.5c (12.5c) a share has been declared.

The directors describe the results as good and say early indications of trading for the second half-year are favourable.

Earnings for the full year are expected to show satisfactory growth over 1994.
Conservation vital to tourism — Swissair

Business Editor

ENVIRONMENTAL concerns are taken seriously by business in Europe and Swissair called attention to this yesterday by helping to organise a clean-up campaign on Table Mountain in which 50 schoolchildren from Khayelitsha took part.

The Deputy Minister of the Department of Environmental Affairs, Bantu Holomisa, thanked them at a luncheon at the Eikenhof winery afterwards for helping to conserve the mountain, which he described as the "symbol of tourism in SA.

"If we cannot look after our symbols we can forget about more tourists visiting our country," he warned.

"We can forget about the creation of new jobs through the tourism industry, bringing a better quality of life for the people."

Holomisa also thanked the airline and the magazine South African Panorama, for involving black schoolchildren in the project.

He said it had been hard in the past to involve "our youth" in conservation.

It was encouraging that, following the changes that had taken place, they were now taking a pride in their environment.

Swissair's sales manager in SA, Ferdinand Stauffer, said Swissair had demonstrated its commitment to the environment by ordering low-noise, fuel efficient aircraft causing the least pollution.

It was buying 20 aircraft of the Airbus A320 family for its European fleet mainly because of the low level of nitrogen oxide produced by its engines.

They produced 40% less nitrogen oxide and made 50% less noise than the engines of the present fleet, and consumed 20% less fuel.

Stauffer pointed out that the SA Tourism Organisation (Satur), which this year had "explore SA" as its marketing theme, would make the environment the basis of its campaign next year.

The schoolchildren who took part in the mountain clean-up were at the luncheon.

The 25-in the winning team who collected the most rubbish from the mountainside will be flown to Johannesburg by Swissair for a visit to Gold Reef City.
City Lodge posts 57% climb in attributable profits
SA tourism policy 'progressing well'

WORK on a new tourism policy for SA was "going along constructively" with the interim tourism task team set up to formulate a new course agreeing on general principles, committee chairman Collin Cameron said yesterday.

The task team, comprising two representatives each from government, the provinces, urban and rural community organisations, labour and business, was set up last October to formulate a vision for SA tourism development.

Its terms of reference included drawing up a set of principles for a tourism development policy and to recommend structures to implement the policy and strategy. Other duties were to propose responsibilities to the recommended structures and outline further actions required for this project to become national tourism policy.

Cameron, also director-general of Environmental Affairs and Tourism, said the committee's last meeting last week had "agreed on general principles" on the process to be followed.

"What is left is for the players to refine policy documents for altering structures," he said.

Cameron stressed there had been no finality yet, as the principles still had to be sent to constituents.
Sales increase in hotel bed-nights ‘encouraging’

The number of bed-nights sold to foreign tourists was the highest for any month since 1997, Central Statistics Service (CSS) figures showed.

Tourism leaders hailed the figures as encouraging. CSS figures showed that 109,341 bed-nights were sold to foreign tourists in November, a 39% increase more than a year earlier.

A CSS statement said if figures from the former TBVC states (who accounted for 3,938 bed-nights) were not taken into account for November 1993, as well, the increase would have been 43.1%.

Hotels operating mainly on a time-sharing basis, as well as residential and one-star hotels with fewer than 10 rooms were excluded from the survey.

Kessell, Pfeinlstein Consulting CE Delano Caras

Theo Rawana

said the figures were encouraging, were a good indication of a ‘trend’ and ‘a sign that the effect of the new SA was starting to show positive results.

“December figures will definitely reflect a good increase,” he said. “It is heartening news for the hotel industry for whom the improvement in tourism did not pick up immediately.”

Fedhose national hotel division deputy chairman Ian Hattingh said it was a good sign as the whole tourism industry would benefit. “We hope the rise will continue.”

A Satour spokesman said the report was a delightful, stable indicator of how tourism was developing. “It spells good things for this year,” he said.
Increase in travel sees City Lodge profit rise

AN UPSWING in economic activity and increased business and tourist travel helped limited service hotel group City Lodge report a 57% increase in attributable earnings to R10.4m in the six months to December.

Earnings a share increased 58% to 41.5c and an interim dividend of 11c (11c) was proposed.

Chairman Hans Enderle said the group had achieved high turnover — an increase of 24% to R49.6m — off the back of an increase in economic activity and the contribution from two new hotels which came on stream in April and June.

Operating profit increased 37% to R21m, while pre-tax profit grew 49% to R13.3m.

Business and tourist travel had increased after the April elections.

Average occupancies increased to 79% from 76% in the corresponding period, Enderle said.

Operating margins were improved and the effective tax rate decreased to 32.4% mainly because of the anticipated savings in STC as a result of the decision to award capitalisation shares in lieu of a dividend.

The balance sheet reflected the group's sound financial position and its ability to take advantage of expansion plans in the future.

Enderle said the trend of increased business and tourist travel was expected to continue, and the Rugby World Cup in May and June was expected to have a positive influence.

Over the next five years, the group would invest about R100m in its Road Lodge brand of which about ten new lodges would be developed in major cities, towns and selected industrial and tourism growth areas.

Plans to expand City Lodge and Town Lodge in SA and neighbouring countries were also proceeding and negotiations were in progress. The group had previously stated it was interested in starting business in Zimbabwe and Mozambique.

Enderle said the outlook for the rest of the financial year was positive and earnings should show good growth. The board had decided to award capitalisation shares in lieu of a dividend.
Transun posts 21% earnings rise

CHARLOTTE MATHEWS

Hotel group Transkei Sun International (Transun) grew profit by 21 percent to R23.8 million in the six months to December 1994, compared with the same period in 1993, on higher turnover and interest income.

Turnover was R187.5 million from R120.2 million in 1993 and margins were steady at 29 percent.

Operating profit of R40.4 million was boosted by interest income of R1.4 million, against R1.6 million interest expense previously.

The tax rate rose to 29 percent from 26 percent because investment allowances were lower than in previous years.

Earnings rose to 20.8c a share from 17c. An interim dividend of 14.5c (12.5c) a share has been declared.

The directors describe the results as good and say early indications of trading for the second half-year are favourable.

Earnings for the full year are expected to show satisfactory growth over 1994.
Foreign tourists respond to Transsun drive abroad

MORE local and international tourists and day visitors helped Transkei Sun International (Transsun) to a 21% rise in attributable earnings to R29,8m in the six months to December.

Earnings a share increased 21% to 29,8c and an interim dividend of 14,5c (12,5c) was declared.

Turnover rose almost 15% to R137,8m, while operating profit showed a 15,4% improvement to R40,4m. Pre-tax profit grew 25% to R41,6m which, after tax of R11,6m, left attributable earnings at R29,8m (R24,6m). The effective rate of taxation increased 2,4 percentage points to 28,6% because of lower investment allowances being available in the current year.

Sun International MD Peter Bacon said the period after the April election had seen a considerable improvement in the resort's fortunes.

The Christmas season had been good, with improved occupancies and a strong increase in the number of day visitors.

That the upward trend was likely to continue, he said, was indicated by strong performance in January. However, growth was coming off a relatively low base, a result of security problems in the Transkei in the years before the elections.

Bacon said the Eastern Province government had given its commitment to developing tourism in the region, which would have a positive effect in the future.

In addition, the resort was in the process of refurbishment, which would be another step towards attracting more overseas visitors. The Sun International group was promoting the resort abroad, which had resulted in increasing numbers of foreign tourists to the hotel.

Bacon said there had been an encouraging increase in the resort’s convention business, a trend which would continue.

The recommendations of the Lotteries and Gambling Board relating to the structure and regulation of the gaming industry would probably be released at the end of this month.

It was expected that among other issues, the board would deal with the Transkei Development Corporation's 30% stake in Transun.

Bacon said that to date, there had not been any discussions with the development corporation or government regarding the future of state-held shares in Transun.
DP criticises IDC over eco-tourism

Political Staff

The potential beneficiaries.

THE Democratic Party yesterday slammed the government-owned Industrial Development Corporation (IDC) for its failure to spend millions of rands on promoting eco-tourism.

The DP said it deplored reports emanating from the IDC that millions of rands of development capital for eco-tourism remained unused because of "uncertainty and ignorance" on the part of the potential beneficiaries.

"The DP believes eco-tourism holds the key to massive benefits for those areas most sorely in need of socio-economic development.

It asked IDC managers to "dispel the underlying causes of this highly unsatisfactory state of affairs".

It suggested, for example, that guidelines to submitting applications should be made available in a number of languages."
Timeshare boom bad news for SA tourists

By MAGGIE ROWLEY

SOARING international and domestic demand for timeshare exchanges in Cape Town is pushing the price of holidays in the Mother City out of the reach of most South Africans, warns Mr Steve Griessel, managing director of RCI Southern Africa.

He said Cape Town resorts were virtually fully booked throughout 1994 with more than 1 000 families seeking exchanges in the city having to be turned away over the Christmas period.

Addressing a press function in Johannesburg, Mr Griessel said that Cape Town had become the premier holiday-destination for white South African timeshare owners and in the past year international demand "had gone through the roof".

"Only 4% of all timeshare weeks, including the winter months, were unused in the city last year and most of those were late cancellations. Unless new development starts shortly the growing accommodation shortage could become a severe blight on tourism growth in the region."

Those wishing to exchange are already having to bank two weeks of timeshare at other resorts to get one week in Cape Town, he said. Owners putting their time into a rental pool were getting up to R11 000 a week.

"If demand continues to rocket the exchange criteria and rentals will soar accordingly.

"We are now warning buyers that unless they buy into a Cape Town resort they will have little or no chance of swopping time there as has been the case with our two London resorts."

Mr Griessel said there appeared to be significant investment opportunity in new timeshare resorts in the Cape and just about every developer they knew was looking at the prospect seriously.

"The one thing holding them back is that sales in the region have not kept up with the number of people wanting to exchange. Cape Town timeshare weeks tend to be more expensive than elsewhere."

According to Mr Griessel the majority of South African timeshare owners tended to be conservative white South Africans, many of whom had bought timeshare in Durban resorts but were no longer keen to go there as it had become the preferred holiday destination of black South Africans.

"While currently only about 2% of timeshare owners are black, 80% of Durban hotel occupants are black."

In spite of the timeshare market "dying" in the first half of the year due to election jitters, timeshare exchanges in 1994 were 20% higher than the previous year with sales totalling R165m, down about R30m from 1993. The vast majority of this business had been done in the second half of the year.

Inbound exchanges from international holiday-makers, which had decreased in the five years up to 1994, rocketed 49% in 1994 and were expected to surge a further 50% this year, he said.
Sunbog hit by labour problems, depressed trade
Illegal casinos help hurt Sunbop

LABOUR unrest, depressed trading conditions and illegal casinos saw Sun International Bophuthatswana (Sunbop) report a 4% decline in earnings to R129.5m in the six months to December.

Earnings a share declined 4% to 10c and the interim dividend was maintained at 7.5c.

Sunbop chairman Sol Kerzner said yesterday the results had been adversely affected by the closure of Sun City in July during labour unrest in the region, and the cancellations of bookings that followed.

Kerzner said December had seen depressed trading levels because many holidaymakers had travelled to the coast.

Although turnover increased 4% to R747.7m, high fixed costs related to operations and a higher casino levy at Sun City and the Carousel lowered operating margins. As a result, operating profit decreased 8% to R164.2m.

The lower effective tax rate of 10%, flowing from allowances on the Carousel and Lost City developments, represented the anticipated effective rate of tax for the full year.

Despite labour unrest, average occupancies during the period ran at about 70%, and Kerzner said between 60% and 70% of the guests at the Palace of the Lost City were foreign tourists.

Kerzner said strong forward bookings, continuing political stability and firm commitments by government to the development of tourism should see earnings for the year at least match those of previous years.

AMANDA VERMEULEN

9/12/95
Earnings show 4 percent decline

Adverse conditions depress SunBop

By Charlotte Mathews

Sun International Bon-
thathewa's (Sun-
Bop) profit in the six
months to December 1994
dropped by 4 percent to
R129,5 million, compared
with the same period in
1993, after labour unrest
in July and lower-than-
expected December trad-
ing.

Analysts who had fore-
cast a 15 to 20 percent
rise in earnings a share in
1994/95 from SunBop,
may be disappointed,
especially since the
board's forecast for full-
year earnings is that they
will "at least match those
of the previous year".

Turnover lifted by 4
percent to R747,7 million,
but operating profit
slipped by 8 percent to
R164,2 million as margins
were reduced by the high
fixed cost of the business
and the increased casino
duty at Sun City and the
Carousel.

The tax rate was about
10 percent because of al-
lowances on develop-
ments at the Lost City
and the Carousel, which
is likely to be the rate for
the full year.

On earnings of 109c
(113c) a share, an un-
changed interim dividend
of 75c is being paid.

Chairman Sol Kerzner
said yesterday results
were adversely affected
by two events.

The first was labour
problems in the North
West Province in July.

Although this closed
the Sun City resort for a
short time, cancellations
flowing from these prob-
lems affected SunBop for
several months and the
situation only returned to
normal in October or No-

Secondly, December
trading was depressed,
not in occupancy but in
daily visitors. Kerzner
said it appeared that
more people were now
going to the coast in De-

cember than previously
because coastal resorts,
including those of Sun In-
ternational, had done
better this year.

During the past six
months the group's aver-
age occupancy level had
been about 70 percent,
despite an increase in the
number of rooms avail-
able.

Kerzner said the group
did not make public the
proportion of income
from hotel occupancy and
the proportion from cas-
inos because its philos-
ophy was that it was in a
single business which was
marketed as a unit.

Indications were now
that occupancy levels
were very strong and
forward bookings en-
couraging.

A lot of business was
coming from abroad and
SunBop expected the
next six months' trading
would be good, he said.

SunBop had a strategy
to reduce its costs in cer-
tain areas.

A combination of far
ter better trading and more
stringent cost control
would, it was hoped, see
full-year earnings at least
equal those of the previ-
ous year, he said.
Lodges help to raise attributable profit a whopping 58% to R10,4m, underlining the steady rise in profitability and increasing EPS to 41,5c. This has dropped the p/e from 32 to 28,6, bringing the share more into line with others in the sector. The current R21 price is double the 1,050c investors would have paid last February, and it’s 5,5 times the NAV of 383c.

Enderle acknowledges: “The group is highly-valued. This puts pressure on management because the market has high expectations of us.” But is the valuation justified?

The City Lodge group has undoubtedly benefited from factors outside its control, such as the upturn in the economy and growing numbers of business and tourist travellers. Turnover for the six months to December 31 was R43,7m, up 12,4% on the year-ago interim. Nonetheless, its success lies in the skill with which it has exploited chosen areas of what is rapidly becoming a niche market in SA. Enderle says: “We see anyone selling a bed for the night as a competitor, but City Lodge understands the segments of the hotel-using public and that is our strength.”

Perception of the need for different levels of streamlined accommodation for budget travellers led initially to the development of the Town Lodge and Road Lodge concepts. These establishments have fewer and smaller rooms than the City Lodges, and the Road Lodges lack swimming pools, but they offer top quality in their range. So far City Lodge has had a clear field; it was in first and has taken maximum advantage.

However, a disadvantage of good margins is their attractiveness to others and eager would-be niche inhabitants are appearing. For example, the Road Lodges will compete directly with SAB’s Formule 1 chain at the budget end of the market.

But Enderle is nothing if not flexible. Management’s commitment to “service excellence” results in good labour relations within the group and an occupancy rate of 79%, well above the industry average of 47%.

City Lodge in the next six months should continue to benefit from the buoyant travel industry, but profit from the first Road Lodge, to open at Jan Smuts in June, will probably not appear until financial 1996. The rugby World Cup should also contribute significantly to 1996 earnings. The share looks fully priced and a period of consolidation could solidify recent gains before the next climb. The two major shareholders own nearly 80% of the shares, but this is still exciting for investors who like risk and can obtain scrip, Manger Ann Bolte

CITY LODGE HOTELS

Less room at the lodge

An excellent set of interim results has boosted hopes for the year. The group, jointly controlled by Kersaf and executive chairman Hans Enderle, has a winning formula in providing high-quality but limited services for an affordable price. Operating margins improved from 43% to 48%, benefiting from higher occupancy rates and careful cost control.

Contributions from two new Town

FM10/2195 (288)
Kalako probe will be public

MICHAEL MORRIS
Political Correspondent

HEARINGS into allegations that Western Cape Environment Minister Lerumo Kalako misappropriated public funds during a trip to Australia will be open to the public and the Press.

The commission of inquiry, headed by former Cape Attorney-General Niel Rossouw, will sit in open session at the Civic Centre on the Foreshore.

No date has been set for the start of the hearings, but it is likely to be next week.

The commission has until the end of February to complete its investigation and report to the provincial parliament.

Commission secretary Bobby Vincent confirmed that the hearings would be open to the public and the Press.

The three-member commission was appointed by the regional parliament. Mr Kalako has denied any wrongdoing.
Green Point deal ‘is premature’

By MAGGIE ROWLEY
Property Editor

A MALASIAN firm has joined up with a Cape Town property developer in an attempt to secure development rights for a multimillion rand tourism and commercial project that includes two five-star hotels in the Green Point area.

Listed Malaysian Resources Corp Bhd (MRCB) and Cape Town developer Mr Sam Montsi, of Montsi Properties, who was involved in the development of Nyanga Junction shopping centre, signed a memorandum of understanding to this effect in Kuala Lumpur yesterday.

The group is hoping to develop two five-star hotels, an exhibition and convention centre and apartments, and upgrade the Metropolitan golf course.

MRCB executive vice-chairman Mr Abu Bakar Abdul Karim is reported as saying that in terms of the plan a hospital in the area (Somerset) would be relocated.

“When completed in 1998, Green Point will be a major tourist attraction and is expected to add weight to Cape Town’s bid for the 2004 Olympic Games,” Mr Abu Bakar is quoted as saying.

However, project co-ordinator for the Cape Town City Council

Mr Rod Young described the move as “horribly premature”, saying the council had “no expressed intent to foster development in that area”.

He pointed out that the area in question is owned by different parties.

The council owns the Metropolitan Golf Course and Green Point track, which are leased by a rugby and cricket club, the Defence Force owns the Fort Windward site, and the Province owns Somerset Hospital.

“At this stage it is kite-flying and sheer fantasy. I don’t know what kind of agreement of understanding they might have signed, and possibly it is just a commitment to try and turn this dream into reality, but there are a lot of parties they would have to convince,” Mr Young said.

While Mr Montsi had put “informal proposals” to the town planning department, no formal propositions had been made.

“Preliminary discussions and a lengthy public participation exercise entered into. Mr Montsi does not own any of the land in question and besides it is not even zoned for that kind of development.”

Mr. Montsi was in Malaysia yesterday and could not be contacted.

Sapa-AFP reports that MRCB and Mr Montsi also signed a memorandum of agreement to jointly explore future business opportunities in South Africa.

Malaysian Prime Minister Mr Mahathir Mohamad has been a vocal supporter of South African President Nelson Mandela, and promised him Malaysia would play a part in developing post-apartheid South Africa. Mr Mandela visited Malaysia in mid-1993.

“In August last year Malaysia sent a 500-member trade mission to South Africa led by Minister for International Trade and In-
Sun Ciskel posts 22% lift in profits

Business Editor

SUN Ciskel lifted operating profit by 22% to R17.5m in the six months to December and the interim dividend will be 16.5c (13c) a share.

Turnover rose by 14% to R66.9m and after-tax profit by 27% to R19m (R14.9m). Attributable earnings were 29% higher at R18m (R13.9m). Earnings at share level were 24c (15.6c).

The strict control of expenses and a lower depreciation charge enabled the group to improve its margins, the directors said.
Improved margins come to aid of SunCisk bottom line

BY CHARLOTTE MATHEWS

Sun International (Ciskei), lifted bottom-line profit 26 percent to R13 million in the six months to December, against the same period in 1993, after margins improved and net interest income trebled.

Last year's strike in the motor industry, which is based mostly in the Eastern Cape, together with illegal casinos operating in Port Elizabeth and East London, restrained turnover growth to 14 percent to R63.9 million.

Margins improved to 20 percent from 24 percent as costs were strictly controlled and a lower depreciation charge was incurred. As a result, operating profit grew 22 percent to R17.5 million.

Net interest income surged to R15 million from R54.9 million, reflecting both higher rates and a drop in gearing to 14 percent from 26 percent.

The improved cash position enabled it to redeem R15 million of preference shares.

Earnings a share were 24c (18.6c); on which a dividend of 15.5c (13c) has been declared.

The company paid no tax in the period and the directors say the authorities had indicated the SA and former Ciskei tax systems would be harmonised.
Margins push Suncisk to improved position

AMANDA VERMEULEN

STRONG cash flow, efficient working capital management and higher rates of interest helped Sun International Ciskei (Suncisk) improve earnings 28% to R18m in the six months to December.

Earnings per share increased 29% to 24c and an interim dividend of 16.5c (12c) was declared.

Chairman Peter Bacon said turnover, which increased 14% to R66.8m, was satisfactory against the backdrop of the lengthy motor industry strike and the continued operation of illegal casinos in Port Elizabeth.

"The strict containment of expenses and a lower depreciation charge enabled the group to improve its margins, which led to a 22% increase in operating profit to R17.8m."

In addition, he said strong cash flow, assisted by efficient working capital management and higher rates of interest, improved the group's yield on its cash fund, and earnings increased to R18m (R15.9m).

The improved cash position enabled the group to redeem the R15m preference shares in issue at end-December.

Although no announcement had been made regarding the harmonisation of the tax systems of SA and the former Ciskei, the authorities had indicated it would be undertaken over time.

Bacon said the Suncisk board expected earnings growth in the second half of the year to match that achieved in the first half.

EXECUTIVE SUITE

WHATS YOUR PROGNOSIS?

ITS A BAD VIRUS

NEXT TWENTY V. A. HOURS ARE CRUC

BD 13/2/95
'Despite the allegations, Mr. Kem Sokha has denied any wrongdoing. In a written response to the commission, the opposition leader said that the accusations were baseless and that he had not committed any of the alleged offenses. He also accused the commission of being biased and partisan, and called for a fair and impartial investigation. The commission, on the other hand, said that it was conducting a thorough and impartial investigation and that it would release its findings in due course.'
Alleged misappropriation probe.

Provincial environment minister faces inquiry over Kalako funds.
Western Cape minister 'misused funds'

CAPE TOWN. Western Cape tourism and nature conservation minister Lerumo Kalako has been given a new cabinet post — on the day an official inquiry into his alleged misuse of public funds began.

Western Cape premier Hermie Kriel announced a cabinet reshuffle yesterday "to improve management and administration". Kalako has been given the sport and recreation portfolio.

A new portfolio, constitutional affairs, was added to Kriel's media and gambling portfolios. A reconstruction and development portfolio was created for the economic affairs department.

Finance minister Kobus Merring took on the nature and environment portfolio, while agriculture minister Lammie Fick took on tourism as well as planning.

A spokesman for the premier said the outcome of the Kalako inquiry, which started yesterday, could result in a possible review of his position.

Kalako is alleged to have misappropriated funds during a visit to Australia in November. The inquiry will also probe the management of his ministry and allegations that his behaviour has been "unbecoming of a minister".

The allegations included the purchase, with public funds, of a R400 watch for Kalako's wife, private telephone calls from Australia worth R20 000, failing to make appointments during the visit and retaining the balance of the funds made available by the Western Cape Tourism Board on his return.

The commission heard that Kalako's "special adviser", Nick Malherbe, appointed by the tourism board, had been the original source of the allegations.

The hearing continues today.
No account of funds, inquiry told

Cape Town — Travel consultant Nick Malherbe failed to comply with a written undertaking to provide a full account of money spent during Western Cape Environment MEC Lerumo Kalako's visit to Australia in November.

This was said in evidence yesterday by the Interim Western Cape Tourism Board chairman Admiral Martin Kramer at the start of a commission of inquiry into allegations that Kalako misappropriated public funds during the Australian trip.

The allegations were made by Malherbe, who accompanied Kalako.

But Kramer told the three-member commission yesterday that in a fax to him on October 27, Malherbe undertook for audit purposes to provide a full account of money spent and to have this signed by the MEC.

Kramer said: "One of the salient features of this whole issue is that the initial instruction regarding the accountability and report on the finances was not complied with."

Kramer also said he was "astonished, to put it mildly", that the report addressed to him — containing Malherbe's allegations against Kalako — had been released to a third party without his knowledge or consent.

It was this document which led to press reports on the controversy.

Kramer noted that while Malherbe had denied releasing the document to the press, he had passed it on to Democratic Party regional leader Hennie Bester.

In addition, the final financial account of the Australian visit was still incomplete, he said.

However, Kalako had refunded a sum of R3 001.40 which he had not used during the Australian visit.
Bank account
Kalako's idea, inquiry told

ROSSOUW WARS, AGAINST MUD-SLINGING

MICHAEL MORRIS
Political Correspondent
TRAVEL consultant Nick Malherbe claims he was told by provincial environment minister Lerumo Kalako to set up a bank account for a portion of the money given by the Western Cape Tourism Board for a trip to Australia.

This was said today by Mr Malherbe's legal representative, Chris Place, on the second day of the commission of inquiry into allegations that Mr Kalako misappropriated or misused public funds during and after an official visit to Australia last November.

The commission of inquiry follows allegations by Mr Malherbe, who accompanied Mr Kalako and his private secretary, Kwanda Sojola, on the Australian trip.

Mr Malherbe has yet to give evidence before the commission.

It emerged yesterday that an amount of more than R17 500—originally intended for a fourth person to join the Western Cape team on the trip—was placed in a Standard Bank account when the party was reduced to three.

Chairman of the Western Cape Tourism Board Admiral Martin Kramer said yesterday he had been told by a bank official that the money had been placed in the so-called Rainbow Trust account on the verbal instructions of Mr Malherbe.

Speaking under cross-examination by Mr Place today, Admiral Kramer said Mr Kalako had told him earlier this year that he had no knowledge of the Rainbow trust account.

"I asked him (Mr Kalako) about it, and he denied all knowledge of it," Admiral Kramer said.

Earlier, Mr Place questioned the relevance of submissions on Mr Malherbe's conduct to the terms of reference of the commission.

He raised this in the light of press releases and counter-legal actions by Mr Kalako "which appear to be an attempt to slander (Mr Malherbe) and place a question against his credibility".

Commission chairman former Cape Attorney-General Niel Rossouw replied that the commission would allow consideration of the conduct and personalities of individuals "as far as it is necessary to establish where the truth lies" in investigating the allegations.

Mr Kalako’s legal representative, Siraj Desai, said that acting in terms of the Commissions Ordinance he intended cross-examining Mr Malherbe "to attack his credibility and show that what he is saying is outrageous and false from our perspective".

In response to further points raised by Mr Place, Mr Rossouw said he would not allow the commission hearings to "turn into a mud-slinging match".

Official lawyers engaged without Kalako knowing

MICHAEL MORRIS
Political Correspondent
THE chief directorate of Nature Conservation in the Western Cape briefed lawyers to appear on its behalf at the inquiry yesterday.

Well-placed sources said the minister—who, until last night, was the political head of the department of nature conservation—was “puzzled” by the presence of advocate Louis Olivier.

Mr Kalako is represented by advocate Siraj Desai.

Part of the brief of the commission—headed by former Cape attorney-general Niel Rossouw—is to investigate Mr Kalako’s management of the Ministry of Environment Affairs, Nature Conservation and Tourism.

The other, specific, allegations against Mr Kalako are that he:
Tourists 'take toll on environment'
Kalako: 'Lost' papers raise alert

By CHRIS BATEMAN

THE "first inkling" of possible fund misuse during a ministerial fact-finding mission to Australia late last year came when a case containing all documentation had been reported "lost".

This was testimony by Admiral Martin Kramer, chairman of the Interim Western Cape Tourism Board (WCTB) to the commission of inquiry into allegations that Environment and Tourism Minister Mr Lerumo Kalako abused funds during and after a two-week mission in November last year.

The commission, appointed by Western Cape Premier Mr Hermus Kriel, is based mainly on allegations by Mr Nick Malherbe, WCTB member and erstwhile "adviser" and travel companion to Mr Kalako.

His allegations include that Mr Kalako:
- Made private telephone calls home from Australia totalling R2 000,
- Failed to return travellers' cheques totalling R2 014,
- Failed to attend (or was regularly late for) meetings in Australia,
- Paid out of his entertainment allowance for a Kelvin Grove birthday party organised and thrown for him by Mr Malherbe,
- Exhibited conduct unbecoming a government minister.

Officials of the Department of Nature Conservation are expected to testify to further claims that Mr Kalako mismanaged his department and its finances.

The commission resumes hearings this afternoon under its chairman, former Cape attorney-general Mr Nieil Rossouw.
Olympic row ‘unresolved’

CAPE TOWN — The Western Cape government yesterday stepped in to try to resolve the row between the Cape Town City Council and the Olympic bid committee over the committee’s legitimacy.

Newly appointed Western Cape sports and recreation minister Lerato Kaka said that as a meeting of all affected parties yesterday agreement was reached whereby the council, supported by the provincial government, would apply to host the Olympic Games in Cape Town.

Kaka said only the newly elected mayor, William Bantam, and city council executive chairman Nomalndiya Mfeketo, would issue public statements in this regard.

But bid committee chairman Raymond Ackerman said that while the meeting was constructive in that all affected parties met, there had been no agreement.

‘There is not a penny left to run the bid. I cannot put my family at financial risk any longer. We need an agreement with Nocsa so that the R70m can be released,’ he said.

Western Cape premier Helen Zille said she was perturbed about efforts to marginalise the private sector in the bid. The provincial government would account for R675m or 12.4% of the Olympic budget plan, the Cape Town municipality 8.9% or R390m, and the private sector contribution would amount to R2.25bn.

EDWARD WEST

Committee in a year or two. Furthermore, I specifically reserved the right to make my own statements.” The meeting had also failed to address the issue of the R70m in sponsors’ funds — which was being provided mainly by Transvaal companies. The National Olympic Committee of SA (Nocsa) had stopped allocation of the funds because of the legitimacy row.

‘There is not a penny left to run the bid. I cannot put my family at financial risk any longer. We need an agreement with Nocsa so that the R70m can be released,’ he said.

Western Cape premier Helen Zille said she was perturbed about efforts to marginalise the private sector in the bid. The provincial government would account for R675m or 12.4% of the Olympic budget plan, the Cape Town municipality 8.9% or R390m, and the private sector contribution would amount to R2.25bn.

EDWARD WEST
Rugby World Cup ‘could disrupt tourism’

THE rugby World Cup could have a negative effect on tourism in SA unless concerted effort is made to counter the potentially harmful repercussions, according to a Sautour assessment.

“The event will have a substantial impact on the local tourism industry — both positive and negative — and a co-ordinated effort is necessary to counter the potential negative factors.”

However, the positive factors outweighed the negative. One of the major negative factors was disruption of SA’s normal tourism market.

“This fear was expressed by travel agents and tour operators who said the Asian market was most likely to be affected as the timing of the event — May and June — was when Asians visited SA.”

Sautour said its research showed the peak periods during which Asians tended to holiday in SA were July and January.

The travel trade predicted that May and June would be the peak periods this year.

The threat to the Asian tourist market lay in the expected shortage of accommodation, transport and flights to and within the country.

Sautour recommended that the tourism industry, and the event’s organisers, co-ordinate their efforts to reduce the potentially harmful effects on tourism.

The report also urged that a more cohesive and collaborative transport policy be formed for the subcontinent if its tourism potential was to be realised.

“The costly problems at border posts could be avoided.”

A lack of adequate public transport and luxury coaches made SA “not user friendly” to tourists.

Other obstacles raised in the report included the shortage of luxury hotel accommodation, low capacity at international airports, inadequate training of tourism personnel and their lack of foreign languages skills.

On a more positive note, the event would involve at least 366 direct job years and 1 066 indirect job years. Other employment would be created by the upgrading of rugby stadiums which was estimated to be worth at least R117m to the construction industry.

The report also said the event would stimulate specific sectors of the economy, including the telecommunications and related industries.

There would be intangible benefits as well, such as a boost to patriotism, and the opportunity to bring opposing political parties together.
Australia trip was ‘a real mess, crazy’

MICHAEL MORRIS, Political Correspondent

TOURISM consultant Nick Malherbe described the logistics of his trip to Australia last year with Western Cape environment minister Lerumo Kalako and his secretary Kwanda Sojola as a “a real mess … it was crazy.”

He was giving evidence to the commission of inquiry into allegations that Mr Kalako misappropriated or misused public funds during and after the trip last November.

The inquiry follows allegations by Mr Malherbe.

Answering questions on his claim that Mr Sojola had “lost” the suitcase containing all documentation and accounts, Mr Malherbe said the group passed through 19 airports in 15 days and resembled a “camel train” towards the end.

“It was a real mess … it was crazy,” he said.

However, he said that while the lost suitcase — one of 13 items of baggage — belonged to Mr Sojola, there was no single explanation for its disappearance.

It might not have been tagged by the airline, it might have been left in a taxi or on a pavement.

The loss of the suitcase meant it was impossible to provide a full account of the Western Cape Tourism Board of how its funds were spent, within the stipulated seven days after their return.

Australia trip ‘a real mess, crazy’

The three-member commission — former Cape attorney-general Neil Rossouw, former city engineer Jan Brand and chartered accountant Vic Christian — and commission secretary Robby Vincent questioned Mr Malherbe closely yesterday on his claims, including circumstances surrounding the loss of documentation and accounts and his role in keeping tabs on accounts.

He said he was so busy “from morning until night” advising Mr Kalako and Mr Sojola, ensuring they were awake and briefed for meetings, organising transport and confirming meetings “that I did not have the time to write down each daily expenditure … I physically did not have time for it”.

However, he did sort out payment of hotel bills, and kept the receipts, which were placed in the suitcase which was lost.

He had arranged the air tickets and travellers’ cheques for the party, but each person signed his own cheques.

Mr Malherbe, who said he was not employed by Mr Kalako’s department last year, but had helped him with tourism-related projects “on a voluntary basis”, said Mr Kalako had instructed him to deposit the R17 300 intended for a fourth member of the trip, Liso Ngekoko — who withdrew at the last minute — into a Standard Bank account.

He said the idea was that Mr Ngekoko would go to Australia in December, but this plan was dropped and the money returned to the tourism board.

On claims that Mr Kalako had often been late for appointments, or missed them, Mr Malherbe said the minister had once opted out of seeing people in Sydney because he was tired, had not attended a dinner later in the trip, had been late for a political appointment because he had been asleep in his room and, at the end of the trip in Perth, had missed a function because he had “gone off” with an Australian contact, Jenny Holland, “and we did not see him” until the early hours of the morning when they met at the airport to fly home.

“These are all minor things, as such, but they add up,” Mr Malherbe told the commission.
Minister ‘disappeared with woman’

BY CHRIS BATEMAN

OUTGOING Minister of Environmental Affairs, Nature Conservation and Tourism Mr. Lerumo Kalako changed an internal Australian flight booking “at the last minute,” and disappeared with a woman companion until the next morning, a commission of inquiry heard yesterday.

This was claimed by Mr. Nick Malherbe, who was with Mr. Kalako on a fact-finding mission to Australia last year. Testifying before a commission chaired by Mr. Niel Rossouw, Mr. Malherbe outlined incidents in which he alleged Mr. Kalako was either late or missed appointments.

He said Miss Jenny Hollander had befriended their tour party and driven them to the state parliament in Perth. Soon afterwards Mr. Kalako had told him he would not be attending a dinner organised for them and would catch a later flight, which he did.

At the Fremantle ferry, Miss Hollander had joined Mr. Kalako. “We didn’t see him until the next morning when we left,” Mr. Malherbe said.

Mr. Rossouw said his commission was confining itself to allegations made by Mr. Malherbe in his official report to the Interim Western Cape Tourism Board, which did not include mismanagement of his department or its finances.

A report in yesterday’s Cape Times said Department of Nature Conservation officials were expected to testify to claims that Mr. Kalako mismanaged his department and its finances.
Oudtshoorn set for tough meeting about the future of Cango Caves

Environment Reporter

TOUGH words about the future of the world-famous Cango Caves — a national monument since 1936 — are expected at a key meeting today.

Scientists and environmentalists are demanding that the Oudtshoorn municipality spends more of the money generated by entrance fees on proper conservation measures, instead of on community projects in the town.

They are deeply concerned at the continuous stream of visitors and audiences attending performances in the caves, as their presence is having a major impact on the stalactites, stalagmites and other formations.

"If nothing is done, you can kiss the caves goodbye in as little as five years.

"The riot act is going to be read at today's meeting," one of them said.

The meeting has been called by the Scientific Advisory Committee to the Oudtshoorn town council.

This week, the National Monuments Council put out a strong statement in response to questions from the newspaper, Oudtshoorn Courant, which has been reporting extensively on local concerns about the management of the caves.

"It was important to realise that the Cango Caves were a living and non-renewable natural resource and that any damage was irreparable, the council said.

"One of the biggest problems was a change in the climate of the caves because of the large number of visitors.

Management of the caves had been transferred to the Oudtshoorn municipality in 1921, but the management of income from the caves was subject to a provincial ordinance, it noted.

"The National Monuments Council believes that a substantial amount of the apparently significant income derived from the entrance fees, should be devoted to ensuring that the unique character of, and the sensitive formations in, the Cango Caves are conserved.

Oudtshoorn municipality has raised a controversy by proposing to spend R500 000 from the caves' income on a cultural centre in the town.

New councillor Moses Wagenaar, who has just taken over as chairman of the council committee responsible for the caves, declined to comment yesterday.

Former chairman and mayor Marius Potgieter referred inquiries to Mr. Wagenaar.
Kalako probe told of party

The inquiry into the alleged misuse of public funds by provincial Environment Minister Leromo Kalako has heard evidence of an attempt to pay for a birthday party with public funds.

MICHAEL MORRIS
Political Correspondent

WESTERN Cape Environment Minister Leromo Kalako's private secretary, KwaZulu Natal, admitted that "with hindsight it was wrong to have sought to pay the R320 bill for the minister's Kelvin Grove birthday party from public funds."

He believed Mr Kalako had an entertainment allowance to cover such expenses.

Mr Sojola, giving evidence to the three-member commission of inquiry into allegations that Mr Kalako misappropriated or misused public funds during and after an official visit to Australia last year.

The allegations arise from a report by tourism consultant Nick Malherbe, who accompanied Mr Kalako and Mr Sojola on the trip.

Yesterday's hearing focused in part on a birthday party for Mr Kalako at Kelvin Grove on the eve of the Australian visit.

The commission heard that the function was intended as a surprise party suggested by Mr Malherbe, who is a member of the Kelvin Grove club. People invited to the party were asked to contribute R60 each to cover the bill.

Evidence before the commission is that Mr Malherbe collected payments from 17 of the guests - a total of R1'020 - and had asked Mr Sojola to sort out the remaining R2'200.86.

"Mr Sojola said yesterday that he had asked Mr Malherbe to provide him with a copy of the full bill under Kelvin Grove letterhead so that he could submit this with a claim form to the directorate of nature conservation."

He believed Mr Kalako had an entertainment allowance.

Mr Sojola admitted that he had signed a claim form for a cheque in favour of Mr Malherbe to cover the full R3'200.86. However, he did not intend the money to go to Mr Kalako, but asked for the cheque to be made out to him "so that he would know the bill was to be paid."

He told the commission that as soon as Mr Kalako got to hear of this, he ordered that the cheque be cancelled.

"The minister told me: This is wrong. It must be stopped." Mr Sojola had then undertaken to return the cheque.

Aswering questions from the commission, Mr Sojola admitted: "With hindsight, it was a mistake."
A move to save Cango Caves

By DIANA STREAK

VANDALISM, graffiti, litter, humidity and temperatures caused by thousands of visitors and lighting inside the Cango Caves has caused irreparable damage to one of South Africa's major tourist attractions.

The caves have been at the centre of a battle between the Oudtshoorn municipality, which is responsible for them, and conservationists who say they are being destroyed through bad management.

But, after a meeting on Friday, cave manager Heinz Gersterer said the council was 'back to the wall' and had to agree to everything the Cango Caves Scientific Advisory Committee threw at it.

An amount of R100 000 was budgeted for an impact study, possibly by an overseas team.

The council accepted recommendations to examine the lighting in the cave and consider a revamp of the complex.

Although the caves are owned by the central government, they have been managed by the Oudtshoorn municipality since 1931, and funds generated have been used for other, unrelated projects in the town.

Apart from graffiti and vandalism inside the cave, some of the degradation has had official approval, such as formations which were removed in 1959 for decorations at the Oudtshoorn Show Ball.

In 1964 an artificial opening was cut for a separate entrance for blacks to the cave which, being a non-renewable resource, can never be returned to its natural state.

Cango, the largest and most popular of South Africa's show caves, is the only one controlled by a municipality on behalf of the government.
Kalako: Inquiry into ‘misuse of funds’ ends

The inquiry into the alleged misuse of public funds by Western Cape Minister for Sport and Recreation Mr Lerumo Kalako ended yesterday.

The inquiry was launched after allegations by Mr Nick Malherbe, a Western Cape Tourism Board representative, that Mr Kalako, then the Tourism Minister, misused public funds while visiting Australia.

The findings will be made public after they have been submitted to provincial Premier Mr Hermus Kriel next week. — Sapa
I did not handle money on Oz trip — Kalako

I had faith in Malherbe’, missing funds probe told

JENNY VIALL
Staff Reporter

AT no stage of an official trip to Australia did former Western Cape environment minister Lerumo Kalako deal with money or receipts, instead entrusting all finances to tourism consultant Nick Malherbe, who accompanied him.

So said Mr Kalako yesterday when he gave evidence to the commission of inquiry into allegations that he misappropriated or misused public funds during and after an official visit to Australia last year.

The inquiry is based on allegations by Mr Malherbe.

Mr Kalako said he bought a watch for R400 with money he understood would come out of his personal allowance. No other money was spent for private purposes on the trip, funded by the Western Cape Tourism Board.

Mr Kalako said that after Mr Malherbe pointed out how expensive international telephone calls were, it was agreed he would ask people he planned to call him back:

“I intended to pay for all my personal calls.”

He is alleged to have made private telephone calls totalling more than R2 000 and to have kept the balance of leftover travellers' cheques totalling R2 014.

Mr Kalako told the commission he still had the travellers' cheques at the end of the trip. Mr Malherbe had said they should meet after the weekend and work out the finances. The meeting didn't happen and Mr Kalako paid what he owed when he got an audited statement.

Mr Kalako said he first knew of a birthday party for himself at Kelvin Grove on the morning of the party. He was not aware of payment arrangements for the party.

When he asked his private sec-
Fund misuse inquiry ends

CAPE TOWN — The inquiry into the alleged misuse of public funds by Western Cape sport and recreation MEC Lerum Kalako ended yesterday.

The inquiry was launched following allegations by Nick Malherbe, a Western Cape Tourism Board representative, that Kalako, then the tourism MEC, misused public funds while abroad.

Giving evidence, Kalako said Malherbe had been responsible for the finances on their trip to Australia.

Kalako admitted making personal telephone calls, but said he had paid for the calls on his return.

He said he was under the impression that the watch he had bought was covered by his allowance.

He added he had not been involved in any of the arrangements for his birthday party and had ordered a cheque to be cancelled after he heard his department was to pay.

The inquiry's findings will be made public after they have been submitted to premier Hernus Kriel next week.
Tourism up by 50% (283)
PRETORIA — There was an increase of almost 50% in the number of tourists who visited South Africa last November compared with 1983.

CT 13/45

Report by Staff-Reporter, Own Correspondent, Super-Reader, AP, UP.
Leaders also agree to promote tourism.

Mozambique, SA join forces against crime

Cape Town — President Mandela and Mozambican President Joaquim Chissano yesterday signed bilateral agreements to promote tourism and to support each other in fighting crime.

After the signing ceremony at Tuyauluys, Chissano said South Africa and Mozambique had to remain united in their struggle against poverty.

"The success of this struggle depends not only on the consolidation of democracy in our countries, but also on the maintenance of peace, security and stability in southern Africa," he told reporters.

In the security agreement, the two governments agreed that police could enter either country for any investigation, and for tracing and interrogating witnesses with the assistance of the host police force.

They also agreed to exchange crime-related information regularly, and to plan and coordinate joint operations, including covert actions.

The countries also agreed to the "development and expansion of tourist relations between the two countries with a view to a better knowledge of each other's history, culture and way of life."

The presidents agreed to encourage tourism investment opportunities and to try to simplify travel procedures.

Chissano was re-elected president in October in the country's first multi-party elections. Two years ago Renamo and Frelimo signed a pact ending a civil war that had raged since independence in 1975.

After the presidents' meeting, Mandela escorted Chissano to a group of schoolchildren who were waving to them from the main gates at Tuynhuys.

"We are so happy to see you," Mandela told the children, and introduced Chissano. "You can ask him to invite you to Mozambique," he said.

Chissano arrived in Cape Town yesterday for a four-day visit to South Africa. He will also hold talks with Deputy President F W de Klerk, parliamentary officials, Anglican Archbishop Desmond Tutu and IFP leader Mangosuthu Buthelezi.

He will address Parliament today and on Friday he is due to meet Gauteng Premier Tokyo Sexwale, and representatives of the Chamber of Mines and Cosatu in Johannesburg, before leaving for Malawi. — Reuters.
DURBAN — Tourism in KwaZulu/Natal suffered from over-regulation, red tape and duplication of work between development agencies and government departments, the region’s economic affairs and tourism minister Jacob Zuma said yesterday.

Announcing arrangements for a two-day provincial tourism development summit in Durban next month to formulate a co-ordinated tourism policy and strategy, he said tourism represented one of the most promising economic growth areas and job creation opportunities in KwaZulu/Natal.

"Unfortunately, the industry has been characterised by an uncoordinated development approach, arising from the dualism which existed between KwaZulu and Natal before the 1994 elections," Zuma said. "We intend uniting key role players from government, private sector, parastatals and community-based groupings to formulate guidelines so the ministry can develop an effective policy for the KwaZulu/Natal tourism industry."

The summit, to be held on March 13 and 14, would be convened in association with the Strategic Planning Institute and the Regional Economic Forum.

Emphasis would be placed on working group sessions to debate tourism development funding, regional marketing, the promotion of small and medium tourism-related enterprises, safety and security, and the promotion of a "tourism culture" within the greater community."
JOHANNESBURG. — South Africa received almost twice as many overseas visitors in November last year as it did during the same period in 1993, the South African Tourism Board said yesterday.

Stanley Kondisi, executive director of the board, said SA was finally reaping the benefits of its new international position.

"We are now beginning to receive our fair share of international tourists," he said.

The total number of overseas visitors increased from 49,445 in November 1993 to 73,829 in November 1994.

Tourist arrivals from Asia and the Middle East showed the highest increase of 105.5%, followed by Central and South America at 78.2%. The number of European visitors increased by 42% from North America by 49.1% and from Australasia by 28%.

The UK, South Africa's largest tourist market, showed an increase of 38.2%; Germany, the second largest, 31.2%; and the US, the third largest, 27.5%.

Various new markets showed an increase in visitors, including Sweden 36.9%, India 32.4%, Singapore 147% and Ireland 335.2%.

— Sapa
Lack of police presence slated

Crime Reporter

CAPTOWN chief Mr Gordon Oliver yesterday lashed out at city police for being "conspicuous by their absence" — and warned that this could have dire consequences for the tourism industry.

Mr Oliver said he believed the Tourist Unit, formed specifically to prevent tourists from becoming victims of crime, was not working because he had received a number of "worrying letters" from leading members of the business sector complaining about crime in the city centre.

He would today be contacting the Regional Commissioner General Mr Acker to discuss the situation with him.

Mr Oliver told the Cape Times the lack of a visible police presence in the city made him "shudder to think what damage is being done to the tourist industry, Cape Town's life-blood."

Mr Oliver said policemen in plain clothes should be put back into uniform to act "as a visible deterrent to would-be robbers".

He was aware of a shortage of policemen, but this problem should be alleviated when additional police members were deployed in the province, as promised by President Nelson Mandela earlier this week.

Meanwhile, city jeweller Mr Peter Winhall, one of those who wrote to Mr Oliver, said at least two of his foreign customers had been mugged in the city recently, including a Swiss diplomat who showed him his "cut knuckles" after a scuffle with a pickpocket.

His staff witnessed pickpockets and bag-snatchers preying on tourists in St George's Mall daily, particularly when they were distracted by musicians.

A distressed Mr Winhall said: "Foreign visitors to the city must be protected."

"Many of my customers tell me they are warned not to walk in the city alone and to stay away after sunset."

"If the crime problem in the city continues, business will be driven to the Waterfront or stop coming to Cape Town."

"Last week's incident, in which a woman had a chain ripped from her neck right outside my shop (during the education protest march) is the kind of thing we always thought happened only in Rio de Janeiro."
Clean up "trashy" city, council man urges

LITTER in the commercial areas of central Cape Town has trebled since 1985 but the council's cleansing force has remained virtually static, says the city's director of cleansing services Kendall Kaveney.

Speaking at a Clean City Awards function in the Civic Centre, Mr Kaveney said Cape Town had a serious litter problem, with about 3,000 tonnes of waste being dumped in the streets each month.

"Thankfully, about 2,000 tonnes of it goes straight into bins but — and here is the bad news — about 1,000 tonnes becomes litter on the streets, sidewalks and in flower beds."

Much of this litter also ended up in stormwater drains.

"It costs around R38 a ton to remove litter from a bin, but R700 a ton from the street and over R2,000 a ton from a stormwater system," Mr Kaveney said.

"We collectively have to take responsibility if we want our city to look tidy, and we must bear in mind that we will very shortly have a Rugby World Cup and — dare I mention it — an Olympic bid."

Tourism was a huge industry and all tourists demanded security and cleanliness otherwise "they won't be coming".

He appealed to business to support the Clean City Awards.
Cape Town is short of land for new hotels — architects

ANDREA WEISS
Municipal Reporter

CAPE TOWN is desperately short of prime land for new hotels.

This plea has been put to the Cape Town City Council's executive committee by architects who say they have "a number of local and foreign clients" actively interested in building more hotels.

"There is no doubt that a capacity exists in the market for 300- to 500-bed, five-star hotels together with in-house conference facilities," says a letter from an architectural firm.

The firm has asked the city council to investigate sites in the hands of the council.

"We cannot stress enough the urgency for the city council to expedite this process; make this information public and advertise the sale of the properties by way of tender.

"While public consultation and public support are important, the overall benefit to the city in creating jobs and boosting tourism must be the prime consideration."

Development co-ordinator Rod Young has asked the execu-

But he cautions that most of the sites are zoned public open space and development of them may be controversial.

"Clearly the investigations contemplated must include comprehensive, well thought out public participation pro-

(288)
Top hotel groups seek Cape sites

Staff Reporter C2310

MAJOR international hotel groups are scouring Cape Town for hotel sites — and yesterday the City Council agreed to investigate 23 controversial sites for the possible development of new hotels.

The sites, which include Newlands Forest, Lower Oranjekeel (not the protected area) and Park Island in Zandvlei, are shown in the accompanying graphic.

Mr Rod Young, the council's development co-ordinator, said yesterday his office was being flooded by hoteliers wanting sites because there were no privately-owned sites large enough.

Interested top international groups include Hilton and Sheraton.

Mr Alex Robertson, a director of MLR Architects, who represent several local and foreign groups, said last night:

"Prime locations are an absolute prerequisite — there is virtually no privately-owned land left in prime locations that is large enough, and that satisfies the desires of international hoteliers."

Mr Young said many of the sites listed were zoned as "public open space".

Proposals, therefore, to build hotels there were likely to be highly controversial.
Kalako, not adviser, subject of inquiry

By CHRIS BATEMAN

A PROBE into alleged funding misuse and "conduct unbecoming" referred to Western Cape Sport and Tourism Minister Mr Letumo Kalako and not his former adviser Mr Nick Malherbe, former Cape attorney-general Mr Niel Rossouw, said yesterday.

Mr Rossouw is chairman of a commission set up by Premier Mr Hermus Kriel to probe a controversial fact-finding mission to Western Australia led by Mr Malherbe, with the minister and a private secretary in November last year.

He was reacting to revelations by an eyewitness that Mr Malherbe shouted a racial insult and tried to assault ministerial secretary Mr Kwanda Sojolo during a tussle over a briefcase at Perth Airport.
Lost City a big loser for Safren

By JEREMY WOODS

Mr Hawton confirmed that while the losses at Lost City had been a "very material setback which had not been budgeted for", the strength of the Safren group is such that "we can absorb those losses and still have a good set of results".

He declined to put a figure to the Lost City losses — "we never break the individual operations down" — but confirmed that losses were still being incurred.

Industry sources close to Lost City said on Friday its losses were in the "significant millions". However, Mr Hawton believes that the worst is over for the Lost City.

"Before we built the Lost City we returned its investment and performance with the Carousel (north of Pretoria). We went into it on that basis. When you look at the two together, they are making acceptable profits and returns on investment.

"I have no doubt that given time and a fair economic wind, Sun City and the Lost City are going to be profitable projects. Occupancy levels are high, the future of tourism looks good and we can trim costs there without affecting service."

Mr Hawton said he expected Sun City to break even in "a year to 18 months" and from there into "acceptable profits."

"The Lost City is one of the great hotels in the world, and we think it has a great future."

Elsewhere in the Safren group, Sunmarine put a sparkling performance with profits up 34% to R121-million, while the Roselle group also did well with its freight moving operations as profits moved up 11.5% to R126-million.

The new 9700-roomer-inspired development, Paradise Island, in the Bahamas, incurred losses during its construction period, but with refurbishment largely completed, "trading is up to expectations", Mr Hawton said.
Flocks of tourists

nest in SA hotels

By DON ROBERTSON

FOREIGN tourists are flocking to South Africa in record numbers with a significant ‘spin-off’ for the hotel industry.

During December, five-star establishments recorded a 38.2% increase in income compared with 1993, while four-star hotels earned 34.5% more than in the previous year.

During November — the latest official figures — 75,320 visitors entered South Africa through, the Jan Smuts, D.F. Malan and Louis Botha airports, representing a 49.7% increase on the same month in 1993.

The number of visitors from Asia more than doubled, although Europe still provided the largest influx with 50,900 tourists, according to the latest Central Statistical Service survey.

Of these visitors, 67.5% were on holiday, 21.8% were here for business, 3.1% were taking up new employment and a small number arrived for study purposes.

During November, 190,040 bed-nights were sold to foreign visitors, a 42.1% increase on November 1993 and the highest figure since the CSS began compiling figures in 1987.

The influx continued in December, although at a traditionally lower rate, with the hospitality industry selling 165,500 bed-nights for an increase of 41.7% on the same month the previous year.

In the first 11 months of last year, 607,642 foreign tourists visited our shores, 14% higher than the 531,790 who arrived in 1993. Of the visitors in 1994, almost 400,185 were on holiday, 164,088 were on business trips, 8,800 were on study tours and 37,646 were seeking employment.

During the whole of 1994, 1.32-million bed-nights were sold to these tourists, a rise of 15% on the 1.13-million beds occupied in the previous year.

The fairest Cape was the top destination for visitors with 33% staying on the Cape Peninsula, while the Garden Route attracted a further 7.4%.

Johannesburg, the obvious attraction for people in business, was the second most popular venue, taking 24.8% of visitors, while 8% visited Durban, Umhlanga and Eastern Transvaal districts.

About 2% visited the Drakensberg.

The bulk of the tourists appear to be middle-income earners, with two-star hotels the favourite type of accommodation.

Just over 20% stayed at these establishments, while 27.5% opted for three-star hotels, 20.6% stayed at four-star and 17.2% at five-star hotels.

The generally poor one-star hotels attracted only 4.5% of visitors.

The increase in the influx of foreigners became evident in June and has since steadily surpassed the 1993 monthly figures.
Olympic bid drama

By JULIAN DREW

THE simmering feud between the Cape Town Olympic Bid Committee and the Cape Town City Council over the handling of the city's bid for the 2004 Olympic Games exploded into high drama on Friday with allegations that the phones of city officials concerned with the bid have been tapped.

Pick 'n Pay boss Raymond Ackerman – the main protagonist in the feud with the council and co-chairman with Ngconde Balfour of the Olympic Bid Committee – said: "If there are transcripts of phone calls in anybody's possession they would please publish them in the public interest.

'Smear attempt'

"It would show that in their dealings with the Bid Committee these hijackers (council officials) have reneged on their agreements on four separate occasions.

Yesterday councillors of the Cape Town Transitional Metropolitan Substructure, which replaced the City Council on February 16, were demanding more information from the four officials concerned.

One councillor, who wished to remain anonymous, said, "This appears to be a blatant smear attempt on the Bid Committee."

R8-m in red

Claims were also made last week that the Cape Town 2004 Bid Committee Trust, set up to administer funds for the bid, was technically insolvent.

But a Bid Committee spokesman said the trust, which is about R8 million in the red, has always been insolvent.

"The Good Hope Bank lent money to the trust, which was guaranteed by Ackerman."

The infighting over the bid led Ackerman to threaten court action last week against National Olympic Committee of South Africa President Sam Ramsamy, whom he accused of supporting the council officials.

A meeting in Johannesburg tomorrow, brokered by Sports Minister Steve Tshwete, will try to resolve the clash.
Letter shows split in Olympic bid group

SENIOR members of Cape Town’s Olympic Bid Committee have dissociated themselves from chairman Raymond Ackerman’s dispute with National Olympic Committee chairman Sam Ramsamy over the official presentation of the bid.

In a “private” letter to Ackerman dated March 3, which was leaked to Business Day yesterday, co-chairman Nicole Balfour, Clive Keegan and Alison Burchell, said they had “at no time been consulted about the numerous statements” and advertisements which were issued in the name of the bid committee in the past few weeks.

ANDREW AUSTIN

“No not only do we query the veracity of many of these statements, but we wish to dissociate ourselves from inaccurate and vituperative allegations which are made in our name,” the letter said.

Approached yesterday, Balfour demanded to know how Business Day had obtained the letter. He refused to comment.

The letter said the last time the committee met was on January 31, while a meeting scheduled for February 28 was cancelled by Ackerman.

Olympic bid

The row between Ackerman and Ramsamy and the Cape Town city council is over the form of presentation of the city’s bid for the 2004 Olympic Games. Ackerman wants to sign the agreement with Nocsaa on behalf of the city council.

The apparent split in the bid committee comes on the eve of a meeting scheduled for today between Ackerman and Ramsamy, brokered by Sports Minister Steve Tshwete.

According to the letter, the three members dissociated themselves from the “per-
R1on investments on hold

Major developments and government decision on gambling

The best of both worlds

Conferences are a business

An architectural perspective of the proposed

The issue of gambling

The era of special master
Cape Town set to hit the jackpot

By ANTHONY JOHNSON
Political Correspondent

CAPE TOWN is set for a gambling bonanza when the Lotteries and Gambling Board unveils its long-awaited new regulations governing the granting of licences for South Africa's multi-billion rand gaming industry this week.

The Western Cape, long the Cinderella province in the casino stakes, has seen a surge of interest by both South African and international consortia vying for a share in the lucrative industry under a completely revamped gambling dispensation.

Over a dozen sites around Cape Town have been earmarked for new hotel and entertainment complexes by groups like the Hilton, Sheraton and Sun International.

And a number of existing hotels, including the Mount Nelson, are reportedly trying to get on the casino bandwagon once the new rules of the game are announced in a report and draft legislation presented to the government on Thursday.

Plans for a number of casino-linked resorts are on the drawing boards for the rest of the province, including a 120-hectare entertainment complex by Rand Merchant Bank's Global Resorts in Hermanus.

The viability of many of these proposed multi-million ventures should become clearer when Professor Nic Wichan and his 18 board members place their report before parliament.

The document, based in part on submissions from a number of hopeful participants in the industry, will be presented to Deputy Justice Minister Mr Chris Finner.

The report is expected to end the stranglehold on the existing legal casino industry held by Mr Sol Kerzner's Sun International, which currently has 17 legal casino licences.

One source said at the weekend that the board was not expected to allow any single group to control more than one third of all licences.

The new regulations are expected to promote greater competition and foreign investment in the industry.

The draft legislation is expected to provide clarity on the number of licensed casinos allowed to operate in each province, where the tax proceeds will go, and the status of over 2,000 unlicensed gambling outlets across the country.

The nine provinces, all of which were represented on the Lotteries and Gambling Board, are expected to have a decisive say on who is granted gambling licences.

The report will also give the green light to a national lottery and sports pools in South Africa.
Business, govt urged to join hands on tourism

DURBAN - Businessmen and provincial government should develop a common goal to market the tourist attractions of KwaZulu/Natal and act jointly on the problem of violence, tourism and economic affairs minister Jacob Zuma said yesterday.

He told businessmen it was necessary to indicate to government how political statements incited violence in the province.

"Business must gather evidence of how political statements precipitate violence so the government can act," calls for government to put a stop to violence did not constitute "enough effort" on the part of business.

The province was "the ideal tourism destination" and wanted local business and government to develop a common goal to market it. This would be a priority of next week's two-day tourism workshop.

Establishing a special police force to monitor popular tourist attractions such as the beachfront and city centre would promote an image of Durban as "a safe tourism haven".

It was essential the King Shaka international airport at La Mercy begin operating as soon as possible.

"Without a regional international airport, other development projects within the Durban functional region, such as the international convention centre and the Point waterfront development, will become elaborate white elephants."
Ackerman quits Olympic bid

Cape Town businessman Raymond Ackerman has bowed out of the Cape Town Olympic 2004 bid, saying he will only consider returning if he is given a mandate to negotiate with the National Olympic Committee of South Africa.

Speaking at a press conference in Sandton after a four-hour meeting with Sport and Recreation Minister Steve Tshwete and Noesas chairman Sam Ramsamy, Ackerman said if the Cape Town City Council did not vote for the present bid committee to negotiate with Noesas, he would find the situation intolerable.

Tshwete called the meeting after a dispute arose between the city council and the bid committee, of which Ackerman is co-chairman, over who should head the city's bid. Tshwete said all three parties agreed on the sovereignty of the city council to decide who should be responsible for the bid.

He said Ackerman's position should be decided in a democratic vote by the city council.

He said the dispute was not a personality clash between Ackerman and Ramsamy and that, in the interest of the bid, they should be seen to be working together.

Ackerman said he wished to bow out with dignity, to stop any damage and said the bid should go ahead with or without him. Whatever his position, he would continue to help.

Ramsamy said the bid would continue.

Abdul Musali writes that it was agreed at yesterday's meeting that the contract, which must be signed by June in time for submission to the International Olympic Committee by January 1996, would be signed by Noesas and the council.

Ackerman said he did not agree with the decision because many clauses in the contract worried his committee.

He said it would be difficult to continue taking part if he and his committee did not have a say in the proceedings.

Differences between Ackerman and Ramsamy surfaced last week when it was discovered that Ackerman had been providing millions of rands to the bid without sanction from Noesas or the city council. — Sapa.
Krugers Park having foreign tourist boom

SKUKUZA: - The Kruger National Park is having a foreign tourist boom after an uncertain period during last year’s political transition.

Warden Harold Braack said staff were prepared for a further influx during the World Cup Rugby tournament in May and June.

“The expected invasion by rugby fans from all over the world presents a major challenge to South Africa’s tourist industry and it will certainly be a supreme test of my staff’s competence,” Mr. Braack said.

Training and a streamlined management were two of Mr. Braack’s immediate priorities in the park, with better services to visitors the ultimate goal.

His long-term plan is to zone the wildlife sanctuary for smoother overall management.

He said he saw affirmative action as an essential ingredient of the future management strategy but merit would still determine all staff appointments.

Careful attention to research programmes, and to the building of cordial relations with rural communities along the park’s boundaries, were two further objectives to pursue during his term of office.

Born in Nelspruit, Mr. Braack joined the staff of the Kruger Park in 1963 as a tourist officer. He later moved into wildlife management.

After his initial spell at the park, he was posted to the Bonthebok, Addo and Karoo National Parks respectively before taking up his senior appointment in the Richtersveld.

Mr. Braack’s wife, Tony, maintains a keen interest in conservation. During their stay in the Karoo, she played a prominent role in the establishment of the Fossil Trail in the Karoo National Park.

Sapa.
CAPE Town 2004 Olympic Games bid committee CEO and co-chairman Raymond Ackerman resigned from both positions and as a trustee of the bid yesterday.

His resignation was announced after almost four hours of talks with Sport Minister Steve Tshwete and National Olympic Committee of SA National Olympic Committee of SA president Sam Ramsamy in Johannesburg. Tshwete set up the meeting to iron out differences over the legitimacy of the bid committee's right to sign an endorsement contract on behalf of Cape Town's council, formally accepting its nomination by Nocsas as the bid city for 2004.

Ackerman said he would not change his mind unless the council elected his bid committee to negotiate the contract with Nocsas. He did not envisage legal proceedings, but believed the new committee would be honour-bound to reimburse him the R60m he had spent on the bid.

After the meeting, Ramsamy reiterated that the agreement could be signed only by the democratically elected representative of the people of Cape Town — the city council. Ackerman contested this, saying he believed his bid committee was a democratically appointed representative of the city. However, he was prepared to submit to an election to find the legal authority.

Tshwete said that if the principles of absolute democracy were to be complied with, it was imperative that only the council could sign the agreement. The council was entitled to sign the agreement, delegate its authority to sign a contract with the bid committee, or reconstitute an authority which would be authorised to sign a contract with Nocsas.

Ackerman said clauses in the contract, if agreed to by the council, would make it impossible for him to continue. One entitled the council to dismiss the bid committee if it wished.

Ramsamy and Tshwete said the endorsement contract was open to negotiation. However, Ackerman insisted that his committee had to do the negotiating.

Ackerman said so much had been created by Nocsas and the council "meeting behind my back" that he did not believe he could be a part of a committee constituted by the council. It would be better to "withdraw gracefully".

In terms of agreements reached at a meeting on February 16, Cape Town has until March 16 to stipulate its authorised signatory on behalf of the city.
Cape Town — The row over Cape Town's bid for the 2004 Olympic Games has been complicated by the withdrawal of SA Philips from a sponsorship deal that could have been worth R10-million.

A spokesman for the company said the decision had nothing to do with the 'face-off' over bid leadership which saw businessman Raymond Ackerman quitting on Monday but concern 'the company's internal priorities.

A secret contract, which the National Olympic Committee of SA (Nocsa) has asked the city council to sign, apparently has major implications for Cape Town ratepayers and could, some councillors say, bankrupt the city.

Grinaker Sports Management, which is responsible for signing up sponsors, denied that the contract, if signed, would bankrupt Cape Town.

Grinaker managing director Clive Grinaker said responsibility for costs would be borne by the Organising Committee for the Olympic Games (OCOG), represented by a joint marketing programme featuring the city council and the official bid committee.

Grinaker said Philips' decision to withdraw was made on February 24, before the latest row erupted.

According to Cape Town city councilors, the contract would make the city liable for a minimum expenditure of R77-million, which covers:
- R50-million for the bid
- R21-million to Nocsa
- R60-million for participation in the 1998 Winter Olympics
- R100-million for team participation at the Winter Olympics

To Page 3
THE City Council’s agreement to investigate 22 controversial sites for the possible development of new hotels has lead to concern in environmental circles.

The sites include Newlands Forest, Lower Oranjekloof (not the protected area), Park Island in Zandvlei, Princess Viel area, Sunrise Circle, Surfer’s Corner, the zoo site, Kloofnek, and the Strand Street quarry.

Mr Rod Young, the council’s development co-ordinator, said his office had received many requests from hoteliers wanting sites because there were no privately-owned sites large enough.

Mr Young emphasised that the sites were merely being investigated for availability and suitability. He said the developers wanted to build accommodation ranging from five-star hotels to youth hostels.

Mr Young refused to be specific about the sites, saying it was too early in the process for that.

Mr Edward Tilanus, spokesman for the Cape Environmental Trust (Captrust), representing 60 environmental organisations, said that open spaces should be identified first and “the council should realise that densification does not mean covering every existing open space with low-rise buildings”.

Mr Tilanus accused the council of acting unilaterally, “like they never asked the public whether they wanted to have the Olympic Games here”, he said.

Earth Life spokesman Mr Greg Knill said that it was vitally important to have impact assessments done on the proposed sites before “they even considered doing anything” and there was a need for total transparency.

Mr Knill said there was a perception that “tourism will solve all” but tourism did have negatives which needed to be debated.

Mr Andy Gubb of the Wild Life Society said impact studies could take up to two years and “we are running out of time”.
Philips pulls out as Olympic bid sponsor

PHILIPS SA had withdrawn its offer of sponsorship for Cape Town's 2004 Olympic Games bid, Philips new business development and international sales GM Dick Weisling said last night.

However, the decision, made last month, had nothing to do with the row within the bid committee, he said. "We decided we needed to focus on internal priorities."

Philips had been considering a sponsorship of R16m. Weisling said the company had informed Grinkaer Sports Marketing, commissioned by the National Olympic Committee of SA (Nocsaa) to sign up sponsors for the bidding process, of its decision.

No sponsors had yet handed over money since there was no legal entity with which to sign up, and details of the budget process "had not been forthcoming."

Weisling advised sponsors to stay on board the process since it would be a "very exciting period for them."

Olympic bid committee co-chairman Raymond Ackerman's resignation was not a threat to corporate sponsorship, Grin-...
New turn in Olympic saga

Sowetan Correspondent

The Olympic row has taken a new turn with the emergence of details of a R156 million contract the city of Cape Town is negotiating with the National Olympics Committee of South Africa.

Some councillors are claiming the contract will cripple the city but Nocsaa chairman Mr Sam Ramsamy said yesterday it "will not cost the ratepayers a single cent".

All money raised would be through a joint marketing contract with the city, he said.

Ramsamy said Nocsaa had "unanimously" offered its rights to the Olympic marketing logos to Cape Town to help the city raise funds — including the use of the Olympic rings. He accused "individuals" of selectively feeding information to the media to create confusion.

The contract has emerged in the wake of the resignation of Olympic bid committee co-chairman Mr Raymond Ackerman.

The city's new transitional council is being asked to endorse the contract by next Thursday, but Ramsamy indicated yesterday that Nocsaa would be willing to allow an extension if the city was making progress.

The contract will be considered by the city's executive committee today.
Park Hyatt on target for opening

BY JOHN SHIRA
GAUamatBUSINESS EDITOR

Hyatt International is closely exam-
ing two additional hotel sites —
in Cape Town and Durban — fol-
lowing last year’s decision to pro-
cceed with the construction of the
R165 million, 246-room Park Hyatt
in Rosebank, Johannesburg.

The new initiatives were
revealed to Business Report yester-
day by Robert Dawson, general
manager of the Park Hyatt, who
said the hotel was on target for its
official opening in November this
year after making a limited number
of rooms available in August.

The Park Hyatt will be the first
Hyatt hotel in South Africa. In
another pioneering move, Hyatt,
widely regarded as one of the finest
dee e40y hotd group in the world,
is the first international hotel group
to build in South Africa in 25 years.

Dawson comments: “Hyatt
researched this market extensively
— one of the reasons why we
ended up with the best site in

Africa. When we gave the project
the green light (prior to last year’s
election), South Africa’s outlook
was uncertain, to say the least.

“Fortunately, things have
panned out in line with our expec-
tations and we now foresee a
strong future potential for both
leisure and business travel.”

The hotel will reflect Hyatt’s
global reputation for building
hotels with impressive exterior and
interior design.

Hyatt’s own technical team,
working with Hirsch/Bedner
Associates of Atlanta, have been
involved in the interior design, a
blend of contemporary and classi-
cal ingredients.

“We always try to incorporate
some ethnic flavour into our hotels
around the world,” said Dawson.
“I believe we have succeeded
admirably at the Park Hyatt.”

Features of the hotel include:
- A two-storey atrium leading
onto a landscaped courtyard;
- A range of suites, topped by a
spectacular presidential suite;
- A Regency Lounge, the
Hyatt trademark;
- An entertainment centre and
jazz bar;
- A health club, which will
include a heated outdoor swim-
mimg pool;
- A range of meeting rooms;
- A column-free ballroom with
a private entrance and outdoor pre-
function area;
- A business centre;
- Parking facilities with 750
 undercover bays;
- Direct access to The Firs
shopping centre.

The room rates have not yet
been established, but Dawson, who
comes to South Africa after four
years with the Singapore Hyatt
Regency, said they would be in line
with those of other top five-star
hotels in South Africa.

“We have already had many
enquiries about rooms and we
have several advance conference
bookings.”

There are 170 Hyatt hotels and
resorts worldwide, with an addi-
tional 15 hotels under construction.

Hyatt International, through its
subsidiaries, operates 49 hotels and
16 resorts in 31 countries.

Hyatt Hotels Corp, a separate
company, operates 89 hotels and 16
resorts in the United States, Canada
and the Caribbean.
IOC insists on public sector role

CAPE TOWN — International Olympic Committee (IOC) president Juan Samaranch had advised city council officials that SA's Olympic bid would require about 75%-85% public sector involvement; city treasurer Peter Lever told Cape local authorities yesterday. (288)

The level of public sector involvement proposed in the Olympic bid committee's original plan was 59%, with the private sector taking up the rest. But Lever said Samaranch had said that level of public sector support was necessary because SA was considered a developing country. "Without that level of support the IOC would have great difficulty in terms of risk assessment, in holding the games in Cape Town," Lever said.

However, Cape Chamber of Commerce and Industry president Michael Stokłożewski said the financial stakes for the city in hosting the games were too high to entrust decision-making to bureaucrats and politicians. The bid should be driven by the private sector. "A business person of stature who has a proven track record of success in big business is absolutely vital to lead the bid." (800) (95)

Sapa reports Stokłożewski said the chamber was astonished to learn that the National Olympic Committee of SA (Nocsas) expected Cape Town ratepayers to finance Nocsas and the teams it wanted to send to Winter Olympics events. The fact that Cape Town has been selected as the bid city for the nation imposes considerable challenges for the city, in funding the infrastructural development necessary for

Olympics (288) BD 9 3 95 From Page 7

support the bid, and this is as far as the city should go.

Lever said yesterday the current estimate of the capital cost of the games was R3,4bn over the next nine years, not R21bn, as stated in a draft agreement between Nocsas and the city council. However, a final estimate of the costs would be known only by mid-year, when bid proposals were ready to be banded to the IOC. The initial estimate of the revenue budget for the games was R900m-R1bn.

If Cape Town could not afford it, it would not support the bid. The level of public sector support did not necessarily imply financial support, but also management of the games, he said.

Town clerk Keith Nicoll said Nocsas had given the city council until March 16 to conclude an agreement with it or the bid would be given to another city.

Lever said once the council gave its approval to Nocsas, the council would establish a section 21 company to carry the bid further. The bid should involve sponsors; Nocsas; the private sector; local, central and provincial government; sports bodies; and other cities and African countries.

Meanwhile, former Cape Town Olympic bid committee co-chairman Raynor Ackerman confirmed he would set up a non-profit company to recover R3m he had personally spent in efforts to secure the bid for the city. Attempts to recover the R3m invested by other contractors would be made through the new bid committee.
SA ‘needs bank to fund tourism’

SA needed a tourism bank to help fund the development of ecotourism among rural communities and to boost the overall tourism industry, the Council of Adventure Travel Associations of Southern Africa said yesterday.

Council chairman Graeme Addison said with international tourist arrivals increasing 45% to 80% in some sectors, adventure tourism was also set to become an important part of this industry, because tourists were “becoming younger, more adventurous and more inclined towards the outdoors”.

“From whitewater rafting to bouldering, adventure activities have blossomed in the subcontinent in the past decade. With a change of political fortunes, adventure can now be marketed locally and abroad as a safe and exciting alternative to packaged bus and hotel tours.”

But with SA banks ignorant of community-based tourism activities, people wanting to launch ecotourism ventures found their loan and grant applications often turned down.

Addison said his organisation was to make a presentation to the Development

Miners get study chance at Gengold mines

PAID time off to attend adult basic education and training formed part of an agreement signed by the National Union of Mineworkers and Gengold yesterday.

The agreement covered more than 35,000 workers and provided for a “basic education and training phase in the provision of life-long learning”.

Gengold said the full-time classes would be in addition to part-time courses that have been provided on individual mines for the past three years.

The training was intended to give mineworkers an education and basic for training, further education and career progression, and to develop skills and knowledge to enable proper participation “in the process of change within Gengold”.

In terms of the agreement, the intention was to transform learners on.
Row over Olympic bid deepens

**Ramsamy denies ‘secret document’**

**STAFF REPORTERS**

The row over Cape Town’s bid for the 2004 Olympics deepened yesterday when National Olympic Committee of South Africa (Noesa) president Sam Ramsamy denied claims that documents giving him sweeping powers were drafted in secret with the City of Cape Town.

Responding to questions from The Star, Ramsamy said a contract was couriered simultaneously to the city council and businessman Raymond Ackerman, co-chairman of the interim bid committee until his resignation earlier this week.

"There can be no claims to secrecy between the relevant parties," said Ramsamy.

**NOCSA president denies a contract giving him wide powers was signed in secret**

It was alleged this week that the document contained major implications for Cape Town ratepayers and council, said some councillors, "bankrupt the city".

However, Ramsamy claimed yesterday that ratepayers would not be asked to contribute through rates and taxes. He said a joint marketing programme should be initiated to raise funds to promote the bid.

It was claimed the contract said the city would have to fork out R271-million in preparation for the Games.

Ramsamy also denied Ackerman’s claims that the interim bid committee was legitimised in a letter signed by town clerk Keith Nicol on December 9, 1994, enabling it to sign the bid with Noesa on March 16, 1995.

The letter from Nicol to Ackerman says: "a trust was created with the full blessing of the City of Cape Town on 22 January 1993 ... this trust and its various committees have ... pursued those objectives (to raise funds and collect contributions for the bid) and has been supported in all respects by the City of Cape Town:"

Ramsamy also denied claims by Ackerman that he was trying to take over the bid committee.
Noosa's contract also makes Cape Town liable for the unspecified costs of building:
- A 100,000-spectator stadium.
- Facilities for 20 sports.
- An Olympic village for 15,000 competitors and officials.
- Public transport.
- Private transport for officials.
- Conference facilities.
- Hotels.

The city will also apparently have to pay all Noosa's expenses, including domestic and international travel.

According to the document, the city will provide Noosa with free-luxury office accommodation until 2005 and pay for extra staff if required.

All bid committee members must be approved by the Noosa president. Noosa will not accept anyone with an "attitude." It also says the bid committee has to employ Grimaker Sport Management for all marketing and fundraising.

Shirley Woodgate reports that Ackerman said yesterday an attempt spearheaded by Noosa president Sam Ramsamy to take over the bid committee was the root cause of his resignation.

He said he was angered by the signing of the bid on Monday enabling Noosa to submit it to the IOC.

The Star attempted to contact Ramsamy for comment yesterday and today without success.
New row over ANC's Mokaba

A NEW row over the controversial ANC MP, Mr Peter Mokaba developed yesterday after he failed to arrive for a briefing to a parliamentary committee meeting he was supposed to have chaired.

National Party environmental spokesman, Mr Andries Beyers said because of the allegations against Mr Mokaba, including his involvement in irregularities in the National Tourism Forum, he should be excused from chairpersonship of the Portfolio Committee.

Mr Beyers said Mr Mokaba should be replaced by someone from his own party.

"We are very disappointed with the way in which the chairman (Mr Mokaba) and other members are treating this committee," he said.

"I feel the same," Mr Miley Richards (ANC) said. "I express utter disgust at the manner in which things have been going."
The missing price of tourism

Peter Mokaba's parliamentary select committee was set

The Leahrisey model: Cane Burns and Eddie Koch report

Environment and Tourism. The report is now completed and published.

The problem: There is a need for a more structured approach to

- The research highlights that tourists generally have a

- The report identifies the following key issues:

- The need for better coordination between different agencies.

- The importance of stakeholder engagement.

- The role of technology in enhancing tourism experiences.

- The need for improved infrastructure.

- The challenges facing the industry.

The recommendations:

- Establish a Tourism Fund to support development projects.

- Improve marketing efforts to attract more visitors.

- Develop a comprehensive tourism strategy.

- Enhance cooperation between local authorities.

- Increase investment in tourism.

The report is a valuable resource for policymakers and stakeholders in the tourism sector.
Aceman picks the wrong right — and pays
Ackerman picks the wrong fight

ational nomination victory until it was approved by the new government. This happened in September and October last year—at which point city bureaucrats, acting under dubious authority since the local government was in a transitional stage, started to show an interest.

A tug-of-war began. Last Wednesday, a city council meeting proposed that the main Olympic site be moved from Wingfield to Culemborg, near the city centre. Ackerman was furious and threatened legal action. This precipitated an acrimonious four-hour meeting, brokered by Minister of Sport Steve Tshwete. It was announced afterwards that the city council would vote on whether it, the bid committee, or a newly created authority would sign the contract with Ncosa. Ackerman rejected this decision and resigned his position on the committee and the trust that controlled its funding.

He said he would only reconsider this decision if the council voted for his bid committee to negotiate with Ncosa over the contract as there were several clauses in the draft that he could not accept.

Ackerman said he had no intention of signing the ultimate host city agreement in 1997 on behalf of the city. The committee merely wanted to continue marketing and raising funds for the international bid. "We warned Ncosa about the problems that could arise in dealing with an interim local government structure and we requested that no documentation should be signed until after the local government elections in October," he said.

The bid committee claimed that at a meeting in September last year agreement was reached with Ncosa on a marketing document but that subsequent claims from city bureaucrats that the process was illegitimate provided Ramsamy with the opportunity to oust Ackerman. It was a grave error by Ackerman—he was confronting Ramsamy on an issue he could never win, rather than seeking an appropriate deal with the Cape Town authorities.

What is perhaps most remarkable about this whole sorry episode, say observers, is that a seasoned politician like Ramsamy should back bureaucrats operating in a political vacuum in his fight with Ackerman.

The draft contract already gives total control of the bidding process to Ncosa. Ramsamy will become vice-president of the bid committee and the committee’s membership and board will be subject to his approval.

After several meetings were reached between the bid committee co-chairman and city officials and, each time, reneged upon, at a February 16 meeting of all concerned parties the city was given four weeks to get its house in order and sign the contract. A public slanging match which erupted in the Cape Town press was finally brought under control by President Nelson Mandela at a dinner in Cape Town on Saturday night. On Sunday, at a further meeting of all concerned parties, Tshwete was mandated as sole spokesman for the arbitration process. The meeting had committed itself to a presentation by the bid committee to council, but on Wednesday Ackerman and his co-chairman, Ngonde Baldour, found they were not on the agenda. Instead, the council proposed changing the Olympic Village site. Ackerman has now all but closed the door on his participation. At least one major sponsor suspended support for the bid.

The loser in all of this is the country’s bid for the Olympics. For not only has the Cape Town campaign lost the strength and resources of its private sector leadership, but the International Olympic Committee is going to be the wary of a bid managed by a local authority.
Cape Town — In a break with a centuries-old prohibition on gambling, South Africans can expect to have 40 casinos, a national State lottery and bingo — if the Government approves recommendations by the Lotteries and Gambling Board.

The board, chaired by Professor Nic Wiehahn, recommended the legalisation of gambling, if strictly controlled.

Sol Kerzner's Sun International has emerged in a strong position, with the board recommending that the 40 casino licences be awarded countrywide will include the 17 already held by his hotel chain in the former homelands.

Peter Bacon, managing director of Sun International, said the report was "in line with industry expectations".

However, others who want entry into the lucrative gambling industry, such as Mannie Hirsch, managing director of Omar Sharif Southern Africa, expressed disappointment that the board has recommended that only 23 more licences be issued.

Wiehahn said in Cape Town yesterday it was estimated a legalised gambling industry could have an annual turnover of R20 billion and create 100,000 jobs by 1997. It would also contribute "billions of rands" to the State.

On a national lottery, the board recommended that it be owned by the central Government, and no person under 16 years old would be allowed to participate.

The proceeds of the lottery would be divided so that half of the gross income would be allocated in prizes.

Fiscal allocation would be as follows: 60% for the Reconstruction and Development Programme; 20% for sports development; 10% for charities; 5% for arts, culture and heritage; and 5% for causes identified in specific circumstances, such as flood relief.

Recommendations also provided for "society lotteries" with a maximum turnover of R500,000, private lotteries with a total amount of ticket sales not exceeding R20,000, and small lotteries with a total value of prizes below R3,000.

Provincial and local authority lotteries should be prohibited and sports pools regulated by a national lotteries board.

The board recommended that a national lotteries board should give serious consideration to "the future of a soccer pool in conjunction with the national lottery, as well as what effect a soccer pool may have on a national lottery, particularly if it is implemented before the national lottery".

The board recommended that illegal casinos which operated after October 21 last year be disqualified from getting licences for 10 years.

Wiehahn said the 40 casinos would not necessarily be divided equally between the nine provinces.

Deputy President Thabo Mbeki, who received the report, said the Government wanted to finalise its position on gambling this year, and it would therefore have to move quickly on the issue.  

Shrugs and fists greet report — Page 11
Sponsors insist on agreement

Olympics bid: no financial audit done

OWN CORRESPONDENT

Cape Town — Minutes of the Cape Town 2004 Olympic Bid Trust show how it was plunged into a crisis when sponsors held back.

They put the brakes on because there was no signed agreement between the city council and the National Olympic Committee of South Africa (Nocsa).

Also, lawyers had advised the city council that no audited financial statements existed for the trust, although it had been up and running for two years.

Stood Surety

According to the minutes, taken on February 10, the trust's deficit was in the region of R5.6-million. Bid committee co-chairman Raymond Ackerman had subsequently indicated that this could run to R11-million.

The minutes stated that the Cape of Good Hope Bank had lent R5-million, for which Ackerman had stood surety, and he had personally provided R2-million.

While Ackerman had initially offered his loan on an interest-free basis, in view of the time lapse and the current interest rate, as from January 1 1995 he would require inter-

MASSIVE R3.6-m deficit as reticent backers put the brakes on and demand some signatures

...est on the money owed to him, the minutes said.

The city council's executive committee was to consider copies of the minutes yesterday on advice that it should oppose any legal action which might follow Ackerman's withdrawal from the Olympics bid.

Also, according to unconfirmed minutes of the trust's last meeting on February 20, attorney John van Niekerk recommended that "no further liabilities be incurred", as trustees could be held personally liable for them.

The trustees resolved that consultants should be requested to work "on risk", meaning they would be paid only if sufficient funds were available. This was agreed to by trustees.

"Certain accounts had not been paid during the previous months, and it was critical that a minimum of R3-million be paid into the trust immediately," they stated.

Kevin Kevany of Corporate Image, which, according to the minutes, had billed the trust for about R2.2-million, told trustees that sponsors were not prepared to release any money until Nocsa signed an agreement.

The amount of money which had been verbally pledged was said to amount to six potential donations of about R10-million each.

Other details revealed in the documents were that, with Ackerman's resignation, the trust had only two remaining trustees because the terms of office of a number of trustees had expired and the mayor of Cape Town had refused to take up his trusteeship.

On Hold

A letter from Ackerman was sent to the city council on March 3 threatening "draconic formal legal steps" unless the council gave the trust its full blessing.

Nocsa had asked the bid committee to put its activities on hold after Cape Town won the right to bid for the Games in January last year — until the Government had endorsed the bid — but since then an interim working group consisting of Ackerman, his wife Wendy, Ngondele Balfour, Clive Keegan, Alison Burehelli and John Noels had continued to function.
Gambling gets

RDP, char
the arts at

CLIVE SAWYER
Political Correspondent

A NATIONAL lottery, owned by central government but privately operated, is among the recommendations by the Gambling and Lotteries Board.

Half of the proceeds of the national lottery will go to the reconstruction and development programme, 20 percent for sports development, 20 percent for charities, five percent for arts and culture and five percent for "miscellaneous causes", it was announced yesterday.

A temporary ruling has been made that no more than 40 casinos be allowed to operate until research on how many there should be has been completed.

Mobile casinos, which have been using a loophole to keep the unofficial gaming industry alive, have been given a temporary reprieve.

They will not be banned pending the outcome of research by the national gambling and wagering board and provincial authorities.

Income tax will be levied on operators of gambling activities, but not on winnings.

Politicians will not be allowed to be involved in gambling control bodies.

The announcements, by Minister of General Services Chris Fives, bring an end months of speculation about the future shape of South Africa's billion-rand gaming industry.

Recommendations by the board include:

- "Society" lotteries with a maximum turnover of R500,000 be legalised, under the control of provincial governments;
- Partially legalised.
- Draw and postal prizes.
- R20,000 be sold.
- Be added.
- And be
- Repealed or
- Act.

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- Private lotteries be legalised.
- The entire proceeds of these lotteries must go to the private organisations which organise them.
- Ticket sales through official state services will not be allowed, and no more than 20,000 worth of tickets may be sold at a time.
- Small lotteries will be legalised, but none of the prizes may be money-prizes.
- Laws for casinos, bingo and related gaming will be set out in a National Gaming act.
- There will be national gaming and wagering board, with representatives from each province and members named by the central government.
- The board will advise central and provincial governments on all matters related to gaming.
- Provincial gaming legislation will set up an independent gaming authority.
- Foreigners will not be excluded from applying for or holding a casino or gaming licence.
- Strict guidelines have been drawn down about criteria for suitability of applicants.
- Among other criteria, they must be "fit and proper", solvent, with an acceptable financial record in business and private life.
- A commitment to provide social, cultural and community services in the province of operation shall be a condition licence, an executive summary of the board's recommendation said.
- The age limit for admission to casinos will be 18.
- Provincial gaming authorities will be required to use the "unofficial intelligence service in the gaming industry" to build a data-bank of welcome elements in the industry.
- As a condition of licensing, operators will be obliged to install surveillance equipment in their casinos.
- The horse-racing industry will not be given any policy or statutory protection or any preferential treatment in provincial gambling legislation, the board said.
- It will have to compete for licences for other forms of gambling like any other applicant.
- The board said it could not recommend the legalisation of dog racing now, but recommended further research into whether the activity should be legalised.
- No other form of racing involving animals should be allowed.
- The board said gambling policy and legislation at all levels of government should have as its primary goal the protection of gamblers and their physical and mental well-being.
- It should aim to protect "his personality and democratic rights under the constitution, his freedom to gamble or not, his money, his right to fair gambling, his positive perception of the industry and his good faith and integrity".
- Society should be protected from the dangerous excesses of gambling, the board said.
- All gambling debts will be legally enforceable.
- Gambling on credit will be subject to strict control.
Ackereman deals

NOCSA proposals concern at possible conflict of interests
liver on time, his personal view was that South Africa should withdraw from the 2004 race and instead open a fresh bidding process, involving all interested cities, for the 2008 Olympics.

Ramsamy expressed confidence, however, that Cape Town could yet win the 2004 Games bid. He called on all parties, including Ackerman, to unite in this effort. The costs could be met by way of advancing certain long-term projects.

The view on the NOCSA executive committee, however, is that the Pick 'n Pay boss has now adopted a “searched earth” policy. “He seems to have taken the attitude that if he can’t run the bid then there will be no bid,” said a NOCSA source.

Ackerman claimed that he had been granted authority to sign the bidding contract with NOCSA on behalf of the Cape Town City Council. NOCSA and the council say this is not true.

When Ackerman realised this week that he was not going to be allowed to sign the contract — and thus take charge of Cape Town’s 2004 bid — he resigned.

Describing his meeting with Ackerman in Sandton on Monday, chaired by Tsilwwe, Ramsamy said: “It wasn’t an acrimonious meeting and I have nothing personal against Mr Ackerman. But I felt that I was dealing with a shopkeeper in an Arab market who was going out of his way to sell products to me I didn’t want.”

Ramsamy denied emphatically that NOCSA was holding a gun to Cape Town’s head to the tune of R271-million as minimum expenditure for its bid. “Certain parties are coming up with figures that suit them,” he said.

Ramsamy showed the WeekendStar a copy of the draft agreement with Cape Town showing that the figure of R271-million is incorrect.

Figures leaked to the press suggesting that NOCSA has instructed Cape Town to provide R180-million for South Africa’s participation in the 1998 Winter Olympics were incorrect.

The contract shows that most of this money will be used for South Africa’s participation at the 2000 Summer Olympics in Sydney and the 2004 Games.

Ramsamy said the money that NOCSA stood to receive would be raised by selling certain Olympic marketing rights. Cape Town ratepayers would not pay an extra cent.

The NOCSA money would be used to train athletes and supply facilities.
Sharif’s R600-m gamble

VENILLA YOGANATHAN
Weekend Argus Reporter

DURBAN. — Multimillionaire film star Omar Sharif has earmarked a site at the Point, Durban, area for a R600-million project which includes a casino “bigger than the Wild Coast Sun”, a five-star hotel and a shopping complex.

The project is one of the biggest to be launched in the city and even exceeds the ambitious International Convention Centre to be built at a cost of R200 million.

Mannie Hirsch, head of the Omar Sharif Southern Africa Games Corporation, yesterday said that representatives of the international businessman and star of the famed movie Dr Zhivago, had put forward a tender for the site.

Sharif, who owns several casinos throughout the world through the Omar Sharif Worldwide Games Corporation, was “very serious” about plans to build casinos in several parts of South Africa, Mr Hirsch said.

The site earmarked for the ambitious Durban casino is in the Point Road area, where Durban’s old military museum was situated.

Film star, bridge champ, international businessman and gambling magnate Omar Sharif plans a huge casino development on a prime site in Durban. (288) ARG11131995

will forge ahead immediately with its plans.

These includes a casino bigger than that at the Wild Coast Sun, a five-star hotel with a “magnificent design”, a shopping complex, and a parking garage.

“Durban is very exciting to us and we believe KwaZulu-Natal has the greatest potential of all the South African regions,” Mr Hirsch said.

Mr Hirsch will be in Durban next week to negotiate the purchase of other sites in the province, where casinos could be built on a smaller scale.

It is expected that construction on the first phase of the project will be completed within 18 months of starting.

Mr Hirsch and his family have close business relations with Sharif and will be responsible for all his South African ventures.

Following the release of the Lotteries and Gambling Board’s recommendation this week, it is believed that KwaZulu-Natal will get the bulk of the 40 new licences to be granted.

OMAR SHARIF: Plans for huge Durban casino.

The company has other sites in the province in mind if it is not successful in gaining the Point site.

If its application for a licence to operate a casino is successful, Sharif’s company
ROONEY HARTMAN

JOHANNESBURG – National Olympic Committee (NOCSA) president Mr. Sam Ramaphosa has given Cape Town's bid for the 2004 Olympic Games his backing.

"Cape Town has many advantages," he said. "It is a suitable venue for the Games."

"I support Cape Town's bid for the 2004 Olympic Games."

"We are confident that Cape Town will be successful in its bid."

"The city has the infrastructure and facilities for the Games."
Yes, Cape Town has a plan.

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Bid decision this week

Cape Town 2004

National Olympic Committees of South Africa's Sam Barnaby

As the date for the IOC meeting in Athens draws closer, the suspense surrounding the bidding process is almost palpable. With hopes high that Cape Town will be awarded the 2004 Olympic Games, the committee is pulling out all the stops to ensure a successful outcome.

The bid was initially proposed by the Cape Town Olympic Committee, which formed an alliance with the South African Olympic Committee to present a robust and convincing proposal to the IOC. The combined effort aims to showcase Cape Town's potential as an ideal host city.

A key aspect of the bid is the focus on sustainability and community engagement. The plan includes initiatives to improve the city's infrastructure, enhance the local economy, and promote the health and well-being of residents. Cape Town's bid highlights its commitment to creating a lasting legacy for future generations.

The support of local businesses and volunteers is crucial to the success of the bid. The community rally around the project, offering their services and providing necessary resources to ensure the proposal meets the IOC's high standards.

As the bidding process continues, Cape Town remains hopeful that it will be awarded the 2004 Olympic Games. The city's bid is positioned as a strong contender, demonstrating Cape Town's potential to host a world-class event that will benefit both the city and its residents.

With days left until the decision, Cape Town is buzzing with excitement. The city is eager to host the Olympic Games and make a lasting impact on the global stage.

Stay tuned for updates as the bidding process nears its conclusion.
Southern Sun in
R300m splurge

HOTEL group Southern Sun on
Friday announced a
R300-million expansion pro-
grame in the current
financial year in prepara-
tion for an expected surge in
foreign visitors.

As part of the pro-
grame, the group will
launch two new hotel chains
this year: the Holiday Inn
Express for the budget mar-
ket; and the Holiday Inn
Crowne Plaza for luxury
customers.

Southern Sun holds the
franchise rights for Holiday
Inn in Southern Africa.

Almost R50-million will
be spent on establishing two
Holiday Inn Express hotels and
two Crowne Plaza hotels, says
Southern's operations direc-
tor, Helder Pereira.

In addition, Southern Sun
plans to build 10 new For-
mula 1 low-budget hotels at
a cost of R50-million bring-
ing the number of Formula 1
hotels to 21 by year-end.

Southern Sun has joint
control of the chain with
French firm Accor.

Mr Pereira says: "South
Africa does not have the ca-
cacity to cater for the in-
creasing number of tourists
and business visitors, espe-
entially in the peak October to
March period.

"Last year the number of international visitors rose
from 500 000 to 720 000. This

is still a low base and
growth will continue over
the next few years," he adds.

The two Crowne Plaza
hotels in Sandton and Pre-
toria will be ready in time
for the Rugby World Cup
through a R15-million up-
grading of existing Garden
Court hotels.

Mr Pereira is also consid-
ering upgrading the Jan
Smuts Holiday Inn at a cost
of R12-million.

The location for the two
Express hotels has yet to be
decided, but they will be
ready in about a year's time
at a cost of about R23-
million.

Southern Sun has also
taken the first step in ex-
panding to other countries
in the region. Recently it
took over the management
contract for the Ridgeway
Hotel in Lusaka, which is
owned by Anglo American.

Launching the expansion
programme, managing di-
rector Ron Stringfellow
said he was confident of re-
cieving several gambling li-
ences.

He said there was a pos-
sibility of initiating three
"mega" casino projects in
Gauteng, KwaZulu-Natal
and the Western Cape."
Local hotels have woken up to improved service

RON STRINGFELLOW

The next time you see a foreign tourist or businessman in a hotel lobby, offer a silent word of thanks: he is arguably the main reason that the SA hotel industry is looking a lot better that it has in a long time.

The industry is slowly awakening from a slumber of indifferent service, inadequate facilities and lack of competition brought about by more than a decade of political and economic isolation.

With our re-entry into the international fold, there is now a palpable sense of urgency in meeting the challenges presented by the growing numbers of foreign tourists and businessmen flocking to our shores.

During November last year 75,000 visitors entered SA through our major international airports, an increase of nearly 50% on the same month in 1983. Of the 1,023-million bed nights sold to tourists last year, 29% went to the Cape and 25% to Johannesburg, SA’s main business destination.

An interesting development is the increasing importance of visitors from Africa. Because they are here largely for business reasons, they are heavy users of hotels and are beginning to outnumber arrivals from the UK, traditionally SA’s largest source of foreign visitors. This trend can only increase as agencies such as the UN, traditionally based in other African countries, start eyeing SA as a possible relocation site for their regional offices.

SA hotel users have also played a part in the “big squeeze”. SA is enjoying positive growth after one of the worst recessions the country has known and hotels have been among the key beneficiaries.

While the leisure side of the industry has not yet fully recovered, increased economic activity has meant more business travel, accommodation and conferences.

Even the increasing number of sporting, music and cultural events being held in SA — from the Rolling Stones to international cricket — has contributed to increased travel and accommodation.

Contrary to popular opinion, the rugby World Cup has not been the biggest factor in creating the shortage of hotel rooms in SA — though it might well be the most visible. Occupancy levels in Southern Sun’s 10,000 rooms countrywide have been running at high levels since late last year. All the rugby World Cup has done is put two people to a room rather than fill empty rooms: nearly all the 70,000 room nights of World Cup supporters booked at Southern Sun hotels are for two guests a room.

The SA hotel industry faces two key challenges vis-a-vis the overseas traveller. The first is capacity, illustrated by the fact that there are only about 28,000 hotel beds in the three-, four- and five-star categories, which foreign travellers tend to use. This compares with 750,000 tourists — as measured by airline arrivals — that the SA Tourism Board recorded up to the end of November last year. Small wonder, therefore, that familiar international names in these categories are springing up like mushrooms to meet demand. The Hyatt is under construction, a Hilton is on the way and Southern Sun’s new Holiday Inn Garden Court Sandton City is likely to be fully booked two months ahead of its scheduled opening in May.

The second challenge is one of standards. For too long, SA hotels have catered largely for a local clientele who, while certainly good to the quality, accepted a level of service which many of their counterparts overseas might not have readily tolerated. Whatever the reasons — cultural, political or economic — this situation simply has to be improved.

Technically and infrastructurally, SA’s hotels are among the best in the world; it is on service that they sometimes fall down.

SA is back in the international arena, and the local industry must rise to that challenge. A world-class hotel system will help SA produce the growth and development from its increasingly open and international economy.

The author is Southern Sun Group MD.
Southern Sun holds talks with international group

HOTEL group Southern Sun is holding talks with an international hotel group as part of an expansion programme which will see it investing R300m this year.

Southern Sun MD Ron Stringfellow said a joint venture had been proposed to exploit opportunities in southern Africa. It was expected to be finalised by the end of the month.

He did not name the partner, but sources believed it could be the Tokyo-based Westin Hotels & Resorts. Other names mentioned included Hyatt International and US giant Sheraton.

"It is critical that we get a five-star global partner, as the Southern Sun name is not well enough known internationally to be chosen by the global traveller."

"There will be a growth in international brands here and foreign travellers will soon be able to choose from a lot of better known international names," Stringfellow said.

The number of international visitors to SA had increased significantly over the past few years and was expected to grow further in the next decade. Foreign visitors increased to 609 000 last year from 500 000 in 1993 and could grow to 3 million by 2005.

To meet the increased demand, Southern Sun would be restructured into two separate hotel and casino divisions. It would also launch two new hotel chains at a cost of R300m.

Three new hotels would be built, during Southern Sun's financial year starting next month, and another five in the following financial year.
AN OUTCRY from the public and business has led to "ugly clauses" — mainly about secrecy and high financial demands — being dropped in a new contract for the city's Olympic bid.

MELANIE GOSLING reports.

In a dramatic turnaround, the National Olympic Committee of SA (Nocsa) has decreased its financial demands on Cape Town for the city's Olympic bid and scrapped the contract's secrecy clause.

This follows a public outcry from ratepayers and organised business over demands in the secret contract which gave Nocsa extensive powers and made the city liable to foot the bill of R190 million for the Winter Olympics in 1998 and 2002.

The new contract will be discussed at a joint meeting of exco and the council's Economic Development Committee tomorrow. A full council meeting will decide on Thursday whether to sign the new contract with Nocsa.

A major report on Cape Town's bid compiled by City Council officials — including town clerk Mr Keith Nicol — which will also be discussed tomorrow, has recommended that the council approves Nocsa's new contract.

It also recommends that the council gives city officials the go-ahead to have a new bid committee in place by April 18.

The new Nocsa contract still holds the city liable to pay Nocsa R60m for the bid, but no longer demands that the city pay for the Winter Olympics.

Nocsa's demands for free office accommodation remain, but the new contract omits claims for putting up the office with luxuries like reverse cycle air-conditioning, an oven and dishwasher. Instead, the contract states that Nocsa's office fit-out "will not be inferior to that of the bid committee."

Clauses in the contract which made the city liable for all travel and accommodation costs of Nocsa officials and of any person the Nocsa president deemed necessary to accompany them, have now changed to read all reasonable costs.

The confidentiality clause, which prevented parties to the contract from revealing its contents and financial information, has been scrapped.

Commenting on the new contract, councillor Mr Leon Markovitz said yesterday: "The future around the earlier document has forced Nocsa to soften it. A lot of the ugly clauses are out."

The report puts the capital expenditure on infrastructure, accommodation, sports venues and facilities for the Olympic Games at R5.4 billion.

Possible funding sources will be R788m by central government, R1bn by "quasi-government sources", R783m by provincial government, R547m by Metro Council and substructures, R812m by Olympic revenues and R1.4bn by the private sector.

Affordability

The bid report speaks of "a major feeling of unease" whether the city can afford to stage the event. "The other cause for concern about affordability is the memory of the financial failure of the 1976 Olympic Games in Montreal."

The report warns that the after-use and operating costs of the larger sporting venues should be examined in the planning stage of the bid.

It says the candidate city has to provide a municipal financial statement for the previous five years.

"The level of arrears and issue of non-payment for services could raise doubts with the IOC evaluation committee," the bid report said.

Rondebosch resident Mr Andrew Massey has called on ratepayers to endorse their rates cheques to former Olympic bid chairman Mr Raymond Ackerman until the R8m he spent on the bid has been repaid.

Mr Massey has endorsed his electricity account cheque of R305 to Mr Ackerman.

"I heard with disappointment that the council had decided to contest any repayment to Mr Ackerman for the money he had lent to the city for the Olympic bid," he said.
Changes to street aim to boost tourism

A MORE attractive town, better traffic control and controlled informal businesses are some of the objectives of a plan by Somerset West council to re-zone a portion of Main Street.

The project will form part of a bid to improve tourism in the town.

City engineer Hennie Roux said major changes could be made once the stretch of Main Street between the Andries, Pretorius/Bizwani intersection and Victoria Street fell under the authority of the council and was no longer a provincial main road.

Included in the council’s plans were paved sidewalks and islands with Victorian-style furniture and lamp posts in the streets, complemented by cafes and small shops.

Large parking areas next to, but separate from, the street, also would be built.

Mr Roux said the project would be financed from the existing budget and would involve no extra costs to the ratepayer.

There had been several accidents on Main Street in the past. The new pedestrian-friendly street would zigzag between the parking areas, forcing motorists to slow down to at least 40 km/h.

“I want to emphasise that any informal businesses on sidewalks will be under strict control,” he said.

People have until March 24 to object to the proposed closure of Main Street.
Unions urged to develop worker decision-making

IF BOTH labour and management were against the workplace forums proposed in the draft negotiating document on the Labour Relations Act, "there must be something good in it," said secretary-general Cyril Ramaphosa told a workshop last week.

Discussion at the workshop on democracy and work in Midrand, aimed at exploring ways of accelerating democracy in the workplace, revolved around the establishment of workplace forums.

He called on the union movement to develop its capacity so workers could participate in decision-making in the workplace. This could be achieved by deepening democracy within union structures, and strengthening channels of accountability between leaders and members.

He warned that the union movement needed to prevent the hijacking of worker struggles by elements intent on advancing their own agendas. Unions had to guard against the possibility that the process of workplace democratisation could be "derailed by unscrupulous people creating anarchy out of legitimate grievances".

Management should use its resources to develop the capacity and independence of the unions.

Meanwhile, DP senator William Manni criticised the SA Democratic Teachers' Union for "interfering with those trying to handle school problems". He said teachers who wanted to transfer said they had to get the union's permission.

Union spokesman Thula Nkosi denied this. He said transfers should be negotiated with teachers and headmasters.

Black business launches tourist initiative

THE National Tourism and Environmental Initiative, a non-governmental organisation established to seek direct black participation in the tourism industry, took form at the weekend with a consultative workshop in Johannesburg.

A cross-section of black business, community organisations and tourism ministers from four provinces attended the workshop, which looked at a draft document in preparation for the formal inauguration, sponsored by Moses Ngwanya.

National Black Business Council (NBBC) executive director Danisa Baloyi told the workshop the organisation was born out of a realisation blacks did not take part in tourism, even as consumers.

She said there was a need for direct black involvement in tourism.

The initiative's committee members included NBBC member Peter Mboeka, Southern African Business Assessment Consultants (Sabad) executive director Magdel Ntilongolo, Tebele Investment Ab-jurary Morito Investments MD Moses Matsikieh, Tanko Bonam from the SA National Civic Organisation (Sanco), Eastern Transvaal traditional chief representative Ephraim Mogale and Ngwanya of Imbali Travel Tours.
Cabinet approves new Satour board

THE Cabinet had approved the restructuring of the Satour board, Environmental Affairs and Tourism Minister Dawie de Villiers said in Pretoria yesterday.

Announcing this at a media conference, De Villiers also predicted that tourism to SA would generate R700m in foreign exchange and create more than 13 000 jobs this year.

He said about 800 000 visitors were expected this year following a dramatic increase in international travel to SA since last June — but the tourism infrastructure was unable to handle the flood.

De Villiers said the new Satour board would consist of 15 people, nine of whom would be appointed by the provincial premiers and the remainder by the Cabinet from nominations received from the public and organisations.

The new board members would not serve as representatives of particular interest groups but in their individual capacities.

Provincial and central government office-bearers and public servants were excluded from nomination.

Public nominations for the six Cabinet appointees had to be submitted to the director-general of the Department of Environmental Affairs and Tourism, Private Bag X447, Pretoria, 0001 before April 13 this year, De Villiers said.

On the growth in the industry, De Villiers said a constant monthly growth rate of well above 20% had become characteristic of SA’s tourism market.

Overseas arrivals at SA airports increased by 49.3% in November, compared with the same period the previous year.

Final figures for 1994 were expected to show a 10% growth over 1993.

Consumer and trade inquiries on travel to SA had soared since July, De Villiers said.

The major drawcard for international visitors this year would be the Rugby World Cup, expected to draw 30 000 overseas visitors with an estimated direct effect of more than R200m on the economy and indirect benefits of at least R1bn. It would be seen on television by an audience of about 2-billion in 115 countries.

He said tourism’s current 3.2% contribution to the GDP would increase.

Banks urged to assist tourism

DURBAN — The establishment by national banks of a specialised tourism division to provide soft loans of 5% below prime would promote tourism as a viable job-creating industry, the Tourism Summit workshop was told yesterday.

Funding and finance workshop coordinator Brulian Sokolo said capital approved at these rates would speed up development of a tourism culture in KwaZulu-Natal.

“Bank employees working within the specialised division must be sensitive in evaluating the potential of tourism projects and be willing to provide financing to small and medium enterprises.”

He said the role of government should be guiding rather than driving, stressing the risks of individual tourism ventures to lie with the bank and the investor.

The workshop proposed a new taxation structure to promote tourism development, which included a write-off of buildings over a straight-line year period and furniture over three years, as well as low taxes during the start-up phase. “Exchange controls must also be abolished.”

Greater Durban Marketing Authority CEO Geoff Austin said the convention industry could generate more than R150m next year.

However, bookings to date for the International Convention Centre due to open in 1997 meant Durban would need between 1 500 and 3 000 hotel rooms before the year 2000.

“The lack of hotel rooms in the city poses a serious problem,” he said.
South Africa tourist flavour of the year

By Justice Malala

South Africa's popularity among international travellers has increased dramatically after the country's peaceful transition to democracy.

Environment Affairs and Tourism Minister Dawie de Villiers said yesterday that airport arrivals for November 1994 had increased by 49.3% over the previous year.

International arrivals worldwide increased by 9% and arrivals into Africa by 15% over the same period. He said although SA's tourism growth rate should stay ahead of the world trend for "several years", it depended on South Africans to ensure stability, good service, and "tourist friendliness".

About 800 000 overseas visitors will enter South Africa this year - 100 000 more than last year. De Villiers said this would earn the country R700 million in foreign exchange and create thousands of additional opportunities.

But in terms of the world average for contribution to the gross national product, the SA tourism industry was underperforming, contributing 3.23% to the GNP, whereas the world average was 6%.

He said the influx of visitors into South Africa had pressured the tourist infrastructure, adding that accommodation establishments had experienced bed-occupancies of more than 90% since December last year.

Indications were that the private sector was responding to the new demands. The overall investment in tourism infrastructure for this year was expected to be at least R3 billion.
Olympic Pic Rescue deal

Bold plan to bring Raymond Ackerman back into 2004 BID
Olympic bid pact: Full statement

Mr Balfour will have particular responsibility for sport, community affairs and national government relations. Mr Ackerman will have particular responsibility for financial affairs and marketing. They will lobby jointly to secure the necessary IOC votes to win in 1997. These functions will be exercised under the direction of the board.

Budgets for these functions will be agreed by the board.

A chief executive officer, along with other key departmental positions, will be appointed by the board in consultation with the bid’s key stakeholders. All such appointments will be made in a transparent and open manner.

Re-appointment

The existing consultants continue with their work on the understanding that their re-appointment shall be subject to confirmation by the board of the bid company. It being intended that at all times the board will have the right to terminate any consultant’s appointment on the basis of performance.

To this end, Mr Ackerman undertakes to underwrite the cost of consultants until such time as the board has been established.

Mr Ackerman agrees to make payment of (approximately) R3 million owed to small suppliers and professionals immediately.

Mr Ackerman will undertake to approach sponsors with a view to re-securing their expression of interest.

Mr Ackerman and Mr Balfour will immediately undertake a series of media interviews and communications assuring the local community, the business community, the Western Cape, South Africa, and the bid’s international connections and associates, that all problems have been resolved.

The city’s executive committee will also undertake to reassure all of the above audiences of their complete satisfaction with the way in which the situation has been resolved.

No further discussion in the media will occur regarding difficulties in the past. All contemplated legal action will immediately be halted.
Tourism to provide major boost for SA

PRETORIA: South Africa's re-acceptance into the international community has resulted in a huge increase in tourism, which is expected to create more than 13 000 jobs this year, it was announced yesterday.

Tourism to South Africa is expected to generate R700 million in foreign exchange and create more than 13 000 jobs this year, Environmental Affairs and Tourism Minister Dr Dawie de Villiers said yesterday.

Addressing a news conference here, he said about 800 000 visitors were expected this year following a dramatic increase in international travel to SA since last June.

There has been a constant monthly growth rate of well over 20% in tourism to SA.

Overseas arrivals at South African airports increased by 49.3% in November compared to the same period the previous year.

Final figures for 1994 were being processed, but were expected to show a 10% increase over 1993.

Consumer and trade inquiries on travel to SA had soared since July, he said.

Comparing January 1994 to 1993, consumer inquiries had risen 67% in Britain, 26% in Germany, 68% in France and 200% in the Netherlands.

The major drawcard for international visitors this year would be the Rugby World Cup, expected to draw 30 000 overseas visitors with an estimated direct impact of over R300 million on the economy and indirect benefits of at least R1 billion.

Tourism's current 3.2% contribution to the gross national product was expected to increase.

Private sector investment of at least R3bn in tourism infrastructure, such as major hotels and entertainment and conference centres, is expected this year.

Other projects being planned included a tourism complex in Cape Town costing R72.7m; the revamping of the South African Airways fleet at a cost of R4bn; development of the Durban Point Waterfront for R2bn and expansion of luxury coach fleets for about R1.4bn. — Sapa
Satour board change approved

PRETORIA: The cabinet has approved the restructuring of the Satour board. Environmental Affairs and Tourism Minister Dr Dawie de Villiers said at a news conference here yesterday.

He said the move was in line with the re-assessment of tourism structures and policy in post-election SA, the culmination of which will be a new White Paper on tourism to be tabled in Parliament before the end of the year.

The new board will have 15 people — nine to be appointed by the provincial premiers. The rest will be appointed by the cabinet from public and tourism industry nominations.

Provincial and central government employees were excluded from these nominations.

Nominations for the six cabinet appointees must be submitted to the director-general of the Department of Environmental Affairs and Tourism, Private Bag X447, Pretoria, 0001 before April 13.
Kalako cleared, wants apology

CHRIS BATEMAN
POLITICAL STAFF

CLEARED yesterday of any misuse of funds during a trip to Australia last year, Western Cape Minister of Sport and Recreation Mr Lerumo Kalako called for a public apology from his erstwhile "adviser" Mr Nick Malherbe.

A commission of inquiry set up by Premier Helen Zille after allegations by Mr Malherbe, found that Mr Kalako had not misused public funds before or after the trip, and that Mr Kalako's behaviour during the trip was "neither unacceptable nor unbecoming".

But the inquiry found that ministerial secretary Mr Kwanda Sojolo committed "serious irregularities" in claiming payment for a surprise birthday party organised by Mr Malherbe for Mr Kalako at Kelvin Grove in December.

Mr Malherbe could not be contacted for comment.
**Inkatha minister linked to hit squads**

DURBAN — KwaZulu/Natal social welfare minister Prince Gideon Zulu said other senior Inkatha officials were involved in hit squad activities, the Durban Supreme Court heard in evidence yesterday.

Convicted hit squad member Romeo Mambmo said Zulu was present at meetings in Umndeni where instructions were given to attack ANC members.

He said other key figures present included MZ Khumalo, a former private secretary of KwaZulu chief minister Mangosuthu Buthelezi, Capt ML Langeni, who was in charge of security in the former KwaZulu Legislative Assembly, and military instructor Daluxolo Ludluthu, who repeatedly turned State witness.

Provincial MP Chief Calalakubu Bhawula was also present at one of the meetings where instructions were given to remove targets, Mambmo claimed.

Leading argument in mitigation before Judge N van der Heyden, Mambmo said they were also given the discretion to identify and launch attacks on targets, but had to report back on their activities.

Asked by defence counsel Kobus Booyens, SC, how he felt being in the company of Zulu, Mambmo replied: "This made me feel important and that I was working for the nation."

Mambmo was convicted last year, along with Geina Mkhele and Romeo Mambmo, on six counts of murder allegedly carried out in June 1993.

The Goldstone commission of inquiry had identified the three as comprising a hit squad unit.

Booyens said a KwaZulu Police general would also be implicated. "The accused will allege they were part of a KwaZulu government-inspired hit squad."

He said Mkhize would testify that he received military training from "white instructors in camouflage uniforms" at a secret military base.

"They were trained to use Eastern bloc weapons and there was a lot of ideological training. They were trained that the ANC was the enemy and the ANC should be killed," Booyens said.

The three were convicted by Van der Heyden late last year for the murder of four youths and a KwaZulu Police officer in June 1993.

The judge ordered an increased police presence in court yesterday after Booyens raised concern about the safety of the three men.

Sapa reports that a clinical psychologist giving evidence said the three were under the impression their activities had been justified because of the high credibility they perceived their masters had.

He said they spent their teenage years in an environment wracked by violence where the stature of the individual was below that of a group, resulting in an atmosphere that depersonalized human life.

Also the rate of unsolved crime became a community norm that led to the belief that "taking the law into one's own hands was acceptable."

All three, the psychologist said, also felt their protection from the law by their masters was "absolute", he said.

**Police arrest second man over bodies found on farm**

A SECOND person, a man in his mid-twenties, has been arrested in connection with two bodies found buried on the farm Blinkpoort near Heidelberg on the far East Rand.

On Monday UK citizen Byron Chadwick, 84, appeared in the Heidelberg Magistrate's Court in connection with the discovery of two bodies exhumed on the farm on Monday.

Yesterday Chadwick, who is in custody and who is to make a further court appearance on March 28, was assisting police at the farm in a search for more bodies.

East Rand police spokesman Lt Deon Peens said police were digging at a spot where seven bodies were said to be buried.

Claims, not yet substantiated by the police, have been made that up to 15 more corpses are buried on the farm alleged to have been used as a base to train third force elements and members of the Inkatha Freedom Party.

Chadwick was reportedly to have arrived in SA from the UK in 1993.

He claimed that he joined the AWB before taking up a post as an instructor at the farm. — Sapa.

**Kalako cleared of funds misuse**

CAPE TOWN — A three-man commission of inquiry found that accusations regarding the misuse of public funds by Western Cape MEC for Sport and Recreation Lerumo Kalako were unfounded.

The inquiry was launched after allegations by Nick Malherbe, a Western Cape Tourism Board representative, that Kalako, then the tourism MEC, misused public funds while visiting Australia.

The commission found that Kalako did not misappropriate public funds before or during the visit and his conduct was neither unacceptable nor unbecoming. — Sapa.
Kalako cleared of claims

MINISTER to remain in cabinet for region

Lerumo Kalako

Rossouw — released the commission's 33-page report on the inquiry with a statement clearing Mr Kalako.

It was alleged that Mr Kalako, then provincial tourism minister, had misused or misappropriated public funds during a trip to Australia last year. The allegations were made by tourism consultant Nick Malherbe, who accompanied Mr Kalako and Mr Sojola on the trip.

The allegations were that Mr Kalako:

- Misused funds provided for the trip by the interim Western Cape Tourism Board by buying a R400 watch for his finance, making private telephone calls totalling more than R2 000, and retaining the balance of left-over travel cheques totalling R2 014;
- Failed to attend or was regularly late for meetings in Australia or behaved in a way that was unacceptable or unbecoming; and
- Made an improper claim for R3 220 for a birthday party held at Kelvin Grove in December.

However, Mr Kriel said: "It is clear from the finding of the commission that the accusations were unfounded. Mr Kalako will thus stay on as a valued member of the provincial cabinet."

The report concludes that Mr Kalako did not misuse public funds before or during the visit to Australia, that his behaviour in Australia was never unacceptable or unbecoming and that there were "no grounds for concluding that mismanagement of the ministry occurred."

Premier Bernus Kriel, who appointed the three-man commission under former Cape Attorney-General Niel
Ackerman changes mind on Olympics

Cape Town — Supermarket magnate Raymond Ackerman is prepared to serve on the Olympic Bid Committee as chief executive officer — provided certain criteria are met.

Addressing the Cape Town Press Club at Kenilworth yesterday, Ackerman said he was prepared to come back as co-chairman with Nkosazana Dlamini, provided he sees the written agreement for his reinstatement before it is forwarded to the National Olympic Committee of South Africa (Nocsaa).

"I think there will be a solution to the problem surrounding the bid committee and the hosting of the Olympics but not before next week.

"There is still drama. We are just holding on by a thin edge, but the way the mood is going there is a strong chance things will go off the ground."

Ackerman said he was not getting anything out of his efforts. It was for the people of Cape Town. More than 400,000 jobs will be created through the hosting of the Olympics.

"We may not be front-runners in the bid to host the Olympics in 2004, but if we resolve problems this weekend we have got a chance," he said.

"Asked if he could give any idea why Nocsaa wanted R860-million for the bid, he said they had originally wanted R200-million for teams to take part in the Atlanta games. This stipulation had been removed from the agreement."

"Staging the Olympic Games in Cape Town would cost in the region of R6-billion, not R21-billion as it had cost Barcelona, Des Carrin of the consultants Arup told city councilors yesterday."
Games cost seen as R2bn

STAGING: the Olympic Games in Cape Town would cost in the region of R6 billion and not the R21bn it had cost Barcelona, Mr Des Correia of the consulting firm Ove Arup told city councillors yesterday.

Mr Correia's firm had worked for the "old" bid committee as project managers.

His budget estimates were similar to those presented by Cape Town City Council officials, except he had converted to 1995 rand values — their figures were in 1993 rands.

Asked about the R21bn Noscia mentioned as the cost of the Games in Barcelona, Mr Correia said that city had used the opportunity to upgrade its infrastructure.
SUPERMARKET magnate Mr Raymond Ackerman has agreed to come back into Cape Town’s 2004 Olympic bid — but only if he is boss and gets R10m up front as a guarantee to cover costs.

Meanwhile, a city council meeting called to discuss the Olympic bid and Mr Ackerman’s re-involvement ended in disarray yesterday, as bickering councillors did not have time to discuss councillor Mr Clive Keegan’s 12-point plan to rejuvenate the bid.

Mr Ackerman yesterday laid out the conditions he had sent to the council in response to the proposal to bring him back on board the city’s teetering Olympic bid:

- that he is chief executive officer of the bid committee
- that the local government provide R10m as a guarantee in case the bid fails
- that the Cape Town 2004 Olympics Trust be authorised as the legitimate bid committee
- that he has the right to negotiate all clauses in the bid contract with the National Olympic Committee of SA before it is signed
- that a marketing agreement is drawn up to release sponsorship money.

“I cannot go back on the bid if I am not given the authority to control the budget,” he said. “I cannot go back on the basis of a three-man bid. I will only go back as chief executive officer,” Mr Ackerman said.

The “three-man bid” suggested in the plan proposes to bring him back as co-chairman — not chief executive officer — with Mr Ngconde Balfour, and with Mr Sam Ramsamy as vice-chairman.

The council’s economic development committee had to adjourn after a three-hour meeting yesterday in which they did not get as far as considering Mr Keegan’s 12-point plan.

After the disastrous meeting, the executive committee moved quickly to pick up the pieces.

Deputy chair Mr Llewellyn van Wyk said exco had held a meeting last night at which it had been established that everyone wanted to proceed with the Games bid.

Mr Ackerman will rejoin Cape Town’s bid for the Olympics — but only as chief executive.

PICTURE: ALAN TAYLOR
CAPE TOWN — Inland Revenue currently had R8bn outstanding on its books and could collect this money within a very short time if plans to reform the service were implemented quickly, Commissioner for Inland Revenue Trevor van Heerden said yesterday.

Addressing the Parliamentary finance committee, Van Heerden said the service was currently studying the implications of operating autonomously.

He said the international trend was towards autonomous tax collection. Such systems had proved "hugely" successful.

The new system would require a new way of assessing the service’s performance. Only those offices that performed should benefit, he said.

Although no immediate measure had been implemented, Van Heerden said he was convinced Finance Minister Chris Liebenberg was very serious about the problem.

In the meantime, Internal Revenue had R8bn outstanding on its books, which he said was more than the total amount allocated to the reconstruction and development programme.

"The service could begin to collect that money very soon if the right people could be found," he said.

He said SA spent 0.3% of revenue on collection, substantially less than other countries. Singapore, for example, spends about 1.6% of revenue on collection.

The biggest problem was that staff were often poached by the private sector after they had worked for the service for about two years, he said.

He said the service was completely in the dark about what the administration consequences of the tax amnesty would be, and could not be sure whether it had the resources to deal with new taxpayers should they come forward in large numbers.

Sapa-Reporter reports Van Heerden told Parliament only one man stood between SA and chaos.

"We have a computer system that was designed in 1962. It was modernisation that really needs upgrading," he said in a plea for an expensive computer. "In fact, there is only one man who knows how to maintain it. I hope that the Boeing in Pretoria drive carefully because if they ever knock this chaps down, that's the end of us."

SAPA reports the service’s director of legal drafting Ian Meiklejohn said the new income tax tables took effect on March 1.

The changes to income tax tables proposed in Wednesday’s Budget would be implemented by employers from May. Larger employers would receive the new tables on computer disks from Inland Revenue. Other employers would probably receive the printed tax tables after June 1.

"They are a bit simpler than the old ones," he commented on the administration of the new income tax structure which has abolished tax discrimination on the basis of sex or marital status.

The increased excise on various goods, like cigarettes and alcohol, came into effect on Wednesday at 3.30pm, a spokesman said.

R8bn in tax outstanding

BUDGET REACTION

Satour’s share is ‘peanuts’

TIE R67m allocated to the SA Tourism Board in the 1995/96 Budget was peanuts which would make selling SA overseas against well-funded international competition an almost impossible task, Satour executive director Walter Malmsing said yesterday.

For this reason, the board would approach stakeholders in tourism soon to impress upon them the importance of investing in the industry that guarantees the highest returns.

Malmsing said Satour’s slice of the Budget was R67.5m. It was allocated R69m last year.

Malmsing said SA — a long-haul destination — with markets in the Far East, the US and Europe — could not hope to compete against countries such as Australia and Canada, which spend six times more than SA on tourism.

"About 15 years ago, SA had more tourists than Australia, then the Australians realised the value of tourism and invested in it — and it paid off.

One way we are looking at 800 000 tourists a year, while the Australians are talking 5.6-million tourists a year. Even small New Zealand spends more than us on tourism."

For Satour to be able to sell SA overseas, more money should be spent on developing the industry in its fullest potential.

Mining and the manufacturing sectors were faring as competitors on the world trade stage. SA could depend on the service industries, but even in this area, countries such as the US and Switzerland were far ahead on information and technology.

"We are going to sit down with the decision-makers — decision-makers of the industry — and demystify them in specific terms on how the appropriate level of investment would enhance the objective of the reconstruction and development programme," Malmsing said.

Satour’s share is ‘peanuts’

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'Immature' committee unable to take decision

EDWARD WEST

CAPE TOWN — A Cape Town city council economic committee meeting to ratify a 12-point plan bringing former Olympic Bid Committee co-chairman Raymond Ackermann back into the bid was adjourned without the agreement ever having been discussed, economic committee co-chairman Leon Markowitz said last night.

Markowitz said it appeared the committee did not have the political maturity to make a simple decision.

The meeting started yesterday with a presentation on the forecast economic benefits and costs of the Games. But after the presentation, discussions and questions among councillors ranged from threats of legal action, complaints that councillors had not read papers allocated to them and claims that more time was needed to assess the likely impact of the Games on the city.

Sapa reports Ackermann said earlier yesterday he was prepared to serve as CEO on the bid committee if certain criteria were met.

He told the Cape Town Press Club he was prepared to come back as co-chairman with Nqondo Balfour provided he saw the written agreement for his reinstatement before it was forwarded to the National Olympic Committee of SA.

"We may not be frontrunners in the bid to host the Olympics in 2004, but if we resolve problems this weekend we have got a chance."

He was prepared to work with Nocsa president Sam Ramsamy. The bid committee needed the guidance of Ramsamy, "but we don't need interference".
This followed the bickering that had marred an earlier meeting when, in a heated exchange, Raymond Ackerman accused Mr Daniels of being an interfering meddler.

But Mr Daniels, who is on the Olympic bid committee, denied any such interference and said that he had merely been trying to get the project moving again.

He also said that the committee was not trying to dictate the running of the project, but was merely trying to ensure that it was conducted in a professional manner.

The meeting ended with a proposal that a new committee be formed to oversee the project, and that a new chief executive officer be appointed to bring the project back on track.

The committee also agreed to hold a meeting with the Olympic bid committee to discuss the future of the project and to try to resolve any remaining differences.

The meeting was attended by representatives from the city council, the Olympic bid committee, and members of the public who had expressed concern about the project's progress.

The meeting was adjourned with a promise to keep the public updated on the progress of the project.
Olympic bid reaches stalemate situation

unambiguously by the middle of next week, we may well find that Nocsaa, the government and other essential Olympic interest groups may well instruct Cape Town to abort the bid. Sport and Recreation Minister Steve Tshwete is against moving the Olympics to another South African city and he will continue to try and persuade all parties concerned with the Cape Town bid to find a solution.

Addressing the senate yesterday, Mr Tshwete said he still believed Cape Town was the ideal place for the 2004 Games and the private sector had been involved.

However, he said, "Raymond Ackerman is not a synonym for the private sector; he is a member of the private sector."

Mr Tshwete was speaking in a heated debate in which Western Cape senator and African National Congress chief whip Bulelani Ngcuka said he wanted to see the Olympic Games, "not the Pick 'n Pay Games", in Cape Town.

Senator Mark Wiley (NP) argued that the controversy around the bid was rooted in political intrigue, as it had by the International Olympic Committee (IOC): acknowledgment, been a successful process — until four city council officials went overseas to discuss bid plans.

This had been part of a coup that had been planned for months.

Mr Tshwete said the ANC had nothing to gain from political maneuvering.

In his speech, Mr Ngcuka quoted IOC rules stipulating that bids to host the Games could be ratified only if agreements existed between the national Olympic committee of the country concerned and the host city which had the right to delegate authority to a coordinating body.

The Cape Town City Council had not yet delegated this authority to another person or body, but had said it did not want to run or control the bid as it did not have the skills and human resources to do so, said Mr Ngcuka.
12-POINT PLAN FOR GAMES PROGRESSES

Ackerman approves bid salvage proposal

THE PLAN to get Mr Raymond Ackerman back into the Olympic bid has his support. By our Staff Reporter.

Mr Raymond Ackerman has endorsed the essence of the 12-point plan of Mr Leon Markovitz and Mr Clive Keegan to get him back on to the Olympic bid.

In a letter to the two he raised some "housekeeping" issues but said they should not interrupt the progress of the plan through the economic development committee which Mr Markovitz and Mr Keegan are chairing, nor its progress through exco.

He also suggested that the bid company needed a managing director, and hinted that he would not be that person: "I believe an MD needs to be appointed as soon as possible ... Ncondele (Balfour) and I should then be released from our executive roles and give our full support."

"The situation with the team, the sponsors and various events that are planned needs to be bedded down immediately, I am prepared to lead this in the short term only, in the interests of the bid."

He praised Mr Markovitz and Mr Keegan, respectively members of the NP and ANC, for putting the bid above party politics.

Adverse publicity

Mr Ackerman said that since his responsibility would be financial management and marketing and the Noca contract was vital to the bid's financial viability, "we need some time to examine and, if need be, alter the contract."

"Meanwhile, Mr Arthur Wenburg has had back at officials who suggested last week that a public relations firm be hired to counter adverse publicity" from councillors criticising their own officials.

Not another cent of ratepayers' money should be squandered in defending the indefensible," he said. "To suggest ratepayers be taxed to save their image has all the elements of a Victorian farce."

He accused city officials of "diluting the progress of the bid" and now "turning on councillors who disapprove of the way this debacle has been handled."

At Thursday's meeting of the economic development committee, city planner Mr David Daniel circulated a report from the Olympic Liaison Team criticising councillors for their public criticism of officials. The officials said they were not trying to make or break the bid, but to do their work professionally.

Mr David Erlegh, a metropolitan councillor for the Southern Suburbs, said the Wards 14 and 15 (Claremont and Wynberg) ratepayers' association had decided unanimously the Metro Council should take over the bid.

* Save the Games or get out—page 10.
Airports to lay on special facilities for rugby tourists

SA's airports are gearing up for the rugby World Cup and the expected influx of 30 000 spectators, laying on additional facilities such as passport and customs processing while passengers are on route.

An Airports Company spokesman said yesterday the major airports would be operating at maximum volumes during the month-long World Cup period, and several measures had to be taken to ensure that terminals would not be overloaded.

"Special arrangements are being made to handle passport control, immigration and baggage for passengers on chartered flights into SA.

"Passengers will be able to transfer directly from the aircraft on to buses to their hotels," he said. "Their passports and immigration details will be processed either during the flight, on the buses or at their hotels."

Other plans being investigated were to make Terminal One - previously Terminal C - at Jan Smuts Airport a dedicated terminal for the rugby teams and spectators, and to introduce a dedicated baggage handling system at Jan Smuts Airport.

A temporary terminal at Jai Smuts would be erected in the form of a marquee. Roads to this area were being surfaced.

The spokesman said extra security staff would be deployed to ensure the safety of the baggage handling system, and additional temporary parking would be provided.

"Public relations, information and assistance services will be upgraded, using additional information kiosks and multilingual information assistants."

Similar measures would be taken at the Durban and Cape Town airports.

"Airport management is envisaging at least 15 000 rugby players and spectators in 70 aircraft at Durban Airport during the World Cup period, and 15 000 to 20 000 spectators from about 25 chartered flights to Cape Town's airport."

The Airports Company was also having talks with Satour about the regional airports in East London, Port Elizabeth and Bloemfontein to ensure that passengers would be handled efficiently.
Ackerman ‘prepared to take a back seat’

ESANN de KOCK
Staff Reporter

RAYMOND Ackerman is no longer interested in heading Cape Town’s 2004 Olympic bid and is prepared to take a back seat to help revive the process.

Announcing a desperate effort to save the bid at a Press conference in the city last night, national Sport and Recreation Minister Steve Tshwete said a one-day summit of all Olympic bid role players would be convened early next month.

This decision comes after approaches to Mr. Tshwete from the chairman and deputy chairman of the Cape Town City Council’s executive committee.

At the Press conference, city councillors, Mr. Tshwete and Noza president Sam Ramsamy said they believed the summit would achieve agreement on a structure for a new Olympic bid committee.

A Section 21 (non-profit) company and other appropriate structures could be formed to consolidate Cape Town’s bid and immediate steps taken to ensure that all sectors of the nation supported bringing the Games to South Africa and the African continent.

Mr. Tshwete said he had discussed the proposal with supermarket tycoon Mr. Ackerman, who had agreed it was essential that all who could contribute to a successful bid be involved.

“He is fully supportive of this idea in order to get the bid back on track. Mr. Ackerman has displayed magnanimity,” Mr. Tshwete said.

He emphasised that Mr. Ackerman was not interested in heading Cape Town’s bid.

“He is not interested in the job and said so to me in no uncertain terms.”

Mr. Tshwete emphasised that the leadership position was still open.

He warned everyone, including the media, to avoid speculation that the bid would be dropped if one person was absent.

“Our drive as a city, South Africa and Africa is to project a collective kind of leadership. It is our desire to lock hands and move on.”

Defending Cape Town’s chances, Mr. Ramsamy said efforts by Rome and Beijing to enter the race for the 2004 bid had “nothing to do with what has been happening here”.

Mr. Tshwete said the provincial and national government, sports organisations, the private sector, metropolitan council, non-government organisations and community-based structures were all still enthusiastic about the bid.

“There are also some disgruntled individuals out there, but that is mainly out of disgust with what has happened over the past few weeks.

“People are still extremely enthusiastic about the bid and are pushing us to proceed,” he said.

Nothing that had happened so far had affected Cape Town’s bid internationally.

“But we need to steady the boat and we are convinced we can do an excellent job.”

Mr. Ramsamy said the Olympic feud in Cape Town was not unusual.

“It has happened in most successful bids in the past. In fact, it is a saving grace for us that it has happened early.”
Government-owned Wild Coast hotels lost R700 000

By Barry Steep

The government-owned hotel resorts on Transkei's spectacular Wild Coast were operating at losses of nearly R700 000 in their 1992 financial year, Transkei and Tourism general's office reported yesterday.

The Transkei Development Corporation had, however, invited developers for proposals to establish non-casino hotels at Port St Johns and Xanadu River Mouth.

Areas had also been identified for non-casino hotels. The office

Rotheschild Bank had identified an area south of Umgababa where they want to construct and develop a tourist resort with 500 beds conforming to international standards to attract foreign tourists to the southern African region.

The DDC's five hotels, Rob Ini Second Beach, The Haven Ocean View and Lagoon, ran at a loss of R683 612 in 1992, up from the losses of R603 887 in 1991.

The office said the hotels were running at a loss "due to the recession and the violence."
Joint tourism mooted

SOUTH African Tourism Board executive director Mr Mavelo Maimang yesterday stressed the need for joint tourism marketing and development programmes to attract more international visitors to Southern Africa. Preliminary tourism results worldwide last year had reflected a total number of arrivals of 528 million people from whom about R120.5 billion was earned. Foreign arrivals 22/3/98.

While the rest of the world had enjoyed an average increase of three percent in foreign arrivals, Africa had a modest increase of half that figure.

Addressing the Zambian Hotel and Restaurant Association at Kariba, Maimang said there was a challenge to develop a solid framework for cooperation and coordination in the region.

"There is ample space for the development of tourism in our region and we must join hands and get on with the job. Tourism is about building bridges. Let us use tourism and our unique African hospitality to the benefit of all," he said. He warned against the tendency of most African countries to concentrate on international tourism at the expense of strengthening domestic tourism. Sapa
Protea blazes trail from Cape to Cairo

PROTEA Hotels has spent more than R360m over the past 10 months on upgrading its existing hotels and acquiring new ones in SA alone.

During the same period, Protea, which owns and manages hotels, had become the largest hotel group in Africa by expanding its operations from "the Cape to Cairo," Protea group marketing services director Allan Duke said yesterday.

In addition to the 70 hotels Protea operated locally, the group had seven hotels in Malawi, four in Tanzania, two in Kenya and one each in Egypt, Uganda, Swaziland, Mauritius and Reunion, Duke said.

"Two years ago — before the election — we took a gamble by deciding to invest heavily in anticipation of a tourism boost. We are now being rewarded by the massive upswing in tourism," he said.

According to Duke, in the past four months Protea's trade had been better than during the preceding 10 years.

He said R38m had been spent on the Balalaika Hotel Crown Court in Sandton, R16m to refurbish Sun Lumeer on Natal's South Coast and R16m to upgrade the rooms of the Capetonian. These hotels were part of the group's new Premier brand hotels.

More than R10m had been spent to refurbish the Protea Pigg's Peak Hotel and Casino in Swaziland late last year.
French love us, but not our hotels

SPECIAL CORRESPONDENT
PARIS: Record numbers of French tourists are visiting South Africa and returning with high praise for the friendliness they received, but are disappointed with some hotels and restaurant standards.

There is also a serious language barrier — but this handicap is overcome, the tourists say, by “the wonderful generosity from everybody at every level”.

But there was widespread disappointment over hotels, except for those in the luxury class.

A frequent refrain was: “The country’s hotel and restaurant sectors are in general below European standards.”

“Service is poor and the welcome is no great shakes. Counter clerk staff look on French franc banknotes as Mickey Mouse money — they just want American dollars or traveller’s cheques. They don’t really take French tourists seriously.”

Certain hotels in small towns were criticised for lack of amenities, shabby furniture and an unacceptable noise level from bars.

Often reservations went astray.

Restaurants were criticised for their curious habit of dim lighting, making it difficult to see what one was eating. Steaks were often far too large and tough. Salads were little more than lettuce leaves.

But all agreed: “Everybody was so nice and friendly that it did not matter.”

An official at the Satour office here said that 26 000 French tourists and businessmen visited South Africa in 1994, a giant leap from the average 16 000 who went annually during the apartheid era.
**Rates to stay 'for at least three to five years'**

**MUNICIPAL REPORTER**

PROPERTY rates would not be phased out for at least the next three to five years, Mr Andrew Boraine, an executive member of the Institute for Local Governance, said yesterday.

He was commenting on a report from Durban that property rates could be on the way out.

Mr Boraine said existing sources of finance had to be normalised in the short-term. This meant the property rates system should be spread to the entire city.

He said the existing system should be updated and made more efficient. For example, Cape Town's continued use of the 1979 valuations roll was seen as unfair.

In the longer-term, if property rates were not an efficient form of taxation, "then we must look at an alternative", he said.

But he warned that between 30% and 40% of local authority income was from property rates.

Mr Murphy Morobe, who heads the Financial and Fiscal Commission which will look into local government finances and consider proposals from local government and provinces, said the commission would look at sources of income "not necessarily in substitution of, but in addition to, existing sources", he said.

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**French love us, but not our hotels**

**SPECIAL CORRESPONDENT**

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Greens slam Kalako on Cape Point ruling

PETER GOOSEN
Staff Reporter

WESTERN Cape Premier Her- nus Kriel has been asked to rescind a decision of his Minis- ter of Sport, Recreation and Tourism, Lerumo Kalako, giv- ing the green light to the develop- ment of a new restaurant and funicular railway in the Cape Point Nature Reserve.

In a letter to Mr Kriel signed by the branch manager of the Wildlife Society, Andy Gubb, and conservation ecologist, Marlene Laros, reference is made to a letter Mr Kalako sent to the Western Cape Re- gional Services Council.

In it he allegedly said: "I hereby wish to inform your good office that I have no ob- jection to the proposed devel- opment taking place at the Cape of Good Hope Nature Reserve."

The Wildlife Society letter to Mr Kriel said: "As was the case with the proposed Tramnet de- velopment on the banks of Rietvlei, Mr Kalako did not inform interested and affected parties of his decision, in spite of the fact that in both in- stances there was considerable public opposition to the propos- als.

"The doubt which the Wild- life Society has with regard to the Western Cape regional gov- ernment's commitment to open and transparent decision-mak- ing has been strengthened by these actions of Mr Kalako.

"The Wildlife Society wishes to register the strongest possi- ble protest against the fact that again there is no public re- cord of Mr Kalako's decision."

In terms of the Environmen- tal Conservation Act of 1989, the Cape of Good Hope Nature Reserve falls within the Pro- tected Natural Environment and any development needed a permit from Cape Nature Con- servation. No permit had been supplied, the letter said.

Decision-makers should at least insist on an adequate en- vironmental impact assessment being undertaken prior to making decisions.

In his letter, Mr Kalako list- ed eight conditions under which he would have no objection to the Cape Point proposal.

"The Wildlife Society in gen- eral supports these conditions but is concerned about the fact that the wording of the letter does not require that these con- ditions be met."

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Man in the middle

Ramsamy

Sports
CITY BOWL

Noon gun could be part of tourist boom

Staff Reporter

PLANS are shaping up to make the noon gun fired from Lion Battery on Signal Hill a tourist attraction, with its firing marked by a short but colourful pageant every day.

Opening the battery to visitors has been under discussion between the SA Navy, Capetour and tour operators for several months.

Officer commanding SAS Wingfield Gerrie de Vries, said the navy had had many requests from historical, cultural and social clubs, schools, upliftment groups and youth movements.

"Naval headquarters has agreed in principle to work towards opening the battery. I personally envisage the firing of the noon gun becoming a short daily pageant. A demonstration of loading the gun, the hoisting of a "five minutes to noon" flag, a whistle at 30 seconds to noon, the big bang followed by a demonstration of sponging out the gun and covering it until the next day could be a "must" for tourists."

Commander De Vries said he had contacted the city council and the parks and forests department about the access road. He said the navy had done a lot of work on the site already but there was more to be done to make it safe for the public.

Capetour boss Gordon Oliver said he wholeheartedly supported the plan and was happy to be part of a lobbying process to get the project moving.

"This would be a unique attraction which no other city has. It would be most viable using business initiative and enterprise."

Leading tour operator Margi Biggs said the noon gun was fired six days a week and was a special event in the daily lives of Cape Town people.

"We hear it, check our watches and get on with our lives. This could be an event visitors would enjoy being part of. The quiet environment where these guns stand has spectacular views of the city and the bay. What is needed is planning to market the area, cleaning of the site, parking and an access road."

She said the Hong Kong Publicity Association's campaign urging visitors to "Stay an extra day" could be developed here with another "must do" experience to keep the tourist in the city for an extra day.

French tourists flocking to SA

NEWS

The Star / Thursday
Rioting students hit rector's office

DURBAN — About 400 students went on the rampage at Natal Technikon's Berea campus yesterday, damaging the rector's office.

"A Natal Technikon spokesman said it was believed the students wanted to present demands to the rector, Prof Andre du Preez. However, Du Preez was in Pretoria, and the students left without presenting their demands.

At Free State Technikon in Bloemfontein, about 100 students were arrested after they failed to respond to a police order to disperse.

"MODUZI KA HARVEY reports that Natal Technikon spokesman Kim Roderick said students had met Du Preez on Wednesday to complain about a fee increase, bursaries, accommodation and the institution's council.

Although they were told he would be in Pretoria yesterday, they decided to demand that he address them again. Then they ran amok.

"Du Preez will meet the students today to address their demands.

At Free State Technikon 200 students gathered on campus at 10am and began singing and chanting.

Free State Technikon spokesman Cas Vorster said a messenger of the court was called and conditions of an interdict banning them from certain activities on campus were explained to students before they were asked to disperse.

Students who refused to disperse were arrested. The conditions of the interdict were explained to them again, and they were released.

A police spokesman said if the same students were arrested again, they would be charged.

In Port Elizabeth, students at Vista University renewed a class boycott after suspending their protest for Queen Elizabeth's visit to the campus on Wednesday. Vista students' representative council president Lungile Dick said the SRC would review its actions on Saturday.

The national class boycott would continue until students "thoroughly understood the meaning of a letter" sent to them by national Education Minister Prof Sisihubu Bengu.

In Cape Town, NP Senator David Malatasi said drastic action was needed urgently to combat unrealistic demands and exaggerated expectations resulting in lawless disruption and intimidation at colleges and universities. The arrogance springing from an attitude of "demand" rather than "deserving" was making a joke of tertiary education.

The ANC had cultivated this attitude and should take responsibility for the lack of discipline and the lack of a learning culture, Malatasi said.

It also had to take responsibility for the vandalism and intimidation on campuses. The legitimacy of universities as autonomous institutions was being disregarded and, as a result, SA was losing valuable expertise and leadership.

Funds essential to the RDP were now being spent on repairing the results of campus vandalism, Malatasi said.

Classes at Peninsula Technikon in Bellville, near Cape Town, resumed today after a 10% across-the-board fee increase and a 5% residence fee increase were negotiated by students and the institution. Agreement was also reached on a number of measures to provide support for students needing financial assistance. — Sapa.

See Page 14

Townships plan 'toyi-toyi' tourist trade

EIGHTY former self-defence unit members may change the face of SA tourism when they announce plans to integrate "toyi-toyi" into township tourism at their graduation from the Thokoza Tourism and Hospitality Academy tomorrow.

Recruited from units in the East Rand, townships of Thokoza, Kelmsoog and Voorspoed last year, the eight have completed phase one of the academy's programme, an "introduction to tourism".

They are expected to announce the formation of a co-ordinating body for tourism in these townships at the ceremony.

The Pretoria-based academy was formed in November with the aim of empowering the largely unemployed and marginalised self-defence unit members. It was felt that curbing violence would bring tourists to the East Rand and members were in a strong position to do so.

"The first phase of our training programme has been tremendously successful," academy chairman Busi Hadebe said.

"The primary aim was to create an awareness of tourism and motivate participants to come up with workable ideas for tourism developments in their own areas." After graduation, they have the opportunity of completing phase two, which focuses on practical aspects, such as setting up a business and tourism structures.
Olympic bid ‘firmly back on track’

THE city’s Olympic Games bid is firmly back on track, according to reports from City Council’s executive committee yesterday.

A summit meeting to decide upon the new Olympic bid structure and board of directors will probably be held on April 3, says exco deputy chairperson Mr. Llewellyn van Wyk said yesterday.

He said the proposed summit had received support from the highest levels of provincial and metropolitan authorities, and from the Chamber of Commerce and Industries.

Minister of Sport Mr. Steve Tshwete will chair the summit, which will be attended by National Olympic Committee of SA president Mr. Sam Ramsamy.

Mr Van Wyk said he hoped the presidents of sports federations of various African countries would also be present, as part of an attempt to make Cape Town’s bid a “bid for all of Africa”.

The exco also committed itself to re-initiate the technical side of the bid, which has been frozen since private sector funders and the state held back their money pending the resolution of infighting.
confirmed he would return to the Olympic bid committee if conditions he had set for his return were met.

A summit meeting to decide on the new Olympic bid structure and the board of directors is to be held on April 5 and councillors are to debate the contents of a contract between the city council and Nocsaa on Monday.

Dr Craythorne told Weekend Argus the “bottom line” was Cape Town ratepayers would pay for the facilities needed — essentially an Olympic village to house 15,000 athletes and a sophisticated stadium to seat 100,000.

“It is a matter of how you arrange it (for the payment) and what you do with the infrastructure afterwards.”

He was commissioned by the Olympics Trust to do an analysis of the proposed contract with Nocsaa and to come up with a plan on how to get the bid back on its feet.

In his report, he said there would be a need for the regional legislature to enact a law to create a City of Cape Town Olympic board.

Expenditure would be on public sports venues (the local authorities to pay full costs of facilities) and on the Olympic village (the cost of which could be offset against sale price of units).

As a method of paying for these facilities, Dr Craythorne made four suggestions:

1. The Olympic board to issue debentures or bonds;
2. Fund-raising;
3. Piggy-back rates-levy on all rates and RSC levies. Alternatively, the provincial legislation could provide for a special property rate; or
4. The province to promote a special, perhaps one-time, levy on income tax (requiring national legislation).

Democratic Party provincial legislator Richard van der Ross said yesterday he doubted the Olympics would benefit Cape Town’s poor.

“I’m beginning to get worried about the Olympics ... especially now that the price tag has gone up from R6 billion to about R21 billion.

“We are asking: Is this really necessary?”
French tourists love SA but...

PARIS - Roughly numbers of French tourists are visiting South Africa and returning with high praise for the friendliness they meet — but disappointed with some hotel and restaurant standards.

There is also a serious language barrier, for relatively few French speak English and none speak Afrikaans or any other of the official languages.

But this handicap is overcome; tourists say by: “The wonderful generosity from everybody at every level. And it is much cheaper there than here.”

But there was widespread disappointment over hotels, except for those in the luxury class.”

A frequent refrain was: “The country’s hotel and restaurant sectors are in general below European standards.”

“Service is poor and the welcome factor is no great shakes. Counter clerk staff look on French franc banknotes as Mickey Mouse money — they just want American dollars or travellers cheques.

“They don’t really take French tourists seriously.”

Certain hotels in small towns were criticised for lack of amenities, shabby furniture, and unacceptable noise level from bars. Often reservations went astray.

Restaurants were criticised for their curious habit of dim lighting, often with candles, making it difficult to see what one is eating. Steaks are often far too large and tough, and sauces non-existent. Salads are little more than lettuce leaves.

But all agreed: “Everybody was so nice and friendly that it did not matter.”


An official at the Saroir office in Johannesburg said that 26,000 French tourists and businessmen visited South Africa in 1994, a giant leap from the average 16,000 that went annually during the apartheid era. —Foreign News Service.
Quality of tourist guides under fire

Angry operators lay blame on Satour

JILYAN PITMAN
Staff Reporter

THE quality of tourist guides graduating from local colleges and courses is poor and Satour is to blame, according to local tour operators.

Aggrieved operators say many graduates are only in the business for a job. What is missing is personality and commitment, they say.

Garth Luton, owner of a tour company in Muizenberg, said he was appalled at the quality of graduates.

"The right calibre of graduate is not coming out of these colleges," he said. "We have had many complaints from the public about them. We have actually asked some of them to leave. I've been told some graduates are being passed because they have the right language skills only. We feel colleges must accept the right people for the profession."

He said his company had to go back to a pool of "old" good-calibre guides who were prepared to work over weekends and when they were wanted.

When he trained to be a guide three years ago the fees were R400 a course. Now the fulltime courses ranged from a minimum of R870 to over R3000 a year and "the guides are worse."

Tour operator Margi Biggs said there were many guides in the industry but Satour in Pretoria was making it difficult to hire good guides because they insisted guides do the final exam only after they had taken a course.

"People wanting to get into the tour guide industry can't do it because of the cost and because Satour dictates," she said. "If we use non-qualified guides there is a stiff fine. I should be able to employ people to do my company proud but I'm forced to use graduates from courses. I know there are some wonderful people who would make excellent guides without any courses."

Damen's James Lizamore said there was a certain amount of truth in the complaints but said his company took only a limited number of students and did specific screening to make sure the right people came on to the course.

"We have to have a minimum of 15 students to make the course viable," he said. "We follow Satour's syllabus and a tour guide can only operate after being passed and registered by Satour. Our four-month course is comprehensive because of what a guide needs to know and we feel it cannot be done in seven days or less."

Satour is being blamed for its stranglehold on the industry because it lays down the syllabus and then insists guides do the final exam after they have taken courses at various institutions.

Greg McManus of Satour's Pretoria office said there was collusion going on at every level of the industry, with hotels and others using illegal and unregistered guides. We will cancel registrations of bad guides if operators let us know. Anybody can register their own training programmes with Satour. An ad-hoc approach to training is not acceptable. We have a system based on sound principles and it's working."

Tour operators are also concerned at taxi drivers acting as tour guides without registration and that Captour is briefing taxi operators on how to handle rugby fans and issuing temporary permits without consultation with tour operators.
Most visitors were on holiday

PRETORIA. — Nearly two-thirds of foreigners entering South Africa last year came on holiday, the Central Statistical Service said in Pretoria.

This was an increase in tourism by 11 percent on 1993.

Compared to 1994, there was also an overall rise — 17 percent — in the number of foreigners visiting South Africa in 1994.

About 22 percent of the total of 785 574 entered the country for business reasons. — Sapa.
Fundless' tourism body given R3m

Political Staff

BETWEEN September 1993 and February 1994 the National Tourism Forum, chaired at one stage by Peter Mokaba, was given more than R3million, of which R143,000 was not entered in the organisation's books.

Speaking in the national assembly interpellation debate yesterday, Francois Jacobsz (NP) said the forum, which had achieved "nothing to date", had folded due to a lack of funds.

Auditors had identified potentially irregular payments of R900,000 for travel, accommodation and cellular telephones for which there had been no authorisation.

Dr Jacobsz said Mr Mokaba was paid R246,000 a year by the forum.
NO REPRESENTATIVES YET FOR CRUCIAL SUMMIT

Bid proposal: Council bungle stalls adoption

THE METRO Council could not adopt crucial recommendations on the Olympic Bid last night because most committee members failed to attend the meeting, DALE GRANGER reports.

A CRUCIAL meeting to propose that the metropolitan council adopt the Olympic bid recommendations of town clerk Mr Keith Nicol failed last night when exco and the economic management committee were unable to achieve a quorum. Less than half the committee members arrived.

Councillor Mr Arthur Wenburg was angry to learn that council had adopted recommendations on Monday amending their proposed contract with the National Olympic Committee of South Africa (Nocsa).

Mr Wenburg objected that he had only just learned of the presentation and the amendments. Deputy exco chairman Mr Llewelyn van Wyk said, however, that notice of the meeting had been sent to all councillors.

The amendments included a recommendation that Grinaker Sports, contracted to Nocsa for their marketing, succeed Mr Raymond Ackerman's Olympic bid team and enter into a written agreement with the city council as the official marketing agents of Cape Town's bid.

Summit

The contract was also amended to state that Nocsa's expenses for the bid should be negotiated with the council before being approved.

Last night's abortive meeting comes just days before next week's crucial summit of Olympic bid players from the government, the private sector and the council to select a new bid committee.

The council has still not elected the four members to represent them at the summit.

A motion by Mr Wenburg calling on Cape Town not to sign any agreement with Nocsa before a full financial risk-benefit analysis was done was ruled out of order yesterday.

Analysis

Metro chairman Mr Willie van Schoor said the council had already adopted an executive committee recommendation that every effort should be made to save the bid.

Mr Wenburg had wanted the analysis to be conducted by a committee which would report back to the council by the end of May.

This is about a month after the deadline set by Nocsa president Mr Sam Ramsamy.
Call for probe into ‘Mokaba’s forum’

ANTHONY JOHNSON
POLITICAL CORRESPONDENT

An investigation into the National Tourism Forum — chaired until recently by ANC MP Mr Peter Mokaba — has revealed the now defunct body received over R3 million from donors by the end of September last year.

The probe, conducted by the accounting firm Deloitte, Touche, Tohmatsu, found R2.5m of this money was recorded in a cashbook as having been received, but R142619.64 was not recorded.

The accountants found salaries paid to forum staff “fluctuated significantly from month to month” and recommended the reasons for the fluctuations be investigated.

They have also recommended in a report that the numerous payments to forum members for travel purposes be investigated.

The report has led to the NP calling on Mr Mokaba — chairperson of the parliamentary standing committee on tourism — to resign.

It has also asked the ANC for an independent inquiry after claims Mr Mokaba paid himself R246 000 annually as chairman of the forum (besides his R190 000 annual salary as an MP).

Mr Mokaba has denied he is implicated in any corruption or wrongdoing. He sent a report to ANC secretary-general Mr Cyril Ramaphosa last month following his own investigation into alleged corruption in the forum.
Olympics: City council to go ahead with bid

ANDREA WEISS
Municipal Reporter

THE Cape Town City Council has made the all-important decision to proceed with the Olympic bid by agreeing to send four representatives to a summit on Wednesday called by sports minister Steve Tshwete.

At its monthly meeting yesterday, the 80-member council agreed that "with pride and humility" it would accept an invitation to bid on behalf of the city, the metropolitan area, the region and South Africa.

It also decided to nominate four representatives to attend the summit at the invitation of Mr Tshwete so that a formal bid structure could be established.

This structure could also be given the right to sign a contract with the National Olympics Committee of South Africa on behalf of the city.

But former mayor Patricia Kremer also called on new mayor William Bantom to convene a public meeting if the summit was not able to fully inform people about the bid.

Arthur Wienburg and Kenneth Penkin were the only two councillors who voted against the proposal to proceed with the bid.

Mr Wienburg asked that no decision be taken before a full financial assessment was done and reported back to council.

But he was countered by other councillors who said that the bidding process would reveal the financial implications.

Leon Markovitz, co-chairman of the economic development committee, said there could be no more delays over the issue.

"We must stop the bloodletting and the anti-Olympics talk because it is bad for the image of Cape Town."

He added: "Unless we move forward we are going to become the laughing-stock of the country."

But he said heed should be taken of Mr Wienburg's concern.

Clive Keegan, also a co-chairman of the economic development committee, said Mr Wienburg was trying to delay the process so as to make the bid impossible.

The whole purpose of bidding would be to undertake the kind of financial analysis Mr Wienburg was asking for in the next 17 months.

He said if it became apparent during that time that the city and the country could not afford the Olympics, "we reserve our right to pull out".

Faldilea de Vries of the SA National Civic Organisation accused Mr. Wienburg of using facts selectively. She said the Olympic bid should also be assessed for how much it would benefit the underprivileged, particularly with regard to housing and employment.
Rugby World Cup fever has hit the hotel industry and even far-off hoteliers are bargaining on some good returns on recent room expansions. But sufficient accommodation is not the only passport to a successful return to international tourism, warns Eastern Transvaal Economic Affairs & Tourism Minister Jacob Mabena.

Speaking at the opening of a new wing at Hazyview’s Protea Hotel, Mabena expressed concern whether the SA tourist industry can face up to the approximately 800,000 foreigners expected to visit the country this year.

“If they form a good impression on their first visit, they will become our publicity vehicle, said Mabena. “Equally, if the first impression is bad, they will go back and spread the bad news.”

Hazyview Protea owner Wicus Pretorius says expansion has been necessitated by a 60% increase in tourism during the last three months. “I expect the international market to increase substantially.”

While Protea Hotels are not the official world cup hotel group, the overall accommodation shortage has benefited the group. The shortage of rooms has been underlined by SAA’s announcement that it will pay employees R150 a night for accommodating passengers stranded in SA during the month-long competition.

Another hotel, the Boulevard, in Pretoria, has just completed a R4m refurbishment programme. It also expects to benefit from the tournament.
SA on crest as tourism boom becomes reality

From Page 1

also good.

The huge hotel chain unveiled a refurbished four-star Holiday Inn in Pretoria on Friday. The refurbishment cost R7-million.

A R500-million, 2 000-seat convention centre and casino was being planned by the Three Cities Hotels group for Johannesburg's Carlton complex to attract a share of the world's lucrative conference market, said chairman Russell Stevens.

This project would go ahead by the end of the year if the relevant casino licence were tied up, said Carlton Hotel general manager Christopher Trimbly.

Reopen

Occupancy of the 500-room city centre hotel — mainly catering for businessmen — is 45% up on last year.

"If the current trend continues, we will consider 1996 as the date when we will reopen the seven floors which were shut down in 1988," he said.

Protea Hotels sales and marketing director Danny Bryer reported a dramatic increase in business by 80% and in occupancy in the group's mostly three and four-star hotels over 1993, but cautioned that this was judging off a low base because hotels were running only 55% full before the election.

He said Protea plans included upgrading and refurbishing existing outlets, and identifying tourist pressure points around the country to build new hotels.

Sheraton is investigating the South African market, and Hyatt International comes to SA with the launch of its R165-million five-star hotel in Rosebank, Johannesburg, in November. This group is investigating two other sites in Durban and Cape Town. City hotel's Park Hyatt general manager Robert Desmond.

"Cape Town, Johannesburg and sites in and around the Kruger National Park are top of the priority list... we will be looking at more deluxe units," he said.

Captour chief executive Gordon Oliver said: "Satour estimates Cape Town gets about 70% of all foreign tourists.

"Since October, our hotels have been running 80% to 100% full, and they are currently fully booked until after the Rugby World Cup in June."

SA rides crest of new tourist boom

By Shirley Woodgate

South Africa is experiencing the best stages of a tourist boom that is set to turn into a permanent trend, which started in 1986 with the introduction of sanctions.

SA's foreign tourists grew by 13% last year, according to South African Tourism figures... which showed there had been an 11% increase in visitors in 1986.

"The current trend is expected to continue," said Satour chief executive, Gordon Oliver.

South Africa's hotels, restaurants and beaches have been booked at a record level. The Central Statistical Survey showed there had been an 11% increase in visitors in 1986.

"The current trend is expected to continue," said Satour chief executive, Gordon Oliver.

"We are very happy that South Africa's tourism industry is on the upswing," said Oliver.

"We are very happy that South Africa's tourism industry is on the upswing," said Oliver.
Rugby player is ‘critical’

The Argus Bureau

PORT ELIZABETH. — A young Port Alfred rugby player is in a critical condition after injuring his head during a game at the weekend.

Riaan Klopper, a 20-year-old furniture salesman, was carried off the field at Port Alfred on Saturday during a match between South Eastern Districts and Fish River Sun.

A spokesman for the Port Alfred rugby club, Ronnie Green, said Riaan was seen jumping for the ball when players ran into him, bumping his legs from underneath him.

It is thought he might have fallen on his neck.

Smoking law ‘aids tourism’

Municipal Reporter 288

THE Cape Town City Council’s new smoking-by-law has been welcomed as a boost for tourism.

The National Council Against Smoking said it was important that South African cities should aspire to international standards set in European, American and Asian cities.

Also, British Airways and Cathay Pacific had introduced smoke-free flights to South Africa.

“By restricting smoking, Cape Town will provide a more comfortable, safer and healthier indoor environment, not only for tourists but for all,” the council said.

Health care must reach more

Staff Reporter

A MORE cost-effective and efficient primary health-care system, serving all the communities in the province, was needed to solve the health crisis, delegates to a meeting of the Cape Independent Practitioners Association were told.

The association, representing pharmaceutical companies, hospitals, health services and several paramedical professions, intends finding solutions to the health-care crisis in under-serviced communities in all parts of the Western Cape.

Chairman Steve Jooste stressed the need to extend services to a greater number of people.

Suggestions for a more cost-effective and efficient health system included:

- Using the most appropriate medicine for the condition to reduce costs for patients.
- Agreeing on a single exit price for drugs to eliminate variable cost structures based on factors such as volume.
- Creating a national code of distribution for drugs to achieve efficient administration of the supply of medicines.
- Guidelines for the best awareness in terms of cost and quality of health care.
PENSIVE: Sam Ramsamy in a serious mood.

BIG BUSINESS: Also at the meeting were Pick 'n Pay chief Raymond Ackerman and his wife Wendy.

Bid crisis summit begins

ANDREA WEISS
Municipal Reporter

AN atmosphere of deep earnestness prevailed today at the start of a crucial Olympic summit involving all role players in Cape Town's efforts to secure the 2004 bid.

Present among the delegates drawn from a cross-section of society was supermarket magnate Raymond Ackerman and his wife Wendy, along with other businesspeople, representatives of sports bodies, and all tiers of government.

Sports Minister Steve Tshwete, who was hosting the summit, appealed to delegates to set aside any differences in view of the importance of securing the bid for South Africa and the continent of Africa.

Mr Tshwete said at a recent meeting of the Supreme Council for Sport in Africa, held in Harare, that the support Cape Town had enjoyed was massive, and he had been told that the bid was no longer just a South African affair.

"It has become a continental bid. I was assured of the 17 votes from Africa at the International Olympics Committee."

Mr Tshwete said the Commonwealth had also shown excitement about Cape Town's prospects.

He warned that if the meeting ended in disarray it would lead to disenchantment and the demoralisation of the people of South Africa.

"I implore you to forget about your individual selves. Forget about how important you are in whatever sphere. We must be inspired about one single vision.

"Forget about the acrimony of the past. Let us bury the bad blood."

Mr Tshwete was referring to public acrimony between Mr Ackerman, who had headed up the Olympic bid committee before he resigned, officials from the Cape Town City Council and Nesca president Sam Ramsamy.

Opening the summit, Cape Town mayor William Bantom quoted Martin Luther King's famous words: "I have a dream."

He appealed to Cape Town to ensure that the "jingling discords should be converted to "a symphony of brotherhood."

"I believe Cape Town is the city for the Olympics 2004. My prayer for you is that the Olympic bid committee will be formed and unity will prevail."

Western Cape Premier Hernus Kriel pledged his support for the bid but said it would have to be properly structured with all representatives included.

All financial role players would have to bind themselves to the financial commitment required. This included central, provincial and local government as well as the private sector.

Mr Kriel said if the summit decided to form a Section 21 non-profit company to lead the bid, its first task would be to confirm the figures put forward by the former Cape Town bid committee and get the commitment from the financial players.

More reports: page 3
The Argus, Wednesday April 5 1995

MONACO - CHINESE structuring event would mean wealth and instant facial happiness!

Still hangings in the balance
Cape Town's bid for 2004

To reduce costs the IOC is using its next session in Budapeszt to make a final decision on the site of the 2004 Games. It will not only be a chance to host the Games in 2004. It is expected that the first major games to be held in 2004 will be the Olympics which will be hosted by the African city. The 1996 Olympic Games in Atlanta is a clear example of how this promise will be kept because the Games will be included in the host country's economic growth. The city to host the 2004 Games is expected to be chosen in 1997. The city of Cape Town is no stranger to the problem of hosting international events and it has been hard shocked in the recent ceremonies. The city of Cape Town is expected to be chosen for the 1996 Olympic Games. The city of Cape Town has already hosted the 1996 Olympic Games and the athletes are expected to benefit from the facilities which were considered to be second to none. The city of Cape Town is expected to host the Olympic Games in 2004. It is expected that the city of Cape Town will be chosen to host the Games because of the city's natural beauty. The city of Cape Town is expected to be chosen for the games because of the city's natural beauty and the city's natural beauty. The city of Cape Town is expected to be chosen for the games because of the city's natural beauty and the city's natural beauty. The city of Cape Town is expected to be chosen for the games because of the city's natural beauty and the city's natural beauty.
R500-m boost for Cape Town transport system

CLIVE SAWYER
Political Correspondent
CAPE TOWN'S transport system is to get a kick-start of almost R500 million to serve all its citizens.

About 30,000 jobs will be created.

The regional economy will be boosted by about R1 billion from the investment.

Transport Minister Mac Maharaj told the senate yesterday that R470 million had been earmarked for improvements to Cape Town's transport system in the next two years.

Of this, R70 million would go to planning, including for the Olympic bid, and R400 million to infrastructure.

The money would come from the state revenue fund to the urban transport fund, and would be channelled through the Cape Town Metropolitan Transport Advisory Board's consolidated metropolitan transport fund.

Mr Maharaj said the proposed projects were designed primarily to improve public transport and the development of marginalised areas in the metropole.

All proposed projects were measured against the principles and objectives of the reconstruction and development programme.

"Initial indications are that the majority of projects, as proposed, support the RDP very strongly."

Direct benefits from the initial investment would include the creation of about 3,000 jobs in building the infrastructure.

Indirect benefits included the fact that about 60 percent of the road improvement projects would benefit disadvantaged communities throughout Cape Town.

"All the remaining projects are designed to complete a system which will serve all the citizens of Cape Town."

The R1 billion boost to the regional economy would increase the number of jobs created to about 30,000.

Mr Maharaj said the programme would provide tangible evidence to potential foreign investors of South Africa's commitment to macro-development.

"The RDP will be perceived as being a sound programme in its ability to genuinely develop. Certain projects could be implemented in disadvantaged areas almost immediately."

The "kick-start" programme would provide the impetus to restore public transport as the primary way to commute. This was essential for cities to survive and to grow effectively, Mr Maharaj said.
Russian plans 10 hotels in SA

BY AUDREY D'ANGELO
CAPE BUSINESS EDITOR

The international Marvel group, headed by Russian-born Mark Voloshin, is planning a multimillion-rand investment in hotels and restaurants throughout South Africa in readiness for further growth in tourism.

Voloshin announced at a media conference in Cape Town that negotiations with the US-based Carlson Hospitality Group had resulted in an agreement to build 10 hotels in this country.

The negotiations, started in Minneapolis last month, will continue in South Africa next week.

The choice of sites for the hotels and a chain of "Thank God Its Friday" restaurants will also be discussed.

The preliminary proposal is to locate them in Cape Town, Pretoria, Johannesburg, Nelspruit, Durban, Stellenbosch, Pietersburg and Nylstroom.

Marvel has sizeable investments in South Africa including a 51 percent stake in Concorde Travel Holdings, the only travel company listed on the JSE.

It has a guest house with seven presidential suites and six single suites in Pretoria, and another incorporating three villas overlooking Cape Town's Clifton beaches.

It bought the Hazendal wine estate, dating back to 1704, last year and is in the process of restoring the house and developing the vineyards.

It established Helios Power, which makes solar panels, in 1991.

It is also involved in a venture to upgrade the defence force's Mirage aircraft with the Russian Klimoff engine.

In addition to these business ventures the Marvel Foundation funds the Centre for Russian Studies at the University of Cape Town.

Voloshin, the group's founder and chairman, has also opened a Russian art gallery in Cape Town.
DEMAND FOR BETTER TOILET FACILITIES

Tourists flushed with displeasure at city loos

CT 5/4/95 (228)

THE COUNCIL, inundated with complaints about the city's poor toilet facilities, is in the final stages of a major study of public toilets. PETER DENNEHY reports.

COMPLAINTS about street people who relieve themselves in public have led to a demand for more public toilets.

Mr Gordon Oliver, chief executive officer of Captour, said in his opinion the city was underprovided with public toilets. This had been raised, and "we have been told that (the council) is about to finalise a major study".

He said tourists often could not find public toilets, several of which were underground, and when they did find them, they were frequently disappointed with the state they were in.

Council officials confirmed that "as a result of continued complaints and allegations that the facilities are inadequate", urgent attention was being directed at public toilets.

Part of the focus of an almost-completed study was on rationalising administration of the toilets, which are presently controlled by three departmental branches: Environmental health, civic amenities and parks and forests.

An amenities branch official said there was no doubt that at peak season there were not enough public toilets on beaches. Council policy was to put temporary toilets there at busy times, as it was not worthwhile to provide permanent structures that were only needed for two months a year.

It would not be a good idea to teach street people to remove manhole covers and use the sewerage system itself as a immediate-access toilet, because few would be likely to replace the covers afterwards and many might do their business into the wrong manhole, fouling up underground services.
GOODWILL VISIT: Atlanta mayor Mr Bill Campbell at a cocktail party near Johannesburg yesterday. Mr Campbell is on a goodwill visit to the country. The city of Atlanta will host next year’s Olympic Games. Cape Town is hoping to win the right to stage the Games in 2004.

Olympics: R1bn boost for city

CAPE TOWN’s economy will receive a R1 billion boost and 30,000 new jobs will be created as a result of state investment in the city’s transport infrastructure related to the 2004 Olympic bid.

Transport Minster Mr Mac Maharaj told the Senate yesterday that the R470 million of central government money that had been approved to upgrade the city’s public transport system would directly serve disadvantaged communities.

“The ‘Kick Start’ programme will provide the initial impetus to restore public transport as the primary mode of travel, which is essential for our cities to survive and grow effectively,” he said.

Meanwhile, the director-general of the IOC, Mr Francois Carrard, has said they would probably introduce an early selection procedure in June, reducing candidate cities to a shortlist of four.

The city to stage the 2004 Summer Games will be chosen in 1997.

Mr Maharaj said the proposed projects were primarily directed at improving public transport and the development of marginalised communities in the metropole. The direct benefit would be the creation of about 30,000 jobs in the building of the infrastructure.

The indirect benefits are:

○ The region’s economy will be boosted by about R1bn through direct and induced expenditure arising from the R400m invested in infrastructure.
○ In the road infrastructure, over 60% of the projects will directly serve disadvantaged communities.

Summit

Meanwhile, a summit is to be held today aimed at getting Cape Town’s shaky 2004 Olympic bid back on track — and supermarket magnate Mr Raymond Ackerman has agreed to attend.

“Now that most of the terms and conditions I set out have been met, I have decided to attend.”

He said one of his basic conditions to return to the bid was that he return as chief executive officer of the bid committee. “I have never backed down on that.”

He would train someone to take over from him and had employed two placement firms to look for such a candidate.

It was crucial that the summit meeting put an end to the acrimony surrounding the Olympic bid, he said.

“If the acrimony continues, frankly the bid doesn’t get a chance. It has been an enormous job to keep the people on board who have done extensive work on the bid. They still have not been paid, so it is crucial to get them back on track.”

It was reported from London that ballroom dancing and surfing are the latest pastimes to win recognition, albeit provisional, as major competitive sports from the International Olympic Committee.

They joined rollerskating, trampolining and over other sports undergoing two-year trials before applying to join the official Summer Olympic programme. — Staff Reporters, Reuter, The Telegraph plc
Runaway World Cup tourist record likely

JOHN YELD
Staff Reporter
FREE-SPENDING fans at the Rugby World Cup are expected to boost overseas tourists to a record 800 000 plus.

At a function at Groot Constantia, the South African Tourism Board (Sataour) executives said the flourishing tourism industry was expected to earn South Africa an additional R700 million in foreign exchange.

New opportunities in the industry, linked partly to the smooth change to a democracy and to the personality of President Mandela, could see tourism becoming South Africa’s major economic force and the main contributor to the government’s reconstruction and development programme, said Sataour executive director Masuso Msimang.

“It is our duty to ensure that tourism improves the quality of life of all South Africans,” Mr. Msimang said.

“A budget for tourism is actually an investment in the RDP because of the potential for job-creation.”

But there were constraints on tourism’s ability to contribute to the RDP because the government’s financial contribution to tourism promotion had been significantly reduced.

“In view of the weak value of the rand, international marketing has become extremely expensive and consistent funding is necessary to achieve long-term goals,” Mr. Msimang said.

Responding to a question, he said he was unable to explain why the politicians had cut the board’s budget in the face of evidence that investment in tourism paid dividends.

Countries with comparable attractions were making more money from tourism than South Africa.

Tourism contributed about three percent to South Africa’s gross national product compared to a world average of six percent.

“Being such a labour-intensive industry, the contribution of tourism to socio-economic upliftment could be tremendous, and we all share this responsibility.”

Various private sector initiatives were due for completion this year, creating hundreds of new job opportunities in tourism-related projects.

Mr. Msimang said there were discussions about a regional tourism organisation for southern Africa which could include regional marketing.

“I think there is wisdom in pulling everyone (in southern Africa) together. There are no sacrifices in doing that... it is truly a win-win situation.”
Ackerman back at Olympic bid helm

ANDREA WEISS  AUG 6/4/98
Municipal Reporter

RAYMOND Ackerman is firmly back on board Cape Town's 2004 Olympic bid.

Mr Ackerman's reinstatement took place during a crucial summit on the Olympic bid, to which all stakeholders had been invited by Sports Minister Steve Tshwete.

Among the key decisions made at the summit was for a Section 21 company to be set up with a broadly representative board of directors to guide it.

The post of chief executive officer of the company was likely to be advertised widely to attract a top-calibre business person.

Meanwhile, a steering committee of 14 people, nominated by the summit, appointed Mr Ackerman chief executive officer to pick up where the former bid committee had left off until the new company was in place.

This committee meets today to decide on crucial issues surrounding the bid's progress, among them the search for a chief executive officer of the proposed company.

Mr Ackerman's return was welcomed by Clive Grinaker of Grinaker Sports Management, which is involved in funding sponsorship for the bid, who said inclusiveness and accountability were being followed.

After several hours of deliberations immediately after the summit, Mr Tshwete said the committee had decided to elect Mr Ackerman as chief executive officer to re-activate all the work that had been done.

He said the committee would work towards the speedy setting up of the Section 21 company and would carry out the mandate given to it by the summit.

Mr Tshwete said he would chair the committee meetings, assisted by former co-chairman of the bid committee Ngcide Balfoor.

The Olympic summit ran smoothly for the most part until Mr Ackerman rose towards the end to put forward his conditions for returning to the bid, including his return as chief executive officer in the interim.

In an emotional speech, he questioned whether he had the support of the city of Cape Town after more than four years' work on the bid.

He was reassured that nobody was opposed to his involvement in the bid, but that the feeling was the committee should decide who should play a leading role in it.

Mr Tshwete reassured him from the chair: "I don't think the view is that we don't want you."

He appealed to Mr Ackerman to attend the committee meeting to reflect on the mandate the summit had awarded it, as it was not clear at that time whether Mr Ackerman would remain with the bid.

More than four hours after the committee met, it was announced Mr Ackerman had accepted the appointment as chief executive officer.

But, Mr Ackerman said he hoped a new chief executive officer would be found soon, at which time he would consider playing another role.

"I am very pleased the bid is back on stream. I feel our problems are now over," he said.

The interim committee includes Mr Ackerman, Mr Tshwete, Mr Balfoor, Western Cape Sports Minister Lerato Kalako, Cape Metropolitan Council chairman Willie van Schor, Cape Town councillor Clive Keegan, National Olympics Committee chairwoman Irene May of Nedbank and Roger Veysey of Murray and Roberts (both representing potential sponsors),

Philip Krawitz and Sipho Tuttuthele representing business, David Bridgman of Weegro, Ronald Bernickow of Cosatu and Danny Jordan of the National Sports Council.
International visits up 25% (22%)

By Andrew D'Alberto

International travel to South Africa couldn't be more buoyant, Mavuso Msimang, executive director of the SA Tourism Organisation (Soutour) said at Groote Constantia, Cape Town, yesterday.

He said overseas arrivals in October last year were 25 percent higher than in October last year.

Air links were an important factor in this growth. There were 60 international airlines flying to South Africa now, compared with 20 five years ago.

The latest figures showed tourism providing about 450,000 jobs and contributing three percent of GNP. However, there was still scope for expansion, Msimang said it ranked only fourth as a foreign exchange earner. Worldwide it was the main foreign exchange earner.

Tourism had enormous potential to contribute to reconstruction and development because it was labour intensive. However, there was a need to make the country safer and to improve productivity and standards of service.
AFRICA needed unity and solidarity to overcome the burdens of under-development and economic recession, Mr Nelson Mandela said yesterday.

Speaking at a banquet in honour of Tunisian president and chairman of the OAU, Mr Zine El Abdine Ben Ali, he said the joint commission to be established by the two countries would provide a good framework for bilateral relations.

The two countries, both blessed with natural beauty, had much to gain from the agreement on tourism signed yesterday.

Reminiscing about his visit to Tunisia in March 1962, President Mandela said he was pleased to reciprocate after three decades the hospitality Tunisia had offered him. — Sapa
Bid must focus on long-term development

STAFF REPORTER

An Olympic bid must be based on the long-term urbanisation and infrastructural needs of the city, rather than the requirements of the Olympic Games and the athletes themselves.

This is the view of Mr Josep Acebillo, Barcelona's Olympic infrastructural technical director, who is in the city as guest speaker of the Africa 2000 architectural and planning conference.

Mr Acebillo said yesterday he admired Cape Town's "rich, natural geography but thought the infrastructure of "poor quality".

He said the Barcelona Olympic Games were a long-term success because the Olympic infrastructure was implemented in accordance with the long-term urbanisation needs of the city.

Only 10% of the Olympic budget was spent on sports facilities while 90% was for urban development, he said.

The Barcelona Games had not made a great deal of financial profit but "this was never the intention," he said. Instead, the Games had enabled the different tiers of government in the city, together with the private sector, to undertake large infrastructural development projects that would otherwise not have been possible.
That's why we want to see the $2.4 billion Olympic sports complex in Rio de Janeiro's Olympic Park. It's designed to provide world-class facilities for athletes and fans alike. The complex includes state-of-the-art venues for various sports, as well as parking and transportation options.

I'm excited to see how well the Olympic athletes perform here, and I can't wait for the public to experience all that the complex has to offer. It's going to be an amazing spectacle!
SAA to mobilise its entire fleet for World Cup

Claim about number of visitors disputed

BY SHIRLEY WOODGATE

South African Airways has disputed South Africa's claim that only 20,000 visitors are coming to South Africa for the Rugby World Cup.

At the latest count, SAA reported that a record 37,000-40,000 additional passengers were expected on international flights during May and June, senior manager, product development, Danie van Wyk said.

These figures excluded people booked on other airlines and included administrators, media supporters, friends, family and team players being transported by the official RWC carrier, he added.

SAA is confident it can handle the influx of fans to and from the country and between venues.

Senior manager for marketing communications Ian Bromley said SAA would mobilise its entire fleet for the event, with longhaul Boeing 747s and 767s with a seating capacity of between 300 and 380命令ed between international flights to shuttle fans between venues during peak periods.

Some 25 additional international flights and 170 extra domestic flights had been scheduled in addition to the 4,000 monthly flights around SA. SA Express, Comair and various charter companies would provide additional flights.

A third of the international fans are expected from Britain, followed by Australia, New Zealand and France.

Commenting on the processing of passengers at the various airports, Bromley said the shortage of accommodation would be addressed by transporting fans to and from away-match venues on the same day.

In-flight processing of international fans through customs and immigration was in place and special SAA client service teams would be stationed at all domestic airports to speed up the flow of passengers.

In some cases the entire load of fans and their baggage would be taken directly from the apron to their bus, and a 24-hour operations control centre would coordinate flight scheduling and logistics of moving tens of thousands of fans to and from hotels and match venues.

In the event of flight delays, SAA staff have offered to accommodate visitors overnight in their homes near Jan Smuts Airport, and Rand Afrikaans University has indicated that 800 rooms will be available at short notice.
'Remarkable' progress as committee gets to work

Municipal Reporter 23/11/95

THE interim Olympic bid committee, elected on Wednesday, has made 'extraordinary progress'.

This was the view of Clive Keegan, who represents the Cape Town City Council on the committee of 14. He said several very firm decisions had been made at the lengthy meeting.

The committee is under the chairmanship of Sports Minister Steve Tshwete, with NGosde Balfour as his deputy. Raymond Ackerman is the chief executive officer.

Among the decisions made was a resolution to pay all outstanding debts of the former bid committee.

Mr Keegan anticipated that the registration of a Section 21 company to take the bid forward would happen within a fortnight.

He said the documents were formally lodged with the registrar yesterday morning.

Sponsors including Murray & Roberts, Sun International and Nedbank, which are represented on the committee, had indicated they were still on board and awaiting the creation of the legal body.

Apart from that, the meeting heard progress reports from consultants and departments of the city council, he said.

The advertising of the post of chief executive officer for the committee had not been discussed because of time, although it was on the agenda.
Courtyard Group is to expand with new hotels

THE Courtyard Group is set to expand by constructing new hotels around SA, a move facilitated by the recent deal negotiated with City Lodge hotels, says Courtyard MD Paul Koep.

City Lodge announced last weekend it had acquired 50% of the Courtyard Group for R18m with effect from April 1. The deal meant City Lodge acquired 100% of the Courtyard Management Company, and stakes in the five hotels under the Courtyard banner.

Koep said the additional muscle of the City Lodge group would allow the Courtyard Group to expand faster than initially expected and provide more Courtyard hotels around SA.

He said plans in the near future included the expansion of the Arcadia Courtyard in Pretoria and the construction of new hotels in Cape Town and Johannesburg.

Further hotels were planned for Pretoria and Durban, but Koep said these were longer-term development projects.

The Courtyard Group opened three new hotels last year, a 69-suite Waterfront Courtyard at Johannesburg's Bruma Lake, a 70-suite Courtyard at Cape Town which incorporated the historic Valkenber Manor House and a smaller 43-suite hotel in Arcadia, Pretoria.

Koep said the group already had hotels operating in the Johannesburg suburbs of Sandton and Rosebank, and estimated that the current replacement value of the five operating hotels was around R80m.

Courtyard group marketing director Geoff Hindle said all of the hotels were trading well and occupancies for the next three months were close to capacity.

Hindle stressed that the deal with City Lodge would have little effect on the Courtyard group's staffing levels.

Directors were confident the deal would enable City Lodge to benefit from the upturn in the economy as well as the growth in business travel and tourism.

The market has reacted positively to the purchase, with City Lodge's share price rising to R23.75 on Monday from R23 and increasing further this week to close at R24 yesterday.
Cape-to-Cairo dream coming true

In 10 short years Protea has grown into Africa’s leading hotel chain (288) FM 7/4/95

The opening next month of the Ein el Sokhna Tourist Village, comprising 160 villas and a 54-bedroom hotel on the shores of the Red Sea in Egypt, will mark more than just another milestone in the growth of Protea Hotels.

The development represents a significant stride towards realising the group’s dream of linking the Cape to Cairo via a network of top-quality hotels throughout Africa.

Executive chairman Otto Stehlik says from a small beginning 10 years ago Protea has grown into Africa’s leading hotel chain and the 33rd largest in the world in terms of number of hotels, according to the American magazine Hotels, one of the sector’s most authoritative publications.

Apart from dominating the South African hotel sector with 52 properties around the country, Protea operates in 10 African and Indian Ocean island countries — Swaziland, Zimbabwe, Malawi, Kenya, Tanzania, Uganda, Egypt, Reunion and Mauritius.

This means the group is ideally placed to develop unprecedented facilities for travellers on the continent’s most important tourist axis — the route from Cape Town to Cairo through east, central and southern Africa.

Equally important is the role Protea plays in the development of the hotel industry in SA through its own properties and those it manages, and in some cases, franchises on behalf of owners.

With tourism seen by many analysts as a key factor in the region’s economic revival it is crucial that suitable infrastructure should be in place to cater for foreign visitors and domestic travellers.

Protea executives believe they are ready to meet the challenge.

A world player

Protea’s growth has earned it an enviable reputation

Protea Hotels executive chairman Otto Stehlik faces the dilemma that confronts the CEOs of many growing businesses: how to reorientate the company without undermining its essential character.

When it was established 10 years ago Protea fostered a family business culture based on three core values: respect for human dignity; the best guest service; and a striving for excellence.

“ ‘The group started with the intention of establishing a network of hotels in geographically strategic locations with support infrastructure in areas where we could add value. This has been largely achieved and our original corporate philosophy has formed the basis for our rapid growth in SA and positioned us favourably for expansion into new areas where Protea has a distinct trading advantage,” says Stehlik.

As Protea grew it developed a profile that can best be described as that of a big small company.

But continuing growth is pushing it into the lower ranks of big companies, Stehlik accepts the need for the transition. The challenge is to manage it in the best interests of all Protea’s stakeholders.

The change will inevitably mean shedding the family business image and embracing a more formal corporate culture. But change will not be allowed to compromise Protea’s core values, principles and beliefs.

“We are committed to growth and the process is irreversible. However, we must try to preserve those small business characteristics that have underpinned our success so far.

“For instance, we must strive to maintain and improve the personal and professional relationship with our guests, our hotel owners and especially our staff. We are committed to staying in close contact with them and to continue with our hands-on management style.”

For example, says Stehlik, he and MD Arthur Gillis respond personally to all guest comments.

Equally important will be the need to adapt successfully to the evolution in the hotel business where accommodation is rapidly becoming a commodity and competition is often cut-throat.

Stehlik believes the Protea brand is probably the company’s greatest strength in this battle. “Our brand represents credibility. It is an assurance of quality at a time when the industry lacks a clear definition of what is acceptable as good quality, affordable, full-service accommodation.”

Protea’s key objective is to become “the best mid-market, affordable, strategically located hotel group in Africa.”

The advantage to guests of the number and geographical spread of Protea hotels is obvious.

Less well known, says Stehlik, is what the company has been able to do for hotel owners and investors who have joined the stable under management or franchise agreements.

“To the potential or existing hotel operator or investor the Protea brand and infrastructure represents a partnership in which the prime benefits are the power and economy of scale in the areas of marketing,
PROTEA HOTELS

sales, operational expertise, bulk purchasing and measurable systems, all of which are essential to ensure survival and profitability.”

The success of the partnership, he says, is underpinned by Protea’s mission — to take over hotels which could do better if they were managed and marketed better and do just that.

The mission statement recognises the group’s ability to use successfully its core competencies — the Protea brand and infrastructure; the group’s marketing ability; its management expertise; and its relationship with all stakeholders — to create value for hotel owners, guests, staff and the community in which the group operates.

“Our product is the provision of professional hotel management and marketing expertise and services to owners of hotels which are part of the Protea brand corporate structure,” says Stehlik.

The structure of the partnerships with hotel owners varies according to their needs but are based on a management or franchise agreement or a joint venture.

Stehlik believes the partnership concept has worked well for Protea people. It has enabled the group to help people grow through the organisation and also developed the dynamic corporate culture which will underpin growth.

Political transition in SA will obviously buoy Protea’s prospects. Stehlik says the coming five years will open many new opportunities for the company, including growth and the improvement of product quality and relations with guests and hotel owners.

“The upswing in tourism and potential for tourism to become the leading earner of foreign exchange must mean more hotel rooms will become available in southern Africa and throughout the rest of Africa.”

“This is why Protea’s primary aim over the next five years is to improve continuously quality and increase the number of hotels and rooms we are able to offer. At the same time we must integrate into the full spectrum of the accommodation industry from the full-service, first-class Premier concept down to mid-market hotels.”

He accepts that it will not be a simple task. Possible obstacles include lack of quality training and human resources, the unpredictability of the political situation and the slow response to technological advances.

Nevertheless, Protea has prepared itself to meet a wide range of challenges in a rapidly evolving sector.

Says Stehlik: “The market’s perception of the different hotel types or service facilities has become clouded in the past few years.

If you add the emerging bed-and-breakfast and informal accommodation sector it is plain to see that a different strategy is vital to our future wellbeing.”

Part of the response is to segment the Protea product by quality and service through the Premier concept. But a form of horizontal integration is also necessary, particularly on the basis of location.

“We have a high demand from our guests in places such as Windhoek and Harare. With this level of demand we need to address the supply. Plan One, our development division, is also seriously looking at a purpose-built accommodation project and is well advanced in the design and feasibility study.”

SA’s re-entry into the international economic community obviously underlies much of Protea’s strategic planning, but the possibility of new competitors is seen as a challenge rather than a threat.

At this stage it is not even clear what form competition from international hotel groups will take.

“Will they build, invest or simply supply brand? One must also bear in mind that 85% of the guests in most hotels in SA are local. Therefore, we have to ask what international brands and their attributes mean to SA travellers. Another thing we have to consider is how dollar-based fee structures translate into rand,” says Stehlik.

He argues that Protea, on the other hand, offers local hotel operators full marketing support in a market that produces 85% of their revenue and provides them with international representation and participation in global distribution and reservation systems at a fraction of the cost of international affiliation.

Stehlik says Protea’s vision is to be Africa’s premier hotel operating company.

“As an organisation we will not be judged by the speed of our growth or the size of the group, but by the quality of our operation and relationships with our stakeholders.”

“We believe our future depends on our ability to focus and co-ordinate the efforts of people inside the organisation and adapt the organisation to the rapidly changing external environment.”

This focus, says Stehlik, recognises that Protea’s long-term future will be influenced by changes in the external environment across a wide spectrum, including economic, political, legal, social, technological, competition and among guests.

This means the group’s success depends very much on its ability to harness the initiative, drive and creativity of its people towards achieving a common vision.

BOOM TIMES RETURN

SA is riding the crest of a tourism wave, but can we cope?

Hotels in some parts of SA are reporting the highest occupancy levels ever. But, having suffered for so long in a period of economic stagnation, how well prepared are local hoteliers for what appears to be the coming boom?

Protea Hotels MD Arthur Gillis believes much will depend on the classic balance between supply and demand.

“There are plenty of hotel rooms of differing standards available. Refurbishing to meet new demand is a viable option in many cases, but first many operators and owners will need to clear some of their debt incurred during the lean years.”

SA hotels... are they ready for the boom?

There is no doubt that international hotel groups will come to southern Africa and existing local groups will grow. Gillis believes the biggest threat in this changing situation is to independent owners and operators — and it is here that Protea sees scope for further growth.
He argues that one of Protea’s key attractions is the fact that during the lean years it was able to maintain and grow its infrastructure, which means it is well positioned for improved trading conditions.

However, Gillis stresses that quality will remain the crucial factor in Protea’s expansion drive. To come on board hotels will need to comply with the company’s basic standards and be prepared to commit to the highest possible levels of service.

“To give you an example, as we grow into Africa we find hotels that have enormous potential, but which, due to various circumstances, have not been able to keep pace with upgrading or refurbishing programmes.”

“Our strategy in cases like this is to offer a consultancy (which means they will not have the Protea brand) and assist the hotels in lifting themselves to the required Protea standard at which time they can be fully integrated into the Protea stable.”

Gillis says hotels are incorporated into the Protea group in terms of wide-ranging criteria based on three factors:

- Geographical location — does Protea have guests who require an hotel in a particular area?
- The potential of partnerships taking into account the nature of the mutually beneficial working relationship Protea may have with that particular owner; and
- The potential of the hotel concerned — could it do better if it were managed and marketed better?

He believes the group’s expertise is an important factor in meeting one of the main challenges facing SA hotels — attaining international standards in order to attract and satisfy international guests.

This goal and the recent upturn in tourism has underpinned a wide-ranging refurbishing campaign throughout the group. In the past year new investment has included the R40m Crown Court extension to the Balaluka in Sandton and a R5m upgrade of the Parktonian All-Suite Hotel in Johannesburg.

Another R3m will be spent upgrading the Parktonian even further during this year.

### Into Africa

- Protea quickly capitalised on changes in the new SA

With the political situation in SA normalising rapidly after Nelson Mandela’s release from prison in 1990, the expansion of Protea Hotels into Africa was a logical move even if not immediately obvious.

A decade of success as an hotel operating company in SA and the accumulated expertise of a closely knit team convinced executive chairman Otto Schilk that Protea was uniquely placed to offer Africa something more than its European and American rivals.

The business environment was also favourable. A slow-down in growth as the group approached critical mass in SA and lack of business opportunities, due partly to pre-election uncertainty, forced Protea to look beyond the country’s borders. Africa beckoned.

Says regional director for Africa Bernard Cassar: “With SA re-emerging into the world many African countries that were previously forced to deal with international suppliers, particularly in Europe, could suddenly look south.

“Our ability to add value, the strength of our brand, our expertise and our African experience all stood us in good stead. We offered a viable and desired option.”

The group’s greatest success in Africa so far is arguably in Malawi where in only a year seven hotels owned by the Malawi Development Corporation were returned to profitability and recorded substantially increased turnover under the Protea banner.

“Our marketing ability and international, national and regional infrastructure allow us to integrate new hotels quickly and effectively into a worldwide network which includes a global reservation system.”

For example, Cassar points out that Protea is the African partner of Supranational Hotels, a group with 600 hotels worldwide. The alliance gives the company access to global distribution systems at a price to participating hotels that could not be matched if they remained independent. This sort of facility will become essential as Africa emerges as a major destination for foreign visitors.

“We firmly believe that this continent will be the next prime destination for world tourism and that SA will be the engine room. Room is to create an East African tourism axis which reaches from the Cape to Cairo through Zimbabwe, Malawi, Uganda, Tanzania and Kenya.”

While continuing to grow the East African axis, Protea will also concentrate on developing a West African axis from SA to Ghana and Nigeria through Angola. Negotiations are already under way.

Attention will also be given to the continued development of Gauteng and the neighbouring provinces, including the Free State, and Swaziland under the control of regional director William Ford; KwaZulu-Natal, Reunion and Mauritius and part of the Eastern Cape under Aart van der Heijden; and the remainder of the Cape provinces under Miso Markovina. The entire Protea operation is backed by the services of financial director Arnold Cloete.
Matching world trends

Premier hotels are proof of the group’s high standards

Protea’s decision last year to launch the Premier Protea Hotels brand not only bucked the sector’s trend toward limited service and down-graded accommodation, but was also a significant demonstration of the group’s commitment to providing foreigners with a network of international-standard hotels throughout southern Africa.

The 10 hotels in the Premier class are Protea’s flagships offering superior accommodation and services to discerning guests. Protea marketing services director Allan Duke says the Premier concept was a direct result of the region’s resurgence as a destination for tourists and business travellers.

"Where national occupancies stood at around 40% in the middle of last year, many of our hotels are now recording occupancy levels well above 70%, which indicates a growing level of interest in southern Africa," he says.

The problem many visitors faced was that during the economic down-swing of the past few years many hotels had been down-graded.

This left them with a severely lim-ited choice of good hotels.

Protea, on the other hand, decided to meet the obvious demand by establishing the Premier brand which in-cludes two hotels in Malawi, the Capital in Lilongwe and the Mount Soche in Blantyre, the Protea Piggs Peak Hotel & Casino in Swaziland, Dolphin Beach and the Capetonian in Cape Town, the Marine Protea Hotel in Port Elizabeth, San Lameer Estate Hotel on the Natal

BURGERSFORT: SALE OF POST OFFICE BUILDING

Tenders are invited for the purchasing of the post office building, situated on Portion 14 of Erf 25, Burgersfort.

Particulars of the conditions of sale and tender forms are available at the office of the Managing Director, SAPOS Properties (Pty) Ltd, 2nd Floor, Postpark South, Tulbagh Park, 1234 Church Street, Colbyn, Pretoria, telephone (012) 421-7607, as well as the Regional General Manager: Transvaal, telephone (012) 325-5310 x 2229 at an amount of R100,00 which is not refundable.

Tenders will close at 11.00 on 1995-05-04.

Post Office Poskantoor
PROTEA HOTELS

South Coast, and the Parktonian Hotel, the Mirand Protea Hotel and the Balalaka & Crown Court in Gauenge.

Duke says R110m was spent on the 10 hotels to bring them up to Premier standard. All are either newly built or have been extensively upgraded.

For example, the R40m Crown Court at the Balalaka consists of 150 executive rooms and 24 suites in a garden setting with its own swimming pool.

There is also a club room for the exclusive use of guests, separate reception and checkout facilities and a secretarial service.

Technology built into the development includes dedicated fax and data lines in guests' rooms and an advanced telephone switchboard with voice mail facilities.

Balalaka MD Richard Pickering says the Crown Court was essential to cater for the increased number of foreign visitors, particularly business travellers who expect international standards.

Duke says all the Premier hotels were selected on the basis of three criteria: physical appointments; high levels of personal service and individual character.

The Premier brand also offers hotel owners a market positioning that lifts their properties above Protea's other mid-market hotels and allows them to be promoted more exclusively.

For example, says Duke, Premier hotels will be strongly promoted on image while other hotels in the Protea stable will be promoted mainly on rate and location.

The growth of the Premier stable will be limited only by the criteria for admission.

"We strongly believe that the main thrust of Premier's future growth will come in the form of newly built hotels, probably CBD properties."

Nevertheless, Protea will continue to encourage the owners of hotels to aspire to Premier status. Part of this process will be to raise them to the necessary levels of quality.

A success story

From a humble five-star receptionist to all-star hotelier

No one paid too much attention when Otto Stehlik initiated the formation of Protea Hotels in July 1984. The big local chains were busy with their own expansion plans and a new group with only four properties was hardly a threat.

Little was known about Stehlik, who had arrived in SA from Austria 14 years previously to work as a receptionist at Cape Town's five-star Heerengracht Hotel, then owned by TrustBank.

Had his future competitors watched his rise at Heerengracht more carefully they might have been more wary of his subsequent moves.

In 1973 Stehlik became the hotel's marketing director and was made MD in 1978. At the time the Heerengracht was rated by the Association of American Travel Agents as one of the world's four best hotels.

In 1979 TrustBank bought the Shore Plaza Hotel in Cape Town, upgraded it to a four-star property, renamed it the Capetonian Hotel and placed it under the management of Stehlik's team.

In 1980 Sanlam gave the hotel management of its prestige San Lameer resort on the Natal South Coast to the team.

In 1981 the Protea Gardens Hotel in Johannesburg was added to the stable.

In July 1984, with a base of three hotels and a luxury resort, Stehlik entered an expansion phase. He formed an hotel management and franchise company whose basic aim was to manage and market hotels on behalf of owners for a fee. Protea Hotels was established with ownership split 60:40 between Sanlam subsidiary Bankorp and Stehlik and his fellow directors.

By the end of 1984 another 16 hotels had been added to the Protea stable. The number doubled to 40 three- and four-star hotels by the end of 1987. Hotels were refurbished to improve their grading and bankrupt hotels were restored to profitability.

In 1987 Stehlik and his six fellow directors bought Bankorp's share of Protea.

In July 1988 a holding company, Protea Hospitality Corp, was formed with three operating divisions: Protea Hotels; Plan One, a project management, development and consulting company; and Protea Properties, which held the properties owned or leased by Protea.

In July 1990, for mutually beneficial strategic reasons, the Fedics group, the largest industrial catering company in Africa, acquired 40% of the equity of...
Protea Hospitality Corp. The alliance gives Protea hotels access to Fedics' expertise and to the guest base of its corporate partners who include Barlows, Sanlam, ICS and Servgro.

The business of Protea Hotels is to manage and market hotels on behalf of owners for a fee either in terms of a management contract or a franchise contract.

Hotels are managed by Protea when the owner does not have the ability or inclination to operate the hotel personally. Protea appoints a general manager and manages and markets the hotel on behalf of the owner who pays a management and marketing fee and an incentive fee based on the hotel's profits.

Franchise contracts allow the owner or manager of an hotel to have their property branded as a Protea hotel and take advantage of Protea's marketing expertise and sales and reservation infrastructure for which Protea receives a franchise and marketing fee.

Protea Properties holds the properties owned or leased by Protea Hospitality Corp. The properties have arm's-length management agreements with Protea Hotels.

Protea Hotels is one of three operating divisions of holding company Protea Hospitality Corp. The other two are Protea Properties and Plan One.

Protea Hotels is responsible for the management and marketing activities of the hotels that operate under the Protea banner either on the basis of management or franchise agreements or as joint ventures.
Protea Hotels

"Against this background Protea requires every hotel in the group to subscribe to fair and enlightened employment practices and sound and effective communication," says Walker. The company's approach to training of staff focuses primarily on improving performance rather than simply putting people through courses.

"We expect every staff member to demonstrate the skill to perform his or her job well, and the knowledge to function successfully, answer guests' questions, be a Protea service representative, and display what we call the Protea approach and attitude towards our guests.

"Management, on the other hand, is expected to train staff and improve skills, communicate to improve knowledge and be actively involved in positive actions to influence staff attitudes. Every manager is expected to review his or her subordinates regularly, provide feedback and, where necessary provide on-the-job training, counselling, discipline and motivation to maintain superior performance and improve performance that may have slipped below standard." Walker says Protea believes management vision will result in staff commitment. "People are prepared to commit themselves when they have clarity on issues such as goals and values and when they are provided with the competencies that allow them to succeed. But they must also be allowed to participate in decisions. This requires sharing information, resources and support — and listening to them. It is important that staff are shown appreciation for their contributions."

Keeping 'em satisfied

Attitude towards guests is the cornerstone of Protea's success

Selling hospitality means far more to Protea Hotels than simply filling beds for the night. Guests and their needs are the central focus of everything the company does, says MD Arthur Gillis.

The central function of the company's operation, and therefore of every member of staff, is to acquire and retain guests. Unlike, for example, the manufacturing industry where hierarchical structures are the norm, Protea believes organisational structures at any hotel exist to support frontline workers, not to exert control over them.

Says Gillis: "We view our organisation charts not as a hierarchy of control and authority, but as a living service organism that has flexibility and adaptability and which is able to respond to and meet the needs of guests."

In this organic chart management's role is to support frontline staff in their efforts to provide the best possible service to guests."

Gillis says every staff member needs to manage "moments of truth" which he defines as "any episode in which the guest

A PRESTIGIOUS PORTFOLIO OF PREMIER PROTEA HOTELS

Premier Protea Hotels are aimed at the discerning international and domestic traveller and focus primarily on meeting the differing and individual needs of GUESTS. This is achieved by setting three very important criteria for each of the Premier Hotels - superb physical appointments, high levels of personalised service and individuality of character. Currently there are ten Premier Protea Hotels in the portfolio:

THE PARKTONIAN SUPERIOR
FIRST CLASS ALL SUITE HOTEL

If you're looking for an office away from the office with home from home comfort and convenience, look no further than THE PARKTONIAN.

This leading four star full-service hotel offers you the most spacious hotel GUEST rooms in Johannesburg, every one being a suite, with a balcony and a living room, full-sized desk, and a separate bedroom and bathroom. And this right in the Parktown/Braamfontein business district within easy reach of universities, institutions, major corporations, restaurants, theatres, shopping, exhibition centres and sports facilities.

You can expect a truly relaxed stay with 24-hour room service, integral parking and discreet security throughout the hotel.

The Meridian Restaurant and Cocktail Bar and the Orchard Restaurant provide the very best in dining and you can make full use of the adjacent Health Club. To add to all these facilities, The Parktonian includes a fully equipped conference centre and adjoining exhibition space and a fully equipped business centre, plus airport transfers and a 24-hour transport service for your convenience.

The Parktonian Superior First Class All Suite Hotel
Tel: (011) 403 5740

THE BALALAIKA HOTEL
AND CROWN COURT

Who would expect a haven of privacy and tranquility in a country setting right in the centre of Sandton. Well this is a perfect description of THE BALALAIKA HOTEL AND CROWN COURT.

You'll be greeted by friendly hospitality and personal service and the luxurious comfort of graceously appointed executive rooms and suites overlooking beautifully landscaped gardens.

Right next to the hotel you'll find The Village Walk with over 70 specialist shops, ten cinemas and a variety of top class restaurants. While in the hotel itself the elegant Thatches Restaurant, The Village Green terrace restaurant, the Village Tavern country pub and the sophisticated Lords Bar provide you with a
wide choice of excellent dining and entertainment.
The hotel's nine fully equipped modern
conference and banqueting centres will cater
for all your functions, from 10 to 359
GUESTS, and the Crown Club Rooms, which
is exclusive to the Crown Court, includes
secretarial and business facilities, plus separate
showers and rest rooms for your use while
checking in or out.

DOLPHIN BEACH HOTEL

Arriving at DOLPHIN BEACH HOTEL,
you'll be greeted by uninterrupted views of
Table Mountain and Table Bay, with Blouberg
Beach just a few steps away and unspoilt wet-
land vlei teeming with bird life as a backdrop.
What's more, this unique location is only 15
minutes away from Cape Town's CBD and
the Victoria and Alfred Waterfront,
as well as the diverse attractions of the
Peninsula.
You can relax in the comfort of
sophisticated suites and apartments,
offering both full service or self-
catering facilities, depending on your
needs.
When it comes to cuisine, you'll
find an excellent choice on the
Restaurant Terrace, or you can try
one of the many good restaurants
in nearby Blouberg.
For your recreation, there's golf, tennis and
horse-riding, plus the use of the Health &
Racquet Club, the hotel pool and secluded
beachfront on your doorstep.
Dolphin Beach Hotel also has a full range of
up-to-date conference facilities, as well as
underground parking and 24-hour security.

MIDRAND PROTEA HOTEL

Situated midway between the business centres
of Johannesburg and Pretoria, MIDRAND
PROTEA HOTEL is your ideal choice for
easy access to businesses throughout Gauteng,
with conference centres and company
headquarters close by. The hotel gives you the
comfort of quality accommodation coupled
with excellent personal service tailored to your
individual needs. Plus the assurance of
24-hour security.
Your breakfast is served on the terrace over
looking the swimming pool and landscaped
gardens of the hotel courtyard, while the Palm
Terrace Restaurant offers you casually elegant
dining to suite a wide variety of tastes.
At Malone's Berrywood Saloon you can relax
with a huge selection of music to listen to and
entertainment channels to watch.
For your meetings, seminars and other
functions there is the hotel conference centre
which can accommodate up to 120 delegates.

THE CAPETONIAN

What could be more convenient than a Premier
hotel situated at the heart of Cape Town’s CBD
and offering all the facilities a business executive
or holidaymaker could wish for.
THE CAPETONIAN is all that - you'll have
easy access to businesses, the Waterfront and
the Cape's beaches, while experiencing the
kind of warm hospitality not normally asso-
ciated with bigger hotels.
Newly-appointed luxury suites and rooms give
you the comfort of air-conditioning, two TV
channels and M-Net, as well as 24-hour room
service. You can enjoy a superb breakfast or
lunch in the relaxed atmosphere of Fiorino’s,
or the very best of traditional Cape seafood in
The Gallery restaurant.
You'll find the games room equipped with
a variety of games, including pool and
backgammon, and you'll also have access to
the Cape Town Health & Racquet Club,
bicycles to explore the Waterfront, and a radio
pager system, free of charge.
All your business needs can be seen to in
top-of-the-range conference facilities, with
trained STAFF on hand to assist with planning
and co-ordination.

MARINE PROTEA HOTEL

Whether you're on holiday or business, you'll
appreciate the personal service and luxurious
atmosphere of Port Elizabeth's MARINE
PROTEA HOTEL.
Overlooking Pollock Beach, all the hotel
rooms and suites are beautifully appointed
and all include individually controlled colour
TV with M-Net, plus an in-house video
channel.
Should you choose a suite, you'll enjoy a
spacious living area with a superb view of
Algoa Bay.
You can have breakfast and lunch in the
relaxed atmosphere of the Connaught Room,
while the De Kelder Restaurant offers you an
intimate cellar atmosphere with both excellent
cuisine and choice wines.
The Marine Protea Hotel is conveniently
close to the airport and Port Elizabeth's CBD,
with the dolphinsarium, cinemas, museums
and shopping an easy walk away, as well as
facilities for golf, tennis, cricket and rugby
nearby.
As far as business is concerned, the hotel can
cater for all your conference and secretarial
requirements in its ultra-modern conference
centre.
SAN LAMEER ESTATE HOTEL

Even if you’re on a business conference, you can experience what it’s really like to get away from it all when you get to SAN LAMEER ESTATE HOTEL. The hotel is set in acres of tropical scenery, incorporating the San Lameer Lagoon which boasts a wealth of bird species, and a long stretch of private beach, all just 75 minutes from Durban along the Natal South Coast. You can choose between an elegantly appointed hotel room or a fully-equipped luxury villa. A variety of villas can also be purchased or rented.

Then relax on the pool deck, treat yourself to the delicious variety of dishes at the Lagoon Restaurant, specialising in seafood and buffets. Or take advantage of the 18-hole championship golf course, set in wonderful country club surroundings, watersports, fishing, squash, tennis and bowls, which are all on hand.

PROTEA PIGGS PEAK HOTEL & CASINO

Everyone’s heard of the legendary beauty of Piggs Peak in Swaziland, but it’s only when you stay at the PROTEA PIGGS PEAK HOTEL & CASINO that you’ll get to appreciate just how spectacular the scenery is.

CAPITAL HOTEL

When you stay at the CAPITAL HOTEL set in attractive tropical parkland near Lilongwe’s Capital Hill, you’ll experience all the warm hospitality that is so characteristic of Malawi. A short ride from Kamuzu International Airport and you’re there. Then you can start to enjoy all the hotel has to offer - relaxation next to the pool with a professional massage, a game of meza chess, a visit to the nearby Lilongwe Golf Club, where you can also join in a game of squash or tennis.

While relaxation is the key word, Capital Hotel also caters for all your business arrangements. The hotel’s business centre has a choice of conference rooms, secretarial services, audiovisual equipment and an experienced planning team to give your an assistance you might need.

MOUNT SOCHE HOTEL

MOUNT SOCHE HOTEL is ideally located to let you enjoy the highlights of Blantyre, Malawi’s commercial centre, and the surrounding areas.

Just minutes from Chichewa International Airport, the hotel puts you within easy reach of the famous Mfundi Falls, Mpatamanga Gorge and the Leungwe National Park.

Mount Soche’s special brand of hospitality, comfort and excellent personal service will make your visit a particularly memorable one, and will no doubt bring you back to Malawi before long.

The hotel has two first class restaurants with panoramic views of Shire Highlands, including The Michiru which is known to be Malawi’s premier restaurant.

As a GUEST of Mount Soche you can keep active at the Blantyre Sports Club with a wide choice of sport and camping amenities. And if you’re on a conference you’ll be well looked after in the hotel’s superior business centre, which can accommodate up to 350 delegates, with both audiovisual equipment and an experienced planning team at your service.
comes into contact with any aspect of the organisation and gets an impression of the quality of service."

The moments of truth could include incidents such as a guest telephoning an hotel to make a reservation or seeing an advertisement for a Protea hotel. Either action could create a positive or negative impression of the particular hotel. The challenge is to make sure that the reaction is always positive.

"Our attitude is that if something does not add value for the guest, don't do it. If systems get in the way of service they must be changed or turfed out."

Gillis believes that if service and quality are taken care of, profits will follow.

As part of the process all employees must commit themselves to a code of guest conduct which regulates their contact with guests. "These are the hard rules of the group on which we will accept no compromise or excuse."

He says the only valid feedback on how Protea is performing is guest feedback. "How guests feel about our product is vitally important to us. Our whole focus is on creating return guests."

All staff are therefore encouraged to obtain feedback from guests and to relay it to management. At the same time managers are expected to meet as many guests as possible.

"We also have a very sophisticated guest comment system to monitor feedback and determine our performance in the eyes of the guest."

He says Protea encourages staff to ask the question "what if..." and to never be satisfied with just getting the basics right. "We urge our staff to strive continually to improve their performance. We want to create our own future instead of simply resting in the complacency of past success. We simply have to be alert to the challenges."

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**Code of service**

- Staff are committed to a
detailed code of guest service

**To some** they may seem trivial, to others very obvious, but Protea's directors believe the company's codes of guest service and guest service leadership are fundamental to the success of all the group's hotels.

- Every employee is required to:
  - Smile and greet the guest before he or she greets the staff member;
  - Give the guest undivided attention and ensure that the first 30 seconds count in creating a good impression;
  - Be sincere, honest and friendly;
  - Respond to a guest's needs. Volunteer information and assistance and use the two magic phrases: "May I help you?" and "You're welcome;"
  - Take immediate action and follow up on requests and complaints. Deal with problems without making excuses;
  - Be the guest's agent by doing everything possible to assist;
  - Never give a guest a negative answer. Offer an alternative of what else can be done; and
  - Take pride in appearance and wear a name badge.

- Know his or her job and hotel.

The guest service philosophy is underpinned by management leadership set out in a code which requires management personnel to:

- Create a guest service focus and make

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**We Agree**

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it the primary driving force in the operation of the business. The focus must communicate that the function of every employee in the group is to acquire and retain guests;
- Employ people who are happy to please and serve others. Protea tries to recruit people who have the personalities and attributes well suited to service work and then train them in the knowledge and skills required to do the job. Protea’s policy is to employ people who are literate, numerate and, where possible, have at least passed matric. Management must also ensure that employment practices contribute towards motivating and enabling staff to contribute towards the group’s goals.
- Jobs and organisational structures must be designed around guest service outputs;
- Train employees to ensure competency, communicate with them to improve knowledge and lead through positive actions to influence a service attitude.

Protea believes the first few weeks of an employee’s service while he or she is still susceptible to first impressions is the only opportunity to instil a guest focus;
- Communicate values, standards and organisational goals. Give feedback on performance and provide ongoing coaching to develop supportive relationships with subordinates and improve employee competency;
- Empower staff with the responsibility, freedom and authority to make appropriate decisions by providing guidelines. Remove unnecessary controls and focus on end results; and
- Manage by being available to support and assist frontline staff.

This is achieved by enabling them, through training and communication, support and assistance, and the provision of all the necessary resources, to offer excellent service to guests.

It is the basis on which group employees handle “moments of truth” — the point at which they come into contact with guests — and then turn them into “moments of magic.”

Selling the product

- Marketing strategies must match guest service quality

With competition in the hospitality industry becoming keener by the day, the correct marketing strategies have become crucial to the survival of some hotel groups and the growth of others.

Protea recognises this need and has a comprehensive response, says sales and marketing director Danny Bryer.

The company has grouped its hotels into five specific and distinct market segments:
- Business travellers, including public servants;
- Groups and conventions;
- Sports groups;
- International market for both individuals and groups; and
- The domestic leisure market.

“The key objective of each hotel is therefore to know its guest base and market

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We are proud to have been the legal advisers to the Protea Hotel Group since its inception. Our tourism desk is committed to retaining its pre-eminent position in this fast expanding industry.
PROTEA HOTELS

by analysing its guest profile and market segmentation and maintaining a guest history. It must also develop, review and implement a marketing plan which schedules marketing activities targeted at its identified and potential markets. It is also necessary to forecast expected business and react timely to troughs in forecast occupancies.

"Finally, the hotels must achieve budgeted revenue through yield management which, in our case, is the achievement of the best possible average daily rate," says Breyer.

The group's marketing services department aims to maintain and enhance the Protea brand as one that is perceived by the identified target market as mid-market hotels that are strategically located, affordable and which offer service and hospitality.

At the same time the brand must be perceived by hotel owners within the group and potential partners and investors as a credible brand worthy of association and with the potential to increase accommodation revenue.

Breyer says the identified brand strategy is dependent on a number of factors, including:

- Recognising the differentials in product within the group;
- Identifying current and potential markets through ongoing market research, competitor analysis and the maintenance of comprehensive databases;
- The development of new products such as Protea Pricers and Protea Flexipass in anticipation of market needs and where such products have the potential to increase business to the hotels in the group;
- A corporate marketing/advertising and promotional strategy combined with individual hotel and regional marketing;
- The sales conversion through a national sales and reservation structure; and
- The ability to measure business generated through specific marketing activities.

Says Breyer: "The brand strategy and approach have been adopted to maintain and grow the Protea brand's top-of-the-mind awareness and to position the brand in its perceived position as the best strategically located, affordable mid-market hotel group in Africa."

The aim is to increase the measurable business attributable to the Protea brand and marketing infrastructure and in so doing show to owners the value of association with the group.

A national/regional and international sales team structure supports the Protea network.

Its objectives include achieving set sales targets, providing a sales service to Protea's corporate and leisure clients, providing support to hotel general managers and owners in reaching their sales objectives, and maximising the international market.

Protea has a central reservations office in Johannesburg which handles bookings through a sophisticated computer system linked to the national and international Galileo reservation system which links airlines, travel agents and hotels worldwide.

The group's international reservations office is based in Cape Town. It has access to the central reservations office and is also linked to the international Supranational Worldwide reservation system.

Premier products

- Gauteng hotels strive to meet the highest standards

Only 10 years ago the Balalaika was the landmark hotel in rural Sandton. Guests who stayed overnight or travelled out from relatively distant Johannesburg for Sunday afternoon tea relaxed in the garden setting and savoured the country air.

But the wheels of progress turned quickly in Sandton and the Balalaika kept pace.

An investment of R80m over the past decade has helped the hotel shed its sleepy hollow image and take on the trappings of a world-class establishment in the heart of SA's fastest growing commercial hub.

In 1983 there were 30 hotel rooms in Sandton, all at the Balalaika.

Today the town offers nearly 1 000 of which 325 are at the Balalaika Protea Hotel & Crown Court. Nevertheless, the hotel's managing director, Richard Pickering, says it retains its garden image of greenery and relaxation.

The upgrade of the hotel and construction of Krecklenberg . . . meeting business needs in Johannesburg

stamps entitles the Prokard holder to two nights' free accommodation for two at any Protea hotel;
- VIP treatment and personal service, including a late check-out facility at no extra charge, and automatic upgrading of accommodation to a more expensive category without additional payment when available.
- Receipt of Prokard News, a newsletter containing details of special deals within the Protea group.

Prokard Gold offers the additional benefit of discounts on food at selected restaurants at Protea hotels. The Prokard membership base is also used for direct mail marketing.
of the Crown Court extension is in keeping with Pickering's view that the Balalaika must keep at the forefront of world standards in the four-star class. There is an emphasis on the quality of furnishings and fittings and state-of-the-art facilities for guests such as dedicated fax lines in bedrooms if required. But while Sandton may have lured some guests away from central Johannesburg hotels the demand for upmarket accommodation close to the city centre remains strong, says Rolf Krecklenberg, GM of The Parktonian All-Suite Hotel in Braamfontein.

He says in the past many hotel guests who did business in central Johannesburg stayed in Sandton because there were no suitable hotels nearer the CBD.

The Parktonian has been upgraded at a cost of R5m to meet this demand. A further R3m will be spent on additional improvements this year.

As part of the Premier Protea Hotels stable both the Balalaika Hotel & Crown Court and The Parktonian All-Suite Hotel are well positioned to meet what Protea executives believe will be a surge in demand for upmarket accommodation throughout the country.

This Special Report written by
Chris Freimond

LIEBENBERG, MBeki, BUTHELEZI, DE KLERK, MBOwENI.
A FEW LEADERS ON OUR MENU THIS YEAR.

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Essential Business Issues
... that's the conclusion of a number of visitors to South Africa whose complaints have been referred to Satour. This is a sample of their tales of tourist torture. The cases, from the past five weeks, are under investigation and have still to be validated.
THE SOLUTION

NARROW MONSOON DRIES DOWN THE LAUNDRY CULTURE

THE PROBLEM

A taxing life

Border time at the

The Red Tape

WILDLIFE

TRASH BAGS

BARNYARD FRIENDS

RHINO AWARD
A taxing time at the border post

THE PROBLEM

A BRITISH tourist got caught up in South African red tape when she made a simple inquiry about VAT regulations eight months ago.

Last August, Mrs H Eden of Harrogate flew into South Africa via Jan Smuts. She left the country by road through Beit Bridge to Zimbabwe.

At the Beit Bridge VAT office, when claiming her refund, she was told it was unfortunate for her purchases did not exceed R2 000. If they had, she would have had to have documentation from a Messina bank to obtain clearance from the customs office.

Mrs Eden, a seasoned visitor to South Africa, found this difficult to understand. She had never been asked to follow this procedure at Jan Smuts.

She was even more confused when a friend visiting South Africa from Zimbabwe was asked by South African VAT officials, on his return via Beit Bridge, for documentation to prove he bought his goods with foreign currency.

THE RED TAPE

MRS EDEN says: "I wrote to Satour as I thought they would be aware of all paperwork visitors are required to complete."

"To me, my inquiry seemed simple. I used a Zimbabwean bank account address, but no reply was received before I left Zimbabwe on September 20.

"After my departure a reply was received, dated September 18, from Satour stating: This is to advise that we have requested the VAT administrator to supply you with the correct and relevant information you require."

"Another letter was received from the VAT refund administrators, dated September 16 (posted on the 21st). It said: Your letter has been referred to the relevant authorities at the Department of Finance Inland Revenue for their direct reply."

"The next letter was from the Commissioner for Customs and Excise dated December 6, saying: The purpose of this letter is to advise you that all inquiries relating to customs matters have been taken up with the South African Reserve Bank and you will be advised of the outcome in due course."

THE SOLUTION

THIS is what Mrs Eden should have been told:

The VAT refund requirement that purchases worth more than R2 000 require customs clearance applies only to Beit Bridge.

At other ports of exit visitors can claim a refund for the 14 percent VAT they paid on purchases without obtaining the customs clearance.

The only other variations concern the Common Customs Area countries of Botswana, Lesotho, Swaziland and Namibia. Visitors cannot claim the VAT refund when they leave South Africa. Instead, they must write to the VAT refund administrator in Johannesburg with the proof of goods they have left the Common Customs Area.
By JACOB DLAMINI

THE OFFICE for Serious Economic Offences has begun an investigation into the affairs of the defunct National Tourism Forum headed by ANC MP Peter Mokaba.

The forum was disbanded in January amid allegations of corruption and financial irregularities stemming from the apparent fraudulent withdrawal of more than R100 000 from the organisation's coffers.

The money was allegedly deposited into an account held by the wife of the marketing director, Clive Strugnell. Mr Strugnell told a disciplinary hearing the money had been deposited on orders from the executive director, Ngoako Maphala.

However, the inquiry found that there was no direct evidence to implicate Mr Maphala, who was suspended from his position by Mr Mokaba late last year.

The hearing found that Mr Strugnell had defrauded the forum and that, although there was no direct evidence to implicate Mr Maphala, he had been party to the crime.

It recommended that the matter be taken to the police for criminal prosecution.

"People occupying positions of trust like Mr Strugnell should not be allowed to get away with such conduct," the inquiry's report said.

The hearing also found that Mr Maphala had failed to perform his duties properly.

Mr Maphala is suing Mr Mokaba for unfair dismissal and defamation.

The head of the Office for Serious Economic Offences, Jan Swanepoel, said his office had taken statements from senior forum officials, but the investigation would take at least two months to complete.

"We have been trying with very little success to find all the relevant books so that we can investigate all transactions," he said. "The whole investigation is proving frustrating, but we will complete our tasks."

He said Mr Mokaba, who was the chairman of the forum when it was disbanded, would "probably have to submit a statement as well".
Games ‘will’ lead to debt

The Olympic bid could leave Cape Town and the province floundering in massive financial debt, Provincial Sport and Recreation Minister Mr. Lerumo Kalako has warned.

Addressing the provincial legislature last week, he said the province should become “deeply involved in planning and ensuring strict and clear financial procedures” or Cape Town would go the way of “all other cities which hosted the Games — into debt.”

Although the city would have improved infrastructure, it would also have the massive debt which history had shown was the result of hosting the Olympic Games.

— Political Staff
Bo-Kaap keeps eye on tourism

Municipal Reporter

KEY sites in the Bo-Kaap are being eyed for redevelopment with a strong tourism theme after lengthy consultation with the community.

The Bo-Kaap has been the subject of a facilitation process initiated by the city planner's department, involving 49 community organisations and more than 100 residents.

Along with social issues for the area, they looked at how the Stables Building in Rose Street, the Block House in Strand Street, Spolander House in Pentz Street, and a vacant site between Van der Meulen and Dorp Streets should be used in the future.

The next step is the establishment of an "inclusive" community development forum to participate in decision-making for the area.

ARG 11/14/95

During the facilitation process, including public meetings and follow-up interest-group meetings, a number of ideas were mooted for the identified sites.

- Some residents wanted the Stables Building to be developed into a tourism centre by creating an arts and crafts market, trading hive and special theme flea market. Another idea was to use the building as a multi-purpose office for community organisations and the youth.
- The Block House, which consists of the Stone Building and the Fire Station, is being eyed for a sports and recreation centre along with a proposed Fire Museum.

- Spolander House was a problem area because the community was concerned about the tenants and its poor physical state.
- The vacant site between Van der Meulen and Dorp Streets is being eyed for the development of affordable housing.

Other issues raised by the Bo-Kaap residents through the forum were housing problems, including the sale of flats to tenants, poor streetlighting and roads, the need to create work, the lack of community facilities, and the need to maintain the religious and cultural heritage of the area.
Atlanta figures support Cape Town bid estimate

PETER DENNEHY

ATLANTA 1996 Olympic Games budget figures have made the chief executive officer of Cape Town's bid, Mr Raymond Ackerman, even more confident of the accuracy of estimates for Cape Town.

Reports from Atlanta indicate that its total Games budget is just $1.6 billion, (about R5.7bn), most of it coming from the private sector.

Cape Town's latest available figure is R6.4 billion, most of which will come from the public sector (central, provincial, metropolitan and municipal governments).

Mr Ackerman said the bid committee had known from the start that Cape Town could not host the Games at a cheaply as an American city could "because they have so many facilities that we don't have".

On the other hand, he said, Cape Town wanted the Games to lead to development in the areas needing it.

He said Atlanta's figures showed that the R21 billion purported cost of the Games mentioned by Ncosa president Mr Sam Nkomo, among others — was nonsense. Mr Ramaphosa had said that figure was based on an estimate of how much the Games had cost Barcelona.

"We went through our R6.4 billion figure with the Industrial Development Corporation and (former finance minister) Mr Derek Key's..."
Clock-watcher traps angry travellers

Row as hundreds stranded at border

BY CLYDE JOHNSON
LOWVELD BUREAU

Komatipoort — Government officials scurried yesterday to explain why more than 1 200 travellers returning from Mozambique were left stranded in the no-man’s-land between the Mozambican and South African gates at the Lebombo border post at Komatipoort on Monday night.

The deputy commissioner of Customs and Excise, Iask Coetsee, said the official who had closed the South African border post had been wrong to do so, but declined to say whether the man would be disciplined.

And the director-general of Home Affairs, Piet Colyn, said his officials could have handled the 1 257 returning South Africans and it was “most unfortunate” that the post had been closed.

Border posts are manned by officials from the Department of Home Affairs and the Directorate of Customs and Excise, which falls under the Department of Finance.

Tempers flared as men, women and children — some of whom had been injured in a bus accident — found themselves trapped between the gates after Chief Customs and Excise officer Daan Colesky closed his offices at 6pm.

Lydenburg attorney Derek van Wyk was among the group of South Africans who had been cleared by the Mozambican authorities, whose offices had closed at 5pm, and then got stuck in no-man’s-land when Colesky ordered the South African gates to be closed.

Van Wyk asked Colesky how he could leave so many people stranded between the two border posts, to which Colesky replied that he and his staff had been on duty since 6am and were tired.

“Certain members of his staff indicated that they were prepared to work, but Colesky threatened to report them if they did not obey his orders.”

Van Wyk said there were no toilets or water in the no-man’s-land and the stench was unbearable.

The gates were opened again at 8pm and the group was processed by 11.15pm.
Olympic bid asks for R1,25m from city's ratepayers

"We want bridging finance" — committee

ANDREA WEISS
Municipal Reporter

CAPE Town City Council is being asked for R1,25 million in "bridging finance" for the interim steering committee elected at the Olympic summit.

The money is part of an estimated R5 million needed to keep the city's Olympic bid afloat.

The city council's contribution is to be matched by central government, metropolitan government and the private sector, to pay for the expenditure incurred after the summit which was held on April 5.

The steering committee's main task is to handle urgent matters before the new Section 21 company, which was registered on April 11, is up and running. This company will manage the Olympic bid until 1997 when the bidding process ends.

It is in the process of inviting various sectors, among them central government, labour unions, the business community and community-based organisations, to nominate directors for the company's board.

Seven council officials have been registered as directors pending the establishment of the board, but they may not make any binding decisions.

The Cape Metropolitan Council's executive committee will also be recommending to its full council meeting early next month to put up the required R1,25 million.

Among the provisos that the Cape Town City Council is looking at are that:

- The R1,25 million should be linked to similar commitments from the other three sectors.
- Any expenses incurred before April 5 by the former bid committee should be met from the bridging finance after "verification by an independent audit", and the consensual decisions of the steering committee or a board of directors.
- The money will not be paid to the Cape Town 2004 Trust.

The recommendation to provide the money will be put to the city council next week.
EXCO RECOMMENDS BRIDGING FINANCE

Council may loan R1,25m to 2004 bid

THE COUNCIL may grant interim funds to the boost Cape Town’s Olympic bid. PETER DENNEHY reports.

R1,25 MILLION in “bridging finance” should be granted to the Olympic Bid steering committee and the recently-registered bid company, Cape Town City Council’s executive committee recommended yesterday.

The money will be paid back by sponsors after the signing of an Endorsement Agreement with the National Olympic Committee of SA (Nocsap).

The endorsement agreement — between Nocsap and the council or its nominee — is due to be signed by the end of this month.

At yesterday’s exco meeting, councillors decided to ask for a further extension of this deadline, because the first board meeting of the bid company is only due to take place on May 12, and the bid company’s support for the signing will be obtained if possible.

The sectors to be represented on the board of directors have yet to nominate board members.

The council will have two representatives, who will be chosen at the end of this month.

Mr Clive Keegan is likely to be one of them, as he was nominated at yesterday’s meeting before a decision was taken to leave nominations to the full council.

If Nocsap does not extend the date on which the contract must be signed, the indications are that the council will go ahead and sign it on deadline.

Exco recommended that repayment of the bridging finance from the council should have a “right of first call” from the bid company as soon as it starts receiving sponsorship money.
Retail, hotel sector workers beat inflation

ABOVE: Inflation increases had been achieved in pay talks in the retail and hotel sectors this year, SA Commercial Catering and Allied Workers' Union (Saccawu) collective bargaining co-ordinator Leonard Gentile said yesterday.

Negotiations have been completed with a number of companies including Maeco, CNA/Gallo, Checkers, New Metro and Southern Sun. Settlements in these companies have ranged between 12% and 14%, with across-the-board increases ranging between R150 and R240 per month, Gentile said.

At Checkers, for example, agreement was reached on an across-the-board increase of R150 per month with a minimum wage of R1 200 for workers in urban areas.

Gentile said that the union's focus this year would be directed towards the removal of differentials between grades and the reduction of grades.

Other issues to be addressed were centralised bargaining and the establishment of a national training board in the retail sector similar to the restructured Hospitality Industry Training Board.

A full 13th cheque, the implementation of service allowances as opposed to service awards, staff discounts, affirmative action codes, the renegotiation of recognition agreements and job security had been typical of the demands presented to larger retail companies like Pick 'n Pay and Edgars, he said.

Gentile said that the union intended renegotiating recognition agreements at a number of companies in light of the proposed draft Labour Relations Act.

Negotiations with Pick 'n Pay move into full swing later in the month.

Negotiations had already started with Edgars.

National negotiator Lea Modiga said that the union was demanding R400 across the board and a minimum wage of R1 800 at Edgars, while the company had offered R200 across the board.
sulting CE Delano Caras.

Commenting on the latest Central Statistical Service (CSS) tourism figures, Caras says SAs three main airports — Johannesburg, Cape Town, and Durban — will be hard-pressed to cater for the influx, which shows no sign of abating.

The CSS figures show that last year 1,569,000 overseas arrivals trooped through the three airports, a 63% increase on 1993. More than half, 785,574, were foreign visitors — a 17% increase on 1993’s arrivals. Of those, 173,518 came to SA on business, a 28.5% increase on 1993. In December, 96,858 foreign visitors entered through the three airports, 25.3% up on December 1993, and of those 81% came on holiday, 24% up on December 1993.

CSS statistics on hotel accommodation show that the figure of 185,490 bed nights sold to foreign visitors during January 1995 was 45.9% higher than in January 1994. "We’re not talking about the Rugby World Cup, which will create its own problems, but about ordinary tourism which has been showing healthy increases since June last year, when the revamp really started," Caras says.

"Cape Town is suffering severely and I understand it is at peak capacity. On a percentage basis, it has had bigger increases in traffic than Jan Smuts because of the increase in flights turning around there."

Stop-gap solutions will not cater for the traffic increases which are expected. "It will cost billions to increase the airports’ capacity in the long term. I don’t know where the money will come from," says Caras.

Airports Company chairman Jan van den Berg says the company has no track record and so cannot raise cash privately. It may have to go to the market to raise loans.

The company, which took over the States nine airports in August 1993, has so far spent R80m upgrading them and plans to lay out R1.2bn over the next five years, says Van den Berg.

Caras accepts that the company is trying to cope but says it is not succeeding.
Licence allocations the key to SunBop's fortunes

SUN International's operation in the former Bophuthatswana, SunBop, was poised for good earnings growth this financial year and next, but could be adversely affected if rival casino resort companies were granted licences in Gauteng, analysts said last week.

SunBop's contribution to parent Kersa's attributable profit slipped to 39% in the 1995 financial year from 42% the previous year. Analysts said the illegal casinos in Johannesburg and Pretoria had seen customers flock to more convenient venues, siphoning revenue away from SunBop.

The share price has declined steadily since November, touching R19 on March 13, down from last year's high of R60 in May.

The drop in price was partly attributed to the number of international music stars holding their concerts in metropolitan venues. One analyst said people were opting to pay hundreds of rands for a concert ticket rather than spend their disposable income on gambling. Another analyst said the Sun International group stood a good chance of being allocated at least two new licences. A licence in Gauteng would boost its fortunes, particularly against the deflection of day trippers.

While there had been a clampdown on illegal casinos, industry sources said they had not been completely eradicated. SunBop was nonetheless still raking in attractive revenue, one analyst said.

The share was being valued as a good buy after reports that occupancies were about 80% and forward bookings were strong. Analysts put earnings growth in the current financial year at about the inflation level, with equally good or better prospects for the next financial year.

In addition, the idea of temporary casino licences, being mooted by industry players, could be a major shot in SunBop's arm if it was awarded such a licence.

Sun International MD Peter Bacon said at the weekend up to 50% of business stemmed from international tourists, with the trend rising.
Woman set to head Fair Cape Association

Environment Reporter

FORMER Black Sash national president Jenny de Tolly has been appointed chief executive of the Fairest Cape Association.

Ms. De Tolly, an architect, will take up her position on June 1.

She replaces Roger Hulley, who resigned to head the Community Chest.

Announcing her appointment today, association chairman Chris Joubert said the board was "delighted".

"We've been screening applicants for three weeks — and there were some really high-powered people. She fitted the position like a glove."

"We've been like a ship without a rudder for the past few months, and we now see great things in store for the Fairest Cape, but Ms De Tolly has got a real task ahead of her."

Ms. De Tolly, a mother of two, said she faced "a huge learning curve."

"She had last worked actively in the environmental field in Canada in the 1970s while 'free-living' Eco-House — headquarters of a Canadian environmental watchdog group — with environmentally-friendly infrastructure during the oil crisis."

"I have got an idea of where we want to go with the Fairest Cape Association, but it's a question of getting it there and seeing what needs to be done and of getting people motivated," she said.

Her work for the past 20 years had related to "people-centred development" and that would continue with the FCA, whose new mission was directed at sustainable development."
We'll drop support for bid, civic bosses warn

**Municipal Staff**

Western Cape civic leaders have threatened to withdraw community support for Cape Town's Olympic bid if they are not afforded equal representation as possible sponsors on the interim bid committee within two weeks.

Representatives from the S.A. National Civic Organisation, the Western Cape United Squatters' Association, the Western Cape Civic Association, and the Western Cape Community Organisation issued a joint statement reaffirming their support for the Olympic bid but protesting against their exclusion from the recent Olympic summit.

Sanco spokesman John Neels said it was the first time the different civic bodies had come together to voice their concern over an issue.

This showed the importance the groups attached to the bid.

"But it seems as if the new interim steering bid committee has changed the original development strategy of the bid and wants to sideline community representatives and the disadvantaged communities," Mr. Neels said.

He said the recent summit was held without any representatives from the communities being present, yet the interim steering committee claimed to be fully representative.

He said the civic leaders wanted the same representation for the community as for the sponsors presently on the interim committee: four seats on the new board of directors and three on the new executive committee.

"If this matter is not settled within the next two weeks, we will withdraw all our support for the bid," Mr. Neels said.
Hotels don't cover thefts

STAFF REPORTER

HOTELS do not pay out guests whose property is stolen from their hotel rooms.

The chairman of the National Hotel Association's Western Cape branch, Mr. Jos Kahn, said this in response to the plight of two Johannesburg families who had their adjoining rooms broken into in December, and lost all their luggage, cash, clothing and belonging worth nearly R27,000.

The theft took place in the Protea Hotel in Brackenfell.

The thieves had forced open the burglar proofing and stolen the belongings of Mr. Albert Makhubalo and his wife and family, as well as those of his friends.

Mr. Kahn said hotels could not be held liable for theft from rooms, but hotel managers could decide whether they would be so nice as to pay guests out in certain circumstances.

Mr. Nell Dorset, general manager of the Protea Hotel, said he regretted not being able to help, but the hotel's insurers had refused to pay, Mr. Makhubalo because he had signed a disclaimer on the registration card when he signed in.
OLYMPICS 'MUST UPLIFT OUR PEOPLE'

Civic groups demand say in Cape Town's bid for Games

Western Cape civic organisations have threatened to withdraw their support for Cape Town's 2004 Olympic Games bid unless they are allocated three seats on the bid committee's new executive and four on the board of directors.

Neither the number of seats on the executive nor the number of directors has been decided yet.

At a press conference in the city yesterday civic organisations also demanded that:
- Civics receive representation on the interim bid committee equal to that of proposed sponsors.
- The National Olympic Committee of SA (Nocsa) contract be debated with them.
- A statement issued on behalf of the SA National Civic Organisation (Sanco), the Western Cape Squatters' Association, the Western Cape Civic Association and the Western Cape Community Organisation, the organisations said they had been excluded from the Olympic bid summit meeting earlier this month.

"Because of the flawed and rigged invitation list for the summit, the child of that meeting, the so-called interim steering committee, is representative not of the people, but of vested interests, while community representation is totally inadequate," the statement said.

It said they needed reassurance that the original development strategy, with its regional socio-economic benefits, continued to be the central policy for the bid.

The civics also wanted to be fully involved in the appointment of a new chief executive officer.

Sanco's head of publicity, Mr John Nels, said: "Community organisations have been sidelined from the bid for reasons unknown to us."

"We are interested in the Olympics for one reason only — for the upliftment of our people. The bid will not succeed if it does not have our support."

SAPA said yesterday the bid was being controlled by powerful vested interests which had virtually ignored public involvement and the social and environmental impact. Announcing a public meeting on May 4 to address these issues, Mr Gubb said environmentalists were losing patience with vague promises of an environmentally-sustainable Olympics.

The May 4 meeting will assess the social and environmental impact of the Olympic Games.

SIDELINED: Mr John Nels of Sanco (right) outlines why Western Cape civic organisations want to withdraw their support from the Olympic Bid Committee. With him are civic organisation leaders (from left) Mr Alfred Siphika, Mr J Nongwe and Mr Jerry Tutu.

Olympic Bid Steering Committee spokesman Mr Cicive Keegan said last night allegations that the committee was not committed to inclusiveness and consultation were inaccurate and premature.

Sanco had been part of the bid from the start and was now represented through its people on the City Council.

Mr Keegan reassured civic organisations the new Bid Company would involve "the widest cross-section of Capetonians".
Aid to Captour draws fire

MUNICIPAL REPORTER

A COUNCIL agreement to contribute towards any difference between sponsorship income and the estimated R875,000 cost of a Captour-organised Rugby World Cup festival amounted to "an open cheque policy," Mr John Muir said at yesterday’s monthly meeting.

Captour plans a festival at the Villagers Rugby Club during the Rugby World Cup for those who do not get tickets to matches.

It is confident that it will raise sponsorships for all but R250,000 of the costs. But the council has been burned before when it provided guarantees for a sports event and then had the guarantee called up when the sponsors withdrew.

Mr Muir said the way the World Cup was handled would give an indication of how the Olympics would be handled, so it was distressing that the council did not seem prepared to force Captour into getting sponsorships by declining to provide more than R125,000 for promotion activities.

Mr Leon Markowitz protested that if Mr Muir’s amendment was passed, it would in effect tell Captour to cancel all its arrangements.

Mr Clive Keegan said the matter had already been dealt with by the executive committee, which had given the reputed guarantee and informed Captour of this.
New Olympic bid row

Ackerman upset over signing decision
Extend levies to all in tourist industry: Fick

Political Correspondent

LEVIES imposed on hotels and guest houses should be extended to all other businesses in the tourism industry, according to provincial Tourism Minister Lampie Fick.

Introducing debate on the tourism budget in the Western Cape Parliament, Mr Fick said: “There are various other operators who gain a lot in financial terms from tourism and they should also contribute part of their earnings to the development and marketing of the region.”

“Levies should be raised from the whole tourism industry and not only from hotels and guest houses.”

The provincial tourism department had no budget “to work with” and levies was a way of raising money to develop and market our region an acceptable practice. But it should be fair. It was only fair that all who benefited from the tourism business “should pay their dues”, he said.
Indaba ’95: RDP goes wild

Next week Nelson Mandela unveils Satour’s new programme to make nature travel a part of the RDP. Eddie Koch argues that it will take more than a presidential speech from the podium to achieve this.

On the banks of the Luvhu River, where it twists through the wild and beautiful northern reaches of the Kruger National Park, there stands an ancient baobab tree. It is encircled by the ruins of a church, a school, a trading store and a number of small homesteads. Inscribed in its gnarled bark are three words: Makuleke Tribal Authority.

The tree was the cultural heart of the Makuleke people. Their chief held council with his elders under it and members of the clan came to settle their disputes there. “It was like our Number 10 Downing Street,” remembers Sam Chauke. “We named it Delu after an old woman who died while resting in its shade.”

Delu and its surroundings are emblematic of the price rural people paid — forced removals, community destruction, economic devastation — when South Africa created some of its game reserves. The Makuleke were removed at gunpoint in 1909 so that the area between the Luvhu and Limpopo rivers could be incorporated into the Kruger Park.

Today Chief Jean Makuleke is claiming back the title to his peoples’ land. But instead of conforming to the conservatives’ demand that villages will move their cattle back into the park and degrade its pristine habitat, the Makuleke clan is talking to the National Parks Board about setting up a tourism lodge near their old homes on the Luvhu and using the profits from this business to upgrade the resettlement villages they live in now.

Next week President Nelson Mandela will launch a new set of policies that has been devised by the South African Tourism Board (Satour) to try to ensure that rural communities like the Makuleke will benefit from, rather than be penalised by, the growing number of adventure travel and “ecotourism” ventures into wilderness areas.

The president will tell thousands of delegates at the Indaba in Durban, billed by Satour as the biggest travel trade fair in Africa, that travel through the scenic landscapes and natural ecosystems of the country can bring economic and social benefits to local people while ensuring that natural resources are effectively protected.

“Surveys conducted recently show 60 percent of international tourists visiting South Africa come to enjoy an ecotourism holiday experience. Scenic beauty is constantly voted South Africa’s most popular feature, followed by its year-round sunny climate, rich heritage of wildlife and fascinating cultures,” says a new policy document prepared by Satour for the Indaba.

Rapid development: Groups of up to 250 canoeists queued up at the Richtersveld “a popular rapids over Easter. PHOTO: GORDON HENZEL. N To PAGE 2

Beside A Stream, On The Slopes Of A Mountain-What A Perfect Place For A Vineyard.

If it sounds idyllic, we can assure you, it is. Nestled in estate-like parkland, The Vineyard Hotel offers a blend of setting, age old Cape hospitality and perspective to the city that is unique. Here a business traveller can effortlessly put the day’s pressures behind and look forward to good service, accommodation and cuisine, in a country house atmosphere.

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Tourism Intelligence

Graham Matthews

On a roll: Safety in adventure is a serious concern

PHOTO: SATUR

Adventure: A risky business?

Tourism is one of the world's largest industries, and its growth is expected to continue. However, there are risks associated with tourism, especially in terms of safety and health. This article discusses some of the risks and how they can be managed.

Editor: Eddie Koch
Design: Fiona Mackay
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The wild RDP

"In the new social order emerging in this country, there is nothing that can do so much for so many in less time . . . and for longer, than environmentally balanced tourism development for the benefit of all."

Rob Angel, 1994
CEO, Engen Limited

The wild RDP

"Ecotourism can add considerable and significant benefits to South Africa's Promotion, Investment and Development Programme, creating employment opportunities, generating a healthy local economy and millions of litres of foreign currency. The country's communities stand to reap the rewards of well-managed ecotourism in the new South Africa."

The document, to be unveiled by Mandela, along with a campaign to promote South Africa as one of the world's prime ecotourism destinations in 1996, notes that local people often bear the costs, including forced removals in the colonial and apartheid era, without receiving any of the material or spiritual benefits that can be derived from the travel industry.

"This is changing. Progressive private-sector and state conservation agencies have introduced several innovative ... development initiatives based on the provision of tangible benefits to communities living in and alongside ecotourism areas," says the document.

"In many ways they are microcosms of South Africa's peculiar history of racial conflict, a remarkable ability to negotiate solutions to these and a new emphasis on the need to reconstrue and develop the country. Historically, local people were alienated from the conservation estate because they weren't receiving a share of the benefits. Now some pilot projects are... finding ways to restore the pride of communities in their natural heritage by sharing the substantial benefits of tourism with them.

The policy paper notes that these initiatives are in the very early stages of development and it is too soon to tell whether they are successful or potent enough to offset the negative image that conservation has because of its past association with apartheid.

But it notes that a survey conducted by the residential areas around the Piassberg shift from attitudes of antipathy and hostility that were displayed at the time the park was created."

"The option of utilising land for developing rural facilities, as opposed to over-developing environmentally degrading agricultural or pastoral use, is being seriously considered by the Department of Land Affairs to ensure that people's land rights have to be respected and programmes need to be implemented that will boost the capacity of rural people to run their own tourism projects.

"With all parties concerned working together, formerly unused rural areas can be developed into sustainable income-producing ecotourism attractions."

Although Mandela will put his political weight behind these principles when he launches the campaign on Monday night at the Inkatha congress, three signs that other sectors of government are less enthusiastic about using tourism and nature travel as a form of rural development.

Though tourism received some belated mention in the last draft of the ANC's version of the RDP, it has been totally ignored in the White Paper version of the programme adopted by the government of national unity. Promises that the omission would be rectified when more detailed sectoral studies would be drawn up to supplement the White Paper have failed to materialise.

Soutar has scored a coup in getting Mandela to endorse the principle that such tourism should play a role in the nation's reconstruction. But it will take more than a presidential speech from the podium to ensure that the organisation's latest ideas are developed and implemented in the countryside.

A long and hard programme of lobbying will be needed — along with material assistance for pioneering projects that have already been implemented — for the organisation's vision to be transformed from rhetoric to reality.

Unless this happens, in years to come visitors who find themselves faced with the idyll of yesterday's white-water rafting and then are told enough to warn them about the possibility of this dangerous," they tell you. "You're insane. It's dangerous." But if that puts you off, you might never even meet a likely customer anyway.

There are fatal accidents on the Zambezi and the Save, for example, and according to Soutar, more than 300 people have died on the river since 1982. This is a remarkable record, given that every year in South Africa more than 500 people are killed in traffic accidents. And here, genuine costs are accounted for by the public, with the price of life and safety being calculated.

There are costs for each of the four main activities that make up the tourism industry: accommodation, travel, leisure and hospitality. These costs, which are not accounted for by the public, are paid by the public.

"What happens in terms of the distribution of the costs of tourism, and the benefits, is the heart of the matter for the tourist industry," says Soutar.

The costs of tourism are calculated to be about 15% of the total costs of tourism. These costs are paid by the public, and the benefits, which are also calculated to be about 15% of the total costs, are paid by the public.

But it is the benefits that are the most important, because they are the ones that are shared by the public.

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But Raymond Ackerman not happy, says document is flawed

ANDREA WEISS
Municipal Reporter

CAPE Town has crossed its first hurdle in the bid to win the Olympics for 2004 with the signing of a legal agreement between the city council and the National Olympics Committee of South Africa.

The agreement was signed by mayor William Bantorn and Nocsa president Sam Ramsamy today.

The signing marks the official start of Cape Town’s efforts to persuade the International Olympics Committee that the Olympics should be held here.

The agreement secures a R470 million grant to the Cape metropolitan area from central government for a transport overhaul, which was dependent on the document being signed.

It will also release private sector sponsorship which was being held back pending the signing.

But Raymond Ackerman, chief executive officer of the interim steering committee for the bid, is unhappy with the development.

Mr Ackerman said up until this morning he had asked the Cape Town City Council not to proceed with signing the document.

He and a number of other non-council members of the steering committee were not present at the signing.

He labelled the council’s actions as a “fundamental breach of promise” and said the document was flawed.

In terms of the document, Nocsa is handing over certain marketing rights to the city, which will pay for certain of Nocsa’s expenses in promoting the bid.

Mr Bantorn said he was pleased that the contract could eventually be signed.

“I really hope from here on things will go smoothly and that Cape Town will be the city to host the Games in 2004.”

He thanked Mr Ramsamy for his patience during a period when there was “much acrimony” around the bid.

He also paid tribute to Sports Minister Steve Tshwete: “Without his help the bid would not have moved forward.”

Exco chairwoman Nomandla Mfeketo said it was an historic moment and thanked the city’s officials who had done “great work” on the contract.

Mr Ramsamy said the mayor and exco chairwoman too had exercised “great restraint” in the past weeks and had not allowed “petty arguments” to sidetrack the bid.

The Olympic bid will be run by a Section 21 company which has advertised for a chief executive officer. Nominations for directors on the board close today, and the first meeting is on May 12.

The International Olympics Committee will invite Nocsa to nominate a city in June. Nocsa has until January 10 next year to put forward its candidate city, after which representatives of candidate cities will be invited to Lausanne for a briefing.
Infrastructurally, the Olympics will mean R5bn to Cape Town

If the International Olympic Committee decides that the 2004 Olympic Games should be staged in Cape Town it will unleash the biggest building programme yet seen in SA.

David Johnson, spokesman for Cape Town 2004, the body organising the city's bid for the Games, says current indications are that nearly R5.5bn will be spent between 1994 and 2004, of which R2.25bn will come from Olympic and private sector funds and the rest from local, regional and central government.

The investment process has already started and if plans are adhered to R1bn will be spent up to 1997 on infrastructure, sports facilities and villages. Between 1997 and 2004 another R4.3bn will be invested, including R100m for "contingencies."

The R695m allocated to infrastructure between 1994 and 1997 will go to improving the international airport and road and rail systems, acquiring additional rolling stock and building a light rail system.

Also provided for will be services for the 17 cruise liners and 10 other vessels that will be moored in Table Bay harbour. Infrastructural spending will increase to R2.8bn between 1997 and 2004.

The cost of providing competitive sports and training facilities will absorb R410m up to 1997 and another R570m up to 2004. Only R40m will be spent on villages up to 1997, but that amount will increase to R335m as 2004 approaches.

Cape Town is expecting an influx of about 205 000 people for the Games. Of that 98 000 will be foreigners, including about 15 000 athletes and 15 000 media members.

Johnson says the Olympic plan provides for accommodating 60 000 people daily during the Games, which will last from 26 to 28 August.

This Special Report written by GRAHAM FIFORD
Many race for Olympic Bid job

In less than a month Cape Town's bid for the 2004 Olympic Games should be up and running with a new chief executive and a board of directors.

WILLEM STEENKAMP
Weekend Argus Reporter

Applications for the position of chief executive of the Olympic Bid company have been flooding in after the job was advertised last weekend.

Gill Bolton, spokeswoman for the Cape Town Olympic Company, said inquiries had come from a broad sector of people.

The closing date for applications is May 10.

Miss Bolton said several directors had been nominated to serve on the board of the Olympic Company. The names of the full board should be announced towards the end of next week.

The directors will have the final say on who to appoint chief executive after Raymond Ackerman steps down.

Organisations which have been asked to nominate directors to the board include the central government, regional and local government, Nocea, the city of Cape Town, the private sector, patrons, sponsors, regional business, academic institutions, other African countries, labour unions and other major cities.

Miss Bolton said it was difficult to understand civic organisation Sanco, who demanded that at least four of its members serve on the board.

"Sanco already has representatives on the City Council of Cape Town, who obviously represent their viewpoint.

"Furthermore, it was agreed that directors would be nominated by the National Economic, Development and Labour Council (Nedlac) as Nedlac represents a broad sector of non-governmental organisations, including civic organisations, throughout the country."

Miss Bolton pointed out that after the local elections Sanco would presumably have councillors on the Cape Town City Council, which would have directors serving on the board of the Olympic Company.

Several task groups accommodating people at grassroots level would be formed to advise the board on the issues and concerns of people at ground level.

"We want everyone involved and part of the process and we do not intend excluding anyone. The success of Cape Town's bid depends on this," said Miss Bolton.
PATRICK FARRELL
Weekend Argus Reporter

RAYMOND Ackerman has vowed to "fight tooth and nail" against this week's signing of the Olympic agreement between the Cape Town City Council and National Olympic Committee of SA (Nocsa).

The agreement marks the beginning of Cape Town's efforts to persuade the International Olympic Committee that the 2004 games should be held here.

It was signed by Cape Town Mayor William Bantom and Nocsa president Sam Ramsamy.

In terms of the agreement, Nocsa is handing over certain marketing rights to the city, which will pay for certain of Nocsa's expenses in promoting the bid.

The signing of the agreement secures a R470-million grant to the Cape metropolitan area from central government for a transport overhaul.

It also will release private-sector sponsorship which was being held back pending the signing.

Supermarket chief Mr Ackerman, the chief executive officer of Cape Town's interim steering committee for the Olympic bid, describing himself as "angry", said the signing was "illegitimate".

"I am bound to fight this on behalf of the citizens of Cape Town."

Mr Ackerman, who walked out of the steering committee in March and returned when a deal was brokered, said he had been promised he would be allowed to go through the agreement with his team before it was signed.

He said the agreement was signed without "those meetings (of the team with the council) reaching any conclusion".

He said he had had been invited to the signing ceremony and the date of the signing had been "cleverly picked" by the council and Nocsa because it fell on a weekend.

He described the timing of the signing as "devious and not transparent".

He confirmed he had held negotiations with lawyers, but did not elaborate whether he would use the courts to fight the signing.

"I will see Sports Minister Steve Tshwete next week to discuss the agreement. If he doesn't give us support, then we'll use any means possible," he said.

In reaction, Mr Tshwete said last night he was "hurt" by the way that Mr Ackerman had handled the signing.

"He is not creating a positive mood... the message he is sending to the cabinet is that all is not well with the bid."

He said he was aware of Mr Ackerman's reservations over the agreement and had indicated yesterday he would sit down with Mr Ackerman on Tuesday to discuss the matter in a responsible way.

"This is a delicate matter that must be handled with utmost care."

"We cannot undermine the authority of the city council... there is no way the bid will work without them," said Mr Tshwete.

[See picture on page 3.]
Western Cape takes top tourism awards

2/8/95

Staff Reporter

DURBAN. — The Western Cape swept the board at Safari's inaugural tourism awards, winning best hotel and best guest-house of the year.

The V&A Waterfront's managing director, David Jack also won a special chairman's award at the ceremony in the Durban City Hall on Sunday.

The event was attended by dignitaries from more than 30 African countries.

Guest House of the Year is Mimosa Lodge in Montague, whose owners Adrian and Sharon Greaves were also voted hosts of the year.

The top hotel is Grand Roche in Paarl.

The awards ceremony coincides with the biggest tourism exhibition in Africa, the Indaba, as well as an all-Africa convention of the World Tourism Organisation.

It was attended by Tourism Minister Johann De Villiers who said that South Africa had the potential to become the world's number one eco-tourism destination.

Dr De Villiers suggested that international tourists would be better accommodated if there was one tourism visa for the entire African continent.

"We should share a vision of tourists visiting our continent from south to north and from east to west in the same way they cross the American and European continents," Dr De Villiers said.

World Tourism Organisation statistics for last year showed international arrivals in this country had increased by just over 10 percent.

The secretary-general of the World Tourism Organisation, Antonio Savignac, described South Africa as a "tourism powerhouse" with the potential to help develop its neighbours' tourism capabilities.

But air fares and airline policies were a major restricting factor.

He said an example of the problem was that most of the African delegates from 36 countries had to fly north to get a connection to South Africa.

The limited supply of flights was limiting tourists. Aviation was over-protected and over-priced.

President Mandela assured visitors that the government had a major programme to ensure their safety.

Speaking at the official opening of the Indaba last night, Mr. Mandela said tourism was the fourth largest industry in South Africa and an important part of the RDP programme. It was labour-intensive, creating half a million jobs in rural areas where they were desperately needed.
Tourist surge delight for hotel industry

Hotel occupancy hit a five-year high in January, and monthly arrivals since August show a 20\% increase over 1993.

By ROY CORHAM

There has been a dramatic increase in tourists visiting South Africa since August last year, according to figures released by Central Statistical Services (CSS).

The increase is reflected in the average hotel room occupancy rate, which surged to a five-year high in January this year — up by 12.2\% to 49.5\%. This is the highest rate for January since 1990, CSS said.

Best occupancies followed a similar pattern, with the rate rising by 20.5\% to 36.5\%.

Sasol spokesman Martin Van Niekerk said the figures were confirmation of the dramatic increase in foreign tourism.

He said tourist arrivals had, since August last year, risen an average by 20\% month-on-month, compared with the previous year.

This is good news for South Africa's hospitality industry.

The overall increase in foreign arrivals to South Africa last year was 13\% compared with 1993. This is high when compared to the average growth in foreign arrivals internationally of 3\% in the same period, he said.

Figures released by CSS revealed that room occupancy of hotels on the Garden Route rose by 28.9\% in January this year — the largest increase of the areas surveyed.

Next best was the East Rand at 28.8\%.

The Cape Town and Knysna had the largest increase in bed occupancies at 37.4\%, while the Northern Transvaal registered the biggest increase in hotel income at 57.6\%.

Four-star

CSS revealed that one and two-star hotels achieved the biggest increases in all three categories, registering a 25.1\% rise in room occupancy, 22\% increase in bed occupancy and 44.6\% hike in hotel income.

Four-star hotels were next best in hotel income at 32.2\%, the figures showed.
TUESDAY
MAY 2, 1995 ★

CONTRACT ‘FLAWED FROM TOP TO BOTTOM’

Ackerman in bid to overturn Nocsa deal

THE Olympic bid contract with Nocsa is the focus of a new row, with Mr Raymond Ackerman describing it as ‘flawed from top to toe’, our MUNICIPAL REPORTER writes.

OLYMPIC bid committee chief executive officer Mr Raymond Ackerman is expected to meet Minister of Sport Mr Steve Tshwete today to discuss the possibility of overturning the National Olympic Committee of South Africa’s (Nocsa) controversial contract with the Cape Town City Council.

Mr Ackerman regards the Nocsa contract, which was signed on Friday, as “flawed from top to toe, commercially naive, flawed legally, and bad for the city, the ratepayers and the bid”.

The contract deals with the basis on which Nocsa will support Cape Town’s candidature to host the 2004 Olympic Games.

At the most recent full City Council meeting, a decision was passed by an overwhelming majority of councillors — with the notable exception of Mr Arthur Wiengers — that the contract in its present form be signed.

One of the controversial items seems to be the granting of exclusive rights to the Olympic logo and merchandising to a single, Nocsa-appointed company.

The contract says the bid committee will negotiate with the current official marketing agent of Nocsa (Grinaker) and appoint an exclusive fund-raising agent and merchandise licensee.

Mr Ackerman said the bid steering committee wanted to have had a say in the contract.

“I came back (into the Olympic bid) on various conditions, and this was the main one,” he said.

The contract is a requirement for the release of sponsors’ money for the bidding process.

Asked whether the sponsors’ money was now available, Mr Ackerman said the latest row would obviously affect their willingness to put down their money.

The City Council last night rejected Mr Ackerman’s claim that its signing of the contract was “devious and not transparent”.

Mr Llewellyn van Wyk, exco deputy chairman, said it had been well known that the deadline for the signing of the contract was April 30.

He said the mandate given to the interim steering committee had been restricted to ensuring the Bid Company was registered as quickly as possible. The precise terms of the mandate had never been properly spelt out.

“The people of Cape Town are represented politically by the City Council (which) has clearly expressed its mind on this matter.

“It is therefore unfortunate that Mr Ackerman now seems to be saying he has a stronger right to speak on behalf of the citizens of Cape Town than does its political authority,” Mr Van Wyk said.

He also expressed concern over Mr Ackerman’s allegations that the council was “commercially naive” and contract with was Nocsa was “flawed”.

“The implication is that, while the council was incapable of knowing what was in its own best interests, Mr Ackerman knew exactly what would be good for the council.”

Too late for classification

DEATHS

GREENBLATT Isaac (Sakkie) passed away peacefully Saturday 20th. Deeply mourned and sadly missed by his sister Louise, brother-in-law Rudy and family.

GREENBLATT Isaac (Sakkie) passed away peacefully Saturday 20th. Deeply mourned and sadly missed by his sister Esther Solomon and Toby Jacobs.

MARGOLIS

Making SA safe for tourists

DURBAN: President Nelson Mandela in his opening address at the Indaba International Tourism Workshop here yesterday said the government had in place a major programme to ensure a safe climate for overseas visitors.

“I am confident that the close and active co-operation of communities with the police on which this programme is based, will assure its success,” he said.

He predicted a possible increase of 25% in the number of overseas visitors for 1995, with the Rugby World Cup being only one of many events in the tourist calendar.

In light of this he challenged service enterprises to make 1995 a year of improving service.

“We need also as a nation to make a concerted effort to continually increase the levels of hospitality and friendliness, and the general level of service.”
Govt’s pensions plan challenged

BY CLAIRE GENHARDT ECONOMICS EDITOR

The proposed redirection of state pension contributions to fund improvements in public servants’ salary and service structures should be challenged as either illegal or imprudent, Edward Osborn, independent economist, said on Friday.

Osborn said the statement by the ministry for public service that an additional R30 million could be found by reducing the state’s contributions to pension funds, illustrated the impossible tight provisions for public service salaries in the recent Budget.

In an interview with Reuters, he said the R2.5 billion provision was a net increase of only 3.25 percent for the improvement of salaries, “even normal notch increases are supposed to account for about 3.1 percent. This had probably been done to achieve a deficit before borrowing of 5.8 percent of GDP, and to gain international applause for financial prudence.

Further, it was probably intended to indicate to public service staff associations the absolute limits of what the state could afford.

Osborn said government was in a cleft stick as far as the pension funds were concerned because of appallingly profligate decision-making in the past about improving pension benefits.

What needed to be cleared up was whether such monies had been provided for as part of the programme to enhance the actuarial funding of the pension funds, or whether they were simply part of the state’s current contributions to the funds as employer.

Osborn said the diversion of the employer contributions would worsen the actuarial deficit and could be contrary to the State Pensions Act or the contractual terms of employment.

The actuarial deficit of the funds was about R39 billion and government had committed itself to a programme of improving on this over an extended period.

“But there is no indication in this year’s Budget that the programme of making special transfers has commenced — apart from the issue of R6.9 billion government paper to the funds by Derek Keyes in March 1994."

Chris Liebenberg, the finance minister, had stated in his Budget speech that government aimed to enhance the level of actuarial funding by 2.5 percentage points every three years.

“To the extent that the annual employer and employee contributions do not meet this requirement, government will be required to tap up any arrears when progress is assessed every three years.”

Liebenberg was clearly not giving way for the moment as his credibility was at stake, Osborn said.

“But sooner or later an increased provision for the improvement of conditions of service will have to be allowed for and the deficit widened to the 6 percent plus level.

“On the other hand, if there is an explicit provision for the reduction of the actuarial deficit this year then a diversion of this for augmentation of the salary provision is feasible.”

Osborn said that with a Budget deficit of the order of R28 billion there was no question of diversion of funds, it was simply a diversion of a bit of deficit.

Tariff cuts ‘key to US-SA trade’

BY ROSS HERBERT

Reducing tariff and non-tariff trade barriers is the top United States trade priority with South Africa and the greatest limitation on expanding trade, US Commerce Secretary Ron Brown said in a satellite interview.

“We are not pleased with restrictive tariffs. They do not do anything in the interest of an open relationship,” he said.

Brown said South Africa had to realise there was “tremendous competition for foreign investment.

“The countries which take that seriously are the ones which get the investment. South Africa has a golden opportunity now.”

Brown said South Africa was one of the top 10 developing markets and central to US policy towards Africa.

Brown said he would visit South Africa in September with US Vice-President Al Gore and other officials to build US-SA trade.

Brown and Trade and Industry Minister Trevor Manuel head a joint business development committee that is drafting recommen-

TRADE TERMS US Commerce Secretary Ron Brown

ations on trade and investment between the two countries.

Brown said legal issues also played an important role in trade. As a result, the US government and the South African departments of justice, and trade and industry, would sponsor conferences on legal aspects of US-SA trade in Cape Town, Durban and Johannesburg from May 22 to 27.

Brown said the US investment community was pleased with the political and economic performance of the government, but “would be shaken” by a withdrawal by Inhakka. “We certainly are disappointed by the harsh (Inhakha) rhetoric. If they pull out, that would be a very disappointing turn of events,” he said.

“We need to put into perspective what has happened. The world hasn’t been pleased by reports of violence, but it has been much less significant than opponents of change had predicted,” he said.

Brown said US investment in South Africa had “increased dramatically”, but there was intense political pressure to limit US expenditure on foreign aid and fierce competition for US aid dollars.

He said the US commerce department had only one special councillor for world trade — and that diplomat, Millard Arnold, had been posted to South Africa.

Amos said he sought anxieties over South African competitiveness were temporary: “This is a competitive nation. It likes to win. And those are the qualities that make an economy grow,” he said.

“I guarantee that over time, South Africa will become a major player.”

Germans head for SA shores

BY AUDREY D’ANGELLO

Tourism from Germany to South Africa was expected to rise by about 15 percent in the coming year, an official from the Association of Southern African Travel Agents said at the weekend.

Michael von Kotze, the vice-chairman of the association’s tour operators’ section, warned that Germans were concerned about their personal safety in South Africa.

Other limiting factors included rising costs, insufficient hotel rooms and trained guides.

“There is a serious lack of trained manpower with language skills,” said Von Kotze. “This is due to the reluctance of the government to issue work permits. We must also offer training for students and temporary staff to provide an effective support structure.”

Von Kotze also called for more incentives to invest in infrastructure for tourism.

“Although tourism is a recognised invisible export, incentives to invest in it have been removed.”
Olympic bid runs into a new hurdle

CAPE TOWN 2004 interim bid committee CEO Raymond Ackerman said last night he hoped to bring financial pressure to bear on the National Olympic Committee (Nocsa) and the Cape Town City authorities to "tear up" the agreement they signed on Saturday and start over again.

Ackerman will meet Sports Minister Steve Tshwete on Thursday to discuss the contract which was signed "behind the steering committee's back and in contravention with the spirit of the agreement" reached after the last split between the funding bodies.

Repeating his claim that the agreement was "commercially naive and legally flawed", Ackerman said the issue was not cleared up soon, SA would lose all hope of hosting the 2004 Olympic Games. He said almost every clause in the contract gave Nocsa "unwarranted control over the bidding process from Johannesburg.

"It is creating a noose around the neck of the steering committee.

Ackerman specified two clauses - although I could show you another 10" - that were causing concern.

One was the "lack of transparency", which had led to Nocsa's marketing agent Grinaker Sports Management being granted "full rights for all fundraising and marketing of the rings and merchandise right through to 1997.

"It seems there was no question of putting the job out to tender, to find the best possible people. I might also point out that this is Nocsa's marketing agent. So there was no transparency, which is completely against the spirit of the agreement we came to a few months ago."

The second clause disputed by Ackerman "and others in the bid committee" stipulates that Nocsa would immediately receive 10% of all funds raised by the bid process "with no limits on the amount."

"This could make the bid short of funds because we owe a lot of money... with so much money going to Grinaker and Nocsa, this agreement will give us a cash flow problem."

"Hopefully we can bring enough pressure to bear, via the business community, to have this agreement torn up and a new start made, because if there is one thing the authorities cannot afford to do, it is to alienate the business community.

Ackerman said this latest development should not be seen as the start of a new row. "The last thing we need now is another row. I just want this matter cleared up."

Sapa reported, meanwhile, that New South Wales Olympics official Michael Knight said staging the Games in Cape Town might cost R3bn. The Australian state is to host the 2000 Olympics.

Knight said Cape Town would have to provide not only world-standard facilities for all sports and many thousands of spectators and athletes, but also many other services at great expense to taxpayers.

He said "confusion, jealousy and duplication of tasks" had characterised Australian preparations to date.

However, Australian Olympic Committee executive president John Coates said Sydney was no target to host the Games, with 76% of facilities already in place.
SA popular with tourists

MOOOGIKA HARVEY

SA was becoming increasingly popular as a tourism destination and operators reported excellent advance bookings, more repeat visits and great interest in tours, the Association of SA Travel Agents' incoming tour operators' vice-chairman Michael Kotze said.

In a statement at the World Tourism Fair in Berlin, he said overseas partners were booking right through 1997. The German market, traditionally a loyal supporter of the SA product — was expected to grow by 10% to 15%.

However, he said there were still inhibiting factors, among them widespread concern for personal safety and the 10%-15% increase in air fares.

He also cited lack of sufficient hotel rooms.
canceled 2004 contract

Ackerman in bid to

How is the Olympic Games committee? The answer is yes, we need the Games. The committee needs it, and we need the Games. The Games are a big deal. The committee can't function without the Games. The committee needs the Games. The committee needs the Games. The committee needs the Games. The committee needs the Games. The committee needs the Games. The committee needs the Games.
Industry has already created 450 000 jobs

Tourism punted as SA’s top earner

OWN CORRESPONDENT

Durban — Tourism has the potential to become South Africa’s largest industry, surpassing mining and manufacturing, Deputy Minister of Environment Affairs and Tourism Bantu Holomisa said on Sunday.

He told a tourism gala award ceremony in Durban on Sunday night that this had become clear after last April’s election when there was a sudden boom in foreign visitors and an increase in foreign airlines introducing routes to South Africa.

“Tourism generates more than R6-billion in foreign income annually and has created 450 000 jobs in SA,” the deputy minister told 600 guests from 37 African countries who are in Durban for the Africa Commission meeting of the World Tourism Organisation (the biggest travel and tourism show in Africa) and the annual Indaba.

South Africa wanted standards to be high in every segment of the hospitality industry and had a vision of a uniform standard “stretching across the African continent... some African countries north and south of the Zambezi are already consulting with us in an attempt to have us work jointly with them in the promotion of tourism,” Holomisa said.

Telling delegates about the Xhosa word “ubuntu” — meaning the quality of being human — the deputy minister said the word was an African philosophy that promoted comradeship.

“Africans must work together in the spirit of ubuntu, bury the hatchet and smoke the peace pipe... We would like to see all Africa share in the riches of this continent.”

The tourism awards, which were established this year to recognise and promote excellence in the industry, were made by the SA Tourism Board and five co-sponsors.

Guest house of the year award went to Mimosa Lodge, Montagu, whose owners, Adin and Sharon Grevies, also won the hosts of the year award.

Other awards were: hotel of the year; the Grande Roche of Paarl; newcomer of the year; Umqha River Bungalows; self-catering establishment of the year; Swadini Aventura near Hoedspruit; housekeeper of the year, Margaret Wilson of the Sandton Towers Hotel; marketing campaign of the year, Cayley Lodge, Winterton for the individual campaign and City Lodge for the group campaign. The chairman’s award went to David Jack, managing director of Cape Town’s Victoria and Alfred Waterfront.

Govt ‘safety for tourists’ plan

Durban — President Nelson Mandela in his opening address at the Indaba International Tourism Workshop in Durban yesterday said the government had in place a major programme to ensure a safe climate for overseas visitors.

“I am confident that the close and active cooperation of communities with the police, on which this programme is based, will assure its success,” he said.

Mandela predicted a possible increase of 25% in the number of overseas arrivals for 1995, with the rugby World Cup tournament being only one of many events in the tourist calendar.

In light of this he challenged service enterprises to make 1995 a year of improving service.

“We need also as a nation to make a concerted effort to continually increase the levels of hospitality and friendliness, and the general level of service. The international tourist market places a very high premium on these aspects,” he warned.

Mandela expressed the belief that with international support tourism could become one of the cornerstones of sustained economic growth in the country.

“Tourism brings us a large revenue in foreign exchange earnings. But, more importantly still, it makes a significant impact on the reconstruction and development programme,” he said.

Many of the almost half a million job opportunities provided by the industry were in rural areas where jobs were “desperately needed”, he warned.

Mandela called on the industry to welcome all South Africans into its fold, not only as semi-skilled workers but also as entrepreneurs, colleagues and as tourists.

He said that local tourism was an even bigger creator of jobs than international tourism.

Savimbi no to govt post

Lome (Togo) — Angolan rebel leader Jonas Savimbi, on a west African tour ahead of peace talks this week with civil war rival President Jose Eduardo dos Santos, said in Togo at the weekend that he sought no specific post in any future government.

Julita, leader Savimbi, who meetsDos Santos in the Zambian capital Lubumbashi on Friday, said in Ivory Coast on Sunday he was confident that peace was within reach.

He said his main concern was to ensure that all those who followed him during three decades of war had a future.

Reuter
Jobs boost in casino plans

By Joshua Raboroko

TWO European hotel barons and local businesses have formed a consortium to boost tourism and to create jobs in South Africa.

Casino Austria Internation and Radisson Hospitality Group have formed the Casino Austrian Consortium, which plans to establish many casinos and hotels.

The South African players are: First Corp Merchant Bank, Innovate Resorts and Murray and Roberts Construction.

Internationally acclaimed Casino Austria's president, Dr Leopold Walther told Sowetan in Johannesburg during his seven-day visit that they intended building casinos in all nine provinces.

His company runs one of the largest casino operations in the world, having more than 100 casinos.

The company was established, he said, to ensure that its foreign business was handled in a professional manner and to allow for further expansion.

"It is with this in mind that we have considered South Africa for various casino rights throughout the country. We are therefore seeking licences in all nine regions," he said.

They will also negotiate joint ventures with black business as part of an empowerment process.

Walther says his company believes in affirmative action programmes that will empower blacks: "We are committed to promoting entrepreneurial skills in the black community."

Chief Executive Officer of Radisson Hospitality Group, Mr Bartels say they will build more hotels in South Africa to promote tourism.

The two business deals are likely to lead to millions of rands being invested in the country, sources say.
Tourism at risk as Cape Town sinks under tons of litter

Environment Reporter

CLEANLINESS and security are vital to the survival of the tourism industry — a major component of the Western Cape economy — but Cape Town is being threatened by a tidal wave of litter.

This was the message from Kendal Kaveney, director of the Cape Town City Council’s cleansing services, at the Clean City Award presentation.

The 1994 award was made to BP Southern Africa for its schools environment programme, involving primary and senior schools throughout the Western Cape.

Mr Kaveney said about 3,000 tons of litter was dropped on the city’s streets each month.

Because the council’s cleansing budget had remained static, the same number of cleaners using the same equipment were trying to cope with a growing problem.

The 1995 Clean City Award is one of the ways of encouraging people, organisations and companies to contribute to keeping the Mother City clean.

Tourism was one of the city’s biggest business investments, and two areas vital to its industry’s survival were security and cleanliness.

“We need all Capetonians to support the award by keeping a look-out for people and companies who can be nominated for their efforts.”

“By doing this, citizens are not only helping to keep Cape Town beautiful for residents, but are indirectly helping to protect and create jobs in the tourism industry,” he said.

Finalists for the 1994 award were BP, Consol Glass, Protea Assurance, 3 Medical Battalion of the South African National Defence Force, Victoria & Alfred Waterfront and Metroprop.

Nominations for the 1995 award can be sent to the Fairest Cape Town Association, Box 97, Cape Town 8000, or to the Cape Chamber of Commerce and Industry, Box 294, Cape Town, 8000.
SA receives (288) tourism boost

THEO RAWANA

DURBAN — SA's membership of the World Travel Organisation would allow it to enjoy co-operation in six key areas of tourism, its secretary-general, Antonio Navajas, said yesterday.

These were tourism development, education and training, environment and planning, quality of services, statistics and market research, and communication and documentation.

Satoru, executive director, Masako Mchungu, said SA was expected to play a crucial role in the development and promotion of southern Africa as a tourist destination.

"It is envisaged that a new regional tourism promotion body will be formed within the next few months," he said.

"However, we will be careful not to dominate. There will be an exchange of expertise from all sides."
Council official responds to Olympic criticism

CAPE Town City Council executive committee deputy chairman Llewellyn van Wyk yesterday hit back at
Reynolds Ackerman, the CI of the
Cape Town 2004 bid's interim steering committee, about remarks made at the weekend.

Van Wyk responded to Ackerman's comments labelling the signing of a contract between the City Council and the National Olympic Committee as "illegitimate."

He responded amid reports that potential bid sponsors, fed up with the public airing the fighting over the contract had received, were planning to tell both parties to do their fighting behind closed doors.

"The date of the signing of the contract was not 'cleverly picked by the council and NOC' as it has been suggested," said Van Wyk.

"The council only debated and approved the signing of the contract towards the end of its meeting last Tuesday. During that meeting it was generally agreed that the contract should be signed as soon as possible."

"Because the necessary arrangements had to be made and because Thursday was Freedom Day, the only possible day for the signature was the last working day of April — Friday."

Van Wyk said the Olympic bid had the potential to do much for Cape Town, the Western Cape and SA.

"If Mr Ackerman is truly as committed to Cape Town's bid as he has said he is, I would appeal to him to exercise restraint in the way he chooses to respond to issues relating to the Olympic Bid," said Van Wyk.
Council threatens to sue Ackerman

OLYMPIC bid acrimony burst into the open again yesterday with the City Council threatening to sue Mr. Raymond Ackerman and the Chamber of Commerce for allegedly denigrating the council over its deal with Nocsar.

In a stinging letter to Mr. Ackerman, the council said he had implied incompetence and impropriety on the part of the council, which "intends to hold you personally liable for any damages which they have suffered or may suffer in consequence."

In the letter to Mr. Michael Stekhoven, President of the Chamber of Commerce, the council said Mr. Stekhoven's assertions implied impropriety and incompetence on the part of council.

Mr. Ackerman said the letter was "ridiculous", and he too reserved his rights. "If this is the way they want to run the bid, it has no chance of succeeding," he said yesterday.

See Page 3
Home comforts are still going begging

BY SHIRLEY WOODGATE

The expected rush for bed-and-breakfast accommodation during Rugby World Cup month has not materialised, despite indications that a flood of more than 40,000 rugby tourists will visit the country from May 20.

Dirk Oelendhuyn, Just Accommodation, one of South Africa's largest accommodation providers, said an "incredible oversupply" of rooms in houses and flats all over the country.

"Bed-and-breakfast bookings have been taken in the main centres, but a couple of thousand beds at between R100 and R150 a night are still on offer," he said.

Two different packages have been sold by 64 official tour operators to rugby supporters, mainly from England, Australia and New Zealand. One includes airfares, tickets and accommodation in three to five-star hotels mainly in the Southern Sun stable, while bed-and-breakfast outlets were relying on a "free-wheeler" package offering only flight tickets and entry to the matches.

A spokesman for Durban-based Edusport said only about 400 beds had been booked in Durban, but there was still hope of a last-minute rush after SAA had confirmed flights.

Accommodation in Durban ranged from luxury beachfront pads at up to R300 a night to standard overnight space at about R180.

John Read, who heads long-established Johannesburg-based Bed 'n Breakfast, said demand for accommodation during the tournament had been massively underestimated.

Read said, however, that he expected an increase in demand after the RWC's stand-by tickets were sold off in South Africa.

SAA spokesman Leon Els meanwhile denied there had been delays in confirmation of flights. "About 98% of 41,100 seats have been confirmed for supporters or people visiting their families in South Africa."

"SAA is using Air Mauritius, Air Singapore and Qantas to do some of the domestic flights and we are confident we will handle the additional loads," he said.

Public fear about safety and security during the RWC have been addressed by the police and rugby officials.

The South African Rugby Football Union and the South African Police Service said yesterday in a joint statement that a combined strategy had been worked out to achieve the greatest possible safety.

"Potential visitors should bear in mind that although South Africa also experiences the worldwide trend towards high crime rates in certain areas, crime here is no worse than that of other major tourist destinations in the world."

"As in any democratic country, the prevention of crime in South Africa depends to a large extent on individuals showing common sense and discretion."

Gripe over late payment of salaries

BY BONGIWE MLANGENI

Some Greater Soweto council officials have been forced to work without salaries for weeks because the Greater Johannesburg Transitional Metropolitan Council (TMC) has delayed paying them, according to the council's chief executive officer, Dennis Roets.

About five newly appointed officials had to struggle every month to get their salaries despite their appointments being discussed and resolved with the TMC, Roets said.

The officials started work in December last year and were paid their salaries only three weeks after other council employees, he said.

"We have discussed the issue with the TMC before but it seems to get worse. This would never happen with white officials," Roets said.

A TMC official denied there were any irregularities regarding payments, saying there had been problems with the appointments of some of the officials.

"The matter is at present under investigation and steps will be taken to rectify it. The problem is caused by the failure of the chief executive officer to follow the correct procedure when appointing officials."

THE STAR / THURSDAY
Regional passport mooted for S Africa

By Mzimuku Malunga

SOUTHERN AFRICA has to be marketed as a unit if it is to become a haven for international tourism, says a confidential document from the Southern African Development Community.

Tourism officials within SADC last month proposed that countries in the region gradually phase out visa requirements as the first step in the introduction of an SADC passport.

This proposal is described by regional analysts as part of a long standing SADC programme to facilitate free movement of labour in the region.

The document, authored by the Southern African Hospitality Association — of which South Africa is a member — says as the first step in the integration of the tourism industry, SADC members should remove visa charges when people travel in between countries.

SAHA chairman Enzo Rossi is quoted as having said the second step would be to scrap visa requirements altogether for regional nationals and residents with the eventual aim of introducing a regional passport.

Part of this programme will be to introduce a SADC visa which will facilitate tourists' free movement in the region.

However, due to the current economic situation in the region where the relatively successful countries like South Africa, Botswana and Namibia have to cope with an influx of people from their neighbours, SAHA’s proposals appear to be far fetched.

The three countries are also known to have opposed SADC’s proposal that there should be free movement of labour in the region.

Africa Institute economist Kenneth Kotelo says while this proposal could have positive economic benefits for the region from a foreign investment point of view, it can only be practical in the long term.

Foreign investors, he argues, look at Southern Africa as a unit. It makes sense for them to establish a business in South Africa but also be able to open branches in the other parts of the region.

Investors’ sentiments are fortified by the fact that the whole region is awash with mineral wealth.

However, in the short term, nationalistic feelings and economic realities would defer proposals such as the scrapping of visa requirements and the establishment of an SADC passport.

Kotelo says if this proposal is to be implemented now, a number of countries in the region will definitely experience a brain drain while others will have to cope with an influx of people.

In the long term, Southern Africa, particularly if the war in Angola stops and stability continues in Mozambique, could become the bread basket of the whole continent, he says.
Apathetic city businesses lag behind for World Cup

STAFF REPORTER

With barely two weeks to go to the Rugby World Cup, traders in the city's central business district had made virtually no preparations to attract custom at a meeting heard last night.

Cape Town marketing and public relations manager Ms Lauren de Wet told businessmen and women at the meeting that apathy and a lack of promotional activities were causing Cape Town to lag behind other cities hosting World Cup matches.

Ms De Wet and Zoo Promotions head Mr Allan Barnard argued city businesses had failed to market themselves and had not shown willingness to invest in World Cup-related ventures.
Tshwete backing me — Ackerman

DALE GRANGER

CAPE TOWN Olympic bid chief executive officer Mr Raymond Ackerman said last night he believed he had the support of Minister of Sport Mr Steve Tshwete for today's crucial meeting with the bid's interim steering committee to iron out the row over the Olympic bid agreement signed with Nocs.

Mr Ackerman was speaking at the Graduate School of Business after a meeting with Mr Tshwete yesterday to resolve renewed strife over the contract — which Mr Ackerman said had angered businesses involved in the bid who were upset that the contract was signed without their input.

They were chiefly concerned about clauses on commercial aspects, giving Nocs 10% of sponsorship money raised, as well as 10% of any goods donated, without a ceiling on the amount.

He said last year it had been agreed the ceiling would be R50 million for Nocs, but now this was on the table for negotiation.

"We don't want to be cut out of liquid finance," he said, and the current agreement would ensure Nocs "get their figure regardless of performance".

Mr Ackerman said he had no problem with the figure of 10% but was worried about cash flow problems resulting from money coming into Olympic bid coffers and "going out too quickly" to Nocs.
Threat to sue Ackerman ‘unauthorised’

CAPE TOWN — A letter by the city’s legal adviser threatening legal action against Cape Town Olympic bid committee CEO Raymond Ackerman had been sent without the authorisation of the council and had caused it embarrassment, councillor Clive Keegan said yesterday. It emerged this week that city council legal adviser Howard Firth had written letters to Ackerman and Cape Chamber of Commerce and Industry president Michael Stekelenburg threatening to sue them for “impugning the good name of the council.”

Keegan said last night the letters had been written without the authorisation or knowledge of the council. It discussed the matter yesterday, and he hoped it would be settled in a day or two. Firth could not be reached for comment.

Earlier last night Ackerman said “sticky clauses” in the agreement between the council and the National Olympics Committee of SA (Nocs) would hopefully be altered at today’s bid committee meeting.

Ackerman said his meeting with Sports Minister Steve Tshwete yesterday had been positive and he believed the row over the signing of the agreement would be resolved today. Concerns related mostly to commercial aspects of the agreement.

In particular, and although the necessity for Nocs to obtain sponsorship funds was not disputed, the plan envisaged in the agreement would result in funds flowing to Nocs too quickly and would result in cash flow problems for the bid.

Although Nocs had revised its original claim for R200m to 10% of bid sponsorship funds, no ceiling had been placed on funds flowing to Nocs, he said.
Changing face vs ruining natural

Skyscraper coasts a no-no in Cape — managed growth IN

national boycotts, due to pressure from world conservation groups, unless authorities thoroughly applied their minds to the environmental effects of the plant.

“We have to convince the public we are doing everything possible to reach a decision in the interests of all,” he said.

He also disclosed that international developers wanted to build one of the world’s “top 10” convention centres in Cape Town.

It is understood this is earmarked for the Foreshore area.

Mr Fick also disclosed that the developers were not interested in linking the proposed convention centre to casino rights, as was previously thought.

They were merely interested in building the conference centre, linked to a hotel, because of the Cape’s growing world importance.

Many of the world’s major hotel chains, including the Sheraton, Hyatt and Hilton groups were planning hotels there, but they were also not linked to casinos, he said.

Up to seven casino resorts, however, were due to be dotted around the province.

Mr Fick cautioned that with the rapid influx into the Cape, the population of the Cape Town metropolitan area was expected to double by the year 2010 to more than 4 million.

This would put severe pressure on the thousands of hectares of “green lung” open space in the Peninsula.

He said it was important to protect this land from squatting invasion as well.

"In 10 years the Peninsula could be so built-up it would be unrecognisable," he said.

With such large-scale economic and tourist development mushrooming throughout the Western Cape, the province had decided to pass a comprehensive law to manage development and prevent it wrecking the character of the Cape.

Mr Fick said it was expected the new laws could be tabled in the provincial parliament next year.

He said the legislation would introduce a “hierarchy” of plans controlling development at the widest level down to the most detailed local plans.

Mr Fick said there would be:

■ A province-wide guide plan.
■ A strategic plan for each region in the province.
■ A plan for sub-regional development.
■ Detailed local action plans.

He said the Western Cape lacked a comprehensive guide plan to cope with the scale of development.

“We cannot have fragmented plans without overall planning,” he said.

“We must be very careful not to destroy the ‘product’ — that is the atmosphere of the province, its beauty and its lifestyle,” he said.

Mr Fick said, however, that until now agriculture had been the largest industry in the province.

But five years from now tourism would be the province’s biggest money-spinner and provide major employment opportunities in fields such as hotels, restaurants, travel, tours and the manufacture of curios and souvenirs.

He believed this would happen whether or not Cape Town hosted the 2004 Olympics.
The informal sector would benefit greatly from tourism.

For example, stallholders on Greenmarket Square existed because of tourism, he said.

Tourism would develop a “little economy of its own” as new job opportunities developed in related fields. He urged young people looking for career prospects in the province to become involved in tourism.

He said the influx of development “is not being decided by us, but for us”. At least 42 percent of tourists to SA came to the Western Cape — the biggest slice of the tourism cake.

“We are under pressure to respond to events that are happening,” he said.

Mr Fick said he would be opposed to a casino in Cape Town’s city centre as this would discourage capital investment in casinos which could be built in rural areas where residents would benefit greatly from job opportunities.

The minister said large-scale economic and tourist developments in the province would not threaten the Cape’s relaxed lifestyle that visitors found so attractive.

He said the tourists would head for venues such as the Waterfront, the proposed new Cape Point development and the proposed casino resorts, and would not affect suburban tranquillity.
SA tourism back in the big league

THAT tourism is set to boom is without question, says Travel Editor CAROL LAZAR who attended Indaba 1995, SA’s top annual tourism showcase.

AFTER 46 years in the wilderness, South African tourism is once again set to become a world player.

This was nowhere more evident than at the official opening of Indaba, South Africa’s top showcase travel exposition, in Durban on Monday night. President Mandela opened Indaba in a rousing speech to over 3 000 international and local delegates and participants.

“The warmth with which our new democracy has been embraced by the world is reflected in the 50 countries represented here,” he said.

He emphasised the importance of tourism as a kick starter to South Africa’s economy. “Never before has tourism offered us such possibilities. We believe that, with international support, tourism can become one of the cornerstones in the generation of sustained economic growth so critical to the building of our nation.”

As the fourth largest industry in the country, tourism is making an important and valuable contribution to the South African economy. It can do so on an even greater scale.

Some 750 000 tourists visited South Africa in 1994. Tourism is beginning to boom and it is hoped that the country will host a million visitors this year.

The upcoming Rugby World Cup will swell tourism figures by about 30 000 and the impact for South Africa will be enormously beneficial.

Although there’s bound to be chaos in some areas the arrivals and departures at Jan Smuts Airport can hardly be criticised — South Africa will receive substantial publicity from the World Cup.

Over 2-billion people in more than 125 countries will watch the tournament and there will be over 3 000 media personnel covering it.

Minister of Environment Affairs and Tourism Davie de Villiers is highly optimistic. “There’s no doubt,” he said, “that tourism’s current 3.2% contribution to GDP will increase.” He added that although there was room for improvement, South Africa’s good tourism infrastructure enhanced the prospect of increased tourism.

SATOUR executive director Walter Malamag says: “South African tourism is coming of age. International travel to South Africa is soaring and now is the time to capitalise on all new opportunities presented to us.”

“The widespread international interest in our country is good news to the industry and to the country as a whole.”

To show how seriously the world regards South Africa in the international tourism stakes, the prestigious World Tourism Organisation held its Africa Commission at Indaba and over 50 tourism ministers from across the continent attended.

Last year, tourism created over 470 000 jobs and earned more than R7-billion in foreign exchange.

A survey by SATOUR last year reveals that visitors come to South Africa because of this country’s remarkable scenic beauty, rich wildlife heritage, all-year-round sunny climate, diversity of attractions and because South Africa is particularly good value for money.

Worries about safety and about bad service are still prevalent among overseas visitors. Perceptions are that South Africa is a violent country and President Mandela, in his address, stressed the importance of the need for peace.
'CONTRACT OPEN TO NEGOTIATION,' SAY BUSINESS LEADERS

Ncosa statement rejected

Ncosa has said its Olympics bid agreement with the Cape Town City Council is no longer open to negotiation.

A statement on Saturday that the National Olympic Committee of South Africa (Ncosa) would not allow a review of its Olympic bid agreement with Cape Town has been rejected by Western Cape business leaders.

In the Ncosa statement, secretary-general Mr Russell MacKeean said Ncosa had "gone as far as it was prepared to go." Business leaders said this flew in the face of agreements.

Bid committee chair executive Mr Raymond Ackerman had resigned from the bid and withdrawn his sponsorship because of the agreement between Ncosa and the Cape Town City Council. After much in-fighting it was agreed a new bid committee formed by

Sport Minister Mr Steve Tshwete would approve the agreement before it was finalised.

Cape Town Chamber of Commerce and Industry president Mr Michael Stekhoven agreed with Mr Ackerman, after Ncosa signed the agreement with the City Council last weekend.

Business in the Western Cape regarded the agreement as open to negotiation and approval by the bid committee, including those specifically relating to Ncosa.

Chief executive of the Western Cape development body (Wesgro) Dr David Bridgman said business in the province had come to firm understandings with all parties on Friday.

"We must stop rocking the boat and start acting responsibly," Ncosa president Mr Sam Ramsamy said after the Ncosa press conference on Saturday.

The general public and Cape ratepayers especially had to be brought into the Olympic bid process and be informed, Mr Ackerman said after a last round of meetings during the week.

Top of the new programme of action was to disclose in detail the financial implications of the bid to confused ratepayers and taxpayers, Mr Ackerman said. He warned the media to have full access to all information and debate about the bid.

Mr Ackerman said his meetings with Mr Tshwete and the bid committee on Friday affirmed the terms of the Ncosa contract would remain open to negotiation.

"We remain unhappy about a number of clauses, and Ncosa has agreed the terms are not bound in concrete. The importance of getting the clauses right is now accepted," he said.

Mr Ackerman said the 47-member board of the African National 2004 Bid (Cape Town) company - the bid's non-profit management company - would meet on Friday to begin work.

Dr Bridgman said action on the Cape Town Olympic bid this week would "hasten the unlocking millions".

He said on Sunday the central government would now provide about R500 million in funds, urgently needed to upgrade transport facilities, including D F Malan Airport.

"We are looking at a three percent growth rate in the past year, and a jump of up to seven percent in the near future," he said.---Sapa

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Crime File

Table View woman raped

A Table View teenager was abducted and raped by two men after hitch-hiking early yesterday -- and a man who tried to rescue her was shot and wounded in the leg.

The woman, 19, was forced into a car and raped. A passerby confronted the assailants, who shot him in the leg.

Executive held for murder

A PROMINENT Cape Flats businessman has been arrested in connection with the murder of Mr Sharief Moodae, 19, who was two months pregnant, police said.

Man killed during quarrel

MR Yusuf Isaacs, of Delft, was shot dead during an argument on Saturday. A man, 23, has been arrested.

Son arrested for stabbing

A BELLYVILLE man, 20, has been arrested in connection with the murder of his father at their home on Saturday.

The man's father was stabbed in the neck and shoulder.

Hospital guards held hostage

STAFF REPORTER

TEN Groote Schuur Hospital security guards were held hostage for more than four hours on Friday afternoon by about 350 workers protesting against searches of their lockers for stolen goods.

The workers were reportedly angered by the searches, which they claimed breached an agreement that searches would be done without embarrassment or inconvenience to workers or management.

Hospital superintendent Dr Peter Mitchell said that management had met the workers on the issue on April 26 and explained the circumstances behind the searches, but this had not been accepted by the workers.

It was for this reason that a demand by the overseers that the security officers involved be suspended could not be acceded to, he said.

Yesterday, a hospital spokesman said there had been no further incidents over the weekend. Spokesmen for the workers could not be reached.

World Cup buster of faith

OWN CORRESPONDENT

DURBAN: The Rugby World Cup has called the services of SA's top pirate merchant bust Mr George Moyo as fake parapher advertising the tournament has begun flooding the streets.

Several criminal charges have already been laid and thousands of fake T-shirts have been confiscated by police commercial crime division. With the tournament just three weeks away, the pirate industry is starting to print its order labels andSPM away.

Mr Moyo's recent success in cracking huge TDK and Levi's pirate marke Johannesburg-based company Corporate Tek is the latest Sports Market, which holds the manufacturing distribution rights for Rugby World C
THE National Parks Board planned to develop a resort complex at the Langebaan Lagoon near Saldanha Bay despite the possibility of Iscor building a steel mill less than 1km from the lagoon, board acting CEO Dick Parris said at the weekend.

The lagoon, which forms part of the West Coast National Park, has been designated a wetland of international importance. Iscor's plans have raised a storm of objections from environmental groups.

Parris said the board had not established to what extent the steel plant could detract from the area's scenery. However, as other structures, including a harbour, were already visible from the lagoon, it could not be regarded as pristine.

Isocor was awaiting approval of its construction plans from the Western Cape government.

If the plans were accepted, government would have to rezone the proposed site for the mill from agricultural to industrial.

The mill's proximity to Langebaan would have a negative effect on the lagoon. It was certain to cause pollution, Parris said. However, building the plant could be in the best economic interest of the Western Cape.

About 4,000 jobs would be created during its construction period, and another 600 permanent jobs would be generated. The board would finalise its position on the mill towards the end of the month.

The existing parks board site at the lagoon, Langebaan Lodge, would be demolished to make way for the new development. The dilapidated lodge, which had been too costly to maintain, had been closed.

The board would develop a jetty, restaurant, and picnic and boating facilities at the lagoon, and planned to establish family accommodation units and an information centre in the town of Langebaan. The final product would be more in keeping with traditional national parks facilities.

Meanwhile, the Northern Cape government has urged Iscor to consider siting the plant at Sishen, a source of iron ore.

The province needed to create wealth and employment, and new technology favoured the siting of steel plants near their material source, the premier's office said.

"As we do not have highly sensitive parks and lagoons like Saldanha, it is conceivable that the steel plant in the Northern Cape would have much less adverse environmental impact. Furthermore, the location ... will cost less in environmental control."

The Campaign for St Lucia last week said the planned plant would endanger the Langebaan wetland system. This could be avoided by placing the steelworks in a less ecologically sensitive place.

Government should not make a decision on the plant until the Ramsar convention — to which SA was a signatory — had investigated.

Sapa reports the Water Affairs Department has been ordered to report to Minister Kader Asmal on the effect the proposed steel mill will have on water resources in the area.
Ships, tourism battle for space in harbour

ANDREA WEISS, Municipal Reporter

CAPE TOWN harbour is becoming the hottest property in town as increased shipping trade jostles for space with the tourism industry.

Urgent moves are afoot to mount a joint planning initiative to ensure that Cape Town does not lose out as an economic boom puts pressure on harbour land.

At odds are Portnet’s need to expand to accommodate more ships visiting the Cape with cargo or for repairs, and the city, which has long eyed harbour land for an international convention centre.

This has emerged from a report by the city planner’s department, which has pointed out that the success of the Waterfront development is creating a demand for expansion west towards Granger Bay and east towards Duncan Dock.

But the port will not be able to operate at optimum capacity if cargo handling in Duncan Dock is combined with tourism and leisure activities because Portnet also needs to expand its operating capacity.

The Cape Town City Council is seeking a joint partnership with Portnet and the provincial government to decide whether the harbour should place its emphasis on trade or tourism, and ultimately whether harbour expansion should be shifted to Saldanha Bay.

But economists have also suggested that Cape Town has the potential to become a regional distribution hub of the order of Rotterdam, Antwerp, Singapore or Hong Kong.

"Is Table Bay harbour’s core role that of a working harbour servicing the needs of industry or should its major role be as a stimulus to the tourism-leisure industry?" the city’s planning department wanted to know.

According to the report, Portnet’s prediction of a five percent a year growth in traffic has been far exceeded, with present tonnages expected to grow by between 15 to 20 percent. The number of vessels calling at the harbour has increased by between 25 to 30 percent.

At present, the Ben Schoeman terminal is trying to handle 15 percent more container movements than the capacity of the facility. The delays have compelled Saltmarine to divert one of their large container vessels to Port Elizabeth.

Continued congestion could result in a shipping surcharge, which would diminish the price competitiveness of South African exports and raise the price of imports.
Olympic bid ‘bankrupt’

STAFF REPORTER

"CAPE TOWN’s Olympic bid is bankrupt," National Olympic Committee of South Africa (Nocsas) president Mr Sam Ramsamy said yesterday.

He charged: “the Cape cannot raise enough money to pay for the internal bid. They have been bankrupted by this thing... it is quite serious when they can’t raise a few million and rely on Nocsas to raise billions.”

Olympic bid chief executive Mr Raymond Ackerman conceded the bid trust fund was insolvent.

The original bid committee had wanted the City Council to sign the contract with Nocsas last November, which would have released funds from seven major sponsors who had each pledged R10 million to finance the bid.

Since the strife among leading players earlier this year, sponsorship funds had been frozen and the number of major sponsors pledging R10m had dwindled from seven to “three or four”.

**Reimbursed**

Mr Ackerman said he had stood surety for a R5m loan from Good Hope Bank to meet some outstanding costs and had also spent R2.8m of his own money. He said R3.5m was still owed to consultants.

He and the consultants were claiming reimbursement from the trust fund.

City councillor Mr Clive Keegan, who represents the council on the newly formed bid committee, said last night this would be one of the first items on the agenda when the committee meets for the first time on Friday.

"Mr Ackerman literally ran the whole thing last year. It was always understood he would be reimbursed," Mr Keegan said.

The formation of the new bid committee has met one of the criteria for releasing sponsors’ funds, with the launch of the section 21 company. A further prerequisite for releasing funds has yet to be resolved — the committee still has to review disputed clauses in the contract.
City’s Games planners ‘must fit in with RDP’

CHRIS BATEMAN

CITY Olympic bid planners will have to concentrate on RDP objectives to succeed in providing the necessary local infrastructure, Western Cape Transport and Public Works Minister, Mr. Leonard Ramatshone, said yesterday.

"We want to be proud of the asset created by the Olympics after the 14 days are over. I want to see assets near Khayelitsha and Philippi that we can use afterwards," he told the first hearing of the Western Cape’s Transport Advisory Commission.

"In terms of the RDP we must ask ourselves whether we are planning for the integration of the city." Mr. Ramatshone said his department's involvement was not about spending money but about a "holistic programme" with its principal objectives embodied in the RDP.

Mr. Des Corrada, project manager for the city's Olympic interim feasibility study team, presented the city's original (January 1994) bid submission at the hearing.

He said there was a plan to dock 27 cruise liners at the Victoria and Alfred Waterfront for accommodation during the games.

An Olympic village and a media village, each housing about 15,000 people, would be built near the main stadium at Wingfield.
Residents' Olympic gripes answered

COUNCIL officials met opposition to the Olympic bid last night, but convinced Rondebosch residents there were benefits to hosting the Games, By our STAFF REPORTER.

IN INITIAL opposition to Cape Town’s Olympic Bid by Rondebosch residents turned to a grudging acceptance last night when members of the Bid Committee spoke at a Rondebosch Civic Association meeting.

Councillor Mr. Clive Keegan, deputy city treasurer Mr. Peter Lever and Mr. Des Correa, project manager of the Olympic bid, all spoke and answered questions by about 70 people.

Mr. Lever said the Olympic bid could only go ahead if the city could afford it and if it received something in return.

The government had undertaken to pay the city R600 million to improve public transport. This money would not otherwise have been available, he said.

The city has to pay Nocsas a R500 000 deposit when the bid documents are completed in September next year to enter Cape Town’s bid to host the Olympic Games.

The city must also pay the International Olympic Committee $100 000 (about R362 000) as a deposit. The money was, however, refundable along with the interest, Mr. Lever said.

Mr. Keegan agreed that efforts to consult the public had been “woefully inadequate”. “We have to ensure that every ratepayers’ association and every parent-teacher association is allowed to make an input.”

Referring to recent acrimonious exchanges with Mr. Raymond Ackerman, Mr. Keegan said there were still certain lingering personality tensions” but it was inevitable that a project of this magnitude would attract powerful people. “I’m confident we’ve reached a settlement and that when the bid committee meets this Friday it will be presented with a bid that’s back on track”.

In reply to a question on whether the city would have to pay Nocsas’ costs, Mr. Lever said the costs incurred in regard to the promotion of the bid would be borne by the non-profit company which would receive private sponsorship.

Mr. Correa stressed that the games could be used as a catalyst for development in areas like Khayelitsha and Philippi.

Mr. Keegan added that an Independent Development Corporation study had concluded the Olympic Games should to generate hundreds of thousands of long-term jobs, particularly in tourism.
Tourism bosses condemn 'irresponsible' reports

\[Survey\ on\ safety\ in\ S\ Africa\ 'lacks\ credibility'\]

The Argus Correspondent

Johannesburg. — Tourism bosses and hoteliers have condemned "irresponsible and misleading" reports in the British Press yesterday describing South Africa as one of the world's three most dangerous holiday destinations.

A survey by the British Consumers' Association (BCA) claimed that more than one in 20 visitors to South Africa, Poland and Hungary were attacked during their stay.

But local tourism officials say the survey — involving 16,000 readers of the BCA's own magazine — lacks credibility and accuracy. And they challenged the association to prove their story.

Said Mike Fabricius, director of tourism development for the South African Tourism Board (Satour): "We would very strongly dispute these claims, which are both irresponsible and misleading."

The latest of Satour's six-monthly surveys of foreign visitors, coincidentally completed yesterday, paints a different picture of local safety problems.

The survey, conducted by an independent research company, asked overseas tourists awaiting outbound flights at South Africa's international airports for their perceptions of the country.

A total of nine of those questioned said they had felt unsafe during their trip, yet only two said they had been victims of theft, muggings or other crime.

On a scale of 1-10, the average level of overall holiday satisfaction was 8.3. For visitors from Britain the figure was 9.24.

"I think that put things in perspective," said Mr Fabricius.

"Some 70,000 overseas tourists came to South Africa in 1994. For the BCA to suggest that about 35,000 of these people were attacked by criminals is ludicrous. For them to base their survey on their own magazine's readership is totally unacceptable to us."

Mr Fabricius doubted whether the BCA's claims would affect Rugby World Cup attendances.

According to the BCA, Holland and Belgium are the safest countries for tourists. In spite of recent bad publicity about a spate of muggings in the United States "sunshine state" Florida, only 0.3 percent of those surveyed reported being mugged there, it said.

"New freedoms in countries where less liberal regimes, once held sway may cause problems for tourists."

One of Johannesburg's largest city centre hotels, the Carlton, expects no major problems with the hundreds of rugby supporters who have booked accommodation there for the World Cup.

The hotel employs its own 72-strong security force to protect guests during their stay. The patrolmen, dressed in conspicuous green-and-yellow uniforms, carry radios, truncheons and handcuffs, and regularly patrol a 10-block radius around the building. Three of the men carry guns and use motorcycles.

"Since we introduced this extra security in April, 1994 muggings of our guests have fallen by 85 percent," said Carlton general-manager Chris Trimble.
Marais joins in bid row

CHRIS BATEMAN
POLITICAL STAFF

LOCAL Government Minister Mr Peter Marais entered the Nocsa Olympic bid contract row yesterday, saying the Cape Town City Council was not legally entitled to enter into a contract with an "outside party" or one it (the council) had not budgeted for.

It also emerged that neither Western Cape Premier Mr Hermus Kriel nor Housing Minister Mr Gerald Mostel (acting premier in Mr Kriel's absence), have signed approval for the Nocsa endorsement contract as required by the 1974 municipal ordinance.

Mr Fricky Odendaal, a spokesman for Mr Kriel (who is in Europe), said the premier had signed no approval — although he had received a letter from one of the council's deputy city administrators, Mr Gill Bolton, on April 28.

Mr Marais said that as far as he knew, the council was not entitled to enter into a contract with an outside party as this was "not directly in terms of their line function".

Mr Marais said he had called for the Nocsa contract two days ago and his lawyers were studying it before reporting back to him. Mr Mostel confirmed this.

However, ANC provincial chief Mr Chris Nissen said the province had played a pivotal role in the bid, with three Western Cape ministers being members of the new bid company, including the convenor, Mr Lenumo Kalako.

'NOT LEGAL': Mr Peter Marais

And city councillor Mr Clive Keegan said the council had taken every precaution before signing the contract with Nocsa and had followed the correct legal procedure when it did so.
SA 'a dangerous place to holiday'

LONDON: South Africa, Hungary and Poland are the most dangerous countries for tourists, a British Consumers' Association survey claims.

More than one in 20 visitors to these countries is attacked, according to a survey of 16,000 readers of the association's magazine.

In response, Capfour said Cape Town was known as the safest tourist destination in South Africa. The Netherlands and Belgium topped the poll as the safest countries for tourists. — Sapa, Staff Reporter
The "great rugby myth" — that all South African hotels are fully booked for the Rugby World Cup — has seen occupancy rates outside peak game periods fall below last year's levels, says Arthur Gillis, managing director of Protea Hotels.

Gillis said hotels in the group were fully booked for the nights before and after World Cup games but then "occupancy rates fell sharply to around 40 percent lower than May last year."

"There are rooms aplenty available except for the opening and final matches, yet the perception

...
TRAVEL and tourism in the Asia-Pacific region was set to grow up to 89% in real terms over the next 10 years, and SA's support for its tourism industry would help it to benefit from this growth, Cathay Pacific Airways said yesterday.

Cathay Pacific's chairman Peter Satch said in the annual report that despite some isolated signs that the worst might be over for the airline industry, last year had again proved to be a difficult year for the airline.

"I believe our net profit of HK$2.38bn to be creditable under the circumstances, presenting a 4.1% increase over the past year."

Morley-Kirk said the Asia-Pacific region's economic growth was expected to be matched by a surge in air traffic.

He said the SA government's support was in line with council president Geoffrey Lipman's assertion that it was essential for governments to develop strategies to integrate travel and tourism into policy-making processes.

"They must work with the private sector to develop "ukalise" on the industry's enormous potential to generate wealth, jobs, trade and investment," Lipman said at the AGM. Economic forecaster and author John Naisbitt told the meeting that travel and tourism, together with information technology and telecommunications, would become one of the three super industries driving the economy of the next century, and it would be fired by the Asia-Pacific.

Cathay Pacific's southern Africa GM James Morley-Kirk, releasing the airline's annual report, said global research conducted by the World Travel and Tourism Council had shown that tourism in the Asia-Pacific region was growing at almost twice the pace of the rest of the world.

Direct and indirect employment was expected to increase from today's '134-million jobs - one in every 'nine workers' - to more than 240-million jobs over the next decade.

He said the SA government recognised tourism's development potential. "Overt support for tourism development, given by President Nelson Mandela and Tourism Minister Dawie de Villiers at last week's travel conference in Khaba, is very welcome and well-timed," he said.

"However, language and culture 'here lend themselves most readily to cater for English-speaking nationals. More effort from the private sector is needed to prepare for the vast potential of tourism revenues from Asia."

Morley-Kirk said the Asia-Pacific tourism sector's growth was expected to be matched by a surge in air traffic. He said the SA government's support was in line with council president Geoffrey Lipman's assertion that it was essential for governments to develop strategies to integrate travel and tourism into policy-making processes.

"They must work with the private sector to capitalise on the industry's enormous potential to generate wealth, jobs, trade and investment," Lipman said at the AGM. Economic forecaster and author John Naisbitt told the meeting that travel and tourism, together with information technology and telecommunications, would become one of the three super industries driving the economy of the next century, and it would be fired by the Asia-Pacific.
SA a tourist nightmare

LONDON — South Africa is one of the three most dangerous countries in the world for travellers, says a consumer holiday magazine.

A survey for Britain's Holiday Which? reveals that one in 20 tourists are attacked, compared with only three in a thousand visitors to Florida.

Hungary and Poland tie with South Africa for top of the danger league, placing them 288th.

They have displaced Morocco and Gambia to fourth and fifth places, respectively.

The Caribbean is now regarded as more dangerous than the United States, Egypt and Kenya, all countries where tourists were murdered — Sovietan Foreign Service.

Somelan 11/5/95
Ackerman quits Games bid committee

(From page 1)

viding the bid is properly and prudently managed.

"I wish the new bid committee, Nosca and the city council every good fortune in their endeavours to pursue the bid and to secure the 2004 Summer Olympics.

He said the bid had to be run on sound business principles and could not become a political football.

"I just hope they continue to use the very competent team of advisers and consultants that the old bid committee had assembled as I don't believe a new team could be assembled in time to submit a potentially successful bid to the International Olympic Committee."

Mr Ackerman said he had decided to cut his ties with the bid process on March 8 after lengthy meeting with Nosca president Sam Ramsamy and Mr Tshwete in Sandton, but was persuaded to return after being flooded with messages of support.

"Unfortunately the situation has not worked out, culminating in the incident of the signing of the Nosca agreement a fortnight ago.

"This agreement was not negotiated according to promises made, and is vital for the whole bid."
Reports on SA tourist danger ‘irresponsible’

SPECIAL CORRESPONDENT

JOHANNESBURG: Leading SA tourism and hotel bosses have condemned as “irresponsible and misleading” reports in this week’s British press describing SA as one of the world’s three most dangerous holiday destinations.

A survey by the British Consumers’ Association (BCA) claimed that more than one in 20 tourists to SA, Poland and Hungary were attacked during their stay.

But local executives said the survey—involving 16,000 readers of the BCA’s magazine—lacked credibility and accuracy and challenged the association to prove their story.

Mr. Mike Fabricius, director of tourism development for the South African Tourism Board (Satour), said: “We would strongly dispute these claims, which are irresponsible and misleading.”

The latest of Satour’s six-monthly surveys of foreign visitors, coincidentally completed this week, paints a different picture.

The survey, conducted by an independent research company, asked overseas tourists awaiting outbound flights at SA’s international airports for their perceptions of the country.

Nine respondents said they felt unsafe during their trip, yet only two said they were mugged or experienced other crime.

On a scale of 1 to 10, the average level of overall holiday satisfaction was 8.8. For visitors from the UK, the figure was 9.24.

“I think that puts things in perspective,” said Mr. Fabricius. “Some 700,000 overseas tourists came to SA last year. For the BCA to suggest that around 35,000 of these people were attacked by criminals is ludicrous. To base their survey on its own magazine’s readership is totally unacceptable to us.”

Mr. Fabricius doubted if the BCA’s claims would affect attendances at the forthcoming Rugby World Cup.

The BCA said Holland and Belgium were the safest countries.

One of Johannesburg’s largest city-centre hotels, the Carlton, expects no major problems with hundreds of rugby supporters having booked for the World Cup.

The hotel employs its own 72-strong security force to protect guests during their stay.

Carlton Hotel general manager Mr. Chris Trimble, who thought the BCA’s figures were too high, said that since the extra security was introduced in April last year, the number of muggings of the hotel’s guests had fallen by 85%.
Protea signs on
two more hotels

PROTEA Hotels, Africa's largest hotel group, has
won the management contracts for the Gaborone
Sheraton Hotel and Gold Reef City Hotel.

Protea will manage and market the Gold Reef City
Hotel complex on the outskirts of central Johannes-
burg for entrepreneur Keith Lodewick, who has
spent about R14-million on the hotel since acquiring it
last year.

"Gold Reef City is a gold mine; we just have not
picked up the nuggets yet," says Mr Lodewick.

There are plans to build a new 250-seat conference
centre near Gold Reef City Hotel and 40 new bed-
rooms at the hotel. This will bring the new invest-
ment in the hotel to R13.4-million.

Protea will also manage and market the Gaborone
Sheraton Hotel on behalf of Global Resorts, the
vehicle for Rand Merchant Bank's involvement in the
gaming and leisure sector.

In line with its agreement with this group, Pro-
tea will not enter the casino market as licence
holders. Instead, it will apply its experience in
hotel and resort management and will operate Glob-
al Resort's hotels.

To be renamed the Grand Palm Hotel and
Casino, the troubled Gaborone Sheraton was re-
cued in a R25-million bid by Global Resorts with the
Botswana Development Corporation as a partner.

A further R15-million is to be spent on building a
casino and entertainment complex.

The deal makes Bot-
swana the '11th African
country in which Protea
Hotels operates.
Boost for jobs, tourism likely

Southern Reporter
A SNAKE park, a primary school, an ethnic village and an elegant restaurant are among the ambitious plans for historic Imhoff’s Gift near Ocean View.

The developments could provide employment opportunities and a big economic boost for the area.

The first project to be launched will probably be Brian Vorster’s snake park. His plans are being scrutinised by the Cape Metropolitan Council at present.

If he gets the go-ahead the park could open next month in the area next to the bird park.

Plans for a primary school to be built on a section of the entire 6 ha area of Imhoff’s Gift are more long-term but will be put forward to the relevant authorities by EJ “Junior” van der Horst, owner of Imhoff’s Gift and leading light in the Ocean View and Kommetjie communities.

Plans for the ethnic village displaying Zulu, Xhosa and Khoi lifestyles as well as crafts and local items made by potters and others already busy in the complex are expected to go forward soon.

“The existing buildings with 17 small business entrepreneurs — including a kite maker, a ballet school, a silversmith, art and music centre, a computer centre and a coffee shop — are all full now and we get many requests for space so we are going to have to expand outwards,” said Mr Van der Horst.

“If we can preserve old buildings to show how colonists lived we can surely show how people before them lived.”

There are plans to turn the original farmhouse, which dates to about 1743 and where he came to live when he was four, into a restaurant.
Cape ministers nominated for Olympic bid company

Municipal Reporter
THREE provincial ministers — Lerumo Kalako, Lampie Fick and Kobus Meiring — are among the directors nominated to the board of the Section 21 company formed to take Cape Town’s 2004 Olympic bid forward.

Representatives of potential sponsors have not yet been named.

National government nominees are Johan van Wyk from the Public Works department, J D Fourie of the Department of Sport and Hentie Jobert from the Department of State Expenditure.

The National Olympics Committee of South Africa will be represented by Kurt Hipper, Danie Malan and Moss Mashishi.

The National Sports Council has put forward Muleki George, Danny Jordaan and Elizabeth Cameron-Smith as their representatives.


David Bridgeman of Wesgro will represent development bodies.

Cape Town City Council will be represented by Clive Keegan, who will be vice-chairman of the board, and Patricia Kreiner.

The Cape Metropolitan Council has nominated Roger Hulwe and Danie Landaalge. (288) ARG 16/5/95
Fedics Group boosts turnover to R664m

BY CHARLOTTE MATHEWS

Fedics Group, an unlisted catering, travel and tourism group held by Servgro, grew turnover by 27 percent to R664 million in the year to March as a result of strong support from clients and customers and the implementation of quality programmes, Fedics Group managing director David Wigley announced this week.

Attributable profit was R17.8 million, but Wigley declined to reveal the percentage increase other than saying it showed strong growth. Because the company is not listed, it is not obliged to publicise detailed figures.

In catering, both the corporate and industrial services reported a good performance. Several major contracts were secured, including the Development Bank of SA, Western Platinum, the SA Mint, Absa and Alistair Hillside Smelter. In meal management services, a number of SANDF contracts were secured.

Wigley said growth in the food services division would be related to the privatisation of government catering services, as it was hoped that various areas of government now doing catering in-house would widen their scope. In travel and tourism, which is expected to grow at a slightly faster rate in 1995, Fedics owns a services division, Travellers Retail Services, two in-flight catering companies and a 40 percent stake in Protea Hotels.

Over the past 30 months, Fedics has spent R8 million within Travellers Retail Services of Johannesburg and Cape Town and plans to spend another R4.5 million at those two airports and Durban airport. Wigley said this year’s expenditure is the last stage of a programme to upgrade services in these areas and it planned no further spending.

The stimulus the Rugby World Cup will give to the group’s travel and tourism side will be concentrated into about four weeks, Wigley said. During that period many domestic travellers are likely to defer travelling plans.

He was optimistic that local industry would be able to cope with the large number of visitors, although there would obviously be some pressure. Aside from the World Cup, Wigley expects that, if there is a fairly secure environment and levels of crime and violence fall, relatively strong growth in international and domestic tourism will continue.
Call to market whole region

African countries “must work together in the spirit of ubuntu to share the riches of the continent”, the Deputy Minister of Environmental Affairs and Tourism, Mr Bantu Holomisa, told the Afrotourism conference in the city yesterday.

Promising that the restructuring of South Africa’s tourism industry would “proceed swiftly”, he said a White Paper would be published in September, followed by the necessary legislative framework.

The role of the national tourism organisation would be mainly in the fields of policy-making, facilitating and co-ordinating.

Provinces would be able to compete within the parameters of an integrated national strategy.

THE whole of Southern Africa must be marketed as a unit, rather than trying to attract tourists to a single country, SAA chief executive Mr Mike Myburgh told the Afrotourism ’95 conference in the city yesterday.

He said airlines were forming alliances to open up the whole of Southern Africa to tourists.

“People need a specific focus — two or three places they particularly want to visit — in order to attract them there,” he said.

“We can make Southern Africa more attractive if we offer several focus points — not the Waterfront and Sun City alone, but also other places.” — Staff Reporter

KENILWORTH - 64 3023
Kenilworth Centre Upper Level. Free parking.
Southern Sun links up with Intercontinental

BY ALDRED D'ANCONA

Southern Sun has entered a joint venture with the huge Intercontinental group to run hotels throughout Africa. From now on three hotels in the Southern Sun group — the Cape Sun, the Sandton Sun and Towers and the Beverly Hills Sun — will carry joint branding as Southern Sun Intercontinental Hotels Africa.

Southern Sun's operating executive, Helder Pereira, said in Cape Town yesterday that his own group would continue to run these three hotels.

Intercontinental would put its nine hotels in Africa, including those in Nairobi and the Ivory Coast, into the joint venture.

Any future management contracts in Africa would be in the joint venture. Those in southern Africa would be managed by Southern Sun and hotels in places like Nigeria would be run by Intercontinental.

Pereira said his group anticipated increased travel between African countries: "A lot of South Africans are already travelling to neighbouring countries.

"And statistics show that arrivals in South Africa by air from other African countries exceeded even those from the United Kingdom last year.

The joint venture would ensure that customers found hotels of uniform standard everywhere and would give Southern Sun access to Intercontinental's global booking service.

A statement issued by Southern Sun yesterday said the joint venture would give it access to Intercontinental's upmarket customer base, 75 percent of which consists of repeat business.

Southern Sun’s managing director, Ron Stringer, said the joint venture "has an aggressive development target into Africa over the next 10 years.

Stringer said the agreement resulted from a strategic initiative undertaken by Southern Sun 18 months ago to form an alliance with a global five-star player. It is in line with the group's commitment to globalising its portfolio.

The Southern Sun chain has developed a training scheme for local staff which is suitable for use in neighbouring countries. Intercontinental has 758 hotels in 58 countries."
Lack of unity may cost Olympic bid, Young warns SA

Staff Reporter ROGER FRIEDMAN in Atlanta

UNLESS the South African government and business rally to present a unified bid, Cape Town will lose out on hosting the 2004 Olympic Games, says Andrew Young, Atlanta Olympics co-chairman and former United States Ambassador to the United Nations.

Richard Pound, the International Olympic Committee's overseer of next year's Games, to be held in Atlanta, issued another warning: "You have to have your act together at home before you can show up on the road."

Mr Young, a former two-term mayor of Atlanta, hinted that bidding for the 2004 Summer Games could come down to a two-horse race: Cape Town and Beijing.

At least three other cities—Paris, Istanbul and Stockholm—are known to be pursuing the 2004 Games.

The Olympics have never been held in Africa, and Stockholm's vice-mayor Carl Cederschiold— in Atlanta for a drug conference—admitted that Stockholm would be a "very tough competitor".

Mr Young said it was disappointing that Cape Town had won the opportunity to bid for the Games but that the bid was characterised by bickering. "Cape Town won, but it lost it. It was not even able to put it together."

But all was not lost. "If South Africa is together, it will get the Olympics," Mr Young predicted.

"The Olympics is not really a sports festival—it is an occasion for expressing moral leadership and vision for the future."

"South Africa and Nelson Mandela do that better than anyone else alive now— even with all your faults."

Mr Young, who advised South Africa to submit a national, multi-city bid, said he still felt this was a more viable option than a Cape Town bid.

"I don't think any one city can afford it," he said.

"The South African government cannot afford to put enough infrastructure in any one city."

Mr Young said his message to South Africa was that the Olympics would come to South Africa—be it in 2004, 2008 or 2012.

When it did, South Africa would enjoy similar benefits to those enjoyed by his beloved state of Georgia over the last five to 10 years.

The Atlanta bid generated 95,000 new jobs last year, while private investment into the city had run to about $10 billion (R36.5bn) a year.

Georgia had "led the nation" in economic growth for the last five years and was listed by Fortune magazine as the fourth "prime place" behind London, New York and Hong Kong to invest worldwide.

"We were nowhere before the Olympics," said Mr Young.

The IOC's Mr Pound, addressing the ninth six-monthly Atlanta Olympic coordinating committee in Atlanta, said he was satisfied that preparations for the 1996 games were on track.

Questioned after the meeting, Mr Pound warned: "If Cape Town is not fully committed it will be very hard to persuade others to support you."

Stockholm's Mr Cederschiold said his city had been forced to "lose" while a Swedish bid to host the Winter Olympics in 2002 was being processed.

Stockholm had already conducted an "extensive investigation and had drafted a preliminary budget."

He said it seemed "obvious" that the 2002 Winter Olympics, Stockholm would not pursue the 2004 bid.

Atlanta mayor Bill Campbell, who met a number of officials preparing Cape Town's Olympic bid last month, said the bid had to take advantage of President Mandela's "a resource more valuable than any other."

"His currency in the world is such today that he must be an integral part of any bid."

"The one thing that was instrumental in Atlanta's successful bid was that all parties were united in their support."

Atlanta's principal competition for the 1996 games—Toronto—was thought to have had the edge but withered because of internal problems, Mr Campbell said.
JUST LIKE HOME: Wellness Riyadh’s hotel operator made friends with the boy

A Needle, a Thread: The woman who made the dress

W comb, a model, a thread: The woman who made the dress

W comb, a model, a thread: The woman who made the dress

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Agen's Slam SA hotels
Millions lost in World Cup Packages.
**Telkom told to consider options:** The telecommunications minister, Pallas Jordan, has instructed Telkom to consider options to transform the company into a world-class, customer-driven company, including possible privatisation. Jordan said in parliament that the process of "identifying suitable opportunities for equity restructuring" was being guided by the Telkom board in liaison with himself, relevant cabinet committees and other stakeholders. No negotiations on equity restructuring were taking place yet.

**Miners to mourn:** All Gengold's miners will be given today off on full pay to mourn the victims of the Vaal Reefs disaster last week. Memorial services will be held on all the group's mines.

**Safety achievement:** The Union Section at Rustenburg Platinum Mines is celebrating the achievement of 1 million death-free shifts. This is the third time the mine has achieved millionaire status.

**Labour Relations Bill 'this year':** The minister of labour, Tito Mboweni, has told the senate that he intends to get the draft Labour Relations Bill, currently being considered by Nedlac, before parliament this year despite pressing demands on time.

**COMPANIES**

**Tiger shows its oats:** Tiger Oats has lifted earnings by 25 percent to R222.7 million in the six months to March 1995, according to figures released yesterday. Turnover was 22 percent higher at R6.1 billion, showing volume growth of only 3 percent, but operating income grew by 17 percent to R394.5 million. On earnings a share of 148c (118.6c), the dividend rose to 38.5c from 31c. See next page.

**Medi-Clinic earnings rise:** Medi-Clinic Corporation reported yesterday a 34 percent improvement in attributable earnings to R39.3 million (R29.4 million) for the year ended March 1995.

*Turnover rose 33 percent to R385.4 million (R284.7 million). Earnings a share grew by 26 percent to 27.4c a share (21.8c) while the group declared a final dividend of 6c a share (5.66c) resulting in a higher annual dividend of 8.5c (7.25c). See next page.

**Lufthansa halves losses:** Deutsche Lufthansa, the parent company of the German airline, halved pre-tax losses to R35.5 million in the first quarter and said the outlook was bright except for the strength of the mark. The company also announced a dividend for last year, the first since 1989.

**Sun in joint hotel venture:** Southern Sun has formed a joint venture with the huge Intercontinental group to run hotels throughout Africa. From now on three hotels in the Southern Sun group — the Cape Sun, the Sandton Sun and Towers and the Beverly Hills Sun — will carry joint branding as Southern Sun-Intercontinental Hotels Africa. Intercontinental would put its nine hotels in Africa, including those in Nairobi and the Ivory Coast, into the joint venture. See next page.
Southern Sun in joint venture

The new company, Southern Sun/Inter-Continental Africa, would have two operating bases — Johannesburg for east Africa and Cairo for west Africa.

The new venture planned to expand significantly into Africa over the next decade, he said.

Inter-Continental joint MD Robert Collier said SA had been identified by the group in its expansion strategy.

The hotel group had over 150 hotels in 58 countries, and had been voted Best International Hotel Chain for eight years by international travel title, Business Traveller, while UK title Euromoney voted it the leading hotel chain last year.

Among the benefits to Southern Sun were access to airline partnership agreements with Inter-Continental, training expertise, the chain's global marketing programmes and client base.
SA mission expenditure ‘much too Eurocentric’

Tim Cohen

CAPE TOWN — The Parliamentary foreign affairs committee had sharply criticised the “Eurocentric” expenditure on SA embassies and described the list of visitors hosted by the department as “eccentric”.

In a report due to be published today, the committee said its overall impression of the budget for 1996/97 was that there was a significant disparity between stated policy and the allocation of resources.

The maintenance of missions was essentially North American and European despite the fact that the stated policy of the Foreign Affairs Department was in favour of an emphasis on Africa.

Missions in Africa and the Middle East received only about 20% of the total of R685.8m budgeted for foreign missions while those in Europe and North America were allocated 55%.

The eight missions in Eastern Europe and the former Soviet Union were allocated a total of R56m, which was more than the R51m allocated to the 11 missions in Southern African Development Community countries or the R56m allocated to the 13 missions elsewhere on the African continent.

The matter was of particular concern as missions in Addis Ababa, Abuja, Dar-es-Salaam and Lagos were included in a list of missions that were under-provisioned as a result of the department’s failure to secure R56m additional budgetary allocation for SA’s 11 new missions.

It recommended the reconsideration of this decision.

Even on the basis of trade alone, the current allocation to African countries could not be justified, the committee said.

Exports to African countries made up 31.7% of total exports for 1993, compared to the 16.4% allocated to missions in Africa.

The report also questioned expenditure patterns within Europe, asking why the High Commission in London had received R31m compared to the embassy in Brussels, when Brussels was more central to SA’s relations with the European Union.

Much of the rest of the budget was infused with “relies of the past”, the committee said.

The books purchased by the department for distribution overseas placed an emphasis on “the tradition audience of white immigrants”.

Likewise, the report said that the list of visitors hosted by the department was “very eccentric, for example, the number of Turkish and Belgian Christian democratic visitors”.

The report questioned the reasons for the continued funding of the Secretariat for the Community of Southern Africa and said the continued existence of Channel Africa needed further consideration.

Non-profit firms for tourism

NELSPRUIT — The Eastern Transvaal announced yesterday that it intends creating Section 21 — non-profit — companies to take over the function of promoting the province.

Provincial economic affairs and tourism minister Jacob Mabena said the regional executive council had already approved the launch of a company to market provincial tourism.

“The Eastern Transvaal was lagging behind other provinces when it came to promoting its potential, and realising that industry must be a private sector driven, we felt its time to form a private sector company to promote the region,” he said.

The company would supplement the promotion done by both the regional services councils and by Satour.

The company would initially be funded from the RSC’s R1.23m marketing budget. It would also incorporate existing Satour assets and staff and appropriate its regional budget. KwaNdebele businessman and tourism official Neville Kgothadi has been appointed chairman.

Mabena said a second Section 21 company, to promote foreign investment and trade, was being investigated.

The province’s government announced that it was reactivating the expired Business Licensing Board in the former homeland KwaNdebele. It said the expiry of the board in October last year was hampering economic development.

The government would also indefinitely extend KwaNdebele’s Business Licensing Board’s term of office.

Louis Tager has been appointed to advise the provincial economic affairs department on the drafting of new legislation designed to rationalise the boards into a single provincial body.

Sapa reports that the province’s government hopes to grant gambling licences by the end of the year.

Applications for licences should be submitted by the end of July.

Mabena said legislation to establish the gambling board had been drafted and would be tabled during the current sitting of the legislature.

Student leaders meet official

The students met yesterday to discuss their problems with the Education Ministry deputy director, John Samuels, yesterday and agreed to a meeting next month to find solutions to the crisis at tertiary institutions.

Samuels met the presidents of the SA Students’ Congress, Azanian Students’ Convention, SA Liberal Students’ Association, SA Technikon Students’ Union, SA Union of SRCs and the Students for Democratic Transformation organisation.

Central to next month’s meeting was the development of an understanding about what was happening at tertiary institutions and finding a process to shape transformation.
THOUSANDS of foreign tourists are travelling to South Africa this weekend for the Rugby World Cup—and as they arrive they will be warned to be on their guard against robbery, mugging and car hijacking. The World Health Organisation calls South Africa the murder capital of the world, and a recent poll by Holiday Which? magazine showed that tourists are more likely to be mugged in the Republic than anywhere else except Hungary and Poland.

Said Tara O'Connor of the Control Risks Group; an international political risk and security consultancy: "An armed robbery happens every eight minutes in South Africa, and up to 30 cars are hijacked each day. You must take sensible precautions.

"Though you should be safe at the matches themselves because security will be tight, some areas away from the grounds will be as dangerous as ever."

She has compiled a checklist for rugby tourists:

- Do not walk alone at night.
- Avoid deserted or poorly lit streets.
- Do not try to resist attacks—muggers are frequently armed.
- Carry some cash you can hand over.
- Do not show off cameras, jewellery or large sums of money in public.
- Do not wear "moonbags".
- Ignore stop signs if suspicious-looking people are loitering there.
- Ignore suspicious-looking "accidents".
- Drive with car doors and windows locked.
- Do not wind down windows to speak to pedestrians, drivers or motorcyclists.

The Times News Service
Cableway wins council battle

Judge rules in favour of company in expropriation fight

Today, Justice van Niekerk dismissed an application brought by the municipality last year to evict the company from the mountain cable system. The municipality had argued that the cableway company refused to leave the premises on time.

The judge ruled that the cableway company was entitled to be paid compensation for the land it occupied. The municipality was not required to provide a new lease for the cableway company.
### Private health care

**Edward West**

[Image: COMPANIES]

**CAPE TOWN** — The future of private health care provision was bright in spite of the uncertainty surrounding government’s planned national health scheme, Medi-Clinic chairman Dr Edwin de la Hertog said yesterday.

In a presentation to the Investment Analyst Society, Hertog said it appeared that the investing public was afraid of investing in private health care. This was due to a lack of knowledge about the industry and to recent reports which had speculated on the nationalisation of private health care, he said.

Medi-Clinic figures showed that the number of hospital beds of "private, for profit" hospitals had grown 88% to 18 432 between 1993 and 1998. By contrast, the number of public sector hospital beds had fallen 2% to 110 406 over the same period. The number of province-aided hospital beds had fallen 17% to 3 910, while the number of industrial sector hos-

Hospital beds had fallen 28% to 7 091.

Medi-Clinic had about 3 000 beds in 20 hospitals. The other big players in terms of "fee for service" private hospital beds were Clinic Holdings with about 3 500 beds and Afrox with about 2 500 hospital beds.

Medical scheme beneficiaries amounted to about 7 million people or 22.1% of the population. Although this figure had remained constant since 1992, there was also a growing trend, albeit comparatively small, toward private health care provision through insurance packages and other financial schemes.

Medical aid benefits paid to beneficiaries had escalated rapidly over the past decade, from under R1bn in 1982 to about R12bn in 1994.

Hertog said that although the rapid escalation of benefits paid was of concern in terms of medical costs, it was "comforting" that individuals had organised budgets during the recession to pay out more for health care.
Cableway wins fight with council

STAFF REPORTER

THE Cape Town City Council's application to evict the Cape Town Aerial Cableway Company from the cableway it has been operating for the past 65 years was dismissed with costs in the Cape Town Supreme Court yesterday.

The application was brought after the cablecar company refused to vacate the premises, which was expropriated in October last year, without compensation from the council. The council claimed in turn that the company was occupying the premises illegally.

Mr Justice D H van Zyl and Mr Justice A M van Niekerk found that in terms of a 1926 agreement between the cableway company and the municipality, the cableway company should receive compensation for the site in exchange for transfer. The company was therefore not occupying the cableway unlawfully and could not be evicted.

Judges Van Zyl and Van Niekerk also ordered that the council pay all costs. These include the costs of another application brought by the cableway company to prevent the municipality from interfering with its operation of the cableway and its occupation of the site on which the cableway is situated.

Council spokesman Mr Ted Doman said yesterday the council's executive committee and the council had not yet had an opportunity to comment on the judgment, but "settlement discussions... are continuing."

Mr G van Schalkwyk, SC, appeared for the cableway company and Mr M Seligson, SC, appeared for the municipality.
Transport jam blocks Olympic bid

A threat by central government to withdraw its financial support for transport provision for the 2004 Olympic Games bid has sent Cape Town's planners scurrying to get the wheels of an interim transport masterplan for the city rolling by the end of this month.

At stake is R470-million promised by the government for transport provision in Cape Town which meets the needs of the Olympic bid — and also an inclusive planning process that takes into account the needs of poorer communities.

Cape Town last prepared a comprehensive transport plan in 1990. The city was instructed by the provincial Minister of Transport and Public Works, Leonard Ramatikana, to update its plans and bring them in line with Reconstruction and Development Programme principles and objectives.

In September last year, the Cabinet resolved to finance transport projects which would assist in winning the Olympic bid and R70-million was earmarked for planning and R400-million for infrastructure. An Olympic bid transport plan titled "Moving Ahead" has been drafted and proposes that R3.1-billion is required to upgrade the city's transport for the games.

Then, two weeks ago, provincial roads engineer Roy Petersen received a letter from Director General of Transport, Ketsie Gordhan warning that if there was no progress in the implementation of the transport plan, he would advise the Cabinet to review its support of the bid.

"For the bid to proceed, an interim transport masterplan now has to be available in October 1996 for approval and a substantial number of transport projects will have to be awarded for construction starting in January 1996," Petersen told a hearing of a commission appointed by Ramatikana to ensure the transport plan dovetails with the RDP.

"I suggest that this commission inform the minister of the need for urgent approval for consultants to be appointed to kick start the 'Moving Ahead' plan without delay."
Global hotel giant homes in on SA

HOSPITALITY Franchise Systems (HFS), the world's largest hotel company, is set to move into South Africa through Days Inn, a mid-market brand of hotels which plans to launch at least 15 outlets in the country over the next three years.

Other HFS brands, which include Howard Johnson, Ramada, Super 8, Village Lodge and Park Inn International, could follow.

HFS subsidiary Africa Inn will develop and franchise Days Inn in South Africa, Lesotho, Swaziland, Namibia and Zimbabwe.

Africa Inn expects to open headquarters in Johannesburg this year. Its shareholders are all US citizens who left South Africa in the mid-1970s.

Ramesh Gokal, president of Africa Inn, says the first Days Inn is expected in Johannesburg next year. Others should follow in Cape Town, Durban, Pretoria, Port Elizabeth and East London.

They will be developed with joint venture partners and later with franchisees.

A typical Days Inn room will have a king-sized or two double beds, a bathroom, television, telephone, seating and a desk.

While meeting space is limited, Days Inns have breakfast facilities and are always located next to food service facilities.

Each Days Inn will employ 20 to 40 people. Africa Inns will provide development, management, training, reservations and marketing support to its franchisees.

While travel into South Africa has primarily come from Europe, Mr Gokal believes growth in travel will now come from Africa and the US, creating healthy demand for Days Inns.

Days Inn has more than 1,600 hotels franchised in countries like the US, Canada, Mexico, the Philippines, Israel, Puerto Rico, the Netherlands and India. HFS, located in New Jersey, runs about 4,200 hotels worldwide.

By ZILLA EFRAT
The hotel and casino industry is set to attract a rush of multinational players as tourism to South Africa starts to boom and gambling legislation changes.

Southern Sun announced this week that it had signed an agreement with Inter-Continental Hotels and Resorts, which — with 158 hotels in 58 countries — claims to be the world’s largest five-star hotel chain.

The Cape Sun, Beverley Hills Sun and Sandton Sun will carry the joint branding of Southern Sun Inter-Continental Hotels, and Southern Sun will have access to Inter-Continental’s infrastructure.

A joint venture between the two companies will develop new five-star hotels in sub-Saharan Africa.

Two other upmarket hotel chains, Sheraton and Marriott, are also believed to be involved in talks on setting up in South Africa.

Hyatt, which operates 169 hotels around the world, was the first of the world’s major upmarket hotel chains to announce its entry into the market. It will open a hotel in Rosebank, Johannesburg, in August, and reportedly plans hotels in Cape Town and Durban.

In addition, a Malaysian businessman hopes to develop five-star Hilton hotels in Cape Town and Johannesburg. The Hilton group already operates more than 160 hotels around the world.

In the mid-market range, Days Inn plans to open a hotel in Johannesburg through a subsidiary, Africa Inns. Hotels will follow in Cape Town, Durban, Pretoria, Port Elizabeth and East London.

Days Inn is a subsidiary of Hospitality Franchise Systems (HFS), which runs 4,200 hotels in the US, Canada, Europe, South America and India.

Among HFS’s other brands are Howard Johnson, Ramada and Park Inn International. Some of these are expected to follow Days Inn into the SA market.

Several Arab and Malaysian investors are also interested in buying resorts. United Breweries of India has spent R12.5-million on the Mabula Game Lodge in the Northern Transvaal.

Until recently, the hotel industry complained about poor occupancy levels, but trading conditions have changed. Tourism and business travel are booming.

There is concern that a flurry of new resorts could create an oversupply in beds. But Robert Dawson, general manager of the Rosebank Hyatt, points out that not all the groups looking at South Africa will actually come.

More hotels will mean that foreigners will not be turned away because of a lack of suitable accommodation and that South Africa will have the facilities to attract large conventions.

They will also mean more jobs. Hyatt, for example, has brought in only four foreigners to run its Rosebank hotel and expects to employ a further 200 to 300 people.

Meanwhile, a host of international players are positioning themselves ahead of the finalization of South Africa’s new gaming legislation.

Almost all have set up consortia with local players in the hope of winning casino licences. The number of licences has temporarily been set at 40, of which Sun International already owns 17.

Among the international names hoping for a local stake are Century Casinos, which has more than 100 casinos in 20 countries, and Casino Austria International, which is said to be the world’s largest gaming group with more than 200 casinos in 14 countries.

Others include Caesar’s Palace of Las Vegas, which manages 10 US casinos, and Omar Sharif World Wide Games, which operates in the US and Eastern Europe and is run by the one-time film heart-throb of the same name.

Because there is still much uncertainty over how South Africa’s gambling industry will be structured, industry experts believe that new casino resorts will begin operating only in 1997.

The capital investment needed to develop a resort could run into hundreds of millions but returns should also be high.

According to Nic Wiesahn, chairman of the Lotteries and Gambling Board, a legalised gambling industry in South Africa should have an annual turnover of R20-billion and create about 100,000 jobs by 1997.

Several of the world’s major gambling equipment companies have also set up offices in South Africa in anticipation of massive investment in the industry. Among them is International Game Technology, said to be the largest casino equipment supplier in the world.

According to some estimates, more than 7,000 new slot machines, costing about R40,000 each, could be ordered by new casino operators.

In other areas of gaming, the British pools giant Littlewoods has joined a local consortium which hopes to operate South Africa’s first computerised lottery.

And, GTECH, the world’s largest player in computerised lotteries, is currently opening a South African office.
Tourism to SA on the increase

THE number of foreign visitors arriving at South Africa's three busiest airports in January soared by more than 40 percent on the previous year, according to released today.

Travel by South Africans is also up — 27.3 percent more left the country temporarily through Johannesburg, Cape Town and Durban airports, according to the Central Statistical Service.

The total number of overseas visitors — 76,057 — for January is 51.4 percent up on January 1994. South Africa remains most popular with the British — 17,654 arrived here in January. There were also 12,000 Germans and almost 7,000 Americans.
Cableway battle may cost millions

THE Cape Town City Council said yesterday it might have to pay a R1.5 million penalty to a consortium of German and British interests, because it has had to cancel the company's interim appointment to run the Table Mountain cableway.

Council spokesman Mr Ted Doman said the council was still "negotiating" with the Table Mountain Aerial Cableway Company, but might extend the 10-year lease to this company, with which it has been in fierce battle for control of the cableway since last October.

**Full costs**

He said the council's executive committee had not met since the Supreme Court judgment preventing them from evicting the cableway company was handed down last week, and had thus not yet been able to discuss the judgment and whether any appeals would be lodged.

"Judges D H van Zyl and A M van Niekerk ordered the council in the Cape Supreme Court to pay the full costs of the failed eviction application," Mr Doman said. The costs were not yet known, and the council was still negotiating settlement terms.

He said the council would "probably" have to pay a penalty of R1.5 million to the overseas company it had appointed to run the cableway.
Tourist raped: Calls for action on crime

CRIME REPORTER

THE rape of a British rugby enthusiast at the weekend has led to renewed calls for a solution to a shocking national crime rate which is threatening the tourism industry and foreign investment.

The 22-year-old woman, from Oxford, was raped after she accepted a lift from four men in a minibus taxi outside a Loop Street nightclub around 2am on Saturday, a police spokeswoman said.

She said one of the men raped the woman in the taxi — but consented to using a condom — before they left her out of the vehicle in Camps Bay.

Captour chief executive Mr Gordon Oliver said he was planning a workshop between ministers, business representatives and other organisations to address the problem of crime "collectively as a city".

"This type of incident happens in every city in the world but it reflects extremely badly on the city as a tourist destination. Safety and security are crucial to the success of the tourism industry."

• The Afrikaanse Handelsinstituut (AHI) met with Minister of Trade and Industry Mr Trevor Manuel on Friday and "made it clear that something must be done soon to repair law and order".

"Foreign investors and tourists stay away because of the lawlessness and violence in our country. It severely restricts job creation," AHI president Mr Walter Schellhe said.
Transun forges on despite high taxes

Nicola Janvey

DURBAN — Beverages, hotels and leisure company Transkei Sun International (Transun) would meet its June year-end expectations in spite of the severe effects of changes in taxation and competition from smaller city casinos, Wild Coast Sun MD Alberto Chiaranda said yesterday.

He said the company "had taken a knock" from political changes which had incorporated the Transkei into SA and consequently altered the company's taxation commitments.

"However, business has been very good and expectations will be met by year-end. The company has been strong throughout the year and the share prices performed satisfactorily."

Transun had planned its future on the assumption that new gambling legislation would not adversely affect hotel and casino business.

Chiaranda expected the government's final decision before the next financial year-end. It would influence Transun's future policies, including expansion, spending and possible rationalisation.

"It is not known how far the government is in establishing casino and gambling legislation, nor whether the recommendation of 40 licences countrywide would be accepted, nor where the recipient casinos would be situated.

"Everything is in the dark at the moment. We have had to make decisions for the coming year under this premise."

SA had to establish its own market mix, whether the government would allow smaller casinos or incorporate leisure resorts with hotels, restaurants and entertainment facilities.

"A casino resort takes at least 18 months to build, whereas a small operation could be running much sooner. The government, as in Monaco, will want to control the system to maximise revenue potential; clear limits must be in place to do so," he said.

Owning a casino licence did not automatically mean the recipient would make money. Allowing the market to find its own limit could be potentially dangerous, since livelihoods were at stake.

Care would also have to be taken to ensure new casino resorts were tourist-orientated and created jobs in high unemployment areas.

"However, there must also be protection in place to ensure those people who cannot afford to gamble are not availed with the possibility of gambling away every cent of their money."

"If the casino is in a more remote area, out of the cities and requires access by car, then this protection would be in place," Chiaranda said.
Tourism figures surge

BY SHIRLEY WOODGATE

The number of tourists to South Africa has rocketed by more than 100% since 1991, according to the latest report by the Central Statistical Service (CSS).

This year’s January figures alone were up by 31% over the same month last year.

But South African Tourism (12,222) and the USA (6,705) Board spokesman Martin van Blerk said the US accounted for the most tourists from a single country.

The total was expected to reach a record 500,000 tourists this year compared to about 450,000 in 1992 and 218,000 in 1993 and a total of 704,000 in 1994.

The CSS indicated that of the 76,057 people who visited the country in the first month of this year, the United Kingdom (14,754), Germany (14,781) and France (13,834) headed the list.

The total was expected to reach a record 500,000 tourists this year compared to about 450,000 in 1992 and 218,000 in 1993 and a total of 704,000 in 1994.

The CSS indicated that of the 76,057 people who visited the country in the first month of this year, the United Kingdom (14,754), Germany (14,781) and France (13,834) headed the list.
Olympic bid sponsors still holding back their money

CAPE TOWN’S exco has recommended that the council drop the conditions it laid down for its contribution to the Olympic bid bridging finance, writes our Municipal Reporter.

Big business Olympic bid sponsors are still holding back their money — and this means Cape Town will have to alter the conditions it originally set for putting in more than R1 million of its own money as bridging finance.

Deputy city treasurer Mr Peter Lever reported to the council’s executive committee yesterday that it had been assumed that bridging finance, to keep the bid going during the transition from the old bid committee to the new, would come equally from the Cape Town City Council, the Metro Council, the state and the private sector sponsors.

Each of the four groups had been expected to chip in R1.25m. Bridging finance is expected to be paid back eventually, but it is provided so that urgent work can be done by the new bid company "pending the signing of major sponsorship agreements", according to Mr Lever’s report.

The potential sponsors had subsequently declined to commit funds before their agreements were finalised. The state indicated that it was procedurally impracticable for it to contribute.

The Metro Council and the City Council did agree to provide their shares, but in Cape Town’s case this was conditional on all contributing.

The City Council is now being asked to drop that condition, and re-affirm its decision to provide the R1.25m. The executive committee approved this yesterday, but it has to go to the full council at the end of the month for approval.

Mr Peter Bacon, managing director of Sun International, said his company remained committed to the bid, but certain conditions had been set before it would contribute towards costs. He expected these to be met in the next month or two. (288) CT 24/5/95
CONSTRUCTION group Stocks & Stocks has launched a R300m tourism operation, Stocks Hotels & Resorts, which plans four and five star hotels and casinos in southern Africa.

The new company's chairman, Bart Dorrstein, said the Transnet pension fund had acquired 25% of the company for an undisclosed sum. The company would also negotiate to bring in other shareholders, particularly black-owned companies.

Earlier this year it was reported that Stocks & Stocks was in negotiations with Thibbe Investments leisure subsidiary Morelebe, Vela International, the Viva Trust and the Totalisator Agency Board with a view to applying for gaming licences.

The hotel and resort operation already had over R320m of assets under its control, including three game lodges, three hotels — in Midrand, Cape Town and Sandton — and two casino resorts, one in Swakopmund and one in Windhoek. This portfolio was expected to become a significant contributor to earnings within two years.

Dorrstein said these hotels and resorts would be the backbone of the group's plan to become a meaningful player in tourism and the development of hotels and casino resorts in southern Africa. The group would apply for casino licences and had identified a number of sites for possible casino resort developments.

Stocks Hotels & Resorts would be headed up by MD Bruno Corte while former head of casino operations at Sun International, Milan Stavinsky, would head up the casino operations.

Stavinsky said SA could attract large numbers of South American gamblers.

Corte said the group could invest up to R1bn in a casino resort if it was awarded a licence. The Cape had potential for further four and five star hotel developments.

An indication of the interest foreign tourists had in SA was the number of major hotel multinationals investing in the country, such as Hyatt and Inter-Continental.
Tourism boost for GDP

Tourism's contribution to gross domestic product (GDP) could rise by R1 billion to R1.5 billion if spending by foreign tourists in South Africa increased by 20 percent this year, according to Sanlam chief economist Johan Louw.

"The Rugby World Cup and the resulting large number of foreign visitors have underlined the enormous benefits the expansion of foreign tourism could bring to the country."

Takings from foreign tourism represented about 30 percent of total receipts for foreign services, five percent of total export earnings and almost two percent of GDP.

"Tourism had enormous potential as an earner of foreign exchange and as a source of employment."

Whereas on average one in 15 people in the world was directly or indirectly involved in tourism, according to World Tourism Organisation figures, only one South African in each 25 worked in the industry.

South Africa's unfavourable tourism spending balance was improving, Mr Louw said. In 1993, for every R1 spent by a foreign tourist here, South Africans spent about R1.40 abroad. This gap was closing and a 20 percent rise in spending by foreign tourists could increase the GDP by about 0.3 percent.

"Such a situation could go a long way towards countering the negative effect of the drought on the economic growth rate as well as relieving the pressure on the current account of the balance of payments."

"Success in exploiting the tourism potential will largely depend on South Africa's ability to design a well-thought-out and co-ordinated development strategy for tourism."
Tourist trickle is now a flood

The Argus Correspondent

PRETORIA.—The flood of overseas visitors into South Africa has turned from a trickle to a torrent in the past few years.

And with the world’s doors open to South Africans again, South Africans are spreading their wings and travelling to exotic foreign destinations in their thousands.

Nearly 30 percent more South Africans went overseas for holiday, business or education purposes in January this year than in the same period last year.

Industry experts expect the number of overseas visitors arriving in South Africa this year to top 800,000 — about 100,000 more than in 1993.

In January this year, the number of overseas visitors who entered South Africa was 88,847 — 45.2 percent more than visited the country during the same month last year, according to statistics released by the Central Statistical Services.

Safour's Martin van Nickels said the increased flow of visitors to South Africa was noted in June last year and between June and the end of 1994 the number of visitors was more than 20 percent higher than during the same period in 1993.
Tourism earnings in GDP terms

Tourism's contribution to GDP would rise between R1 billion and R1.5 billion if foreign visitors spent 20 percent more this year, Johan Louw, Sanlam's chief economist said yesterday. But he warned that a co-ordinated strategy to develop the industry and improve the infrastructure was urgently needed.

A committee set up to advise on improvements to South Africa's state-owned airports reported in April that tourism was rising at a rate of about 15 percent a year.

In a report released yesterday, Louw said tourism income represented "about 30 percent of total receipts for foreign services, 5 percent of total export earnings and almost 2 percent of GDP".

The rise in tourism helped to counteract the fact that South Africans spent more per head overseas than foreigners spent here in rand terms. Statistics for 1993 showed South Africans spent R140 per head overseas for every R1 spent by a foreign tourist in South Africa, Louw said.
Tourism the topic for SA

Edward West

CAPE TOWN — A 28% increase in spending by foreign tourists this year could help alleviate the economic effects of the drought as well as pressure on the current account of the balance of payments, Sanlam economist Johan Louw said yesterday.

Tourism's contribution to GDP could be increased R1bn-1.5bn if spending by foreign tourists increased 20%.

SA's takings from foreign tourism represented about 30% of total receipts for foreign services, 5% of total export earnings and almost 2% of GDP.

The Rugby World Cup tournament and the expected large number of foreign visitors have underlined the benefit the expansion of foreign tourism could bring to the country in terms of foreign exchange and job creation, he said.

According to the World Rugby Organisation, on average one in 15 people in the world was directly or indirectly involved in tourism. In SA only one in 25 worked in the industry.

For every R1 spent by a foreign tourist in SA in 1999, South Africans spent R1.40 abroad, indicating an unfavourable balance on net receipts from foreign tourism. However, the situation improved considerably in SA's favour over the past year and the number of overseas visitors increased significantly, particularly after the April election.

An increase in foreign spending of 20% this year could increase GDP growth by 0.3 percentage points, which would go a long way toward countering the effect of the drought on economic growth as well as the pressures on the current account of the balance of payments, said Louw.
Ticket for tourists opens new public transport route

Staff Reporter

A LOW-COST travel card has been launched in Cape Town to give tourists easier access to public transport.

Brainchild of Zoo Promotions, Golden Arrow and Metrorail, the travel card offers visitors seven days’ unlimited travel on all public buses and trains in Cape Town.

The card, a first for South Africa, was hailed as an important innovation by Cape Town chief Gordon Oliver.

"He emphasised the importance of tapping Cape Town’s tourism potential, "

His sentiments were echoed by Golden Arrow director Barry Gie.

Mr Gie said the card would be accompanied by a free, easy-to-use guide with information on popular tourist attractions, emergency telephone numbers and other tips that would make visiting Cape Town an experience "to write home about."

The travel card will be available from the Tourist Rendezvous, the information service near the station in Adderley Street, from Monday for R35.
Southern Sun moves north into Zambia

The Argus Foreign Service
LUSAKA. — The Southern Sun group, backed by R22 million from Anglo American Corporation, has opened its first Holiday Inn Garden Court in another African country.

The revamped Ridgeway Hotel, in Lusaka, Zambia, was officially opened this week by President Frederick Chiluba, who welcomed the investment in his country’s struggling economy.

The hotel is owned by Anglo American (Central Africa) and managed by Southern Sun, which has exclusive rights in southern Africa to the Holiday Inn franchise.

Southern Sun chief operating executive Helder Pereira said the turnover at the McGinity’s Pub and Spur restaurant on the hotel premises was a sign of its success.

"McGinity’s in Lusaka is the second biggest draught dispenser in southern Africa after one pub at Cape Town’s Waterfront and the takings of the Spur should exceed R50 000 in the first month," he said.

Mr Pereira said only 33 of the 155 rooms were open under phase one. These are 100 percent full and accurate occupancy figures should be available in September when the entire project is complete. It will include a British Airways office, travel agency and curio shop at the hotel.

Mr Pereira said: "We are also looking at possibilities with Anglo in Mozambique, Botswana, Namibia, Tanzania, and Uganda. South Africa is now acceptable and our biggest problem is reacting to the demand. We have strict criteria for expanding in Africa."
Olympic bid
a boost for
Cup passenger
Praise for ‘impressive’ opening ceremony

THE successful Rugby World Cup opening ceremony and match could firm Cape Town’s jittery Olympic bid.

It could help bring the summer Games to Africa for the first time in 2004 — in spite of all the wrangling.

President Mandela has pronounced himself “extremely impressed” with the opening ceremony and “extremely excited” by South Africa’s winning performance against defending world champions Australia at Newlands yesterday.

National Sports Minister Steve Tshwete said the rugby was excellent and the entire event was a “morale-booster for the country and augurs well for future events of this magnitude.”

Clive Keegan, a director of the Olympic 2004 board, said the spectacle of Cape Town organising something efficiently can only rebound to our credit.

And Capetown chief executive Gordon Oliver said yesterday’s success would help “get our minds right” in the run-up to bidding for the 2004 Games.

Yesterday’s spectacular multi-cultural opening ceremony was reported by a media contingent of about 4,000 international journalists and viewed by a worldwide television audience of more than a billion people.

Mr. Mandela’s spokesman, Joel Netshituzhe, said both the president and director-general of his office, Jakes Gerwel, had been elated and impressed.

“The president was particularly impressed with the extent to which the opening ceremony reflected the cultural diversity of the country,” Mr. Netshituzhe said.

The organisers proved that in spite of long isolation from the outside world, within a short space of time we have been able to master things usually mastered only by nations with much more experience.

Before the game, the president predicted that South Africa would win the World Cup and its organising would be crucial to the country’s chances of hosting the 2004 Olympics.

Mr. Keegan said the success would go some way to “restoring Cape Town’s credibility with the rest of the sports world — a reference to the wrangling that has plagued the Olympic bid.”

I hope that all the sneering cynics who pored their venom through letters to the newspapers regarding Cape Town’s inability to properly manage the Rugby World Cup opening will now realise that we are faced with a tremendously exciting future,” said Mr. Keegan.

There is no doubt that the international credibility of Cape Town has been enormously enhanced.”
INSIDE TODAY: OVER THE RAINBOW: ... a pot of green and gold in your sight.

Guess who they were supporting at Heidelberg?

Springbook lens showing the mascot.
James Small, No 74, in the thick of things.

page World Cup souvenir album.
R2m net income for Don

R2m net income for Don

The Don Group, a hospitality and restaurant company which was substantially restructured since its listing last November via a reverse takeover, reported earnings of 11,04c on share for the year to June 1996 are forecast at 21,0c.

The group's turnover was R25.5 million. After interest of R1.7 million, tax of R14,000 and a R2,540,000 contribution from associated companies, group net income was R2 million. An annual dividend will be declared.
Massive slash to Captour's grant

CAPTOUR faces threat of closure after a grant cut. PETER DENNEHY reports.

CAPTOUR's grant from the Cape Town City Council for the coming budget year, from July 1, is to be slashed from this year's R2 million to half a million.

This budget cut was vigorously opposed by Mr Leon Markovitz who said it amounted to "committing tourism suicide", and walked out of the executive committee meeting in disgust.

Mr Markovitz, a council representative on Captour, also said that such a drastic cut would be the end of Captour.

Other councillors said they did not intend to stop Captour from operating.

They provided another R1.5m from council reserves in bridging finance to Captour for the next financial year. However, this will have to be paid back by Captour in the next year or two.

Exco yesterday approved a report of its budget committee which contained the "budget cut for Captour" proposal.

Major recommendations of the budget the exco approved yesterday include:

- A property rates increase of 11% from July 1;
- An electricity tariff rise of 11% for domestic users and 7.5% for industry from August 1, which comes to an average nine percent increase, and
- A water tariff increase of 6% on average from August 1.

The recommendations are expected to be ratified when the full council passes the budget on June 8.
Visas for Africa

Environmental Affairs & Tourism Minister Dawie de Villiers is trying to bolster international tourism to Africa by making it a one-visa continent.

He says making international visitors go through customs each time they cross a border is harming tourism. “By promoting and marketing the region collectively, we will enlarge the cake and every country will get a bigger slice.”

But he accepts it will take time and be an almost impossible task to get every African country to accept the concept.

De Villiers has started his campaign by trying to persuade members of the Southern African Customs Union and Southern African Development Community to collectively promote the region and accept the necessity of one visa for it.

He is supported by World Tourism Organisation secretary-general Antonio Savignac, who says a similar effort is being made in South America. The success of the

Pacific Asia Travel Association proved the concept worked, says Savignac.

Protea Hotels chairman Otto Stehlik says tourists don’t want to see the attractions in only one country. “Most want to ride on the Blue Train and visit Kruger National Park, Etosha Game Park, Victoria Falls and Lake Malawi. They balk at the thought of wading through red tape to get to the places.

“Europe, which attracts 60% of the 500m international tourists a year, owes its success to one visa being valid for several countries. Africa attracts 4% and less than 1% of them come to southern Africa.”

Satour DG Walter Msimang believes a regional council should be formed to help create a common visa, collect data and establish common standards. “We should be able to assure visitors that the standards of a five-star hotel in SA are no different from those in a five-star hotel in Botswana.”

Savignac says it’s cheaper and easier for a European tourist to fly to the US or Canada than to Johannesburg. But, even though the 700 000 overseas tourists which Johannesburg attracts a year seems meagre compared with other countries (Malaysia gets 7.2m), it is the second most important destination in Africa, after Tunis.

A long-haul destination, Johannesburg gains by attracting tourists who can afford the high air fares and are able to spend more on average. Tunis, because it’s closer to Europe, attracts many backpackers who spend less.
The missing tourist boom

By CAROL LAZAR and KURT SWART

The widely anticipated Rugby World Cup tourist boom has been a non-event so far, stunned hotel and travel industry representatives said this week.

The tourism industry pulled out all the stops for the expected hordes of money-splashing visitors, but hotel accommodation is still available countrywide – even for key matches.

Few flights are fully-booked and, for a price, match tickets can still be obtained.

Satour predicted that 26,000 cash-rich rugby fans would fly into the country.

"They're not staying in the hotels and they don't seem to be filling aircraft," said Comair commercial director Bert van der Linden.

"There's been so much hype about the World Cup that I think the normal domestic business and leisure passengers have been frightened off flying during this period."

"Except on key rugby days, the computers show that most flights are fairly open. We have a lot more open seats than we expected. We definitely expected more traffic. I wonder where all the international tourists are?" Van der Linden said.

Hotellers were also disappointed. "It is a myth that all hotel accommodation is taken," said Protea Hotels Managing Director Arthur Gillis.

"On the day of the South Africa-Australia match, Worcester's Protea Cumberland (about an hour from Newlands rugby ground) had only seven rooms occupied. The rates were R150 per room."

"Throughout the World Cup, Cape Town hotel occupancy is about 40 percent. During a semifinal or final, it'll be busy, but that's for one night," he said.

Satour spokesman Martin Van Niekerk disagreed, saying the presence of the tourists was not immediately apparent because South Africa had the infrastructure to cope with larger numbers of visitors. "In other words, they have all been beautifully absorbed."

SAA spokeswoman Anoela Duvenhage said SAA expected 55,000 international and 100,000 domestic passengers to fly around the country during the tournament.

"Our flights are full for the key matches, but tickets are available on other flights during this period, and we've put on 31 extra international flights."

FROM PAGE 1:

♦ Tourists

There are also 200 extra domestic flights. All our passengers will be accommodated," she said.

Robert Wilson, owner of the Magic Bus airport shuttle service – which runs 195 trips a week between Sandton and the airport – said the Rugby World Cup tourist boom was not happening.

"Believe me, it's not even business as usual," he said. "It's much quieter except on the day of the key matches. Between the matches, it's dead."

Southern Sun hotel group executive Helder Perreira said the organisation's bookings for the cup were healthy, but was concerned that business travel would drop because people thought hotels were full.

"During peak periods, we're busy," he said. "Otherwise, it's business as usual."

Saturday Star found accommodation available in Durban on June 17 – when the semi-final will be played there – at all the hotels it checked. They were the Blue Waters, the Elangeni, the Holiday Inn Garden Court, North Beach, the Royal, the Kings Edward and the Four Seasons.

Johannesburg is almost fully booked for cup final day on June 24.
Corporate SA picks up R90m World Cup tab

RUGBY World Cup organisers estimate that corporate South Africa will spend R90-million on entertaining guests for the month-long tournament.

And a recent survey conducted by Satour has estimated that spending by major sponsors and the sale of tourist packages will amount to R506- and R508-million with a multiplier effect pushing the eventual figure to about R1-billion.

Megapro, a hospitality services company, will cater for 34 000 meals in marquees around the grounds at 16 of the 32 games at a cost of R20-million as well as a further 3 000 meals in sponsors' villages and suites at a price of R2-million.

Income for the organisers, Rugby World Cup Ltd, from TV rights, sponsorships and licence agreements is expected to top R110-million, which, after expenses, including the transport of teams, should yield a profit of about R110-million, says Brian Levine, project co-ordinator of the International Management Group, the commercial broker for the event.

TV rights should generate about two-thirds of this income, with games being screened in 130 countries. The SABC will act as host broadcaster and will film all 32 games, 24 of which will be screened live.

Sponsorship by major international groups will add more than R46-million to income, with each paying R5.5-million. Corporate sponsors include Toyota, Coca-Cola, Xerox, Visa, SAA and Famous Grouse.

Sponsors are entitled to a number of tickets for each game, advertising hoardings at the nine grounds at which games will be played and in the 32 match programmes.

Eleven SA companies have paid about R400 000 each for smaller sponsorships and will enjoy fewer marketing benefits. These include Jacor, Avis, Agla, Vodacom and Telkom, many of whom will make their products available for guests and the media.

Leon Els, public relations manager for official carrier SAA, says that between mid-May and June the airline will fly 35 000 foreign visitors from countries such as Australia, New Zealand, France, Japan, the UK and South America. An additional 220 internal flights will be scheduled to transport about 75 000 World Cup supporters.

Xerox will host 1 057 overseas guests, including 28 from Dubai, two from Japan, 22 from Mauritius, 24 from Kenya and 575 from Britain. Most will be entertained at boxes at the various grounds as well as in marquees adjacent to the fields, while an additional 1 790 stand tickets have been purchased.

Toyota, which is sharing its sponsorship with dealers in Britain, New Zealand and Australia, will host about 3 000 guests.
CONSERVATIONISTS ON SITE

Cape Point building starts

DEVELOPERS of a new restaurant and funicular complex at Cape Point are to hand over 10% of their earnings. MELANIE GOSLING reports.

CONSERVATION officials will be on site during construction of the controversial restaurant and funicular complex at Cape Point to ensure there is no environmental damage to the reserve, the developers said at the project launch yesterday.

Concor director Mr Leo Rohrig said: “The public is no pushover. We had over 100 interested parties with very diverse interests who had to be consulted about the development. We spent R1 million before any physical work started, to get the best available team to find the answers. The public participation process showed that patience, tolerance and compromise were essential ingredients.”

Cape Metropolitan Council chairman Mr Willie van Schoor, who turned the first sod at the new restaurant site on Tuesday, said the design of the development represented a balance between protecting the environment and providing a good service to tourists.

A crucial factor in determining the location of the development was that 90% of 450 000 people who visited the reserve every year, visited the Point.

“It makes sense to provide visitors who come to see what they believe is the southern tip of Africa with restaurant, refreshment and curio shop facilities at the Point itself, without disturbing the rest of the reserve with undesirable development.”

Environmental consultant Ms Heather Campbell has been appointed to oversee the construction activity.

Dump check

“The sort of thing the plan will cover will be spelling out which areas they can dump in, what they can dump and how many trucks will be travelling through the reserve daily so that they don’t disrupt tourist activities.”

The reserve, which costs R4.5m a year to run, has an expected annual income this year of R2m.

The new development is financed by Concor, who will contribute 10% of its earnings from the development to the Cape Metropolitan Council.

DIGGING IN: Mr Willie van Schoor turned the first sod yesterday for the new development. With him is Mr Wynand Dreyer of Concor.
Private sector plan to clean up city centre

STAFF REPORTERS

The latest initiative to keep the streets of Cape Town's central business district (CBD) safe and clean includes a proposal to hire 80 patrollers and 40 full-time cleaners.

All would come from companies independent of the council but would work closely with the SA Police Services and the council, said Ms Sarina Gouws of Zoco Promotions, who is organising a CBD initiative meeting on Monday June 5.

The proposal's CBD management strategy said the city centre was "perceived to be an undesirable area... especially at night".

The move had taken place about the Waterfront, but that perception had been changed dramatically. Unless something similar were achieved in the central city, "media reports of crime, theft, vagrancy and lack of initiative in the CBD will intensify", the consultants said.

Councillor spokesman Mr Ted Dorman said last night he did not see how a force would manage the "social problem" of the city centre — street children and vagrants and "where to put them".

"They are not going to go away. We are aware it doesn't look very nice but they are human beings who have no homes and nowhere to go and you can't wish them away," he said.

Mr Gouws said negotiations were under way for a scheme in which vagrants would be persuaded to pick up rubbish in return for a blanket from a soup kitchen, a sheltered place to sleep and access to a proper toilet.

Mr Michael Stekhoven, president of the Cape Town Chamber of Commerce and Industry, said at the weekend he was "absolutely horrified" at the council's plan to slash Captor's R25.5 million a year budget to halt a million plus a repayment loan. "It is exactly the wrong sort of saving," he said. "Without spending that money, we can't do as much business."
No strings to Olympic loan

THE Cape Town City Council has decided to drop the conditions on which it had insisted in agreeing to lend R1.25m to the Olympic Bid Company.

The deputy chairman of the executive committee, Mr Llewellyn van Wyk, said yesterday that sponsors did not want to contribute money before a new chief executive officer of the bid company had been appointed and a bid budget established.

It would cost money to draw up a bid budget, as consultants engaged for this task would have to be paid.

"The Olympic Bid Company does not have the money to make this payment," Mr Van Wyk said.

An amendment proposed by Mr Arthur Wieneberg, that the company repay the money by August 31, was defeated.
SERVICES SECTOR – ACCOMM, LIQUOR & CATERING – GENERAL

1995

JUNE – AUGUST
Captour budget reduction ‘threat to city’s tourism’

THE city’s R2-billion tourism industry was being threatened by the City Council’s decision to slash Captour’s budget to a “meagre” R500 000, the organisation said last night.

Captour chief executive officer Mr Gordon Oliver said three major events — which would generate nearly R420 million and draw more than 40 000 visitors — planned for the city could now be in jeopardy.

Captour has appealed to the council to urgently re-assess their decision to slash their annual budget from R2m to R500 000.

In a statement yesterday Captour said the R500 000 was “far below” the contribution of other municipalities both in South Africa and abroad.

It was a 10th of the 1995/96 budget put forward by them for putting the city on the map as a world class tourist destination and Olympic city.

Golden Oldies

Mr Oliver said Captour had yesterday secured the Golden Oldies World Rugby Festival for the city in 1996, which would generate more than R67m.

Captour had pledged R150 000 towards the event, which would leave them with only R35m in operating budget.

They had also pledged considerable financial and marketing support in the bid for the International Jazz Festival in February 1996, set to attract about 35 000 visitors and generate R350m for the city.

This would further decrease their budget to R250 000.

Mr Oliver said Captour expected “an outcry” if private sector subscriptions had to be raised to “rescue the organisation”.

He said a dynamic marketing plan launched by Captour in August last year was developed in the confidence that the council and private sector would agree that the tourism could surpass gold in becoming the shining beacon in the economy.

The council had also correlated with the public about the expenditure, which would be matched by the private sector.

Captour said the city was being made a “laughing stock” and a “shame” by the council’s decision.

Captour had established that the council’s decision was the result of political decisions rather than a genuine concern for the city’s tourism industry.

Captour had requested of the council to explain the decision to reduce their budget and the reasons behind it.

Captour stressed that the city’s tourism sector was “zero based” and “100% reliant on private sector money”.

Captour said the council’s decision was “a slap in the face” to the city’s tourism industry.

Captour said the council’s decision was “a slap in the face” to the city’s tourism industry.
Rugby to cost business R230m

BY FRANCOISE BOTHA

The Rugby World Cup, the largest-ever sporting event to be held in South Africa, will cost South African business about R230 million in lost man-hours, says leading economist Wolfgang Thomas of Wesgro.

On the positive side, the South African Tourist Board (Satur) has estimated the boost to the economy through not only local and foreign sponsorship but increased tourism, would be about R1 billion.

Karen Liebenberg, senior economist of the National Productivity Institute, said based on estimates of losing 7.5 million man-hours, the loss in total output would be about R1.35 billion. "However, as a percentage of total annual production, it is very small, at around 0.36 percent," she said.

Senior research executive for the SABC, Janie de Beer, said taking into account that many people would watch more than one game, the total South African "duplicate viewership" for the 32 matches would be anywhere between 30 million and 45 million.

He said the number of people watching a single television set on a daily basis was also expected to increase substantially over the next month and in some instances could exceed 1.000 people.

Wesgro's Thomas added that, based on the viewership figures supplied by the SABC, only about 10 percent of the total labour force would be watching if the unemployed and the economically inactive were taken into consideration.

"Ticket sales for the matches indicate that one million South Africans will be watching the matches live," said Craig Janie, Satur's chief economist.

Only six of the 32 matches are scheduled to be played in normal working hours. The semi-finals and final match are to be played over weekends or after business hours.

De Beer said that estimated viewership figures could increase dramatically if the South African team secured a place in the final.

"So fortunately for business, the match is being played on a Saturday afternoon," he said.

Johan Louw, chief economist at Sasfin said, "what worries me is that the people who are going to the matches often don't put in for leave and firms still have to pay them, which is costing a lot of money."

The effect of over 2 billion viewers worldwide and the visiting foreign media is likely to counter short-term economic losses.

Ernie Heath, deputy executive director of Satur, said the long-term effects would far outweigh the short-term costs.

"Although some people would argue that we are losing a lot of man-hours, the World Cup should be seen as an investment that is enhancing the common vision and pride of the nation."

"It should also be seen as a positive motivating factor, an added value initiative to future productivity," he said.
ROAD NETWORK PLAN SLAMMED

Province votes R70m for city transport

AS FUNDS were approved yesterday to upgrade the city’s transport system for 2004, a report said existing plans were inadequate. CHRIS BATEMAN reports.

The Western Cape cabinet yesterday approved R70 million of the R470m allocated by Pretoria to “kick-start” integrated transport planning in the Cape Metropole for the 2004 Olympics.

Within hours an advisory committee appointed by provincial Transport and Public Works Minister Mr Leonard Ramatlakane slammed sections of an existing provisional road network plan for high-occupancy vehicles.

In an interim report released yesterday, committee chairman Mr Nel Rossouw said the structural plan for high-occupancy vehicles “neither adequately prioritises the needs of the poorer and historically disadvantaged ... nor adequately responds to the need for spatial restructuring”.

He said it was “inconsistent with the RDP and the draft Metropolitan Spatial Development Framework”.

Mr Rossouw’s committee was appointed to ensure holistic planning between the RDP, the Metropolitan Transport Plan and the Metropolitan Spatial Development Framework and to secure long term social, economic and environmental needs in Olympic transport planning.

Balanced

After taking public submissions from a wide variety of interest groups for 11 days, the committee’s main interim recommendations are:

- The current transport steering committee should be dissolved to allow for one with a more balanced membership, representing all key role players, which would be committed to rectifying historical imbalances and reducing the fragmentation of the metropole.
- This committee should devise a planning framework, an agreed standard for evaluating projects and a procedure for appointing consultants, with an emphasis on affirmative action.
- A comprehensive transport plan for the metropole should reflect a “distinct and deliberate” paradigm shift from past planning.
- The plan should be based on RDP principles, especially in creating an efficient and affordable public transport system.
- Suitably qualified land use planners should be appointed to a broadly representative Metropolitan Transport Advisory Board.
- Mr Ramatlakane should ask the City Council for a short-list of consultants for appointment to a consultative advisory group of road and rail transport and land use planning experts.

Mr Rossouw said the plans should be in place within 12 months — in time for the visit by the International Olympic Bid Committee in September 1996. His final report will be available by the end of this month.
Tourism figures up by a third

BY SHIRLEY WOODGATE

Rugby World Cup has boosted tourism figures by at least a third during the traditionally off-peak months of May and June, according to Gallinek Sports Travel spokesman David Hart.

He said foreign visitors support for the 1995 event staged in South Africa was a third up on bookings for the 1991 RWC tournament held in France and the UK.

Reacting to gloom in the travel industry, which has labelled RWC a "moneymaker," Hart said 17,000 Rugby World Cup visitors who had flown in on packaged tours were a direct bonus which had boosted tourist numbers to 55,000 over the RWC period.

"We had hoped to sell 20,000 packaged tours and finally sold 13,000," he said.

Media sponsors, players and officials comprise 4,000 visitors, 5,000 fans came from the UK, 2,000 each from New Zealand and Australia, 1,000 from France and the rest from elsewhere in the world.

Hart said a total of 26,000 of the 55,000 tourists were expected which in Cape Town 30,000 fans over and above the 13,000 booked into official hotels and hotels.

"Many of those who have combined rugby with private visits are expatriates staying with friends and family."

"Some of the tourists, including the Argentinians and Welsh, will only be here for the first three weeks, and many fans will only be here for the first half of the tournament."

"At least a third of the 62,000 crowd for the semi-final games at Ellis Park are expected to comprise tourists, many of whom have bought tickets locally," he said.

SAA spokesman Leon de Wet confirmed fans were arriving in batches related to the teams they support with the next big influx expected from June 8 to 14 for the quarter-finals of the tournament, which has been billed as the fourth biggest sporting event in the world.

Commenting on vacant seats at the opening match and most pool games, RWC tournament manager Craig Jameson said 42,000 tickets had been donated to development and no more free seats were available which would be a loss of unsold tickets and cut to boost sales.

"The 1.3 million tickets for the entire tournament were divided equally between Saru to sell locally and RWC Ltd to sell overseas."

In April, 450,000 of RWC Ltd's 675,000 were returned unsold and Saru started selling three weeks before kick-off, first to season ticket holders at each of the venues then the general public.

Sales were going steadily and about 300,000 of the RWC allocation handed over to Saru, remained unsold last week, said Saru tournament organiser Diet Oberholzer.
Captcha budget slashed by council

Municipal Reporter

CAPTOUR, the body that promotes tourism to Cape Town, faces a slashing 75 percent budget cut.

The city council's executive committee has approved in principle a budget cut for the tourism body from R2 million to R500 000.

The move has been slated by Arthur Gillis, group managing director of Protea Hotels, who said tourism was a "number one asset" which earned money for the city.

He understood the need to upgrade certain areas, but "to make a lot of money, you must spend a little to get people to come to the Western Cape."

Captour chief Gordon Oliver said the cut had come without warning, which would have allowed Captour to prepare itself.

The organisation had played an important role in securing the Golden Oldies World Rugby Festival for the city in 1996, an international jazz festival in February next year, and was working towards securing the International Rotary Convention in the year 2000.

The executive committee decision has prompted fears for Captour staff's jobs.
‘Archaic’ regulations hamper tourism

BY AUDREY D’ANGELO
CAPE BUSINESS EDITOR

“Archaic” regulations originally designed to protect state-owned enterprises from competition are putting unnecessary obstacles in the way of new tour operators, says Gordon Oliver, chief executive of Western Cape tourism organisation Captour.

Oliver has written to Minister of Transport Mac Maharaj asking for the regulations to be changed after learning that it takes three months for a public road carrier’s permit to be processed, and that objections are invited.

His letter says the tourism industry “is growing dynamically.

“Many new one-person tour operators are emerging in the market and many of these businesses are based in, and operate from, the black ‘township’ areas of Cape Town.”

The letter continues that, apart from the length of time involved in processing applications, Oliver cannot understand why they have to be advertised in the Government Gazette so that other existing operators can object.

“If there are objections, a public hearing must be held.

“Our country and the government have a public commitment to the principle of free enterprise. It is common knowledge that the government, through its RDP goals, is striving to encourage private citizens to go into business for themselves.

“Your department’s practice of inviting objections to applications is surely contrary to these very worthy principles and goals.

“Years ago this practice was made law to enable road transport operators to be protected from competition.

“Surely this is now not only archaic but counter-productive in a growing economy and in the light of the government’s aims to create and encourage employment opportunities.”

Oliver said the Department of Transport was prepared to issue temporary permits during the waiting period, on payment of R25.

But the application form had to be obtained from the department’s offices in Pretoria and not from Cape Town’s local transportation board offices.

Commented Oliver yesterday: “The whole process should be made more user-friendly.”
Hotel plans for the Cape

Stocks & Stocks is stockpiling land for hotel development in the Western Cape for its newly formed hotel group, Stocks Hotels & Resorts, in which Transnet's pension fund has a 26 percent interest.

The managing director of Stocks Properties, Dave De Freitas, confirmed the company had an option on the 85ha race course at Milnerton, which the Western Province Racing Club is selling. The option expires at the end of September.

De Freitas said they had spent 18 months looking for the ideal site for a leisure development aimed at the international market.

"We believe this is it and it is highly probable we will exercise our option," he said.

He said the tourism potential of the Western Cape was enormous, exceeding that of "the mining industry on the Reef."
SOUTH Africa is not doing enough to derive tourism mileage from the Rugby World Cup, and will fail to achieve its true tourism potential without a tightly focused marketing campaign.

This was the view of international marketing expert Bob Leaf, chairman of public relations giant Burton-Marsteller, who was in South Africa recently, to address a World Tourism Organisation summit.

Mr Leaf said South Africa was one of the world’s best holiday destinations, but a concerted campaign was needed to change negative perceptions of the country that persisted among much of the international audience.

“You’ve got the product, what you need is the marketing,” he said.

Because most travellers were vague in their understanding of politics and international borders, past images of violence and unrest in South Africa and nearby countries were not easily erased from potential tourists’ consciousness by news of the new South Africa’s progress.

“People are motivated by the sum of all their information, and when they hear about Africa in the media there is a good chance that the information will be negative.

“You must realise that many tourists, especially in the United States, are not good at geography, so they lump all of Africa together.

“For example, the Irish Tourist Board found out that whenever there were major incidents in Northern Ireland, which is part of Great Britain and not Ireland, American tourism declined in Ireland because many people could not differentiate between the two.

“In Africa, you can’t, depending on the media, automatically stress the positive — unfortunately you must work harder than other areas to present a positive image to the world.”

South Africa therefore needed to make maximum use of key events like the World Cup and Cape Town’s Olympic bid to generate positive images in the minds of the market.

“The World Cup is not being used as a marketing tool as much as it should be,” Mr Leaf said. “The evidence that South Africa is a safe place for the Cup to be held and for supporters to visit should have been used far more.

“Even if you don’t win the Olympic bid, there’s a big advantage to getting the bid right.”

Because the international tourist market was highly competitive, South African tourism authorities would have to adopt a strategy that should include:

- Selection of, and concentration on, a set of key markets, as it would be impossible to cover all markets effectively.

“The term ‘key’ does not always mean the markets that are presently delivering the most tourists — they could be the markets where you see great potential for growth over the long term,” Mr Leaf said.

A review of the main positives and negatives for tourists visiting South Africa, which would differ according to age, education and spending power.

“In many tourist programmes there is not enough concentration on specific groups. In the US, for example, people are retiring earlier and living longer — this is a group that will want to travel to new places.”

Being prepared for crises, so that the negative impact of bad news on the tourism industry could be minimised.

“Trains will crash. Tourists will be robbed and murdered. And epidemics will break out.

“Every tourist board should have a detailed crisis preparedness programme that establishes clearly, in the event of a crisis, who is to be notified, where a crisis control centre would be set up, who would work there and what their responsibilities would be.

“Often out of a crisis,” Mr Leaf added, “a number of positive stories can be developed about the country and tourism, because when there is a crisis in a country, that country is news and the media are interested in more stories about that country, including favourable ones.

“But when handled badly, the crisis can look far worse than it actually was.”
Cup brings city mixed fortunes

STAFF REPORTER

THE Rugby World Cup tournament has met with mixed reaction in the city, with some businesses saying it has been a “resounding success” and others claiming it has been a “bitter disappointment.”

Yesterday, the executive director of the Cape Sun, Mr Harry Murray, said the hotel was booked out for the opening match but was now experiencing a “dip” in trade.

A spokesman for The Capetonian said the hotel was “about 75% full” over match weekends.

Mr. Dirk Odenaal of Just Accommodation, which oversees local bed and breakfast establishments and guesthouses, said bookings had been “very poor.”

Restaurant and pub owners said they had expected to be busy over match weekends, but had not anticipated the sharp drop-off in trade in the off-peak period.

Flea market stall holders selling Rugby World Cup paraphernalia said they were battling to flog T-shirts and caps — but anything with an SA flag was “selling like hotcakes.”

Generally, there was a big run on beer.
Sol bops to same tune in Indian theme park

By SIMON BARBER
Washington

SOL KERZER, the Muhlenberg County, Ky., attorney, is moving to rename his successful "Indian theme park" on the banks of the Ohio River in Mcohnia, Ky. His new project, "Scenic Indian Theme Park," aims to attract visitors looking for a taste of Native American culture.

Kerzer, who has been involved in real estate development for several years, sees this as a unique opportunity to introduce visitors to the rich heritage of the Native American people. His goal is to create an immersive experience that will educate and entertain visitors of all ages.

The park will feature various attractions, including a replica of a Native American village, a museum showcasing Native American history and artifacts, and interactive exhibits that allow visitors to learn about the culture and way of life of the Native Americans.

Kerzer is currently working with local historians and Native American tribes to ensure that the information presented is accurate and respectful. He hopes to open the park within the next year.

Kerzer believes that this project will not only benefit the local community, but also contribute to the national conversation about Native American history and culture. He is excited to bring this project to fruition and hopes to attract visitors from all over the country.

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Public reaches out to help castrated boy

By VICTOR ESPINOSA

DONATIONS and offers of support have poured in for a four-year-old boy, who was castrated by a dog attack.

His grateful mother is delighted at the response, with one of today's readers writing: "I am so grateful to the community for your support." She said the family were overwhelmed by the generosity of the public.

The boy, who was attacked by a dog, was brought to hospital, where he underwent surgery. The family have been supported by local charities and other organisations.

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CONTACT YOUR PROFESSIONAL ASIA TRAVEL AGENT OR
Sol bops to same tune in Indian theme park

By SIMON BARRIER Washington

SOL KERZNER, the Kuba Khan of the casino world, is moving to repeat his success in Botswana by building his first gaming palace in the US on a homeland he is helping to purchase for the last of the Mohicans.

By the 4th of July next year, he hopes to have erected a $250-million (about R960-million) casino-cum-Indian theme park on the banks of Connecticut's Thames River within 90 minutes' drive of New York, Boston and 30 million potential punters.

The 90ha site, less than you think the venue insufficiently remarkable, is occupied by United Nuclear Corporation, who until recently made power plants for nuclear submarines.

Stranger yet, Mr Kerzner and his partners will neither own nor control the resort, nor take more than 40 cents out of every net dollar generated. They will merely manage the place under a seven-year contract with the Mohicans, who, by federal law, receive at least 60 percent of the take.

But do not think that the creator of the Lost City and Atlantis in the Bahamas has taken leave of his senses. Sun International's up-front investment of $125 million (about R480 million) will likely be recovered within a few months of the place opening.

Mr Kerzner's new Lucas Mangope is the chief of the Mohigan tribe. Ralph Sturges, a 76-year-old marble sculptor, also known as glnakong (pronounced Yellicong), is the general partner who helped secure the deal.

Mr Sturges' assistance derives principally from the fact that he and his 1 000 fellow Mohigans were last year ruled to be an authentic Indian tribe by the federal government, thus eligible to benefit from what is without question the most extraordinary affirmative action programme in the US.

The 1988 Indian Gaming Regulatory Act requires state authorities to negotiate compacts with officially recognized tribes permitting them to run gaming operations on their reservations.

The law says that, if a state permits any kind of casino-type gaming anywhere within its borders, Indians in the state must be allowed to operate the whole gamut of casino games on reservations.

The result is many, including Connecticut's, is that states have decided simply to let Indians have casino franchises. At least 100 out of 504 recognized tribes have gone into the business.

The first Connecticut Indians to take advantage were the Mashantucket Pequots. Their casino, Foxwoods, opened in 1993, a 20km from where Mr Kerzner plans to start building in August. It is believed to be the most profitable casino in the world, taking in $1 billion (R5-billion) last year.

The Mohigans were originally Pequots and might have been in on that action had not a dissenting Pequot chief named Uncas seconded in the 17th century. As Mr Sturges tells it, Uncas was a bit of a misfit who did not want to raise Cain with the colonists.

Uncas and his Mohigans, as they called themselves, assimilated. By this century the Mohigans had disappeared into the US gene pool.

A few hundred clung on near the banks of the Thames and spasmodically pushed claims for land and recognition as a real tribe. In 1989, the Interior Department's Bureau of Indian Affairs proposed to dismiss their claim once and for all, arguing that "they do not appear to be socially distinct".

Enter, in 1992, Len Walman, a South African émigré, who had set up a Connecticut-based hotel and construction business since leaving Johannesburg in 1976. He saw what the Pequots were doing, and formed a partnership, Trading Cove Associates, to do the same with the Mohigans.

Mr Walman and partners hired lawyers, genealogists and anthropologists to get the Interior Department to change its mind. They also recruited Mr Kerzner and his son Butch.

By the end of last year, their efforts led to the official recognition of the Mohigans and the signing of a compact.

The next step, to be completed shortly, is for the partnership to close the purchase - already negotiated - of the 233ha that are to be Mohigan's home-land and transfer the land to the federal government which will hold it in trust for the Indians.

Of these hectares, 96 presently owned by United Nuclear will be used for the resort, while most of the remainder will be parkland.

Mr Kerzner and his partners will be paying $37 million (about 104-million) for the land that will be transferred to the federal government. Included in the price, says Mr Walman, will be the cost to United Nuclear of ensuring the ground on which the casino is to be built will not cause Geiger counters to tick.

It is, for the Mohigans, an extraordinary deal. As Mr Sturges admits, they have to "ante up" nothing and yet will own whatever Mr Kerzner et al put up on their land. And after seven years the Mohigans are entitled to throw Mr Kerzner et al off the reservation, leaving behind every asset.

There is so much money to be made from gambling that such overheads and risks are pleasurable. There are millions of fools close by who come to be parted with their cash.

Mr Kerzner meanwhile blanches at the suggestion that he is doing another Bop. This venture has been really hard work, he counters. "You're dealing with the federal government, state and Indian authorities ... it's a far more complex procedure."
The parking area is expected to be completed in time for the Christmas holidays at the waterfront.

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**Business will have to clean city centre itself**  (288)

**ARL 6/17/95**

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**Staff Reporter**

THE Cape Town City Council is leaderless and visionless and if businesses want to clean up the city centre, they will have to rely largely on their own resources.

This was the stark assessment by Captour chief and former mayor Gordon Oliver who was speaking last night at a meeting of central business district retailers and property owners.

"It's a tragic situation," Mr Oliver said.

"The Cape Town City Council is yet another victim of the whole change process."

"What's happening is that the paid officials are running the council and the politicians aren't leading."

"We can get no progress out of this, or any, municipality now."

The meeting, convened by Radio KFM presenter and Zoo Promotions head Allan Barnard was called to forge co-operation between business people in the fight against crime and dirt, which were said to have driven tourists and shoppers out of the CBD.

An 11-strong steering committee was elected — including Mr Oliver — to plan privately funded security, cleansing and promotions in the CBD.

Earlier, Mr Barnard presented a proposal that would see daily patrols of the area by 80 security staff, the deployment of 40 full-time cleaners and the co-ordination of late night and Sunday shopping and regular city centre promotions.

The city council did not come into strong criticism at the meeting, attended by 50 people, and was said to have neglected the area.

"Maybe we should organise a boycott of rates, pay the money into our own fund, kick out the council cleaners and do it ourselves," said a speaker.

There was a feeling that the council had let the CBD down and it was important that the municipality do more to promote the city in conjunction with business, said Piet Plenamerican, manager of Woolworth's Adderley Street store.

No council representative attended last night's meeting in spite of invitations being sent.
Green talks on bid

Environment Reporter

THE Cape Town Olympic Bid Committee will discuss bid-related "green" issues with environmentalists and other concerned people at a public meeting next week.

This follows a "slightly heated" discussion last week when a memorandum outlining concerns about the bid was handed to bid committee deputy chairman Clive Keegan and several of his colleagues, by representatives of the Olympic meeting working group.

The group was formed at a meeting last month when about 80 people representing environmental and civic groups met to discuss concerns that "green" issues were being sidelined in the bid.

They decided to call for the bid to be put on hold until a full summit meeting of all interested parties and a vote by Cape Town residents on whether they wanted to host the 2004 Games.

Mary-Jane Morris, spokesman for the working group, said they had talked for about 3 minutes and the discussion had been "slightly heated" at times.

The bid committee had acknowledged that many people who had supported the bid no longer did so, and that it was "very behind" in its public participation and environmental programmes.

The committee had indicated that it would send representatives to the group's next public meeting next week, Ms Morris said.

The meeting is at 6pm next Tuesday, June 18, in the ground floor lecture theatre of the podium block in the Civic Centre.
First SA Hyatt looking for staff

BY KIBIS
Business Day Reporter

The new Rosebank Park Hyatt hotel, scheduled to be opened in October, has launched a recruitment drive to find local staff.

The hotel will be the first Hyatt in SA. GM Robert Dawkins said Hyatt preferred to invest in the local workforce rather than employ expatriate employees.

"Senior management is in place. We are looking to fill middle management and rank and file positions. New employees will be trained, with the possibility of further training abroad."
Captcha offered a lifeline of R1.5m

CAPTOUR is being offered a R1.5 million lifeline in the form of a loan from the Cape Town City Council to make up for a 75 per cent cut in its budget.

This was decided at the City Council’s pre-budget executive committee meeting today after a lengthy debate about where the money for the tourism body should come from.

After the decision by exco chairman, Captour's board, Ted Parlane, said: “It is not terribly satisfactory, because we still have the Sword of Damocles hanging over our heads.”

Clive Keegan voted against the resolution because he felt Captour should be given the full R2 million by the city council.

He said he found it extraordinary that a city which believed tourism was the “lifeblood of Western Cape economy” should make it impossible for Captour to operate.

City Treasurer Eddie Landsberg explained that the rationale for cutting Captour’s budget was a feeling that the city council should not carry the burden alone.

He suggested that negotiations with bodies like the Cape Metropolitan Council and even provincial governments should get underway, so that money could come in from all the stakeholders.”
500 ratepayers vote ‘no’ to Olympic Games

ABOUT 500 ratepayers have questioned whether Cape Town and its residents can afford to host the 2004 Olympic Games.

They were attending a meeting at the Claremont Civic Centre called by the Concerned Citizens Committee in response to concerns about whether the city council had:

- Failed to consult ratepayers before signing a contract with the National Olympic Committee of South Africa (Nocs).
- Failed to provide ratepayers with estimates of the Olympics costs.
- Failed to explain why the Olympics costs were the obligation of the Cape Town ratepayers when other municipalities would also benefit.
- Failed to explain what effect the Olympics would have on annual rates increases.
- Failed to reconcile serious differences with various private sector representatives.

Speakers at the meeting included Clive Keegan, metropolitan councillor, David Erleigh, and Metropolitan and city councillor, Arthur Wienburg. Mr Keegan’s 20-minute speech was punctuated by heckling from ratepayers who maintained Cape Town could not afford the Olympics.

Unfazed by the interruptions, Mr Keegan reiterated: ‘While the bid committee acknowledges that the Olympics is essentially about sport, the Cape Town bid is unambiguously based on a single word, development.’

Mr Erleigh said the bid should not proceed before proper consultation and a mandate from ratepayers.
Chris Ball to head Games bid
Top banker chosen from list of 45 candidates

CLIVE SAWYER
Political Correspondent

TOP businessman Chris Ball has been appointed chief executive of the Cape Town 2004 Olympic Bid Committee.

This was announced today by the Minister of Sport, Steve Tshwete.

He said Mr Ball had the leadership, and the managerial and financial experience, to ensure Cape Town’s bid triumphed.

Mr Ball, an international banker and former chief executive of Barclays Bank in South Africa, will continue in his post as chairman of the South African Housing Trust.

Chosen from a list of 45 candidates, Mr Ball succeeds Raymond Ackerman, who resigned as chief of the bid committee last month.

Mr Ball said there were high emotions about the bid, and these had to be converted into positive energy.

He has already begun consultations with top business figures.

“It will take time to get the bid in proper shape. I ask for your patience,” he told a press briefing.

“If we play the game as a team, we will win,” Mr Ball said.

President Nelson Mandela said: “I know Chris Ball personally and I am delighted at his appointment.

“I am sure he will do Cape Town and South Africa proud.”

Mr Ball said the bid would be based on a comprehensive analysis of all relevant issues, including financial and environmental considerations.

Mr Ball said he would draw on his experience in political processes in dealing with issues.

In the 1980s he was one of the first top South African business people to initiate dialogue with the ANC.

Mr Ball’s appointment was welcomed by National Olympic Committee president Sam Ramsamy and National Sports Council president Muleki George.

Mr Ball is no stranger to controversy.

As head of Barclays Bank in 1986 he incurred the wrath of former State President P W Botha over controversial advertisements placed by the UDF calling for the unbanning of the ANC.

At the time the government was waging a war against the “total onslaught” from anti-apartheid groups.

Mr Ball denied an accusation made by Mr Botha that he had paid for the advertisements.

A commission of inquiry was appointed and they found Mr Ball had known the true purpose of a R100 000 overdraft he granted to businessman Yusuf Surtie who used the money to pay for the UDF advertisements.

After this Mr Ball became managing director of First National Bank, the new bank created from Barclays, until January 1989 when he resigned with immediate effect and emigrated to London.

Since December last year he has headed the South African Housing Trust.
Tourism is a mug’s game in CBD, city council body told

JOSEPH ARANES
Municipal Staff

MUGGINGS in Cape Town’s central business district are so bad that tour guides warn tourists not to walk around the city on their own and especially not after dark.

So said Ralph Rosen of the Western Cape Community Police Liaison Forum, who added that police figures for the number of muggings in the CBD were wrong – the true number was more like twice the official statistics.

Police figures show that between 40 and 50 muggings and robberies are reported in the CBD every month.

Mr Rosen said most tourists who were robbed did not bother to report the crime to the police. In a state of shock, they just wanted to return to the safety of their hotels.

"Guides at the hotels tell the people not to wander in the streets on their own because the city centre is generally unsafe. This is killing tourism and business in the centre.

"We need to work together as a city and support initiatives designed to make the city a safe place, like the new business initiative... of a company headed by Allan Barnard." Mr Rosen told the Cape Town City Council’s emergency and protective services committee.

Mr Barnard’s plan, which calls for the establishment of a private metro police force and 40 cleaners to keep the city in tip-top shape, could see businesses band together to combat the CBD’s image as dirty and dangerous, and transform it into a safe, vibrant shopping and entertainment hub.

The committee decided to convene a special meeting next month to work out strategies to combat the rising crime rate.
New laws needed to counter fakes trade

Tourist descent in favour of costs. Later, workers were...
Most of Captour’s funds sell the Cape

Staff Reporter

CAPTOUR spends 62 percent of its total budget of R6.8 million on providing services such as information, marketing, and promotions, chief executive Gordon Oliver has said.

A debate on the Cape Town City Council’s funding of Captour has been deferred until the next monthly meeting and was not taken at last week’s budget vote.

Giving a rundown of Captour’s budget, Mr. Oliver emphasised the non-profit organisation’s fair distribution of funds and said any cut in funding could result in a situation where Cape Town stood to lose potential income.

Captour’s information service took up 13 percent of its budget and marketing and promotions another 49 percent.

Only 22 percent of the budget was spent on overheads and administrative costs and 32 percent of the total budget of R2.8 million was spent on salaries - a scenario which Mr. Oliver described as reasonable for a non-profit organisation.

R2.084 million, or 89 percent of Captour’s budget, came from municipal grants which included the Cape Town City Council’s usual R2.043 million, contributions from other municipalities.

Income from membership in the private sector totalled R560 000 this year, said Mr. Oliver.

A small percentage of income was generated through vehicle bookings, t-shirt and video sales, and the balance of Captour’s income was derived from interest on money in the bank.

Mr. Oliver pointed out that clearly the largest part of Captour’s budget was spent on providing information to people and to attracting visitors to the Cape.

He warned that Cape Town stood to lose potential income if the organisation’s budget were slashed.

“We don’t have a problem in getting money from other stakeholders such as the wider range of local authorities,” Mr. Oliver said.

“But, the current political situation has delayed our chances of getting money from other municipalities.”

Mr. Oliver said Captour had approached Bellville, Milnerton and other local authorities. But boundaries had not even been finalised and these municipalities did not seem able to help.

“All we are asking for is the City Council to give us some breathing space so we can organise our matters for this year.”

He said he was “not happy” with the R1.5 million loan which Cape Town City Council had offered the organisation.

“You can’t run an organisation on a wing and a prayer. So, we’re not out of the woods yet.”

Mr. Oliver said he had assured his staff, however, that no one would lose their jobs.
BUDAPEST. — At least 14 cities, including Cape Town and former losers Beijing, have expressed interest in hosting the 2004 Olympic Games.

International Olympic Committee director-general Francois Carrard said the list included three French cities — Paris, Lyon and Lille — because French Olympic chiefs had not yet chosen a candidate.

Also included were the Latin American cities Buenos Aires, Rio de Janeiro and San Juan.

Most of the other candidates were in Europe, including Seville, Brussels, Rome, Stockholm and St Petersburg.

Mr Carrard said Beijing, narrowly defeated by Sydney in the race for the 2000 Games, had not yet decided whether to bid again.

But Istanbul, another loser to Sydney, was interested.

The IOC, which meets this week to choose the hosts for the 2002 Winter Games, will choose the 2004 hosts in September, 1997.

Five months before the vote an IOC selection college would whittle down the candidates to a shortlist of four or five, Mr Carrard said. The deadline for bids was January 10, 1996.

Suggestions that Cape Town could host the first Olympics in Africa had already created a lot of enthusiasm, which might dissuade some of the other potential candidates, but the IOC was keen that Beijing did not drop its Olympic ambitions.

Mr Carrard said the IOC would consider St Petersburg a "very serious bid". — Reuter.
WITH SA’s re-entry into the international arena, Concorde Travel shareholders could look forward to increased profits generated by favourable trading conditions, chairman Mark Voloshin said in the company’s annual report.

He said trading results for the first three months of the new financial year were “encouraging”.

He said last year’s elections removed SA’s pariah status in the world.

“Most international airlines now have regular flights to and from SA, patronised mainly by businessmen who are either keen to invest, re-invest or to extend their activities into a country which a few years ago was completely barred from international business.”

Voloshin said international tourism had rejuvenated the hotel industry and increased foreign currency inflows and that the new dispensation had provided the Rugby World Cup, the country’s first opportunity to host a sporting event of any magnitude.

Earnings increased 34.3% to 8c a share, while turnover rose to R21.7m. The company’s travel group, which operates 15 main offices with eight satellites throughout the country, opened two offices in Russia during the review period.
SECURITY PROBLEMS THREATEN INDUSTRY

W Cape set to profit from tourist invasion

SOUTH AFRICA'S tourist industry could grow by up to 25% and create over 225 000 jobs in the next five years if it is properly managed, reports ANTHONY JOHNSON.

The Western Cape will have to provide over 100 000 new hotel rooms to cope with an invasion of international tourists over the next five years, Tourism Minister Dr Dawie de Villiers told Parliament yesterday.

South Africa was bracing itself for a tourism boom that would see 6.7 million foreigners streaming to the country, before the turn of the century, bringing a foreign exchange injection of R10.2 billion.

Projections of the growth in tourism showed that an additional 225 000 direct and 450 000 indirect new job opportunities would be created by 2000, he said.

Dr De Villiers said the tourism industry had grown by more than 30% in the second half of 1994 and the number of overseas tourists had jumped by 25% in the first half of 1995.

If the tourism industry was properly managed, an increase in foreign visitors of 20 to 25% could be expected over the next five years. He said 370 000 new rooms would be needed to cope with the expected influx of tourists. The Western Cape would need 38% of these and Gauteng 31%.

However, Dr De Villiers warned that the expected tourism boom could be "ruined" by perceptions of safety and security risks in the country.

He noted that recent media reports in Britain rated SA as the third most dangerous tourist country in the world. This could have a "severely negative" effect on the industry.

Satour surveys indicated that more than 36% (250 000) of international tourists rated personal safety in SA as "below average."

Security reports indicated that 400-500 tourists to SA were "mugged, attacked and stolen from" each year.

The minister proposed that provincial governments should urgently consider launching security programmes to combat tourist-related crime.

Dr De Villiers also told parliamentarians that in order for SA to compete effectively, it was vital that high standards of service are encouraged and monitored. The National Grading and Classification system would have to be developed and maintained.

The minister noted that foreign tourists were critical of service levels because of SA's lack of a well-trained tourism labour force.

He said the government should assist with the establishment of tourism training facilities and programmes and "the possible subsidisation of training."

Dr De Villiers acknowledged that a large section of the population was not aware of the benefits and responsibilities of a growing tourist industry.

"A concerted communications campaign should be introduced over a period of at least five years to convey the tourism message to all South Africans and material should be developed to introduce the concept of tourism into the school curriculum," he said.
SA travel 'too costly for locals''

BARRY STREEK, POLITICAL STAFF

TOURISM in South Africa had become so expensive that it had become virtually impossible for South Africans to travel in their own country, Deputy Minister of Environment Affairs and Tourism Mr Santu Holomisa said yesterday.

He said during the debate on the tourism vote that the provision of low-cost accommodation as well as effective and cheap public transport was a special challenge to the new tourism structures in the provinces.

"Although one can appreciate that prices need to be market-related (many SA resorts) have become so expensive that it is virtually impossible for South Africans to travel in their own country. In light of the fact that tourism is the one industry which promotes goodwill and peace among all our people, it is indeed a pity that it is not easier for all to enjoy our magnificent country."

On the crime threat to overseas tourists, Mr Holomisa said two percent of visitors to SA had an unpleasant encounter with criminals. This figure was much too high in terms of international standards, he said.
THE NATION

Terrific for tourists but tough for locals

JOSEPH ARANES
Staff Reporter

Travel too expensive in own country

TRAVEL costs and holiday accommodation in South Africa are so expensive it is virtually impossible for average families to marvel at the wonders of their own country.

The matter was raised in parliament this week by Deputy Minister of Tourism Bantu Holomisa, who said it was a pity it was not easier for all South Africa's people to enjoy its beauty.

"In light of the fact that tourism is the one industry which promotes goodwill and peace among all our people, it is a pity that we all can't share in it," Mr Holomisa said.

Local travellers are instead being wooed away to exotic destinations and, at times, for a fraction of what the same holiday would cost in South Africa.

A travel agency is offering tourists a seven-day stay in Mauritius for only R3,000, including air travel, from any of the major city centres, six nights in a five-star hotel with breakfast and dinner and several other freebies.

A five-day cruise on a luxury liner from Durban to Bazaruto, a tropical island off the coast of Mozambique, costs R1,411 while a return air ticket from Cape Town to Durban costs about R1,400.

South African Airways spokesman Janie van Vuuren said air travel was a highly specialised and costly business.

"It's not a cheap operation and is a very expensive mode of travel, but we try to keep the prices of tickets within people's reach by offering various discount packages."

Ms Van Vuuren said a traveller could, for example, secure a 50 percent discount on a ticket if the seat was booked at least a month in advance.

Trevor Dearlove, marketing manager of the National Parks Board's Southern Parks, said the board fully agreed with and supported Mr Holomisa's statement that domestic tourism was very expensive.

"We at the National Parks Board have been rising to the challenge and are transforming our accommodation, making it more accessible to all the country's people."

"The parks belong to the people and should be accessible to them. To this end we offer accommodation ranging from rustic to up-market to cater for all their needs."

Captour's Gordon Oliver said he tended to agree with Mr Holomisa.

"We recently did a survey of tourists visiting the Western Cape and found that almost 40 percent stayed with relatives or friends because of the high prices of accommodation."

"I think it's time for the industry to have a serious look at budget accommodation and we recommend that holiday packages for local travel become a more common product."
Cape tourism structure ‘within months’

Staff Report (288) A2G 15/6/95

A WESTERN Cape tourism structure will be introduced within months, says provincial Agriculture, Planning and Tourism Minister Lammie Fick.

This follows complaints by industrialists about the absence of a tourism structure and a lack of vision on the future of tourism:

The new structure was expected to be introduced by January and would be fully functional by April, Mr Fick told a media conference yesterday.

He said the structure was necessary because the province enjoyed the reputation of being "an all-year-round holiday destination".

Its implementation would be preceded by wide consultation with role players who would have a chance to make contributions at open day meetings organised by the department.

Public views would be summarised by the end of August and legislation to formulate the new structure could be ready by the end of September, Mr Fick said.

The current tourism policy and strategy of the Western Cape was "too fragmented" as it was executed by various organisations — "some of which have vague mandates", Mr Fick said.

"The direct result of this state of affairs is insufficient planning and too little co-operation in our province regarding tourism.

"A lack of knowledge and inappropriate political orientation in tourism affairs also contributes to insufficient constructive action."

The open day meetings are on July 20 in Paarl, July 21 in Worcester, July 25 in Bellville, August 8 in Moorreesburg and August 10 in Oudtshoorn.

The venues have not yet been announced.
First quarter count of foreign visitors up by 52 percent

PRETORIA — More than 313,100 foreign visitors entered South Africa through the international airports at Johannesburg, Cape Town and Durban during the first quarter of this year, said the Central Statistical Service.

"This represents an increase of 52.8 percent compared with the same period for 1994.

More than 74,500 overseas visitors entered South Africa during March, 37.4 percent more than during the same month last year," the statement said.

The most overseas visitors from a single country during March this year — 19,200 — were from the United Kingdom.

This was followed by 12,230 from Germany and the 7,044 from the United States.

The CSS said the number of South Africans who temporarily went abroad between January and March this year increased by 13.9 percent over the same period last year. — Sapa.
Service ‘not bad for Third World’

BY DEBRAH TORMAN

A survey of Rugby World Cup visitors showed they are more positive than locals about services received. But before service providers become too complacent, there is a rider. As one visitor commented: ‘It’s not bad for a Third World country.’

The survey is being conducted by Wits University’s Business School and Sid Cohen, a lecturer at the school. He is also a consultant to many local companies on strategy and service-related issues.

The results of the survey, which covers 12 service sectors including airports, banks, hotels and restaurants, will be discussed at conferences organised by Global Conferences in Cape Town on June 27 and in Johannesburg at the business school on June 28 and June 29.

The survey started with interviews at the opening match at Newlands in Cape Town on May 25 and will continue until the World Cup is over.

Visitors from the United Kingdom accounted for 22 percent of those interviewed so far. Six percent came from New Zealand, and Australia and France accounted for 4 percent each.

Others visitors interviewed came from Japan, Western Samoa, Ivory Coast, Tonga, Romania, Argentina, Ireland, Canada, China, Germany and Korea.

Johannesburg International Airport came in for its expected share of criticism, especially for the queues. But it also received praise for friendly and helpful personnel.

The police received several bouquets in their handling of fans at the matches. One respondent had been mugged in Hillbrow.

Banks have had some positive feedback, but also received flak for being slow, for the long queues and for being unfriendly.

Some hotels were rated highly, as being tourist-oriented and friendly. But one respondent said he had to use flea powder in his hotel room in Durban.

Others were criticised for poor reservation systems and lamentable laundry services.

Car hire companies came under attack for not having vehicles available, contrary to advertisements.

Restaurants came up trumps with incredible value for money, but South Africa’s public transport came in for severe criticism, with visitors wondering whether it existed at all.

Cohn said the carnival atmosphere surrounding the World Cup meant people were not feeling too critical. The general impression is that South Africa is not geared up for tourism.
Captour name change signals new metro focus

JOE ARANES
Staff Reporter

CAPTOUR, the tourism marketing agency of the Western Cape, is to change its name to the Cape Metropolitan Tourism Authority.

Gordon Oliver, Captour’s chief executive officer, said the move was in line with the new developments announced by provincial Tourism Minister Lampie Fick.

Mr Fick announced this week that a new tourism body for the province would be introduced early next year after consultation with all the industry role players.

Mr Oliver said there was a perception that Captour promoted only tourism in Cape Town but, in fact, the organisation had been promoting tourism in the whole region.

“But with the new proposals, we will be targeting the Cape metropolitan area and will work closely with the nine other regional tourism bodies in the province which will constitute the new Western Cape Tourism Board.

“Although the metropolitan area will be the major role player because about 80 percent of the tourism stock is there, it is important that we encourage tourists to visit the other regions like the wine lands, the Swartland and the West Coast, for example.

“We are very happy the minister announced his proposals as change was long overdue.”

Mr Fick said the new structure should be a partnership between the state and the private sector and had to take responsibility for tourism development and management to the benefit of all in the province.

Mr Oliver said he supported the idea of consultation and urged Mr Fick to make sure all the role players, especially those from the previously disadvantaged communities, were invited to his forums.

He said it was time the minister also started working on a medium to long-term development strategy for the province’s tourism industry.

“Mr Fick has started a process of consultation — we are moving down the road to where a structure will be put into place — but we sorely need a plan that will look after the needs of the province.”

Mr Oliver said that in spite of the Cape Town City Council’s plan to slash Captour’s budget from R2 million to R500 000, the organisation had prepared a bigger budget and was approaching other municipalities in the region to ask for contributions.

“We will be making a presentation to the Cape Metropolitan Council to get them to contribute to our operating expenses,” he said.

The Cape Town City Council says other metropolitan councils should contribute to Captour’s budget.
Tourism sees 18.6% growth

SOUTH AFRICA earned R7.2 billion in foreign currency during 1994 from the 3.668.955 foreign tourists visiting the country.

The Satour annual report tabled in Parliament yesterday said the foreign exchange generated was up by R1.2 billion on the previous year and sustained 450,000 direct jobs while creating 20,000 new jobs in 1994.

The 704,639 overseas visitors spend an estimated R4.500 each during their stay, while the 2.964,326 from Africa spent an estimated R1.350 each.

Despite the slump in tourists particularly before the general election last year, the overall growth rate for the year was 18.6%.

"The second half of the year saw excellent recoveries, particularly in Asia, the Americas and Australasia which increased by 36%, 25.8% and 22% respectively."

Numerically, Europe was the largest source of tourists, after Africa, with the United Kingdom yielding the most tourists (23,062).

The 2,927,982 visitors from Africa represented an 18.9% increase, with most visitors coming from Zimbabwe, Swaziland, Lesotho, Namibia, and Zambia.

Among the fastest growing new sources of tourists are India, which showed a 32% increase last year (10,888), Russia 31% (5,534), and the Middle East 21% (4,750).

Satour's executive director Mr Mavuso Msimang, said the country was "grossly under-achieving" compared with equivalents like Australia, New Zealand, Thailand, Indonesia and Malaysia.

These countries had been able to attract far more tourist mainly because they far outspent South Africa in marketing themselves.

Mr Msimang said Satour continued to endure the stigma of an "illegitimate" institution, especially within the black constituency. It was imperative that steps be taken to confer legitimacy on Satour.

'Slave route' project fails to find favour

LONDON: South Africa is expected to become the most popular African country for tourists this year, British travel agents say.

They are not, however, enthusiastic about the proposed slave route tourist project approved at a conference in Durban recently.

The worldwide publicity created by the Rugby World Cup was one of the reasons cited for the anticipated increase in tourist numbers.

Thomas Cook's retail director Mr Nigel Hards has reported a sharp increase in bookings to South Africa and anticipated a 30% growth by the end of the year.

Last year tourist numbers to South Africa rose 10.4%, offsetting to some extent the five percent drop in tourists to Africa as a whole which was mainly caused by the troubles in Algeria and Morocco.

To counteract this decline, the World Trade Organisation, backed by 125 governments, is developing a so-called "slave route" to remind tourists of the "biggest single tragedy in the history of man"
Youth tourism booming

(288) SAT 16 11 95

Young travellers in search of adventure are coming to South Africa in increasing numbers, statistics compiled by the Hostels Association of South Africa show.

Hasa travel adviser Fiona Jones said 44,773 English and Welsh backpackers visited last year, compared to 4,641 in 1989.

South Africa was also favoured by young German travellers who ranked second with 35,455 visits in 1994.

"People never thought of backpackers as a major tourist group before but there are more than 6,000 youth hostels offering budget accommodation worldwide," Africa Wonderland Tours consultant Janey Oosthuizen said. The industry was also becoming more sophisticated, he added. Travellers could now book youth hostel accommodation via satellite.

The main complaint voiced by backpackers in South Africa was inadequate public transport.

The Hasa report shows more than 62,000 South Africans also used budget accommodation in 1994. The industry enjoyed a boom with nearly 300,000 "bed-nights" sold in 1994, a sixfold increase on 1993.

South Africa is also a favoured destination for Australians and New Zealanders, with nearly 35,000 budget travellers visiting in 1994. Youth hostels, which charge between R15 and R25 a night, were not only a cheap way of travelling but were also a way of meeting fellow tourists, Oosthuizen said. — Sapa.
Crime could put tourism industry on the skids

BY ESTHER WAUGH and CHRISTINA STUCKY

South Africa's tourism industry is under threat from the rampant crime in the country.

"Security reports indicate that between 400 and 500 tourists per annum are mugged, attacked or stolen from," Environment Affairs and Tourism Minister Dawie de Villiers said during his budget debate in the National Assembly this week.

De Villiers and his deputy, Bantu Holomisa, warned that crime could be the ruin of the industry.

"The ministers urge provincial governments to consider urgent security programmes to combat crime against tourists," said De Villiers.

A recent SA Tourism Board survey indicated that more than 90% of international tourists rated personal safety in South Africa below average. Some 2% of all tourists had "an unpleasant encounter with criminals," the survey revealed.

Recent attacks on tourists timing their visits to coincide with the Rugby World Cup have highlighted the problem.

Holomisa warned that "violence and crime could be the death knell of the tourism industry."

De Villiers said he had been assured by Safety and Security Minister Sydney Mufamadi and Police Commissioner George Fvez that serious attention was being given to the matter of crime against tourists.

And yet, in spite of recent reports of muggings -- particularly in Britain, which has ranked South Africa as one of the world's three most dangerous tourist destinations -- the number of visitors to South Africa is steadily increasing.

Last year, more than 700 000 tourists came to South Africa, up from about 600 000 in 1993. At the half-way mark for 1995, the number of visitors already exceeds that for the same period of 1994.

While most tourists spend only a fraction of their visit to South Africa in Johannesburg, Gauteng in particular receives a bad grade from tourists.

"On a scale of one to 10, Gauteng only scores five out of 10 for personal safety," De Villiers said.

While the local police do not try to mitigate the threat of crime to tourists and the tourism industry, SAPS spokesman Warrant-Officer Andy Pieke said the situation had been exaggerated by the media.

"Given the volume of tourists to South Africa, the number of crime victims was relatively low," he said.

Pieke added that some of the tourists who had become victims of a crime had not used the same kind of common sense they would employ in their home countries, choosing, for instance, to walk alone in the Bree Street area in the predawn hours, resisting a knife-wielding mugger or, as one female tourist did, getting into a taxi alone with three men.

De Villiers said that if South Africa managed its tourism industry properly, a growth of between 20% and 25% in visitors could be maintained.

This could result in foreign earnings of R102-billion during the next five years."
More tourists, but increase 'too low'

Adrian Hartland

CAPE TOWN — While an 18.6% increase in foreign tourist arrivals had been experienced last year, SA was still grossly under-achieving, Satour executive director Mavuso Msimang says in Satour's annual report.

The report, tabled in Parliament last week, said the weak rand had played havoc with SA's marketing operations abroad.

In spite of this, a record number of foreign visitors — more than 700 000 — had travelled to SA last year.

This represented an 18.6% increase on over 300 000 and compared with a world average of 3.9% growth during the year.

However, countries such as Australia, New Zealand, Thailand, Indonesia and Malaysia competed to attract SA by far in tourism marketing initiatives, and had recorded much higher arrival figures, Msimang said.

Appropriate strategies and additional funding were required to move tourism from SA's fourth highest generator of foreign exchange down to its third best.

Msimang called for more efficient and better-coordinated management of the industry, the improvement of mediocre service standards and access to affordable financial assistance for enterprises in the sector.

"Even as we blame past travel restrictions and mismanagement on a pariah state, the system of governance is good enough to be managed by the industry," Msimang said.

"Safeguarding the quality of safety and security is the primary responsibility of the industry," Msimang said.

It is imperative that agents present travel in the right context to legitimate the organisation's image.

Plans for the near future include restructuring of Satour's board and setting up a system of the organisational structure into an efficient, lean and self-funded marketing body.

Msimang said almost three million people from outside of SA had travelled to SA last year, with the Middle East constituting a growing proportion of the overnight visitors.

The challenge of the coming year, he said, was to maintain and increase SAr13.9 billion annual expenditure in foreign tourist arrivals, he said.
More tourists, but increase 'too low'  

Adrian Hendricks  

CAPE TOWN — While an 10.8% increase in foreign tourist arrivals had been experienced last year, SA was still grossly under-achieving, Safety's executive director, Mmuso Msimang, says in Sani's annual report.

The report, tabled in Parliament last week, said the weak rand had played havoc with SA's marketing operations abroad.

In spite of this, a record number of foreign visitors — more than 700 000 — had travelled to SA last year.

This represented an 10.8% increase over 1998 and compared with a world average of 3.0% growth during the year.

However, countries such as Australia, New Zealand, Thailand, Indonesia and Malaysia record much more stop-over SA by far in tourism marketing dollars given, and such recorded much higher annual figures, as a result, Msimang said.

Improvement

Appropriate strategies and additional funding were required to move tourism from Sani's much-hyped generator of foreign exchange to its best.

Msimang called for more efficient and better co-ordinated management of the industry, a better improvement of mediocre service standards and access to affordable financial assistance for entrepreneurs in the sector.

"Even as we blame past travel restrictive measures on a pariah state, the record of business must the efficient management of the industry support the board he said.

Sani's continued to enforce the system of ensuring an illegitimate institution, particularly with the black communities, Msimang said.

"It is imperative that urgent steps be taken to confer legitimacy on the organisation." Plans for the near future included the restructuring of Sani's board as well as a reshaping of its organisational structure into an efficient, less costly and more focused marketing body.

Msimang said almost 3 million people from across Africa had travelled to SA last year, while it had constituted a growing proportion of the overseas visitors.

The challenge of their coming years was to do maintain and increase Sani's overseas marketing efforts in foreign tourist arrivals, he said.
Massive surge in tourist trade

SOUTH AFRICA can look forward to a massive 25% increase in foreign tourism over the next five years, says Environment Affairs and Tourism Minister Dr Kgalema Motlanthe.
Hundreds of tourists mugged in SA annually

Cape Town — Between 400 and 500 tourists were mugged or attacked in SA every year, Tourism Minister Dawie de Villiers said in the Senate yesterday.

SA Tourism Board surveys indicated that more than 30% of tourists rated personal safety in SA as below average, De Villiers said in debate on the tourism budget vote.

These figures were balanced by Satour's projection of a 25% increase in foreign arrivals this year and 20% annually between 1996 and 2000.

The new arrivals would fill an additional two Boeing 747s a day this year and 14 Boeings a day by 2000.

That translated into a total of 6,7-million visitors, R10,2-billion in foreign earnings and 225 600 jobs, the minister said. — Sapa.
Hotels, flights heavily booked

Final sparks tourist influx

BY SHIRLEY WOODGATE

The Rugby World Cup tourism boom is finally hitting Johannes-
burg and Gauteng.

Flights to Johannesburg are heavily booked and hotel rooms
are scarce as fans start to stream into the city and sur-
rrounding areas for the Rugby World Cup final at Ellis Park on
Saturday.

But the tourism infrastructure is coping well, hotel managers,
car rental companies and airlines report.

Excellent co-operation between all organisations involved
in the planning for RWC 1995 has contributed to the smooth
running of the month-long event, said SAA spokesman Leon Els.

"A team effort by the airports, SAA, hotel groups, and car and
bus hire companies ensured there were virtually no hitches,
perticularly last weekend when rain delayed play and everyone
was forced to change plans.

"The team spirit off the field matched that of the players on
the field and the sceptics who said South Africa would not cope
with the influx of fans have been proved wrong," he said.

Although there is still room at hotels ahead of the final, most
reported heavy bookings.

City Lodge outlets are fully booked this weekend, while
Southern Sun, the official hospitality supplier to RWC, reports
heavy bookings as far away as the Riverside Sun at Vanderbil-
park, where only 20 rooms are still available. Spokesman Neil
Fraser said: "We have coped extremely well with the pressure".

Fans who have come to SA on package tours are being trans-
ported in hired buses and although Imperial Car Hire has no
more minibuses available, there are still plenty of sedan cars, a
reservations clerk said.

Els said fans were lining up to Johannesburg in dubs and
drabs — some in time for today's match between France and
England in Pretoria, others on their way to Sun City. The
rest were expected tomorrow and Saturday.

"The big exodus after the final will be staggered, starting on
Saturday night and continuing until July 2, mainly to England
and Australia, when we have scheduled additional flights," he
added.
Industry uptrend leads to Karos turnaround

Amanda Vermeulen

A positive uptrend in the industry helped Karos Hotels experience a turnaround in fortunes to report an attributable profit of R14m in the year to March against a loss of R14m in financial 1994.

Earnings per share were 8.7c against a loss of 9.5c a year before and a dividend of 2.25c a share was declared. No dividend was paid in the last financial period.

Turnover increased to R127,4m (R103,5m), translating into a 33% rise in operating profit before charging to R13,6m. Operating leases of R13m, net interest of R8,5m, and depreciation and amortisation of R6,5m left pre-tax profit at R30m against a loss of R11m.

Tax of R23,000 (R586,000) left taxed profit up at R4,7m against a loss of R1,6m in financial 1994.

Attributable profit of associates company of R1,1m (R1,5m) boosted profit before dividends to R5,8m against a loss of R136,000 previously.

Chairman Selwyn Hurwitz said it was pleasing to see a turnaround in fortunes, which he attributed to the positive upward trend within the hotel industry since late 1994.

The debt equity ratio of 33.8% was satisfactory, with net tangible asset value at R2,63 a share, he said.

Hurwitz said prospects for the year ahead were good, with the group positioning itself to qualify for casino licences once the Lotteries and Gambling Board had finalised the necessary criteria.

Analysis said the results were in line with expectations, and the growth in domestic and foreign tourism travel to SA could make a significant impact on the bottom line in the current financial year.
SA joins Indian Ocean tourism organisation

Theo Rawana

SA would benefit immensely from its membership of the Indian Ocean Tourism Organisation, which was formed in Perth, Australia, last week, Satour deputy executive director Ernie Heath said yesterday.

The body, which would consist of about 30 countries, was formed to "enhance regional co-operation and understanding through sustainable tourism", Heath said.

Countries in the Indian Ocean basin include Seychelles, India, Thailand, Malaysia, Singapore, Indonesia, Australia, Kenya and SA. Air Mauritius MD Sir Harry Trivengadum is the organisation's first chairman.

Heath, a founding executive committee member of the organisation, said many member countries, such as Australia, India and countries in Southeast Asia, were key tourism growth markets for SA. "Increased contact with these countries will certainly lead to increased growth in tourism to SA in the long run."

Membership advantages included access to the organisation's database, marketing intelligence, the promotion of a consistent service standard throughout the region and participation in global environmental programmes.

Actions planned in the next 18 months include a regional tourism mart.

Membership was open to major tourism organisations such as government bodies, national carriers, shipping companies, regional hotel groups and major resorts.

Executive committee member Tunku Iskandar of Malaysia, MD of leading Southeast Asian tourism company the Melewir Group, said: "The incredible growth in outbound travel from destinations such as Indonesia, India and SA over the last three years augurs well for the travel, tourism and aviation industries of the Indian Ocean. This growth is expected to continue — if not boom — over the last five years of this century."
Europe seeks to speed up aid to SA non-govt organisations

Linda Ensaor 190 23 11/95

LONDON — The European Commission (EC) is investigating the introduction of emergency measures to support struggling non-governmental organisations following their decision to withdraw aid last week by European MP Glynis Kiernock.

Kiernock has made urgent representations to the commissioner in charge of SA, Joao de Deus Pinheiro, concerning the plight of these organisations. Wholly dependent on EU funds, they have suffered a financial drought as the bulk of the EU's aid programme is now being channelled into the government's reconstruction and development programme.

"We need to get moving very fast," Kiernock said yesterday, but said the Brussels bureaucracy was "absolutely stifling" in this regard.

She said Pinheiro shared her concern that several non-governmental organisations were having to close their doors and was confident emergency measures would be adopted to help them.

To get EU aid money flowing more quickly, the EC had been asked to increase the staff handling SA project applications — in Brussels and in SA.

The commission has also been requested by the European Parliament's development committee to cut down the number of steps which have to be followed before funds can be released.

And to assist organisations, the commission has been asked to modify its rules so the European Parliament's representative in SA can disburse funds up to a specified amount of several million ecus.46 accelerate financing of small projects.

Development committee secretary David Lowes said: "There are many small township organisations which cannot survive without the small amounts they receive from the EU. Yet in Brussels they do not attach much urgency to releasing funds. We are determined to accelerate this."

Part of the problem has been the delay by the SA government in supplying about R100m in critically needed start-up funds for a development agency, the Transitional National Development Trust. This is understood to be preventing the non-governmental organisations from gaining access to urgently required EU donor funds.

The EU has indicated that it is willing to match the R100m put up by the SA government with an equal sum and would be able to do so "very quickly".

But SA had to show a commitment and "put its money where its mouth is" before it would invest funds.

Because the RDP office is ad hoc it does not have the manpower to process funding applications by the estimated 45 000 non-governmental organisations in SA, a special agency has to be established to approve projects and channel funds for the SA, their single largest source of funding.

In terms of the proposals, the trust would be an enabling institution to get funds flowing quickly in the right direction. It would be directed by Ragiso Trust's Eric Molobi, an IDT official occupying the deputy director's position. Non-governmental organisations would sit on the agency's board.

The European Parliament's development committee debated funding for SA during a session in Brussels this week and expressed grave concern about the delays in getting the trust established.

The parliamentary group which visited SA with Kiernock was distressed when the start-up for the project was delayed yet again.

SA joins Indian Ocean tourism organisation

Theo Rawnsley 190 23 11/95

WOULD benefit immensely from its membership of the Indian Ocean Tourism Organisation, which was formed in Perth, Australia, last week, Satour deputy executive director Ernie Heath said yesterday.

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Tour offers township experience

TOURISTS can now enjoy a visit to a shebeen, an African shack and taste traditional maize-based beer and putu.

Amaya tours, recently established in the wake of burgeoning tourism, will take tourists into the heart of the KTC settlement area opposite the airport.

Co-owner of the business Ms Christine Winter said: "We are not emphasising the poverty, but we are not hiding it either."

Entertainment en route includes a witch-doctor (sangoma) and his traditional dancers and the Nompumelelo Adult Choir.

Ms Winter added that the township residents had welcomed their business.

The tour takes five hours and costs about R250, depending on the size of the group. Tourists are collected at their hotels.

TASTE OF AFRICA: A Sangoma calls up the ancestors to the beat of a drum in a KTC shebeen, while tourists look on.

PICTURE: NIC BOTHMA
Tourism up by over 50% 

Staff Reporter

Tourism figures have rocketed by more than 50% in the first quarter of the year with 313,153 foreign visitors entering the country - not including Rugby World Cup visitors.

Figure released by the South Africa Tourist Board (Satour) show a 52.8% increase over the same period last year and predictions are that the growth in tourism is likely to continue, industry sources said yesterday.

Satour spokesman, Mr Martin van Niekerk said the surge in tourism was mainly due to the tremendous interest in South Africa's political transition and the stature of President Nelson Mandela. Also, Satour launched a major marketing campaign aimed not only at traditional markets but also at new markets.

Mr Van Niekerk said the tourist industry is generating a substantial amount of revenue for the country.

Last year foreign tourists spending an average of R4,500 and brought in R7 billion.

This year, judging by the surge in visitors in a traditionally slow period, he predicts the money will roll in with the business and pleasure seekers.
Karos Hotels sees heartening change of fortune

BY CHARLOTTE MATHEWS
INVESTMENT EDITOR

Karos Hotels, which owns or has interests in about 15 hotels in South Africa and neighbouring countries, achieved a profit of R4.8-million in the year to March compared to a loss of R4.0-million in the same period last year as a result of the general upturn in the industry since the end of last year.

Turnover grew by 22.6% to R127.4-million, on which operating margins widened to 26.3% from 23.9%, resulting in operating profit 34.0% better at R33.6-million. Due to assessed losses, the tax rate was only 11.7%.

Profits from associates were slightly lower. Associates include Karos's 32.5% share in the Polana Hotel of Mozambique and a 43.66% interest in a hotel at Sussurrode in Namibia, but the group was saved R2.1-million in servicing preferred dividends in a subsidiary that were payable last year.

Earnings were 6.7c a share against a loss of 9.5c a share previously. Capitalisation shares or a dividend of 2.55c were declared.
Cape Town’s Olympic bid to play Ball

CHRIS Ball, recently appointed head of Cape Town’s Olympic bid committee, has restored the city’s chance of winning its bid to host the 2004 Olympic Games on earth in 2004.

Mr Ball, 55, rose to prominence through a long career in banking. At 32, he was general manager of Barclays National Merchant Bank, six years later he became managing director of Wesbank; by 40, he was general manager at Barclays’ head office in London; and, at 43, returned to South Africa as chief executive of the bank’s SA operation.

“If we win the Olympics, we’re talking about big consequences,” he says.

Mr Ball has the task of putting together a winning bid while balancing numerous potentially turbulent factions. Not only must he maintain the support of all four levels of government, but keep organisations like the National Sports Council happy. It will never be far from his mind that the bid will have to be a three-way partnership between the bidding team, city council and National Olympic Committee. It has broken down once before.

In partnership with the Cape Town council, Mr Ball will have to build up a city which struggles with the Christmas influx of “Valiets”, but hopes to accommodate 200,000 visitors for a fortnight.

“It’s not just about having the greatest show on earth here for 14 days,” Mr Ball says. “It’s about having a development programme in the context of which it can be enjoyed.”

Mr Ball’s strengths are his political acceptability and a record in the business world which his new employers hope will inspire confidence to win sponsorship contracts.

By MARTIN GILLINGHAM

Sun International, whose pen has hovered over a R10-million deal for months, will be among the first to be seconded.

Educating the country in the economic benefits of holding the Games will probably be Mr Ball’s toughest task. The promise of TV deals worth more than $1-billion, as well as a cut of the IOC’s top sponsorships, which for the 1996 Games are being sold for $400-million each, make appetising reading.

Mr Ball, however, sees the Games simply as a win-win situation. The economic benefits are astronomical. I really do believe having an Olympic Games in southern Africa will have a major impact on the region. It’s beyond Cape Town and even South Africa – its benefits will reach into central Africa.”

Mr Ball is keeping his estimates of total costs to upgrade roads, the railways and the airport close to his chest, but he confidently predicts that he will be coming in below Nocsa chief Sam Ransamy’s R21-billion estimate.

By the beginning of July, Mr Ball expects to have the bid office up and running. The Waterfront office that has stood empty for months will be staffed by about 15 people and later by about 30-35.

And soon the dining of the 100 or so members of the International Olympic Committee (IOC) begins. So far, Mr Ball is guaranteed of support from at least one of them, following Mr Ram- samy’s recruitment to sport’s most exclusive club at last week’s IOC Budapest session.
OLYMPIAN TASK ... Chris Ball: selling the Games to the nation and Cape Town to the IOC

Picture: AMBROSE PETERS
Row over Olympic payments

THE Cape Town City Council this week came under fire for sidestepping its own stringent conditions dictating the terms of a R12.25-million loan to the city's new Olympic bid company.

The money was specifically earmarked for the new company, but at least R72 300 has gone to two Olympic staffs for work they did before the company was set up.

The payments to Ngconedile Balfour, a director of the new section 21 Cape Town Olympic Bid Company, and Alison Burchell, have been slammed as "totally unacceptable" by Councillor Arthur Wienburg.

"The interim steering committee formed by the April 3 summit did not have the authority to disburse funds for any expenditure incurred by any other organisation or company or trust," he said on Friday.

His remarks followed an April 25 meeting of the city council's exco which approved the bridging finance, pending sponsorship for the city's revitalised bid for the 2004 Games.

Exco "stressed that the funds be spent on expenditure incurred after the April 3 summit. "

Expenditure incurred before then would only be met after an independent audit and a consensus decision of the new company's board of directors.

However, former Cape Town mayor Patricia Kleiner, who was involved in the previous bid and is now a member of the new company's board, said payments for the two individuals had never come before the new Olympic directors.

On May 9, Mr Balfour was paid R36 100 to cover three months' salary and transport.

On the same date, Ms Burchell received R34 200 to cover three months' salary and other expenses.

In both cases, the salaries would have pre-dated the April 3 cut-off by two months.

Bid company deputy chairman Clive Keegan said the payments had been morally-founded.

"The last thing we want is having people who worked for the bid left high and dry because the previous committee was unable to pay them."

Deputy exco chairman and bid company director Llewellyn van Wyk said the company would address the question of outstanding debts.

"People have to be reimbursed for work done, whether from the council's bridging finance or sponsorships."

Mr Kevin Kevan of Corporate Images, who acted as a consultant for Mr Ackerman's bid committee, said on Friday that other organisations which had done work for the previous committee were owed about R2 million.

"We have to be paid in full and are looking to see if our contract is honoured."
‘Traditional’ tour for visitors

JACQUELYN SWARTZ
Staff Reporter

A TABLE VIEW tour company is offering foreign visitors a glimpse of underprivileged township life — at a price.

For up to R50 a person, the tour includes a visit to a crowded shebeen, where locals bend over backwards to accommodate First World types who sit nervously together, sipping the local beer Umqomboti — a mixture of maize, malt and water — from a communal container.

The Argus went on one of these Amava tours recently with a group of journalists and tour operators.

Our first stop was the shebeen, which also starred a sangoma — introduced incorrectly as a witchdoctor — and a group of traditional dancers who accompanied him in a ritual.

The tour then visited the “African shack”, home of a local resident for some “traditional cuisine”. Here we were served shweshwe and sauce and given a tour of someone else’s home.

Then it was off to KTC main road, which is actually in Nyanga, to witness the hawkers at work.

This is a vibrant and interesting place where the locals slaughter animals and prepare meat on hot coals for their customers’ supper. Other stalls sell trinkets and clothing.

Next on the agenda was a visit to a tavern. Tavens are more westernised than shebeens and are housed in brick buildings rather than shacks.

One of the locals, wondering what all the fuss was about, came to stare at us for a while. This wasn’t unexpected.

We were warned at the start of the tour that “they” might be a bit curious and “may even” want to touch us.

Amava tours is run by businessman Michael Karemaker, his partner Christine Winter, and Templetown Mvenya, who works for them in their painting and renovating company.

“We are not emphasising the poverty but are not hiding it, either,” says their press release, which continues: “We are displaying the expertise, entrepreneurship and adaptability of the Xhosa-speaking people. The way they have adapted from rural to urban life.”

IN STEP: Amava Tours partner Michael Karemaker, right, watches a group of traditional dancers on one of the company’s first tours through KTC.
Tourists give SA thumbs up

Theo Rawan

SERVICE in SA’s tourism industry had been given top marks by rugby supporters in the country for the Rugby World Cup, the SA Tourism Board (Satur) said yesterday.

Satur executive director Ennie Heath said a survey conducted during the tournament found that international visitors gave SA a 78% rating. About 44% of the visitors said service levels in SA were higher than in their countries of origin, he said.

Only fast food outlets, airports and public transport facilities were said to be unsatisfactory.

Services at foreign exchange offices, airlines, car-hire companies, hotels, restaurants, banks and retail outlets received a rating of more than 70%.

Heath said the success of the Rugby World Cup could become a major building block in positioning SA as a tourism destination in the international market.

“International rugby supporters have overwhelmingly given the country a thumbs-up in terms of their travel experiences and are bound to spread a positive message.”

Meanwhile, Satur warned against the use of taxi drivers as tourist guides and reminded organisations involved in training taxi drivers as tourist guides that only training by accredited organisations was officially recognised.

This followed recent reports that taxi drivers were being trained as tourist guides by various organisations and local authorities, which led to a debate on the tourist guide registration process.

Satur registrar of guides Greg McManus said in terms of the Tourism Act of 1988, training institutions wished to offer their courses were required to be accredited by Satur. He appealed to organisations to have their courses accredited before offering them to the public.

“The registration of guides remains the responsibility of Satur. It is Satur’s responsibility to maintain and monitor the quality of tourist guides in SA.”

He said Satur had teamed up with the manpower department and taxi associations to develop an accredited tourist taxi programme, which was aimed at providing a standard service to tourists and other consumers.

He said the aim of the programme should not be seen as a substitute form of tourist guide training.

“Successful drivers are trained to interact with tourists and courses include vehicle safety and driving skills. Drivers require a thorough knowledge of the area in which the taxis are operating.”

“Drivers who complete the accredited course are not registered as tourist guides, but they are provided with essential skills and training to act as recognised tourist taxis. Drivers have to be escorted by registered guides when transporting tourists to specific places of interest.”

Satur said it was a major benefit of success in the competition was the effect it had on staff morale. “Business, like anything else, is a team effort, and everyone took pride in our achievement.”

The contest was intended to recognise innovation and entrepreneurial skill among non-listed companies which meet certain entry criteria.

Further information, and copies of the questionnaire, can be obtained from Nikki Beanfield or Adri Spangenberg on (011) 323-3000.

Influenza epidemic at Natalspruit Hospital abates

Bonnie Ngqiyana

LAST week’s influenza crisis at Natalspruit Hospital on the East Rand had abated, with fewer patients being admitted for treatment, hospital authorities said yesterday.

Natalspruit’s acting superintendent, Ron Mitchell, said the hospital had sufficient antibiotics and drugs and the overcrowding of the paediatric ward, in which babies were sharing cots last week, had been cleared.

The epidemic had meant the hospital had to deal with 3 800 cases in about seven days.

Four babies had died in queues in the hospital’s waiting rooms.

Mitchell said although “not much” could be read into the decrease in numbers, it showed whatever the hospital had been dealing with had begun to diminish.

Exact numbers of patients being admitted would be available only today, he said.

Six SA National Defence Force paramedics and nursing personnel had been dispatched to help with outpatients at the hospital yesterday.

An internal disaster which had been declared by the hospital was still in force.
Call to curb use of illegal tour guides

PRETORIA: Many tourists to South Africa were being shown around by illegally trained tour guides, the South African Tourism Board (Satour) said yesterday.

Satour said the Tourism Act of 1993 stipulated that bodies offering tour-guide training had to be accredited by Satour.

However, there had been recent reports of taxi drivers being trained as tour guides by local authorities and other unaccredited organisations.

Satour registrar of guides Mr Greg McManus said it was important to offer a standardised service to tourists.

"It is therefore important for the tourism industry to help curb the growth in the use of illegal operators and guides." He urged the tourism industry to report unregistered operators to Satour. - Sept.
Working women face worse discrimination

Renee Grawitzky

THE increasing participation of women in the economy and the labour market has inevitably resulted in an increase in discrimination and inequality, says the International Labour Organization.

The addition of the organization’s publication, World of Work, said: “The feminization of employment has not been synonymous with improvement in the quality of employment.” Women workers continued to be discriminated against in areas such as pay, with women receiving 94.9% of the rates of pay of men in the industrialized world.

Jobs dominated by women had traditionally been characterized by low status and remuneration.

Despite growing inequality in the workplace, however, there was an increased awareness by some governments of the need for gender equality. A growing number were adopting wage equity and affirmative action measures to accelerate women’s entry into leadership and managerial positions, the report said.

The organization said most women workers worldwide continued to be concentrated in clerical, services, sales and middle-level professional occupations.

In SA the status of women at work does not appear to be a matter of concern to most employers if one analyses employment practices. For example, the main thrust of affirmative action as interpreted by employers has been on racial lines, and disregards gender. This is not in accor-

dance with the reconstruction and development programme, which specifies that affirmative action should apply to both blacks and women.

A snap survey of a number of women in middle to senior management positions in a cross section of organizations revealed that some experienced overt discrimination such as inequality in wages while others experienced a more subtle and intangible form of discrimination. This could take the form of being constantly reminded of women’s other roles — as mothers and homemakers — as opposed to career women.

Some women perceived that women’s opinions were not given the same credence as men in the same or similar positions and men from middle-management level and below found it more difficult accepting women’s views.

One woman said: “Women bring it upon themselves in certain respects. They have this constant fear of having to prove themselves and they try and overcompensate for being women.”

Others said that management was quite happy to let women remain in more junior positions even though they were performing more senior functions. When confronted, management either said women were not ready, even though they had performed the tasks for extended periods, or that they should be happy as they were affirmative action placements.

Comments by all the women interviewed indicated that they felt like “old boys’ club” was alive and well.

Fawu considers creating umbrella industry forum

Renee Grawitzky

THE Food and Allied Workers’ Union (Fawu) is contemplating establishing a national industry forum in the food sector, with 13 sectoral forums falling under the main body.

The national forum would consider broad policy issues such as education, training and industrial restructuring with the aim of becoming competitive worldwide. The sectoral forums would negotiate wages and conditions of employment.

Fawu’s Valerie Flanagan said the forums would cover sectors such as sugar, dairy, fishing and baking.

She said initially the union would pursue its objectives in those sectors where it was strongest and able to achieve its goals.

Flanagan said initial discussions had taken place between the union and the Chamber of Baking which represented baking employers.

She said the union wanted to establish an

industrial council in the baking sector, but was trying to achieve this with the full understanding and support of both employers and workers. She said part of the delay was that both parties were unsure about how the structure would operate and the subsequent effect on their lives.

The Chamber of Baking’s executive director Nic Alberts said the chamber was prepared to discuss the formation of a sector forum.

Alberts said, however, that “we are concerned about the wisdom of such a move at this stage in the development of the industry.”

Alberts said even within the “big six”, some groups, bargain at company level, others at regional level and some are totally decentralised.

Western Cape leads boom in tourism

Theo Rawana

SA’s tourism industry is well on its way to recovery, figures released by the Central University of Technology showed.

The same month last year, the CPUT tourism department said it was the most popular province was the Western Cape, which attracted 34% of the visitors. The total number of nights spent by tourists in April was 392,982, 117% higher than the figure for April 1994.

Asian tourists accounted for the greatest increase in market share, according to a con-

The study, conducted by Steinberger Reservation Services, reported that family accommodation accounted for an average 9% of business volume, and was high, 15.5% at hotels in the US.

The group has two hotels in SA: the Carlton Court and the Mahalalela.
Jump in (266) tourist figures for April

PRETORIA — Tourists visiting South Africa more than doubled in April compared to the same month last year, Central Statistical Service figures show.

CSS figures released yesterday showed the 205,003 "bed nights" sold to foreign tourists in April was 117 percent more than in April last year. The most popular province was the Western Cape with a market share of 50 percent.

However, these latest figures were inflated by the inclusion of bed nights sold in the former TBVC states. The number of bed nights sold to tourists at hotels in these states in April this year contributed 6.8 percent to the total. — Sapa.
SA wants a million tourists a year

CAPTOUR, the organisation which promotes tourism to the Western Cape, may have its main source of income — a R2 million grant from the Cape Town City Council — slashed to R500 000. This has wide implications for the industry, Argus staff reporters investigate.

CAPTOUR chief executive Gordon Oliver is feeling positive about the outcome of the Cape Town City Council debate on whether to cut its organisation’s budget.

“I am confident that we will get the understanding and full support of council for promoting Cape Town as an international destination,” he says.

Earlier this month the council executive committee proposed to cut its grant to CAPTOUR — soon to change its name to the Cape Metropolitan Tourist Authority — by more than three-quarters.

The issue is expected to come up for discussion and decision at the monthly meeting of the full council tomorrow.

Mr Oliver said: “The matter before the council is the question of the reduction — cutting our annual grant from R1.45 to R500 000. The reduction of 65% being approved as a bridging loan, provided we go to the other neighbouring municipalities (Bellville, Milnerton, the Cape Metro Council and the new Southern Peninsula Local Authority) to seek funding.

“What we fail to raise from the other municipalities, the city council is expected to convert into a straight grant.”

When the idea of slashing the grant was first mooted, Mr Oliver protests that the city’s R5-billion tourism industry would suffer severely if the organisation were to get a “meagre” R500 000 from the council.

He said major events — which were expected to generate about R420 million and attract more than 45 000 tourists — were in jeopardy if the budget was cut.

The organisation has pledged R150 000 towards the Golden Oldies World Rugby Festival in 1998 and promised considerable financial and marketing support for the International Jazz Festival in February.

Mr Oliver said the expectation is that the million tourists would create a turnover of between R15 billion and R20 billion a year.

Tourism forecast statistics would appear to give weight to CAPTOUR’s plea for more generous funding.

According to Western Cape Tourism Minister Lampie Fick, South Africa aims to attract a million tourists a year within the next five years.

And the South African Tourism Board (Satur) reports an 18.5% growth in foreign visitors to South Africa since the election last year.

Cape Town, combined with other centres, hosted foreign tourists for the longest periods in 1994 — 4,30 days a visitor.

Combined with Johannes-burg and Durban, the city accounts for 59% of the average foreign visitor’s stay. The Western Cape matches up 42%.

Mr Fick said: “The expectation is that the million tourists would create a turnover of between R15 billion and R20 billion a year.”

“Again, assume 42% of that figure, and you’ll get between R15 billion and R20 billion a year for the Western Cape. That is the total turnover that could be created by increased tourism.”

“Communities are putting together tourism structures that will be able to manage and develop the industry to cope with all this.”

While foreign tourist numbers have increased 18.5% percent, the growth in African arrivals is slightly more at 18.9% percent. Nonetheless, Europe remains South Africa’s most important market — at a resounding 63 percent.

According to Thams Vivian, assistant director of Satur, foreign tourist arrival figures for 1994 show that this market is growing at an extremely significant rate.
Visitors boost Cape hotel trade

HOTELS sold twice as many bednights to foreign tourists in April, 1995, as in April, 1994 — and the Western Cape took the lion’s share.

Figures released by the Central Statistical Service show 285 892 bednights were sold last April, 117 percent up on the previous year.

The 1995 figures include, for the first time, data from the Transkei, Bophutatswana, the Ciskei and Venda, but these four regions together only accounted for nearly 52 percent of bednights sold compared with just under 19 percent in April, 1994. Second in line was Johannesburg, with 13 percent of the total, followed by the rest of the Gauteng area (not including the East Rand), with 12.6 percent.

More than half (nearly 55 percent) of the tourists came from Europe, with the United Kingdom and Germany supplying more than 30 percent of the total.

Tourists from other African countries dropped from 20 percent to 13 percent of the total. Tourists from Asia, on the other hand, accounted for 17.5 percent of the total, compared with 7.3 percent in April, 1994.
Western Cape tops for tourists

STAFF REPORTER

The number of foreign tourists to South Africa has more than doubled since last year — and the bulk of them visit the Western Cape.

Central Statistics Service figures released yesterday showed the number of foreign tourists in April this year increased by 117% over April last year.

The most popular province is the Western Cape, with a market share of 38% of overseas visitors. The percentage of foreign tourists who visited Cape Town, the Peninsula and the winelands increased from 18.7% last April to 31.5% this April.

The statistics were calculated on the number of bednights sold. Johannesburg had the second highest number of foreign visitors this April, 13% of the market share. The Free State saw the least number of foreign visitors (0.6%).

Most tourists were from Europe (54%), with the highest number from the UK (16.9%) and Germany (14.6%). The biggest increase in foreign tourists was from Asia.
Number of visitors double in April

BY SUDABHAN RAGHAVAN

Asian businessmen and a year of relative peace have helped to open up the tourism floodgates, doubling the number of tourists visiting South Africa in April, the Central Statistical Service said yesterday.

"Last year was a bad year for tourism," said Renscha Pietersen, a survey statistician at the agency. "We had the elections, so many people stayed away. Now, it's becoming a bumper year."

The total number of bednights sold by hotels to foreign visitors during April was 205,092 — 117 percent higher than for April last year, the agency said.

The Western Cape was the most popular provincial destination point for tourists, capturing a market share of 38 percent, whereas Gauteng was the least popular, showing a fall in market share from 51 percent at the time of elections to 33 percent this April.

Tourists from Asia posted the largest increase in market share — from 7.3 percent in April last year to 17.5 percent during the same period this year.

"More Asian businessmen are visiting," Pietersen explained. "Hotels with four-star ratings accommodated the most tourists in April followed by three-star hotels, the agency said. Cape Town, the Peninsula and the wine areas were the most popular tourist spots while the Northern Transvaal was the least visited.

Visitors from other African nations decreased by 7.1 percent this April compared with the same period last year.

(286) CT(1997)286195
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See Page 28.
Council to re-think Captour funding cuts

Municipal Staff

CAPTOUR, the tourism marketing body for the Western Cape, may still get its full R2 million grant-in-aid from the Cape Town City Council this year.

This follows an order from the full council to its executive committee to review a decision to slash the organisation’s funding.

During yesterday’s heated debate, councillors voted 39 to 25 to make the executive committee re-consider the issue.

Earlier, this committee had decided to reduce Captour’s grant to R500 000 and provide bridging finance amounting to R1.5 million for the 1997/98 financial year.

It recommended that the bridging finance become part of the grant if Captour successfully restructured and transformed itself, and broadened its financial base to cover its operating costs.

Arthur Wienburg, who supported the executive committee’s recommendation, said it was time Captour got its house in order.

Taxpayers could not be expected to pay continually for its failures.

"An organisation like Captour must be put into perspective by its own members who will join the tourism body if there are benefits."

"But there is a general lack of confidence in Captour on the part of the tourism industry."

"The Rugby World Cup Rainbow Festival tent at Villagers’ rugby ground in Claremont was another example of how more than R500 000 of taxpayers money was wasted by Captour."

"The festival was a complete and utter failure," said Mr Wienburg.

Clive Keegan said he found it astonishing that a local authority which knew that tourism was its life-blood was nevertheless willing to contemplate steps to strangle the body it had created to market tourism.

"Compared to other major cities in the country, Captour’s budget is minimal — and yet there are those who are calling for it to be cut even further."

The only message this was sending to the rest of the world was that the city wishing to host the 2004 Olympics was confused and unpredictable, Mr Keegan said.

The executive committee will discuss the issue again and report back to the full council at next month’s meeting."
COUNCIL TO RECONSIDER FUNDING CUT

Reprieve for Captour

THE COUNCIL is to reconsider its proposed slashing of funds to Captour after the tourism office threatened to shut down its activities. PETER DENNEHY reports.

CAPTOUR won a reprieve yesterday from having its council subsidy slashed from R2.2 million last year to just R500 000 — after councillors were told that all the directors had threatened to resign to avoid "trading in insolvent circumstances".

At the council's budget meeting earlier this month, a proposal had been tabled that the Captour grant be reduced to half-a-million rand for the coming year, but that a repayable loan of R1.5m should also be made available to Captour.

No decision was reached on this at the budget meeting, and the matter was adjourned until yesterday. Councillors were then asked to consider an amendment, that the council should convert the loan into a grant if Captour made sufficient progress in three months in restructuring its organisation and broadening its base of contributors to meet its costs.

Mr Olve Keegan, ANC, said the amendment did not go far enough. He was astounded that any local authority which knew tourism was the city's lifeblood could even contemplate "strangling Captour's efforts to make this an international destination".

His proposal to refer the matter back to the executive committee for further consideration was passed by 39 votes to 25.

Mr Leon Markovitz, NP, said the proposed Captour budget cut was "an anti-tourism stance". It had come up very late in the budgeting process, and this was irresponsible, as Captour's board had not been given enough notice.

"You are attempting to cut its wings," he said, adding that he had heard that all the Captour directors were going to resign if it only got R500 000 from the council, for fear the organisation might end up trading in insolvent circumstances.

"It is a fact that Captour would have closed down, because they could not have continued," he said. "It would still close if it got only the R500 000."

Mr Llewellyn van Wyk, acting chairman of the executive committee, said the only other municipality that had given Captour money was Bellville, which had donated R60 000.

The Metro Council had given none, although promoting tourism at metropolitan level was really its function.

No RDP funds would be forthcoming for Captour either.
GROWING INDUSTRY BUT WAY BEHIND WORLD

Conference industry worth $90-billion around globe and growing 10% per year

ADVISING FEATURE

THE STAR / FRIDAY JUNE 30 1995
way behind world

The Cape Town and Johannesburg municipalities are also pursuing plans for convention centres in their cities.

Saunders says South Africa's existing conference marketing budgets, resources and efforts at all levels lag far behind those in many "competitive nations".

One Australian city, Melbourne, spends more than R8-million a year and has a staff of 19 dedicated to the conference market.

They concentrate solely on marketing the city for conferences and have a budget of almost Aust $3-million to maximise the city's chances of attracting overseas businesses.

"When one sees numbers like those, one realises that South Africa still has a long way to go," Saunders says. Melbourne is typical of many conference cities around the world where the economic benefits of the conference industry have been recognised.

Generally these city bodies are comprised of private and public sector interests and are supported at the national level by a convention department in the national tourism body.

The potential economic benefits of the conference industry, like those of tourism generally are considerable. They include not only the direct spending of the conference delegates, but also the multiplier effect of that spend, the job creation and, in the case of foreign conference delegates, foreign exchange, and much add-on holiday tourism and the associated benefits.

But, while valuable forex may be the consequence of the international conferences, the domestic market remains the backbone of the industry.
Hurwitz believes full benefits of the new SA will not really be felt in the tourist industry until August/September this year, though activity improved in the last two months of 1994. “It takes eight to 12 months to get on the programme at the international tourist fairs,” he says, and this time-lag affects tourist numbers. However, Karos is in an excellent position to take advantage of a tourist influx.

The group’s next project is to develop a casino at the Polana. Hurwitz expects to get the licence in about a month. There are plans to develop sites in Namibia, near Etosha, at the Zambezi and at Grootvlei.

At R4, the share is close to its 12-month high of R4,20 and a long way off the August low of R1,45. This sharp rise, resulting in a p/e of 59.7, is reflecting high expectations in the market. In the next year or so, investors will be looking for earnings to justify their leap of faith.

Margaret Jones Haile

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**KAROS HOTELS**

**Leaps of faith**

The green shoots of profitability seen in Karos’s interims have borne fruit and the preliminary results for the year to March 1995 have the sweetness of R4m attributable profit after a disappointing 1994. Turnover climbed 23%, producing a 35% increase in operating profit.

The group was able to pay its preference dividend and declare an ordinary dividend of 2.65c/share on EPS of 6.7c. The cause of this plenty is partly the growth in the hotel industry over the past nine months and partly the effort management has put into refurbishing assets over the past five years.

The group’s own private RDP has almost ended, leaving Karos the proud owner of 15 quality hotels in strategic positions in southern Africa. All except Durban’s Edward Hotel are in “excellent condition,” says chairman Selwyn Hurwitz, and in August the Edward will close for a R17m year-long renovation. “International tourism will be centred around four- and five-star hotels,” Hurwitz says. The Edward will become a five-star hotel.

Two hotels are equity-accounted. The Polana in Maputo, Mozambique, is owned by a separate company, held 32.5% by Karos, which also holds the management contract. The most recent of its developments — the Sossusvlei Lodge, at the entrance to the Namib desert in Namibia — is owned by the Namibia Etosha Tourism group. Karos holds about 38.5% plus the management contract. The contribution to attributable profit by associate companies was R1.1m or 27.5%.

Karos plans to do “lots of development in the near future,” but its nature depends on the deliberations of the Gaming Board and on success in acquiring gaming licenses.
Political change, scenic beauty attracting more tourists to SA

The number of foreign visitors to South Africa during the first quarter of this year is up by more than 50 percent on the same period last year and tourism authorities are predicting that the numbers will hold.

The South African Tourism Organisation warned, however, that there was a danger that insufficient funding would prevent full capitalisation of the wave of international interest in the country.

Figures released by the Central Statistical Service last week showed that the number of bed nights sold to foreign tourists and business visitors in April was almost double that of the corresponding month last year.

Even taking into account the decline in tourism during the build up to last year’s elections and the fact that TBVC states are now included in the total, there is a startling comparable growth in the number of overseas visitors during the first quarter of this year.

The latest figures do not include Rugby World Cup visitors. 20,000 of whom are estimated to have stayed at hotels for an average of 10 days.

Commenting on the latest figures, Econometrix said even with a 30 percent reduction to enable a more accurate comparison, the number of bed nights sold to foreign tourists for the months of January to April this year was between 30 percent and 50 percent up on the previous year’s comparable period.

“Even taking into account the low base against which such figures are being compared, the growth in foreign tourism remains phenomenal.” Econometrix described tourism as “one of the star performers” of the economy this year.

“In its own right it is making a very important contribution towards earning vital forex as well as keeping the economic upswing on track, especially at a time when export growth in other areas of the economy is underperforming.”

Denisa Holtschuhmann, the organisation’s public relations officer, said there had been a sharp increase in the number of tourists from Asia — from 9 percent of the total to 15 percent.

She said the latest findings of the organisation’s on-going survey showed that second to the country’s scenic beauty, political change was the major attraction for international visitors.

She warned that the time was running out for the country to take advantage of its high international profile.

The organisation has set a target of 2 million overseas tourists by 2000, compared to this year’s projection of 800,000.

Econometrix noted that there had been a shift in the geography of foreign tourism over the past few years. Cape Town’s share of bed nights sold has risen from 27 percent to 32 percent whereas Johannesburg’s has fallen from 16 percent to 13 percent, Pretoria’s from 9 percent to 5 percent and Durban/Umhlanga’s from 8 percent to 5 percent.

“The conclusion to be drawn is that the proportion of holiday tourism relative to business tourism has increased enormously and that most foreign holiday makers concentrate on the Cape and garden route, Sun City and the eastern Transvaal/Krugers Park.”

The sharp increase in tourism from Asia has been at the expense of business from Africa and Australasia. Europe and North America have remained stable.
Support Cape Town’s Olympic bid

BY MAGGIE ROWLEY

The former United States ambassador to the United Nations and co-convenor of the Atlanta Olympic Committee, Andrew Young, made an impromptu appearance at the South African Property Owner’s Association (Sapoa) convention at Sun City on Friday.

Receiving a rousing reception from delegates, Young said that except for Atlanta, every city in the world which had entered a bid to stage the Olympic Games had been plagued by in-fighting.

Cape Town was lucky that this had happened earlier and not later in the run-up, as the city could now get on with the necessary preparation, he said.

The only reason Atlanta had avoided the in-fighting was because the city had not believed it would be successful.

All South African cities should unite behind Cape Town because they would all benefit from spin-offs if the bid was successful, Young said.

The Cape Town bid should look more to the private sector and not just the government to finance the necessary infrastructure.

Atlanta had received around $900 million for the TV rights while Sydney had so far been offered $1 billion for the 2000 games, he said.

Cape Town could expect to raise at least $1 billion, if not more, from the TV rights alone.
SA tourism too small-fry for Disney

BY MAGGIE ROWLEY

Peter Rummel, president of design and development at Disney, told Business Report he had been inundated by South African delegates unsuccessfully seeking local development opportunities with Disney. “South Africa has one of the three ingredients necessary to fly a theme park of the large scale we deal in and that is population numbers. But unfortunately the country cannot meet the other two criteria, namely disposable income and international tourism. It simply would not be viable.”

He pointed out that Disney Land in Florida attracted upward of 34 million tourists a year while Euro-Disney in Paris was expecting around 11 million tourists this year and Disney Tokyo even more. This compared with about 600 000 foreign tourists a year to South Africa. Entrance fees to American theme parks are about $50 a person with the average visitor spending $100 a day.

“I don’t wish to be completely negative as I think there are development opportunities for this country but they would have to be on a much smaller scale to be viable.”

He said the Walt Disney Company expected an after-tax profit of more than $2 billion this year. It is one of the 25 largest corporations listed on the New York Stock Exchange with a capitalisation of more than $30 billion.
Global Resorts takes on black casino partners

Amanda Vermaulen

CASINO resort company Global Resorts SA has forged alliances with black empowerment company Matta Leisure Holdings and the National Tourism & Environment Development Initiative, a non-government organisation focusing on black business participation in the tourism industry.

Matta chairman Jackie Mphafela had been appointed chairman of Global Resorts and intuitive CEO Moss Ngwenya was on the board, Global Resorts CEO Ernie Joubert said at the weekend.

Matta Holdings would serve as a platform for black investment into Global Resorts. Ngwenya said Global Resorts was positioning itself to provide meaningful black participation in the casino industry.

Black-controlled merchant bank Capital Alliance was working with Matta and Global Resorts to create a model for black stakeholders ahead of the applications for casino licences. Joubert said negotiations with another black group were advanced and additions to the Global Resorts board could be imminent.

Global Resorts also announced at the weekend that its subsidiary, Global Resorts Botswana, had been granted its first casino resort licence.

Construction would begin this month on the casino complex at the Grand Palm Hotel and Casino Resort in Gaborone. Global Resorts had awarded the Protea Hotel group the management contract.

Joubert said the slow progress in SA’s casino industry was forcing the group to consider bringing forward its international expansion plans, and it was investigating opportunities in other parts of Africa.

Joubert said these investigations did not detract from its goal of becoming a major player in the casino resort industry in SA.
Rugby World Cup puts poor service in spotlight

BY FRANCIS BOLKE

South Africa's notorious service standards have once again come in for criticism following Rugby World Cup supporters' complaints, with management receiving the brunt of the blame.

The influx of tourists for the Rugby World Cup highlighted enormous deficiencies in South African service. Management has to play a more proactive role in improving this," said Ant White of management consultants FSA Contact.

Criticism stems from the fact that South Africans, at all levels within organisations do not understand the value of the customer or know how to meet a customer's personal and practical needs.

"Instituting customer service departments to handle customer queries or complaints has little effect on service levels," he said.

"Staff must find out what customers want, how to treat them with respect and must be empowered to handle them and make decisions to meet customer's needs.

"In addition, staff should be trained to follow through on promises," he said.

Following the release of the recently released World Competitiveness Report, tourism industry consultants said that if South Africa wanted to attract tourism revenue, standards of service would need to be dramatically improved. The report ranked South Africa 35th out of 41 countries.

Ernie Heath, deputy executive director of Satour disagreed, saying the process of improving customer orientation had already begun.

White said: "Tourists to South Africa expect world class service and want to be made to feel good. If they don't get it, they will go elsewhere and tell their friends to do the same."

At the heart of the complaints is a lack of service culture in South Africa.

Consultants agreed that commitment to service will only be achieved if a top-down approach is used.

"The behaviour and attitude of senior level employees has a major impact on the behaviour and service commitment of subordinates," said White.

The internal organisation of businesses has been criticised because systems are not designed to meet the customer's needs.
Cup security 'a success'

Johannesburg: Although 42 tourists had laid charges ranging from rape to theft, security during the Rugby World Cup had been very effective, a top policeman said yesterday.

"Looking back on the Rugby World Cup tournament, I can say that, from a policing point of view, the tournament was a resounding success," Lieutenant-General Dain le Roux said.

General Le Roux, who is head of the police National Safety Services division, said 42 tourists reported crimes during the month of the competition. Unfortunately, some of these crimes work-of-a-serious nature, ranging from rape to theft of valuables," he said.

But the figure was relatively low considering the thousands of foreigners that flooded into South Africa for the rugby, he said.

- Reuters
Influx of foreign tourists is expected

Stephané Bothma

PRETORIA — SA could this year expect a 25% increase in foreign visitors — more than the 3.5-million who visited the country last year, Sauer said yesterday.

The majority of foreign visitors to SA last year were Africans (2 650 000), then Europeans (500 000), Sauer's Mike Fabrichus told an international tourism workshop.

The value of tourism to SA last year was R7bn.

The perception of overseas visitors that their personal safety could not be guaranteed was of great concern to Sauer, Fabrichus said.

Although only 2% of visitors had an actual criminal experience while in SA, 30% of overseas tourists were "really concerned" about their personal safety.

SA's scenic beauty was the major attraction for overseas visitors, followed by the political change, as well as a favourable currency.

Africans mainly visited SA to shop, he said.

A survey last year showed that Cape Town, followed by the country's game reserves, were visitors' highlights. Personal safety was perceived to be the greatest concern.

Table Mountain, game reserves, the Cape wine routes, the Garden Route and Durban's beachfront were most visited by overseas visitors, Fabrichus said.

The value of the domestic tourist market was R12bn last year, Fabrichus said. However, he believed that it was a conservative figure.

Durban remained the main domestic holiday destination, he said.
‘Safe’ World Cup boosts tourism

STAFF REPORTERS

TOURISM is set to rocket following the Rugby World Cup, with bookings having doubled and a triple increase in holiday queries from Britain, Ireland, and Scandinavia since the event focused world attention on this country.

This is according to Satour’s director for the three regions, Mr. Russell Barlow Jones, who said the latest figures were “astonishing.”

Mr. Barlow Jones said the 100% increase in business and 800% increase in holiday inquiries would further be accelerated by the “remarkably” low crime level during the tournament. An estimated 26,000 overseas visitors were in South Africa at the time, and only 0.1% reported security problems to the police.

This is dramatically lower than figures released by the British Consumers’ Association in May which rated South Africa as one of the world’s three most dangerous holiday destinations.

Yesterday the Director of Communications for the National Safety Services, Mr. Ray Harrold, said the British press, which suggested visitors were taking their lives in their hands whenever they left locked hotel doors, were way off the mark.

One newspaper kindled Johannesburg’s reputation as the world’s most dangerous city under the headline “Welcome to Hell.” “We proved them wrong,” said Mr. Harrold.
Games bid team

Cape Tycoon for

Games bid team

Cape Tycoon for
Peninsula is tops with tourists, says survey

Staff Reporter

CAPE TOWN was the highlight of their visit to South Africa for most international tourists, according to South African Tourism Board (Satour) director of tourism, Mike Fabricius.

Speaking at a Satour workshop in Belville yesterday, Mr Fabricius told about 100 representatives of the tourism industry that overseas visitors said in a Satour survey they spent the most enjoyable part of their stay in “Cape Town and the Cape Peninsula”.

Following on the Mother City in popularity were game reserves and wildlife, visiting families and friends, and scenic beauty.

Mr Fabricius said the four most visited attractions in the country were in the Western Cape.

Table Mountain, the wine route, the Garden Route and Kirstenbosch were the most popular tourism spots.

Two other Western Cape destinations, ostrich farms and the Cango Caves, were among the top 10 attractions, along with the Durban beachfront, the Kruger National Park, Gold Reef City and Drakensberg resorts.

“The Cape Peninsula is a winner. We often hear Cape Town is the nicest, best city in the world. Overseas visitors spend most of their nights in Cape Town. The Western Cape tourism industry has a tremendous responsibility... towards the whole country. If things go wrong here, it will affect the whole industry’s future,” said Mr Fabricius.

Satour deputy executive director, Ernie Heath, said most European visitors came from the United Kingdom and Germany, most South Americans from Brazil and Argentina, most Africans from Namibia and Zimbabwe, most Australasians from Australia and Taiwan, and most North American visitors from California and New York.

He said the foreign tourism arrivals market showed an 11,5 per cent growth from July last year to December, and continued to grow at a rate of 25 to 30 per cent since January this year.

“New markets have emerged in the past 18 months, like South-east Asia, India, South America, Scandinavia, mainland China and Hong Kong.

“The birth of the rainbow nation and the inauguration ceremony have brought new excitement in the tourism industry. The President is having an incredible international impact.”

“The Rugby World Cup was another anchor event in terms of impact and benefit. Not only did we have 26 000 people here who spent quite a few million, but the event made us proud of ourselves, which is a great building block for the next phase,” said Mr Heath.

Mr Fabricius said visitors from Africa, North America and Scandinavia found the political change South Africa’s most attractive feature.

“The magnet of political change has influenced our markets. We want to nurture this.”
Labour negotiators now in injury time

Meesa Grawitzky

DURBAN — The protracted labour legislation negotiating process had created a sense of uncertainty inside and outside the country, Labour Minister Tito Mboweni said last night.

The protracted process had caused uncertainty abroad over what kind of labour relations system the country would adopt, he said at the opening of the eighth annual Labour law conference in Durban.

At some point the country would need to accept a level of certainty.

"We have run out of time. We are in injury time now."

There were broad areas of consensus but also many areas of disagreement.

However, it would be naive to expect that agreement would be reached on all issues.

Mboweni outlined three possible scenarios. The first two — delaying the enactment of a new Bill until next year or abandoning the drafting of a new Bill — were rejected. He did not comment on the third scenario, in which parties would submit a draft Bill that included areas of agreement as well as areas in which agreement was not reached.

If the process continued, it would be with the proviso that the Bill could later be amended.

He cautioned that the cost and the benefits of this option would have to be weighed up carefully against one another.

In recent weeks the National Economic Development and Labour Council (Nedlac) had been criticised as a waste of time. This was incorrect, he said. "Nedlac still offers important institutional mechanisms to build social consensus."

Nedlac's principal committee meets today to consider reports compiled on progress made by its working groups this week.

Mboweni asked how a government devised new labour legislation in a highly charged atmosphere where government had an alliance with the largest trade union federation.

Major differences were unavoidable as the parties were separate and independent. However, these differences could not break the alliance, he said.

Prof William Brown of Cambridge University, speaking on bargaining at industry level and pressure for decentralisation, said SA's sorting out of centralised bargaining was not necessarily taking the country in a wrong direction.

"It was necessary to create a flexible system to allow for consensual relationships. To ensure economic growth and democracy it was necessary to put down "deep roots" for collective bargaining," he said.

Cape Town service rated poor

Mariel Salgado (206) 10/7/95

SHORTCOMINGS in Cape Town's service performance during the rugby World Cup have indicated the city would have to improve its infrastructure and service delivery if it was serious about hosts 2004 Olympic Games bid, a Wits Business School survey says.

"Many of the 800 local and international respondents to the survey, expressed dissatisfaction with a "total lack" of public transport, especially in Cape Town and Johannesburg, and more than 60% of foreign participants believed service back home was better than Cape Town's."

"Overall throughout SA was rated excellent by 21% of all respondents, 55% thought it fair or unexceptional and 21% believed it to be "downright bad"."

"The medium and bad ratings were "too large for comfort" and could do SA a lot of harm, researcher Sld Cohn said. SA did better than expected but not well enough to deliver world class service, he said."

Visitors gave Cape Town's and airports facilities the ratings best SA's far well in its foreign exchange, arts, culture, hire, hotel, restaurant and cell phone facilities.

RA rugby stadium scored top points and were rated the best in the world by international visitors.

Johannesburg came in first among SA's largest cities with 18% of respondents believing service to be better at home and 45% felt it was the same. Cape Town lagged behind the national average, in which 46% felt service back home was better and 22% thought it worse.

Cape Town service levels were inconsistent. "When service was good it was very good but when the service slipped it was very bad."
Olympic Hurdle

Local Service

Olympic mix of sounds

Simon Segal finds South

We will cope with an

Danish Education Standards

1988 (Cgm) 7/12/88

The Right Wall, Cape Town

Olympic Hurdle

Local Service

Olympic mix of sounds

Simon Segal finds South

1988 (Cgm) 7/12/88
CAPE TOWN — SA business leaders have joined the 2004 Olympic bid as conveners of regional consultative groups which will aim at drawing business into the bidding process, Olympic Bid company CE Chris Ball said yesterday.

Pepkor chairman Christo Wiese and Western Cape convener, attorney Michael Katz andledge Investments MD Vest Khanylie are Gauteng conveners and McCarthy group CE Terry Rosenberg and AM Moolla Group chairman Sadek Vabod head operations in Natal.

Ball said the conveners would arrange informal meetings with businessmen in their respective areas, the first of which were planned for next month.

Ball visited the International Olympic Committee in Budapest last week. He also held discussions with Daimler-Benz chairman Jurgen Schrempp, who indicated he would give the Cape Town bid his support.

Ball said he believed that the nucleus of an international group of businessmen would act as friends of the Cape Town bid had been established.

Daimler subsidiary Deutsche Aerospace had already proposed to undertake the project management requirements of the bid and to create an information centre operated by people seconded by Deutsche Aerospace, he said.

His reception in Budapest had been good and there was substantial support for SA’s bid. “There isn’t any doubt we will be a strong contender in the bidding process provided we put in a sound technical bid.”

The bid “is simply the best economic activity that SA has had and will have”, Ball said.
‘Good year’ for Protea

Cape Town-based hotels group expects R500-m 12-months turnover

JOHN VIJJOEN
Business Reporter

CAPE Town based Protea Hotels has had another year of healthy growth with group turnover for the 12 months to July expected to be about R500 million.

For the second successive year turnover has grown by more than a quarter and the group expects 1996 revenues to outshine this year’s results.

Although not willing to be specific, executive chairman Otto Stehlik said profits for the unlisted group were “excellent”.

There is little hope of Protea welcoming investors to share in its success story as the group still has no plans to head for the JSE.

Protea did not need a public share issue to raise cash to ease a debt burden as it was completely ungeared, Mr Stehlik said this week. Nor did the group require money for growth because it operated on the principle of management contracts and joint venture agreements.

The group manages and markets hotels for the owners and charges a fee for this and, in some cases, an incentive fee based on profits.

Alternatively a hotel owner or manager can sign a franchise contract with Protea — this gives it access to the group’s extensive infrastructure including human resources, quality assurance, marketing, sales and reservations.

“We like to see ourselves as a small company, almost a family business. But, at the same time, we are the number one hotel operating company in Africa managing more than 80 hotels in 11 countries,” Mr Stehlik said.

Protea is confident of continuing to grow its market share despite the arrival of big international hotel names in South Africa.

“I believe we can outperform them, having traded in an African environment, employing primarily African people. We understand African market conditions better than somebody who is used to operating in London or New York.

“But we naturally welcome international players because their presence will assist us in improving our standards.”

Protea continues to line up business with both existing and new hotels.

Among its latest management contracts is one in Klerksdorp where a local consortium is building a 72-room hotel, to be called the Protea Golden Lodge, which is due to open in November.

“Klerksdorp is a vibrant business area and one which we have been wanting to get into for a long time,” said group spokesman Ray Smuts.

But the past 12 months have seen a strong demand for the group’s management expertise in the rest of the continent, with Proteas springing up in locations such as Tanzania and Egypt.

The group had taken big strides toward its objective of covering what he termed the African tourism axis,

Mr Stehlik said. The Protea brand was present or near to most of the continent’s major attractions and increasingly well-placed to benefit from Africa’s massive tourism potential.

“We see tremendous growth for us as a group in Africa, as well as in the African market as the fastest growing source of tourists to South Africa.”

Protea is negotiating to expand its presence in Zimbabwe. “We hope to be operating a hotel in Harare and Victoria Falls in the near future.”

Each year 500 million people travelled for pleasure, but Africa attracted only 15 million of them. “That is pathetic,” Mr Stehlik complained.

From a Southern African perspective, this statistic was further worsened by the fact that these visitors travel largely to North Africa, especially Tunisia, Morocco and Egypt.

Africa was potentially the world’s number two tourist destination.

“In Egypt we have two-thirds of the world’s antiquities and the Red Sea coral reefs, we have balloon safaris over the Masai Mara, Mount Kilimanjaro and the Serengeti.

“Uganda is the pearl of Africa, its best kept secret.” Add to all this Lake Malawi sunsets, Victoria Falls, the Indian Ocean islands and South Africa itself and you tend to take Mr Stehlik’s point.

Protea international sales manager Lorraine Levieux said the number of overseas visitors staying at the group’s hotels was up 40 percent on last year. South-east Asian countries showed the largest growth with a big rise also noticed from France.

These foreign guests contributed 20 percent to Protea’s South African sales over the past 12 months.

The group aims to further boost the growth in the number of international tourists through its relationship with Supranational Hotels which gives it access to a sophisticated worldwide reservation network.
The Suns set for new casino scene

THE final dividend of 20.5c a share from Transum this week takes the year's total to 35c. With the share price currently at 310c, the historic yield is 11.3%. Payment will be made only in October as the directors deemed it prudent to bring forward the declaration date in view of the transitional measures relating to the harmonisation of the former Transkel's tax system with that of the rest of the republic.

The directors also say that growth in attributable earnings for the year to June 1995 will be well ahead of that achieved in the first six months. No wonder the share has gone buyers only. -- it is cheap.

A parallel announcement for SunCiskel says the increase in earnings for the year to June 1995 will be in line with that achieved in the first six months. SunCiskel will pay a total of 34c for the year to yield 14.2% at the current price of 210c.

SunBop will pay 132c for the year to yield 6.6% at the current 220c. Its earnings will at least match the interim, according to the announcement.

I don't even pretend to understand these discrepancies, I think they are all three a buy. The opening up of gaming licences is obviously putting punters off the share. Perhaps they forget that the Suns have already made all the capital outlay and have the track record.

The new casino scene could well be just that - a hit like the experience of cellular telephone service providers.

‘LASTING BENEFITS’ EXPECTED FROM GAMES

Ball recruits Olympic team

NEW Olympic Bid chief Mr Chris Ball predicted a cost-benefit analysis would show “a strong net benefit” for the city in hosting the 2004 Olympic Games.

OLYMPIC BID chief executive officer Mr Chris Ball is recruiting a management team and staff of approximately 35 people, he announced in the first of his quarterly progress reports.

Apart from those on the staff of the bid, he has already recruited an impressive group of businessmen as friends of the Cape Town bid. Included in this group are Western Cape retailing tycoon Mr Christo Wiese; Mr Michael Katz of the Katz commission on taxation; Mr Jürgen Schrempp, who heads the Daimler Benz group in Germany, and Mr Vusi Khanyile, managing director of Thebe Investments Corporation.

Mr Ball said the present plan for facilities and infrastructure was being reviewed and an updated economic analysis being prepared. In this way, he said, a proper cost-benefit comparison can be made. Based on the experience of other cities the study was likely to show “a strong net benefit”.

The results will be published in two to three months. He said planning and investment will be undertaken in consultation with the public and private sector and with the communities involved.

“No effort will be spared to ensure that lasting economic and social benefits are achieved and the environment preserved.”

One of the priorities of the Bid Committee is to provide the public with the opportunity to participate in it. Another priority is to integrate plans for roads and railways and sports venues with the requirements of the RDP.

Mr Ball promised to report on a regular basis on the progress of the bid. Negotiations are still under way with companies to act as corporate sponsors of the bid.

The Bid Company’s activities up to late 1997 are to be paid for from the sale of sponsorship rights to the bid. A budget, said to be in the region of R65m, is being prepared. — Staff Reporter
SA spends too little marketing tourism

South Africa is "grossly underachieving" as a tourist destination, Mayuso Maimang, executive director of the SA Tourism Organisation (Satur), says in the annual report.

"Maimang says this is partly due to inadequate spending on marketing. Competing countries, including Australia, New Zealand, Thailand, Indonesia and Malaysia, generally outspend South Africa in marketing their respective countries as tourist destinations.

"Additionally, if our weak rand is a boon to foreign tourists, it spells disaster for our overseas marketing operations."

But Maimang continues, poor service, lack of encouragement of domestic tourism and the need for Satur to be restructured and made more representative of the community, are factors in South Africa's poor performance in comparison with competitors.

He calls for affordable financial assistance for budding entrepreneurs in communities that have hitherto been excluded from tourism by past inequalities.

Deploiring "widespread mediocrity of service standards in the industry," he urges those in it to learn from the tourism nations of Asia who have elevated service to an art form.

"The adoption of a right service attitude will itself be a product of education, training and more training."

Finally, he says, Satur's board should be restructured "to bring in equally knowledgeable but representative members. "Need will have to be the reordering of the operational structure into a lean, fleetfooted marketing organisation highly responsive to stakeholder interests."

"Its key decision-making organs must of necessity be opened up to include talent left out during the dark days of our history."
Retailers 'were winners'

Yuri Thumbran

SA retailers managed a knee against the head during the rugby World Cup, recording better sales in June despite rugby fever cutting short spending time.

McCarthy Retail's Prefcor division enjoyed a surge in lounge suite sales. "Many people wanted a comfortable environment to watch the rugby which led to a greater demand for the product," Prefcor executive chairman Hyrie Sibul said.

However, business at Game was affected, especially on match days when consumers tended to watch games. This trend was also experienced by CNA.

Cape-based liquor retail group Aroma scored from the World Cup with its hotel division gaining on late bookings. MD Mike Koversky said the liquor retail division also showed increased business with the day of the final almost equalling business on Christmas eve.

Pick 'n Pay deputy MD Sean Summers said the group benefited from its involvement as a broadcast sponsor. The group had had one of its better periods in real growth for a long time.
Foreign tourists see SA as an ‘unsafe’ destination

Theo Rawana

FOREIGN tourists did not see SA as a “safe” destination and the country would do well to improve its image by introducing the safety recommendations of the World Tourism Organization, an authority on the tourism industry said.

Christelle Kleyhans, of consultants Kessel Feinstein, said at the weekend while Satour figures showed that in 1989, 70% of overseas tourists rated personal safety in SA as good, the figure had plummeted to 30% in 1992 and dropped even further to 23% in 1993.

“Although the rating improved in 1994 (55 rated safety as good), Satour’s 1995 survey of foreign tourists emphasizes the lack of personal safety to be the most serious finding of the survey and possibly the most serious threat to the development of tourism in SA,” said Kleyhans.

One recommendation by the organization’s safety functions committee cited by Kleyhans was a link-up with a global emergency number for tourists. The programme, which had been welcomed by other countries, would be the same throughout the world but would ring to the local emergency service.

“Although nearly every country has one emergency number that citizens commit to memory, tourists rarely know the emergency number of a foreign country and may also not be able to communicate with the emergency operator and are therefore more vulnerable to danger,” she said.

Kleyhans said 2% of foreign tourists surveyed had personally experienced a mugging, theft or crime during their visit. “Gauteng, KwaZulu-Natal and the Western Cape (in that order) rated the lowest in respect of personal safety.”

Over the years tourist flows had always been “extremely sensitive” to the level of social stability in the country, she said, and tourist arrival figures had shown a definite drop in times of major social uprisings.

“This perception of poor personal safety is persisting even in times of so-called ‘peace’. And if such a high percentage of actual tourists to SA still perceive the country to be ‘unsafe’, then how many potential tourists are we losing because of this?”

“Word-of-mouth information from existing tourists is one of the strongest and cheapest advertising tools for tourism destinations. Our current message, ‘poor personal safety’, will not attract new visitors,” she said.

Efforts by tourism ministries the world over had brought about improvements in tourist flows after problems such as the Egyptian terrorist groups targeting tourists in 1993 and the Gulf War, she said.

Other recommendations, of the WTO safety functions committee were the creation of clearing houses for tourism safety and security information on the national level, the collection of statistics on crime against tourists and the researching of results and dissemination of information on good safety practices.

The committee also recommended the development of training and education courses on the country and safety for tourism personnel and the setting up of tourism facilitation councils at national and local levels. The councils would involve local law enforcers and the private sector.

Environmental Affairs and Tourism director Hendrik Steyn, who was part of the SA delegation to the WTO Organization’s Security and Risk in Travel and Tourism conference in Sweden last month, could not be reached for comment.

Top-level training for nurses

Ingrid Salgado

THE Chamber of Mines launched SA’s first nurse clinician training programme at the weekend to provide front-line providers of primary health care training to function as fully-fledged clinicians.

The more than R1m programme would train 50 nurses — five from each province and five additional candidates. They represented the top professionals in their field and would have considerable experience before training began, the chamber said.

This level of experience would be necessary because they would be allowed to perform certain functions which could currently be done only by doctors.

It was a significant step in bringing preventive, diagnostic, curative and managerial skills into the health care system, especially in rural areas. Participants would be awarded a registered community nursing science diploma at the end of the six-month course.

Health Minister Nkosazana Zuma said at the launch that the project was “not just another nursing course” but represented the start of implementing government’s plans for universal access to health care of a high quality. It was significant that the first step had been taken by the private sector, she said.

The mining industry has agreed to fund the full programme.

She said drug regulations would be changed to enable people working in essential health care sectors to give prescribe drugs. A process for distributing and acquiring drugs would be set in motion: so they would always be available in clinics and primary health care centres. This would occur once the health department and had finalised essential health care strategies, she said.

The chamber said 65% of rural nurses were solo practitioners, who were assisted by doctors only once every few months. While there was one nurse to every 1 000 people, there were much fewer doctors.

Nurses needed to gain skills needed to treat and diagnose patients effectively. A perception existed that nurses were not recognised as professionals who could see patients in their own right.

Zuma said the 50 nurses would be the backbone of the primary health care system. Government’s finance department had assured her that money would be available for a national health plan, but without trained people for implementation it would be useless.

Participants would be equipped to select and train other nurses to build on their work. The programme would provide three days’ practical training a week.
SEVENTY SEVEN percent of visitors did not feel safe in South Africa, according to the latest Satour survey—even though few were mugged or attacked during the Rugby World Cup.

Satour's latest figures showed that in 1989, 70% of overseas tourists rated personal safety in South Africa as good, but this had plummeted to 30% in 1992 and 23% in 1993.

During the Rugby World Cup event, however, only 0.1% of 26 000 overseas visitors reported security problems to the police.

Ms Christelle Kleyshans, of the Kessel Feinstein consultancy, said South Africa was not seen as a safe destination, and the country should improve its image by introducing the safety recommendations of the World Tourism Organisation.

Gauteng rated the lowest in personal safety, followed by kwaZulu/Natal and the Western Cape. — Staff Reporter.
SA not ready for Olympics tourism

Valuable lessons learned from Rugby World Cup experience
Captour may close office at Tygervalley

Staff Reporter

CAPTOUR, the mainstay of Western Cape tourism promotion, might be forced to close its office in the Tygervalley Centre because of its funding crisis.

But Danie Uys, Bellville councillor and the city's representative on the Captour board of directors, did not believe the Bellville City Council would allow the office to close.

The office cost about R45 000 to run — R11 000 more than Bellville's contribution.

Captour's chief executive officer, Gordon Oliver, said the organisation received about half of the operating costs for its Tygerberg office from the Bellville City Council.

The office serves about 500 visitors a month.

After a severe budget cut by its major sponsor, the Cape Town City Council, Captour might be forced to "review the future of the Tygerberg office," said Mr Oliver.

Bellville municipal spokesperson Sue Vellisma said its 1995/96 budget included a R35 000 donation to Captour on condition that this be used for the Tygerberg office.

This was more than last year's donation.

Mr Oliver said: "I don't want to be perceived as holding a gun to the Bellville municipality's head. But at some other stage we would be forced to review the situation."

He was "reasonably confident" the office would not have to close, especially after having talked to Bellville mayor Carl Cronjé.

"Although we did not discuss details, the mayor was very positive about our work."

He said other northern municipalities, including Goodwood, Paarl, Durbanville and Milnerton had donated small amounts — between R3 000 and R4 000 — to Captour.

Captour's financial difficulties came to light after the Cape Town City Council announced it would slash its contribution to the tourism agency from R2 million to R500 000.

Cape Town's contribution accounts for about 70 percent of Captour's annual spending.

In last month's issue of the Tygerberg Chamber of Commerce newsletter, Bellville area chairman André la Cock, called for support for Captour.

"Tourism is one of the growth areas in our economy and the organisation needs the support of all our members."

He urged businesses in the Tygerberg to become members.

"Many businesses derive indirect benefits from tourism. One only has to look at the number of 'foreign' cars parked at the Tygervalley Centre."

These businesses could at least consider making an annual donation to Captour, he said.
Tourist body should be working by April

SOUTHERN African Development Community (SADC) countries had formed the Regional Tourism Organisation of Southern Africa, which should be operational by next April, Satour executive director Mavuso Maimang said in Johannesburg yesterday.

Addressing an RCI Traveltour Media Awards ceremony, Maimang said the formation of the organisation last month was the culmination of workshops which followed a decision by the Southern African Regional Tourism Council and the SADC that there should be one organisation handling the development of tourism in the region.

Maimang said the new organisation was good news for the region. "For the first time we are in a position to embark upon joint marketing and development projects in the region, which, in the long run, will benefit the entire subcontinent."

The RCI Traveltour Media Awards are divided into four categories: SA television journalism/production, SA print journalism, SA radio journalism/production and international journalism/production.

Jan Christian Horn of the SABC won the first prize in the SA television journalism/production category, Laurian Brown of House and Leisure won in the SA print journalism category while Peter James-Smith of SAFm took the SA radio journalism/production award and Nancy Fitzpatrick of Meeting News, the international journalism/production award.

The winners each received two return tickets to various international destinations, two weeks accommodation at international resorts and R3,000 spending money.
Tourism up sharply

By Isaac Moledi

THE South African tourism industry has maintained a steady growth in the past year — welcoming more than 3.6 million visitors.

Despite the economic recession experienced in many sectors of the economy and the uncertainty caused by the transition to a new political dispensation in 1994, about 3 668 956 foreign tourists visited South Africa — earning the country R7.2 billion in foreign currency.

Most of the visitors, 2.9 million, came from Africa while 784 630 were from overseas.

The South African Tourism Board says the high arrival figure and the income generated is no doubt a product of the marketing efforts by various players. About R62 million has been invested in international tourism promotion, says Satour in its annual report.

Two major benefits for the industry last year, according to the report, were the capacity to earn the country foreign currency and the ability to create new jobs.

20 000 new jobs

"The foreign exchange generated presented an increase of R1 200 million over 1993 and sustained 450 000 direct jobs, while creating 20 000 new jobs in 1994," says the report.

"Despite the slow growth in international tourist arrivals in the first half of the year, mainly due to tourists' uncertainty about their safety before and after the elections, the overall growth for the year was 18.6 percent," adds the report.

Referring to the challenges, Satour executive director Mr Mayuso Maimang says communities that have hitherto been excluded from tourism should merit special consideration. He said to confer legitimacy on the institution there was a need to restructure Satour's board to make it representative.
lined by the Natal Game Marketing Association (NGMA)'s seventh annual game auction at Hluhluwe in northern Zululand last week. The bulk of the 1,360 animals under the hammer came from Natal Parks Board reserves, though some originated from the KwaZulu Department of Nature Conservation and Mondi's Bonamanzi Game Ranches.

The auction netted a record R5.1m, well up on last year's R3.2m and this year's pre-auction projection of R4.4m.

The organisers claim the auction to be one of the largest in wild animal auctions worldwide, attracting buyers from as far afield as Europe and Asia.

The Hluhluwe auction, though, is also significant in that it provides a pricing yardstick for game farmers who prefer to sell privately. Private sales for KwaZulu-Natal stand at R2.3m since March and estimates suggest they will exceed R3m before the end of winter when game capture ends.

White rhino were the auction's biggest success, with 64 animals sold at an average of R47,000, up from R32,000 a year ago. The overall income from this section alone exceeded R3m.

Frans Ras of the Stockowners' Association, which organised the auction on behalf of the NGMA, says the influence of foreign buyers clearly boosted prices.

It is understood that many game farmers exported stock, especially white rhino, as they expected post-election political uncertainty to deter big-spending international trophy hunters from visiting SA. But the transition was smooth and hunters came in droves, leaving game farmers short of stock.

"The perception by many buyers was that prices would be low this year and a lot of them, including an agent from Zimbabwe with a R180,000 bank-guaranteed cheque, went away empty-handed," says Ras.

The highest price was for three black rhino bulls and cows sold as a single lot, which netted R140,000 each to a northern Transvaal game rancher. But this was down on last year's average of R150,000. Only four bidders met the stringent requirements.

The biggest of the international buyers was Britain's West Midlands Safari Park which, through an agent, bought six white rhino at prices ranging from R40,000 to R46,000. A Saudi Arabian zoo also bought a rhino and four giraffes.

The Chinese, who were expected to invest heavily in white rhino for a breeding and horn harvesting experiment, pulled out weeks before the auction. It is understood they are appointing an agent to buy stock privately.

Parks Board CEO George Hughes says the sale of the animals, usually surplus to requirements, contributes to nature conservation. It reduces culling and most of the purchases are used to establish breeding stock on game farms and private reserves.
Exco revises cut from Captour budget

(288) 514115195

CAPTOUR'S budget cut has been revised by exco and it should now receive R1 million at the end of this month and possibly another R1m over the rest of the year if the council is satisfied with its quarterly reports.

Normally Captour gets about R2m a year from the council, but this year, it was given only R500 000 and a repayable loan of R1.5m.

This was not approved by the full council, as there were too many objections to the cutback.

Yesterday, exco recommended that another R500 000 from the council's reserves be given to Captour, and that the second R1m should be given in instalments—but it may be a grant instead of a loan.

Captour will have to report quarterly to the council on its progress in expanding its contribution base, the restructuring of its board and management and the preparation of a strategic tourism plan.

Mr Clive Reegan, who spoke in favour of Captour being given more money, said however that it was "not sufficiently representative of the demography of the region."

Mr Sivwe Matika said people who benefited from Captour's efforts did not seem very willing to contribute to its coffers.

Mr Llewellyn van Wyk said the council had been wrongly accused of taking an anti-tourism stance, but for years it had shouldered the burden of promoting the city. He was in favour of giving unconditional support to Captour, but only for this year.

Uncertainty

Mr Gordon Oliver, the chief executive officer of Captour, said yesterday he was pleased the council had been willing to review the situation, "because it is extremely difficult to run an organisation with all this uncertainty over our heads."

Some of the uncertainty would remain even after the latest exco decision was passed by the full council.

"I don't know what more we can do to convince them that we are committed to restructuring to meet the needs of the new South Africa," he said.
**Hotel Industry (288)**

**Good Innnings**

The **tempo** in the hotel industry is picking up, with Central Statistical Service’s figures for March showing room occupancies up 10.6 percentage points to 58.3%, making it the best March the sector experienced since 1989.

And the SA Tourism Board (Satour) says May’s rate was 11.5 percentage points better than May 1994 — from 45.6% to 57.1%. Spokesman Greg McManus says the upick in the industry has also prompted inquiries from foreign hotel groups — mainly US — on coming into the local market.

He says some hotels that catered for rugby fans lost normal business, “but now that the World Cup is over they can get back to holiday and business guests.”

June’s figures are due later this month but McManus says the industry is anticipating a 10 percentage point growth.

Some hotels found the World Cup a “damp squib” because room bookings they hoped for didn’t materialise. Protea Hotel chairman Otto Stehlik says that although he doesn’t believe hoteliers really lost because of the tournament “it certainly wasn’t the bonanza many expected. Even though the industry didn’t attract the numbers, the event was a good promotion for tourism. The spin-off will come later.”

He adds that the first half of May was a boom period. “Every businessman who needed to travel did it then, and many conferences that had to be held before mid-year were crammed into those two weeks.”

On the back of growth prospects for the industry, many hotel groups are now refurbishing or building new premises. Stehlik says his group is refurbishing most of its 82 hotels with the main capex — R10m — going into a facelift for the Cape Town hotel.

He says the tourism industry is now healthy, unlike two to three years ago when visitors stayed away mainly because of political violence. Most city centre hotels are doing well. Some have more than 90% occupancy levels.
Three tours for caves visitors
(288) et 19/7/95

STAFF REPORTER

The need to protect Oudshoorn’s Cango Caves from damage by heavy tourist traffic has forced its administrators to introduce a new three-pronged touring system.

Those visiting for just a few hours are encouraged to take a short but scenic tour around the first two chambers while those with more time can go deeper into the caves — without having to do much exercise.

The adventurous can select the third option — crawling through tunnels deep into the cave.
More visitors jet in to SA

JOHANNESBURG: The number of overseas visitors who entered South Africa during April through the international airports increased by 124%, compared with April 1994.

According to Central Statistical Service figures released yesterday, 68,657 overseas visitors entered through the Johannesburg, Cape Town and Durban airports.

The number of foreign visitors who entered the country for holidays during April increased by 195.1%, while the number who entered for business increased by 46.0%, compared with the previous year.

Visitors from Asia (12,267) showed the largest increase, namely 208.3%.— Sapa
Tourism ‘needs to create more jobs’

Staff Reporter

TOURISM is a rapidly growing industry in South Africa, but the industry still lags behind the rest of the world when it comes to creating employment opportunities for its citizens, said Mavuso Msimang, the South African Tourism Board’s chief executive officer.

Mr Msimang, speaking at the Southern African Museum Association’s national conference at the University of Cape Town, said tourism was currently the country’s fourth largest foreign exchange earner, employing about 450 000 people.

“This meant that one in every 25 people was currently employed in the tourism industry, compared to America where tourism provided jobs for every 16th person.

“Good development of the tourism industry will provide productive employment. Tourism could become the driving force of the country’s economy.

Ways should be set to contribute to the Reconstruction and Development Programme and a service culture needs to be created,” said Mr Msimang.

Mr Msimang said that museums were a vital part of the tourism industry, although he said South Africa was not a museum-going nation at present.

He blamed lack of interest for people’s reluctance to go to museums. To rectify this, museums should try to entertain people with imaginative packages rather than only trying to educate them.

Mr Msimang said that, like tourism, museums were about people and meeting the needs of visitors, and that the tourism industry was looking forward to joining hands with the museum sector to satisfy people in this respect.

Satour felt that the country’s rich cultural heritage would play an important role in the tourism market and it intended using this to entice visitors to South Africa.

Satour’s focus for 1996 is ecotourism and for 1997 it will focus on cultural experiences.
- SA tourism figures picking up -

JOSEPH ARANES
Staff Reporter

THE country's tourism industry, long regarded as the sleeping giant of our economy, is showing signs of waking up and realising its true potential.

Figures released by the Central Statistical Service show that the number of overseas visitors more than doubled in April this year, compared with the same month in 1994. In April, 96,358 visitors entered the country through Johannesburg, Durban and Cape Town international airports, compared to 41,360 the previous year — an increase of 124.2 percent.

Asian visitors showed the biggest increase with 286.3 percent, while visitors from the Americas showed the smallest increase of 76.7 percent.

Statistical Service spokesman Joe Smaalberger said not all the visitors who entered the country were tourists, but even those visiting South Africa for holiday purposes showed an increase of almost 200 percent.

"But all comparisons between April this year and 1994 must be handled with due consideration that fewer visitors entered the country in April 1994 because of the elections," Mr Smaalberger said.

And the 1994 figure was also considerably smaller than for the previous year," Mr Smaalberger said.

Of the foreign visitors who visited in April, 16,350 came for business purposes, 10,371 to work, 954 to study and 50,663 came to spend their holidays here.
hotels bid

R20m city

FORESHORE LAND DEVELOPMENT

WHERE THE EYES WILL BE THIS WEEK'S IMPRESSION SHOWS THE SITE OF TWO BLOCKS OF RIVERSIDE LAND (ABOVE) FACING WATERFRONT

Peter Denny

$30m hotel

A BOOST TO THE CITY IS ON THE CARDS WITH THIS NEW NOUVEAU
Gordon’s withdrawal ends 15-year struggle for Sun Life

BY CHARLOTTE MATHIEU

In 1989 they signed an agreement that neither party would bid for Sun Life without the agreement of the other. In 1990, TransAtlantic sold UAP enough rights to equalise their shareholdings in Sun Life at 27.7 per cent and the following year the two companies merged their interests into a new company, Rockleigh, which held a controlling interest of 59.9.

Rockleigh made an offer to acquire the remaining shares, and ended up with full control of the company.

The 50 per cent stake held by Liberty in Sun Life is housed in listed TransAtlantic Holdings. The proportional consolidation of the Sun Life stake boosted Liberty’s total assets to G31.6 billion in 1992 from G34.5 million in 1991. Last year Sun Life boosted after-tax profit by 12 per cent to G328 million despite a difficult year for the British life assurance industry.

In the latest annual report, Gordon said the application of British accounting rules “materially understated” the full value of the Sun Life stake.

The carrying value of the stake is shown at G2.3 billion, but this excluded the considerable goodwill value of the assur- er, based on its proven ability to write new life business profitably into the future.

“The 50 per cent interest held by TransAtlantic Holdings in Sun Life also contains the key to exclusive control of Sun Life. This is through TransAtlantic Holdings’ unilateral right to require UAP to acquire the 50 per cent shareholding of TransAtlantic Holdings at any time after September 1995,” Gordon said.

Expectations of the deal between Sun Life and Liberty Life could help to explain the five-month run-up in Liberty Life’s share price from a low of G83.75 in February to G99 on Wednesday. The shares shed 190c in early trade yesterday.

However, the planned use of the funds raised by the deal to finance a British purchase is surprising in view of speculation that Gordon was focused on a major acquisition of an American insurance company.

[See next page]
R20-m deal may lead to major hotels project

Rod Young told the council's executive committee that the provincial administration had ruled that direct negotiation with Compagnie de Batiment et Construction (CBC) of Paris could go ahead after the full council had agreed.

This matter will come up for debate at the monthly meeting next week.

Mr Young said that in September last year the council had advertised its intention to sell the site.

In October it had also placed local and international advertisements for the sale by tender of about two hectares of land on the site, which is divided into five blocks, but the response had been disappointing.

The council had then decided to invite tenderers to take part in further discussions and four parties, Murray and Roberts, the Malaysian Resources Corporation Berhad — both of which had submitted tenders — and CBC from Paris and Advanta/Devlin, were involved in discussions.

Each of the four companies came up with separate offers, the most attractive of which was the CBC offer of R20 million for blocks A and B of the site.

Mr Young's report describes the R20 million offer as being "an excellent one", representing a R400 per bulk metre price for the office block to be built on site A.

He argued that any further advertising and competition at this stage would be prejudicial to the development.

It would also prejudice the Olympic bid, which would "benefit enormously" from the proposed development.

Collection for blind

Tomorrow's street collection is for the Institute for the Blind, fundraising number 08 8000 63 000 7.
SA "way behind" in the fight against crime aimed at tourists

Theo Rawana

He said his department was planning to hold a national conference in September where related departments such as safety and security and other stakeholders would take part in the search for effective strategies to combat crime against tourists.

With the establishment last week of a new chief tourism directorate in the tourism department, government's initiatives to improve tourism would be bolstered, Steyn said.

The chief directorate consisted of about 10 people in three different directorates. The conference, which was addressed by world experts in the field of security, ended with the establishment of a travel risk documentation centre in Coteru.

Steyn said visits to other countries showed that much needed to be done in SA regarding tourism safety and security.

"We have no infrastructure for statistics on criminal acts, and we need to do research in the area of crime against tourists. At the university where we were in Sweden there was a special information centre with all the data on tourism-related safety and security," Steyn said.

In SA there was nothing even vaguely resembling such facilities. "Other countries are way ahead of us, even monitoring the behaviour of tourists," Steyn said.
Sun International lines up for licences

BY SHIRLEY WOODGATE

Sun International plans to apply for an additional slice of the 23 new casino licences recommended by the Lotteries and Gambling Board to boost the 17 gambling outlets it already operates.

Meanwhile, the group will make use of the period of negotiation recommended by the board to decide on the future of its existing licences, said an SI spokesman.

This applies specifically to North West Province where SI has seven casinos, which must be whittled down to two, and the Eastern Cape where seven licences will have to be cut to three.

The spokesman said negotiations would include the national Government, the national and provincial gambling boards, the provinces and SI. This was in line with suggestions by the board.

The Wiehahn Commission suggested 13 licences for Gauteng, three each for the Eastern Transvaal, Eastern Cape and Free State, six each in KwaZulu-Natal and the Western Cape, and two each in the impoverished Northern Cape and Northern Province.

SI has seven licences in the Eastern Cape, two in the Free State, one in Northern Province and seven in North West which includes Mmabatho Sun which was launched in 1979, Sun City, the Carousel, Morula Sun, Molopo Sun, Thabane Sun and Tsung Sun.

The final decision on the board’s recommendations will be made by the Cabinet when it meets in the next session.
Number of visitors to SA doubles

By ROBBIE SISAIABALO

The number of foreign visitors who entered South Africa through the main international airports in April increased by 24 percent compared with April last year, when fears of election violence kept visitors away. (288)

According to figures released by the Central Statistical Service, 68 657 visitors entered South Africa through the Johannesburg, Cape Town and Durban international airports in April. The three airports account for about 84 percent of foreign visitors to South Africa.

The number of those who entered the country for holiday purposes increased by 195.1 percent, while the number who entered for business purposes increased by 46.0 percent.

Visitors from Asia (12 267) showed the largest increase of 268.3 percent, while those from the Americas (9 058) showed the smallest increase of 76.7 percent.

The Central Statistical Service said the twofold increase could be attributed to the popularity of South Africa as a business and holiday destination since last year's general elections.

It said that there were fewer visitors in April last year than in April 1993, indicating anxiety about the political instability and the future of the country.

The first three months of this year saw a 58 percent increase from the same period last year.

The report also recorded 62 868 South African residents returning in April this year, compared with 60 050 for the same month last year.

CTC(BR) 25/7/95
April booms for hotels

BY CHARLOTTE MATHEWS

A combination of Easter school holidays, growing overseas tourism and the general economic improvement contributed to hotel room occupancy rates in April this year being the best April since 1989, according to industry spokesmen.

Figures released by the Central Statistical Service yesterday showed that on average 83.2 percent of hotel rooms were occupied in April, a 31.1 percent improvement on the same month last year. The number of beds occupied was 40,4 percent of the beds available, a 36.5 percent increase year on year.

Regionally, hotels in Cape Town, the Peninsula and the winelands showed the largest increase in room occupancy, and the only area that showed a decline was the Bloemfontein region.

Sun International group rooms management executive Janet MacBeau said the huge improvement in April had to be seen against the same period last year, which was very poor. Higher occupancy in April also depended whether Easter was in March or April.
Wine shop ban shows up flaws in act

STAFF REPORTER

THE police closure of Mr Vaughan Johnson's wine shop at the Waterfront on Sunday has highlighted inconsistencies in the liquor laws.

As a retailer, Mr Johnson may not sell wine on Sundays, but Waterfront taverns are allowed to sell liquor with or without meals.

He has a special liquor licence, which means the Liquor Board in Pretoria, at its discretion, can allow his operating times to deviate from the rest of the industry's.

Tourism

However, Mr Johnson claims an Outeniqua farm and a shop selling liquor at Cape Town international airport have the same licence and are allowed to trade on Sundays "in the name of tourism".

He said the Liquor Board had told him it could not grant him permission to sell liquor on Sundays because "people would get drunk and fall in the water".

Police spokesman Colonel Raymond Dowd said police could not arrest Mr Johnson but had adopted a "low-key approach".

A new Liquor Act should be completed by March. It is likely that it will allow Sunday retailing.

DEFIANT: Waterfront wine retailer Mr Vaughan Johnson defied the Sunday trading ban for six weeks before police, acting in response to a complaint, told him to close.

PICTURE: ALAN TAYLOR
Wine shop ban shows up flaws in act

STAFF REPORTER

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PICTURE: ALAN TAYLOR
Hotel occupancy 'highest in years'

SOUTH African hotels had their highest occupancy rates in April since 1995, Central Statistical Service said in a statement.

Quoting a recent survey, CSS said the average room occupancy rate in April this year increased 31.1 percent to 55.2 percent compared to April last year.

The bed occupancy rate increased by 36.5 percent to 40.4 percent.

No-star hotels showed the largest increase in room occupancy (37.5 percent), whereas five-star hotels showed the largest increase in bed occupancy (50.9 percent). One- and two-star hotels showed the largest increase in hotel income (65.6 percent) compared to April last year; CSS added.

Sapa
Hotel industry reaps benefits of tourism

Amanda Vermaulen

The hotel industry appears to be booming, with the latest statistics showing that occupancies were at their highest level in five years during April.

Analysis said the increases reflected growing activity in the industry following an improvement in the tourism market.

The Central Statistical Service said yesterday that the average room occupancy increased, 31.1% to 55.2% compared to April last year, while bed occupancies increased 36.5% to just over 40%.

Hotels in Cape Town, the Peninsula and the Winelands region showed the largest increase in room occupancies — 61.6% to 73.4% — followed by the East Rand with a 73.2% room occupancy rate.

Hotels in the Durban and Umhlanga areas experienced the largest increase in bed occupancies of 65.9%. Hotels in the lowveld and escarpment had the highest increase in hotel income, which grew 86.7% compared to April last year.

The only tourism region which showed a decrease, for room and bed occupancies as well as income, was Bloemfontein and the Transvaal area.

Non-graded hotels showed the largest increase in room occupancy, improving 37.5%, while five-star hotels showed the largest increase (52.6%) in bed occupancy.

One- and two-star hotels had the largest growth in hotel income of 66.6%.

Analysts said Asia was a major contributor to SA’s tourism industry. The number of Asian tourists to SA had risen, but this had not been accompanied by a corresponding increase in tourists from the US.

The decline in the US market was 5.4%, it was encouraging, to note that some hotels are reporting a very high concentration of foreign tourists, with some hotels saying occupancies of 90% and more are almost entirely due to foreign tourists.

Confidence in the sector could be seen in the large incidence of new hotel developments and upgrading projects under way, analysts said.
Surf City set for hotel boom amid rising tide of tourists

By Shirley Jones

Durban's year-round holiday season has significantly boosted its tourism industry this year, to the point where multi-million rand investments in the region appear more than justified.

There are plans not only to increase the number of prestige hotels, but to increase the number of self-service units in the greater Durban area.

There is stiff competition for development of prime sites such as the Pavilion site near the Bay of Plenty. Tenders for what will probably be a major hotel development show that both international and local hotel groups are looking to benefit from this massive growth potential.

According to Thabo Mpakan- yane, director of the Greater Durban Marketing Authority, the Intercontinental Group (which recently joined with Southern Sun to run the five-star Beverly Hills) is planning to further extend its interests in Natal.

Mpakananyane believes this should at last silence prophets of doom who declare that Durban is going downhill.

"The idea that tourism is on the decline in Durban is something of an urban legend as far as I am concerned. In fact this year has been one of our best years.

"This is due to a number of events, such as the Rugby World Cup, several conferences, the Comrades Marathon and Ocean Action," he said.

Upswing

Martin Edwards, principal consultant for Greene Befield-Smith, a specialist tourism division of Dalcotte and Touche, said that Durban was clearly experiencing a dramatic tourism upswing.

Although no data is available on the city's sell-out July season, analysis of hotel occupancy rates point to significant growth. Occupancy rates for the 1993/94 Christmas season showed an average 64 percent room occupancy rate as opposed to an 82 percent average for an extended 1994/95 season.

Data also points to the fact that 49 percent of Durban's hotel guests come from within KwaZulu Natal and 32 percent from Gauteng, with declining numbers from the Northern and Eastern Transvaal.

Edwards told visitors to the Western Cape and KwaZulu Natal (61.5 percent) share the same economic profile, namely the A income group. This is in marked contrast to Gauteng which, as a domestic holiday destination, serves primarily the B and C income groups.

Gerhard Patzer, the chairman of the KwaZulu Natal Hotel Association and general manager of The Edward Hotel, which is currently undergoing extensive refurbishment, believes that without enormous growth potential, major hotel groups such as Kuros and Southern Sun would not commit millions to upgrading hotels.

He says that the overall average occupancy for the year is 70 percent, with July occupation figures well up on those during July. Thanks to the prime drawcard during this period, Ocean Action, with the International surfing event, the Gourmet 500, hotel occupancy rates were around 90 percent.

As a result, he says, hoteliers are seeing more frequent stays of shorter duration (two to three nights).

Major hotels expected to benefit from the city's focus on hosting sports events and its aim of becoming an international conference and exhibition venue.

Not only are Holiday Inn Crowne Plaza and the Edward sprucing up their conference facilities, but the city's International Conference Centre has provisional bookings between its September 1997 opening and 2000 which should deliver over R166 million in potential revenue to the city.

Emerging

Norman Wallace, general manager of the Holiday Inn Crowne Plaza, said all Holiday Inn hotels had done exceptionally well over the past six months with the South Beach Holiday Inn enjoying an average 90 percent occupancy rate.

Patzer said that Durban had looked to the A to B income white market in the past, but now needs to go for new markets such as the emerging black market.
Cape Town’s a wonderful place but...  

Survey lists visitors’ gripes  

JOHN YELD
Environment Reporter

Tourists using Cape Town’s public transport complain bitterly about the filthy condition of buses and, particularly, trains, the dirty station, poor service at nights and weekends, the lack of destinations on buses and unhelpful staff.

Visitors are also unimpressed with the Castle and the museums and a well-known wine estate has been slammed for asking an “exorbitant” R350-a-head for lunch.

Other dislikes include drivers, traffic, street children and beggars, air pollution, litter, poor service, local people’s attitudes, squatter camps and lack of safety and security.

These are among the findings of a survey of just fewer than 4000 visitors, conducted in May by Damelin school of travel and tourism students.

It was done in association with Cape Town to assess successes and failures in the local tourist industry.

Some visitors “poured their hearts out” to the interviewers in addition to answering questions, the introduction to the results document noted.

“The overwhelming feeling was a positive one, with some very big bums,” it stated.

Most of the visitors questioned—24 percent—were from South Africa, followed by 15 percent from the United Kingdom. Other large groups were from the Republic of China, Germany and Australia.

Most were here to visit family and friends, but other attractions included “a good place to start (and end)”, curiosity about the new South Africa, the Cape scenery, sporting events such as the Two Oceans Marathon, a romantic place for a second honeymoon and golf (although green fees were too high).

Asked what they liked most about Cape Town, many replied: “Everything.”

Specific nods of approval were given to the scenery and nature, wine and the winelands and the “ever-popular” Waterfront.

But there were many gripes about prices at the Waterfront which visitors said appeared aimed at “the dollar market”.

Other areas/facilities singled out for criticism included taxis, food outlets, dirty beaches, the cableway, queue, the World of Birds (“tatty and run-down”), the lack of signs for tourists and expensive car hire.

A conference organiser who is arranging an international event in Cape Town next year told an interviewer he was struggling because of the lack of facilities.

He was also appalled at a quote from Vergelegen wine estate for R350 a head for lunch for delegates.

The summary document commented: “This is not the image we want for Cape Town and certainly something must be done about this milking...”

An easy interpretation would be that—overall—tourists appeared happy with Cape Town and said they would return, the document said.

But the majority were coming here because of family and friends, not marketing campaigns.

The clean-up of the city and improved safety should take priority, and conference facilities needed to be improved dramatically.

Poor public transport and road congestion were the largest headache.
OLYMPIC BID

Try, try again

A concerted attempt is being made to restore credibility to SA’s proposed bid to host the 2004 Olympic Games. As CEO of the nonprofit company charged with managing the process, former banker Chris Ball — who left SA in the Eighties after falling from favour in the political climate of the time — faces a difficult task. But he is setting about it with a will.

Part of the problem he inherits is that in the wake of complex disputes between the National Olympic Committee of SA (Nocsaa), Cape Town officials, and the private sector in the form of the ebullient and outspoken Raymond Ackerman, public opinion turned against the idea of hosting the Games. In Cape Town — the designated host city — it was felt that the costs of the bid were disproportionate to potential gains.

The bid company is in the process of securing unpaid volunteers for its management team — which thus far includes Ronnie Kingwill (an Eskom executive seconded to assist the Western Cape Premier with RDP projects), Deni Madzunya (MD of IBM Logistics), Peter de Tolly (deputy city planner with the Cape Town City Council), Michael Fuller (regional director of Ernst & Young), Robbie Stewart (who spearheaded Durban’s Olympic bid) and Neill Duffy (GM of an international sports management and marketing organisation).

Ball wants to make further staff appointments along affirmative action lines. The bid, he stresses, needs to be dissociated from parochial interests, not least its identification with Cape Town. He believes that benefits of the bid — and of its possible success in 1997 — will flow only if it is seen as a South African, and even African, effort. The SA bid logo — which contains the outline of Table Mountain — is accordingly being scrapped and a national emblem will be unveiled soon.

The logo issue is symbolic: Ball has released a document which sets out the following as among the important factors in generating renewed enthusiasm for the 2004 Games in SA:

- The co-operation of Nocsaa, Cape Town and the bid company has been secured. No individual’s fervour is perceived as being essential to the bid’s success;
- Costs for the bid are to be met through the sale to corporations of sponsorship rights, a process that is already under way;
- Public fears of escalating rates or other impacts should be averted — it is generally accepted now that previously quoted figures were too high;
- On this basis, the good will of Cape Town ratepayers, and others affected by the necessary expansion of infrastructure and facilities, stands a better chance of being obtained than before;
- The bid company will not commit Cape Town — or SA — to open-ended expenditure. Specific plans and proposals will be considered only when the bid has been accepted after 1997, assuming the International Olympic Committee gives the nod to SA;
- The Games could generate a surplus — if the accounting for the Sydney Olympics of 2000 is correct. The Olympic Games are big business now and the TV audience is expected to grow a lot over the next decade;
- Though such estimates are always open to question, Ball argues that preliminary economic analysis has shown that 75 000 permanent jobs would be created by holding the Games in SA; and...
- The 2004 Games could well prove a factor in the transformation of SA, on the analogy of the Rugby World Cup. This is an emotional argument that could help to bring private-sector sponsors and people in general back to support the idea.

These arguments — if they are adequately communicated to the nation and if there is no further squabbling — could help to repair some of the damage of the initial attempts to consolidate the bid.

But Ball will have to convince the business community the project is feasible and desirable. The fact that he once carried former President P.W. Botha’s emnity might well be a plus for him in the new SA but the business sector, which largely believed Ackerman was right for the job, must still be persuaded that Ball is the appropriate successor — and that the bid really does make economic sense.
Best in the West — best in the country!

WILLEM STEENKAMP
Staff Reporter

In a bid to make the Western Cape the prime South African tourist destination — locally and among international tourists — the province is to get a fully representative tourism board co-funded by the provincial government with a comprehensive brief to promote the region both locally and internationally.

The concept is the brainchild of Lampie Fick, Western Cape Agricultural, Planning and Tourism Minister, who believes it is time to draw together the fragmented bodies and organisations that are currently involved in the tourism industry.

"We would like to get away from a concept where everyone believes each is the king of their own little castle.

But that said, we also do not want to prescribe to people how they should act or get involved.

That is why I have been holding meetings in all the different regions in the province so that we can together work out a winning concept," he said.

The regions include the Overberg, Boland, Swartland, West Coast, Breede River, Garden Route, Cape Metropolis and Southern Cape.

Mr Fick said it had now become clear that the Cape needed a fully representative tourism board which would present all the different regions.

Each town in the different regions would, through its publicity association, nominate a regional representative who would serve on the provincial board.

Besides these nine representatives, the regional government would have three members on the board and other members would be from the private sector, including representatives from Fedhasa, the Transport Industry, Travel Agents, and the Restaurant Guild.

Mr Fick said he believed that the board should be co-funded — possibly on a 50-50 basis — by the province and other role players.

Although Satour was to become the national tourism marketing body promoting South Africa internationally, each province had unique tourist attractions and a board such as the one envisaged would market the Cape's unique attractions internationally as well.

Gordon Oliver, chief executive of Captour, said his organisation supported the idea of a Western Cape tourism board.

"Obviously we would want this board to be fully representative. It should draw in previously marginalised communities."

Mr Oliver warned, however, that representatives should not be appointed by the regional government but should be elected democratically.
Special events boost tourism

Theo Rawana

SA, buoyed by its successful hosting of the 1995 Rugby World Cup, had a number of major world events lined up for the next two years, and was making a bid for the UN conference on trade and development next year, the SA Tourism Board said at the weekend.

Satour deputy executive director Ernie Heath said events set to take place in SA included the Africa Cup of Nations soccer tournament, the karate world championships, the world underwater hockey championships, the EcoWorld congress and exhibition (to be held next year) and the world veterans games in 1997.

A foreign affairs source said the UN conference on trade and development, held every three years, had the potential to draw 3 500 people including delegates, secretaries, interpreters and other officials. The last conference was held in Latin America in 1995.

Heath said the marketing of special events had become vitally important in the effort to achieve growth in the tourism industry, and the rugby World Cup tournament was proof that the country was able to cope with major international events.

"The tournament has laid the base for the hosting of future events in SA. Satour therefore wholeheartedly supports the efforts of the Cape Town 2004 Olympic bid committee and we intend to increase our marketing of special events over the next 10 years. "Events such as the ones we have listed contribute significantly to the broader tourism promotion effort. Word of mouth has always been, and continues to be, a major tool in promoting tourism in SA. Moreover, delegates and spectators at special events spend more than the average tourist," Heath said.

It was in the interests of all tourism-related sectors for the promotion of special events to take place in a co-ordinated and holistic manner.

"In this regard, Satour's overseas offices will play a major role in the future," he said.

Meanwhile, Satour reports significant growth in all major tourism markets.

"All indications are that close on 950 000 overseas visitors can be expected to visit SA this year, representing growth of about 30% over last year. The challenge is to exceed the 1-million mark this year," said Heath.

This predicted growth was based on the premise that the security situation was brought under control and maintained, and that SA's tourism infrastructure was expanded, he said.

It also presumed that pricing strategies would remain competitive, that promotional activities were intensified and that Satour worked to achieve and maintain consumer satisfaction.

Heath said overseas visitors to SA totalled 418 712 in 1990, the figure came to 521 257 the next year, reaching 639 913 in 1992 and climbing to 619 508 in 1993. Last year 704 630 overseas visitors came to SA.

"In 1995 SA was ranked 54th in terms of the world's top destinations, but gained ground to be ranked 29th in 1996," he said.

Satour predicted that nearly 2.3 million overseas tourists could visit SA in the year 2000.
Major Tourism Plan for Cape Beach

WELCOME TO THE WEST COAST PLAN

Key Aspects of the Plan

1. Nature Conservation
2. Cultural Heritage
3. Recreational Facilities
4. Community Development

The Plan aims to create a balanced and sustainable tourism industry that respects the natural and cultural heritage of Cape Beach. It includes the development of new facilities and the enhancement of existing ones, while preserving the environment and enhancing the local community's well-being.

Cape Beach

(Plan Overview Diagram)
Road Lodge finds budget traveler niche

Excitement continues outside the first Road Lodge block near Johannesburg International Airport as the announcement that the hotel has joined the economy hotel movement is made.

The management director of City Lodge Hotels, citrus Road, Pieter Lourens, who initiated the plans, said "We believe that budget accommodation can be both comfortable and affordable, and we are excited to be part of a growing trend in the hospitality industry.

Our commitment is to provide quality services at an affordable price, and we look forward to welcoming more budget travelers to our establishment. We are confident that our unique approach will set us apart in the market.

In addition to providing basic amenities, we also aim to create a cozy and welcoming atmosphere for our guests.

The new development will be ready for occupancy soon, and we invite all budget travelers to experience the best of what we have to offer.

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By Martin Winters

NEW LODGINGS

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By Martin Winters
City Lodge set to hit the road

Amanda Vermeulen 190 2/8/96

CITY Lodge plans to invest R100m in its Road Lodge chain in the next five years, which will see at least 10 new hotels being developed around the country.

The group currently has nine City Lodges, four Town Lodges, five Courtyard developments and one Road Lodge. The first Road Lodge, which cost about R7.5m, was officially opened yesterday at the group’s 10th anniversary celebration.

Executive chairman Hans Enderle said Road Lodges were designed for travellers with low budgets. “The main differences between the Road Lodge and the City or Town Lodge are that they have fewer rooms, the rooms are smaller, and the price is lower.”

The group would develop two Road Lodges a year over the next five years in SA’s major cities, large towns, and industrial and tourism growth areas.

Enderle said the group’s first 10 years had laid the foundation for further expansion in SA, Africa and possibly overseas. He added that the hotel industry market was buoyant and should remain strong for the rest of the year.

But he said unacceptable high levels of crime and violence continued to be of major concern to the industry.

City Lodge acquired 50% of the Courtyard chain in April for R28m. At the time of the acquisition, Courtyard MD Paul Koop said new self-catering hotels in the chain would be developed this year in Johannesburg and Cape Town.

In City Lodge’s half-year to December, attributable earnings surged 57% to R10.4m following an upswing in economic activity and improving leisure and business travel.

City Lodge shares closed unchanged yesterday at R18.75.

The counter has come off its annual high of R24 in February, but is still up on its year low of R15.50, reached in August.
Preliminary of Adventura Resorts, just a rumor?

BACKGROUND ANALYSIS
'Little Foot' could mean big money

Paleo-tourism is the new buzzword after the discovery of the significance of 'Little Foot', report David Beresford and Eddie Koch

An office tucked away in a corner of the University of the Witwatersrand, a professor who looks disturbingly like Albert Einstein can be found dreaming of a new form of tourism — a grand tour of old bones on the dark continent.

Professor Philip Tobias is a scientist who has finally "come in from the cold". After nearly half a century suffering the contempt meted out to South Africa over apartheid, he has found himself at the centre of international acclaim over the discovery of four bones in a forgotten box on the campus.

The bones, dug up 17 years ago at Sterkfontein Caves, throw dramatic new light on human evolution — indicating that early man was a chimpanzee-like, tree-dwelling creature. The remains, of a person now known as "Little Foot", show that about 3.5 million years ago our ancestors had diverged, highly mobile feet capable of opening movement.

The discovery is a major development, not only for paleo-anthropology, but for South African scientists ostracised for decades because of their government's racist policies.

South Africa leapt to the forefront of evolutionary research 70 years ago when Professor Tobias's predecessor as head of the department of anatomy at the university, Raymond Dart, discovered the original "missing link" — the Taung skull — at the same Sterkfontein.

But with apartheid, the country's scientists fell victim to international ostracism, recovery from which has been signalled by the excitement over "Little Foot".

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Meanwhile, the National Parks Board has recently set up a "cultural conservation" desk. Media officer Rudolf van Graan says this reflects the increasing importance the organisation attaches to archaeological sites as an attraction for tourists.

The new Vhembe-Dongola National Park, inaugurated in June along the banks of the Limpopo River, is more important for its archaeology than its wildlife.

Some scientists believe the Limpopo River Valley is the seat of sub-Saharan civilization. The area is a treasure trove of archaeological remains, gold artifacts, beads and burial grounds which indicate the civilization that found its apogee at Great Zimbabwe 500 years ago and its origins there.

South Africa has incredibly rich archaeological resources that could potentially be developed further. The extraordinary thing about these resources is that they range over the whole course of human existence, from the earliest fossil hominids through to historical and colonial periods. Moreover, important sites are distributed throughout the country," says Andrew Sills, professor of archaeology at the University of Cape Town.

In Gauteng, Sterkfontein is an important site. However, South Africa has several major sites which have been reported to contain the earliest anatomically modern humans (that is, people indistinguishable from those living today): Border Cave, on the border of KwaZulu-Natal and Swaziland, and Klipspruit River Mouth, in the fertile Tzitzikamma Reserve on the Cape coast. The evidence here indicates a modern Homo sapiens first appeared in southern Africa at a time when Europe and the Middle East were still populated by Neanderthals, says Sills.

Them dry bones: Dr Ron Clark (left), who recognised the significance of the 'Little Foot' fossil remains which people and animals fell, died and were preserved.

The international recognition given to the "Little Foot" discovery has prompted a new ambition in Professor Tobias, to develop what he calls "paleo-tourism": "If we could work a deal with our pan-African cousins, it could be a grand tour of the world's greatest sites bearing on the evolution of man," dreams the paleo-anthropologist who has finally come in from the cold.

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Construction to cost R1,5 bn

CAPE TOWN is set to surge when millions of rands pour in for the planned construction of four five-star hotels — adding a boost to the city’s Olympic bid.

Rod Young, the city’s development co-ordinator, said that, excluding the V & A Waterfront, the proposal for the power station development was the most exciting project in the city since the Golden Acre was developed in the mid-’70s.

At the same time, Saturday Argus has learnt that the contract between Transnet Pension Fund and Sun International for a R240 million five-star international hotel has been concluded.

A spokesman for Sun International said the finer details of the hotel would be released within weeks. It is believed the design of the hotel will fit in closely with the Victorian facades of the Waterfront.

Marshall Finlay, managing director of Finlay and Associates, property consultants to the Icser Pension Fund, confirmed that negotiations were underway with the Waterfront for the building of a prestige Hyatt five-star international hotel in the area.

As far as could be established, the Icser Pension Fund will put up the money for the development. The hotel would cost about R200 million.

Maureen Thomson, spokesman for the Waterfront, said negotiations were underway with several international hotel groups that were keen to open hotels at the Waterfront.

“Currently, we have four hotels in the Waterfront and market research has shown that we could operate between seven and eight hotels in the area without detrimentally affecting the business of other hotels in Cape Town.”

“With this in mind, there is little doubt that a few more hotels will be built in the area within the future.”

The Milnerton municipality also has called for proposals for the development of a section of land at the Milnerton lagoon mouth and it is believed that the development of an upmarket hotel in the area may receive the go-ahead.
POLICE ‘HAD TO ACT ON COMPLAINTS’

Defiant wine seller held for Sunday sale

A WATERFRONT wine shop owner who has openly defied the prohibition on selling wine on Sundays was arrested in his shop yesterday. LYNNETTE JOHNS reports.

THE Department of Trade and Industry had wine merchant Mr Vaughan Johnson arrested in his Waterfront shop yesterday for trading on a Sunday.

Vaughan Johnson’s Wine Shop was forced to close two weeks ago after police received a complaint that it was trading on a Sunday.

Last week the shop opened for Sunday trading without interference, but yesterday two plain-clothes policemen arrested Mr Johnson after buying a bottle of wine with marked notes.

They then produced a fax from the Department of Trade and Industry in Pretoria that said Mr Johnson was contravening the Liquor Act by trading on a Sunday.

The arresting officer, Detective Sergeant Grant Lamour, said he was acting on instructions from the Department of Trade and Industry.

Embarassing

Mr Clive Keegan, who heads the local economic affairs committee, was in the shop at the time and said it was “one of the most embarrassing things I have ever walked into”, as the shop was filled with tourists.

Mr Johnson said that if the Department of Trade and Industry wanted the economy to flourish it was going about it in a strange way.

He had employed three extra people to deal with Sunday trading and may now have to let them go.

An American tourist, Mr Pat O’Brien, who had come to the Waterfront specially to buy a bottle of wine exclusive to the shop, said the situation was: “impossible and unrealistic”.

Police spokesman Colonel Raymond Dowd said the police had received numerous complaints and were bound to act on them.

“Mr Johnson is openly flouting the law and we are aware of his illegal activities. The number of complaints that were made is irrelevant,” Col Dowd said.

The customers were not in any danger of being arrested.

Mr Johnson was released on a warning and will appear in court today.
Minister ‘fuming’ over Sunday wine

MINISTER of Trade and Industry Mr Trevor Manuel yesterday ordered an urgent investigation into how his department had requested the arrest of Waterfront wine shop owner Mr Vaughan Johnson.

Mr Johnson was arrested for selling liquor on a Sunday.

"This is ridiculous. I am so angry about it," Mr Manuel said. "I did not know anything about it — and it does not have my support."

Mr Manuel said he was in favour of Sunday trading, but pointed out that the 1989 Liquor Act had not yet been amended.

"Technically they are acting within the law, but really... I would have hoped the Narcotics Bureau had something better to do."

Departmental sources said Mr Manuel was “fuming”, particularly because everyone in the department knew the Liquor Act was to be amended drastically, in particular to allow Sunday trading.

The police produced a fax from the Department of Trade and Industry which said that Mr Johnson was contravening the Liquor Act, and said they were acting on the instructions of the department.

The Liquor Act is also expected to be amended soon to allow corner stores to sell liquor, particularly wine and beer, as is the practice in most developed countries.

Mr Johnson has tried for more than three years to obtain Liquor Board approval to open on Sundays but has failed. In June he announced he would open his wine shop seven days a week.

Earlier this year, Mr Manuel wrote directly to Mr Johnson, stating his dissatisfaction with the norms applied by the Liquor Board.

Pick ‘n Pay joint managing director Mr Gareth Ackerman said yesterday the company had made representation to Mr Manuel about the Sunday Observance Act being unconstitutional. "We will be pursuing this," he said.

Regional police spokesman Colonel Raymond Dowd last night warned Mr Johnson that if he again traded on a Sunday he could lose his liquor licence.

"He’s openly flouting the law. If he continues selling liquor next weekend the same action will be taken against him."

Colon Dowd declined to name the Department of Trade and Industry official who complained to police about Mr Johnson trading on Sundays, saying that naming the official was "irrelevant".

Mr Johnson appeared briefly in the Magistrate’s Court yesterday in connection with contravening the liquor laws. The hearing was postponed to August 16.
Transun reins in its costs

Nicola Janver

DURBAN — Beverage, hotels and leisure company Transkei Sun International (Transun) grew attributable earnings 27% to R71.2m with earnings attributable to shareholders rising to 45.1c (35.9c) for the year to June after the company took measures to contain costs, chairman Peter Bacon said yesterday.

Turnover increased 16% to R286.5m and operating profit 27% to R99.4m through increased operating efficiencies. A R4.7m net interest income was earned during the year resulting from strong trading cash flows and delays in capital expenditure. The taxation charge, increasing from R24.7m to R32.8m, was based on the average of the SA and Transkei systems after the harmonising process announced by the finance ministry in March.

The company declared a final dividend of 20.3c (13.3c), bringing the year's total to 35c (26c).

"The group's balance sheet is extremely sound and the absence of external debt is seen as a positive factor for the year ahead," Bacon said. "The future of the group's casino licences has not been dealt with conclusively."

Bacon said the uncertainty surrounding the restructuring in the gaming industry made forecasting for the year ahead "particularly difficult. Despite this, acceptable growth in turnover and operating profit is expected. Attributable earnings are likely to be lower due to a significantly higher tax charge as a consequence of the full implementation of SA taxation legislation in the year ahead."

Centre of attraction... tour guide Abram Mofokeng, with some of the tourists he takes to Soweto.

Foreign tourists see ‘good, bad and ugly’ of Soweto

BY ABBEY MAKOE
SOWETO BUREAU

A group of six foreign visitors had just settled down in the packed minibus when the black man sitting behind the steering wheel broke the silence: “Welcome to our country. My name is Abraham Lincoln, died in America hundred and thirty years ago but born again in South Africa, fortunately in Soweto. That’s where we’re heading to, now.”

“Abraham”, whose real name is Abram Mofokeng (42), has been a tour guide in and around Johannesburg for five years. As his combi pulls out of the congested city centre and heads for Soweto, Mofokeng appeals to the four Britons, a German and a Swede: “If you look at my face, you will see that tall, blueish building. It’s called John Vorster, someone remember that name?” he asks.

“That’s where our brothers and sisters who opposed apartheid used to be held. However, the place became well-known as we were told that the opponents of the old government who were kept in police custody had slipped over a piece of soap, fell and died there,” he said.

As the combi reaches the edge of the township, Mofokeng stops at the entrance of a huge cow pound.

“This is Diepsloot cow pound. You see all those vehicles there were more than 2,000, they were stolen or hijacked elsewhere in the country and recovered here in Soweto.

“Now,” he stresses, “you’ll be lucky if you find your stolen car in there. Talk about corruption, the minute a car comes in its engine goes missing. They get stripped so fast some people are beginning to question the integrity of the police.”

Mofokeng also stopped at the Mandela squatter camp, in Diepsloot zone 4.

“This place was called this because it was established in 1990, shortly after Mandela’s release. The people occupied this land, it was vacant and they claimed they were repossessing their land. It was here that Mofokeng showed the group a rare double-storey tin house.

Gregor Zubicky, a Swedish visitor, remarked: “With the wind like this it must be hell inside that thing,” he says.

Mofokeng interjected: “Their food is miced with dust, I know because I myself live in a tin house in Dobsonville.”

Then Mofokeng revealed that the double-storey tin house was built recently and “I have given it until after August to see if it would still be intact.”

At the end of the trip, which Mofokeng refers to as “the good, the bad and the ugly of Soweto life”, the tour guide winds up with his usual quote: “Ladies and gentlemen it was my pleasure, and hoping that it was also your great pleasure, for this pleasure tour to be a pleasure.”
Sunbop's improved earnings offset poor first-half results

BY CHARLOTTE MATTHEWS

An improved second six months helped Sun International Bophuthatswana (Sunbop) to offset a poor first half and report a 5 percent improvement in earnings for the year to June to R249,0 million, compared with the same period last year.

In the first six months of the year profit dropped by 4 percent as a result of labour unrest and lower-than-expected December trading. However, operating profit in the second half grew by 20 percent and attributable earnings lifted by 18 percent.

Group turnover for the full year rose by 12 percent to R1,5 billion, on which operating profit rose by 4 percent to R319,7 million, showing operating margins down to 21,5 percent from 22 percent.

A slight increase in the interest bill was offset by a marginally lower tax rate. In the 1996 financial year income tax will become fully applicable as the tax system of the former TBVC states is combined with South Africa's. On earnings of 29c (1996) a share, the dividend was held at 13c.

The directors said occupancies in the second half of the year were sharply up at 72 percent compared with 57 percent in the same period last year. Sun City achieved an average occupancy of 78 percent.

The future of the casino licences held by the Sun International group are still to be negotiated. The report of the Lotteries and Gambling Board, submitted to government in mid-July, said that Sun International should negotiate with the provincial gaming boards, licensing authorities and the proposed National Gaming and Wagering Board.

Sunbop expects real growth in attributable earnings in the year ahead.
Violence levels delay shack hotel project

By Shirley Woodgate

Plans to launch "shack hotels" linked to shebeens in Soweto have been put on hold until there has been a significant drop in violence in the township.

The brainchild of David Mosapalo, chairman of the Southern African Taverners Association (Sata), the township experiment was due to get off the ground by mid-year but, despite the drop in political violence, organisers are still deterred by social violence which has not shown any signs of ending, he said.

Challenge

His concerns are backed by Sarour chief Dr Ernie Heath who said tourism was up by 60% for the first quarter of 1995 and a 35% overall increase for the year would bring almost a million foreign visitors to South Africa.

"The trends are positive but the key challenge is to ensure that the reality and the perception of personal safety are addressed, particularly as only 12 unfortunate incidents involving tourists were reported during the Rugby World Cup," he said.

Mosapalo said: "The original shack hotel plan was devised to help some of the 5,000 unlicensed shebeens which were simply not trading any more because of the violence.

"Tourist authorities endorsed the idea because it offered overseas tourists a chance to experience the top and the bottom ends of the market, and certain hotel groups have expressed interest in partnerships with the smaller operators.

But we cannot take the risk of international publicity which would blow the whole thing apart if just one tourist was killed in Soweto," he said.

Strict standards were being drawn up for participating shebeens and Sata had considered buying its own property to get a model going.

Visitors would be expected to "rough it a bit", but within reason, he added.

Mosapalo said people would experience the misery of the people in fairly primitive conditions, with their home comforts cut to a minimum.

They would be "adopted" by the host families and expected to live in fairly cramped backyard quarters, wash in drums and eat traditional food, including pap and beans, samp and offal.

Highlights

Individual packages were being considered at this stage, including a request from American-based Fun Safari, which has asked Fabtravel to organise a person-to-person homestay visit for 14 tourists coming to South Africa, Mosapalo said.

At present Sata is running day trips costing about R80 to the township, where the highlights are visits to several taverns, Parow Panthral Hospital, Avalon Cemetery and Regina Mundi Church.

Sata falls under the umbrellas of the Foundation for African Business and Consumer Services (Fabcos), one of the country's two major black business organisations, of which Mosapalo is secretary-general.
Pedestrian Sun results despite a turnaround

Marcia Klein

RESTORt and casino group Sun International Bophuthatswana (Sun Bop) turned in a pedestrian 5% rise in earnings to 200c: (198c: 198c) a share for the year to June as a sharply improved second half performance partly offset its poor first half showing after industrial unrest.

Turnover for the full year was 12% higher at R1,185m (R1,33m), while operating profit grew by just 4% to R319,7m (R308,9m).

Chairman Sol Kerzner said results in the second half “reflected a substantial improvement on the previous year” with 20% higher operating profit and 18% higher attributable earnings.

Occupancies of 73% over the second six months reflected a significant improvement over the 67% of the previous year.

Sun City had experienced strong demand and achieved an average occupancy of 78% in the second half.

Sun Bop’s average occupancy for the year was seven percentage points higher at 71%.

The marginal rise in the interest bill to R43m (R39,6m) — which mainly reflected rate increases — lifted pre-tax profit by 3% to R388,7m (R380,4m).

After lower taxation, attributable earnings increased by 5% to R249m from R236,2m.

Sun Bop declared a final dividend of 35c a share, enabling it to maintain its total dividend for the year at 132c a share.

The balance sheet and cash flow reflected a sharp decline in net borrowings and a reduction in gearing to 21% (25%).

Commenting on the gaming industry, Kerzner said the Gambling Board recommendations had dealt with the number of casinos to be permitted and the allocation by province, but had “not dealt conclusively with the future of the casino licences held by the group”.

The board recommended that Sun International negotiate with the boards and authorities “with a view to integrating these existing licences into the country’s new gaming dispensation”. Negotiations had not yet started.

Kerzner said that the harmonisation of the tax systems of the former homelands would be accomplished in a shorter period than expected. By next year SA income tax law would be fully applicable. The higher rate would apply in financial 1996.
Forum formed to discuss casino industry

Amanda Vermeulen

FIVE of the nine provinces have formed a negotiating forum to discuss ways to establish a viable casino industry in each region. Once central government decides on the allocation of licences to each province.

At a Pretoria news conference yesterday, Gauteng premier Tokyo Sexwale and Northwest premier Popo Molefe said the two provinces' cabinets had met to discuss the issue. The meeting follows industry speculation that Gauteng could be stripped of licences to boost poorer provinces which rely on gambling revenue.

The negotiating forum included the Eastern Transvaal, Northern Province, Gauteng, Northwest and the Free State.

Sexwale said the provinces urged government to finalise the number of licences for each province, but said the final decision on those licences and how they would be deployed would rest with the provinces.

Guidelines had been agreed on by the two premiers, including co-ordinating gambling policy between the provinces, the location of casinos, a ceiling on the number of licences in SA, and that government should have no stake in casinos.

Molefe said Northwest was looking at ways to scale down its 40% stake in Sun International. No decision had been reached, but it would be done in line with black economic empowerment goals.

Molefe also said the government of national unity could not be seen to act in a way that threatened the livelihood of 60 000 people in Northwest if it received only two licences, as proposed by the Lotteries and Gambling Board. It was therefore essential that it discuss licence allocations with the provinces.
Sun Ciskei lifts profit by 39% (288)
CT(JR)14/8/95
BY CHARLOTTE MULDER

Improved trading conditions, greater operating efficiencies and control of expenses lifted attributable profit from Sun International (Ciskei) by 39 percent to R$8.5 million in the year to June, compared with the same period last year.

Turnover grew by 19 percent to R189.9 million. This was carried mainly in the second half of the year, which was an improvement on the first half, the directors said.

Operating profit rose 42 percent to R$2.4 million.

Interest income grew by nearly R3 million, to R$4.7 million, as a result of stronger cash flow and the interest-rate hike, but this was partly offset by a higher tax rate.

The tax rate for the period was based on the average of the South African and Ciskeian tax rates. The two systems are in the process of being harmonised.

On earnings up 39 percent to 51.3c (36.5c) a share, a dividend of 34.6c (26.6c) was declared.

"Acceptable growth in turnover and operating profit were likely to be achieved despite the restructuring of the gaming industry," Sun Ciskei was to hold discussions with the gaming board, the directors said.
Private sector's tourism role

Nicole Jonsey

MARITZBURG — Considering the vast sums of foreign exchange earnings generated by tourism, businesses involved in the industry should benefit from government export incentives, portfolio committee chairman for economic affairs and tourism Alex Hamilton (IFP) said in the provincial legislature yesterday.

During discussion on a provincial tourism policy, Hamilton said although provincially KwaZulu-Natal could not offer the private sector incentives for investing in tourism, the issue should be lobbied at national level.

Mike Mabuyakhulu (ANC) seconded the lobby principle.

The draft policy document would be available for public comment once approved by economic affairs and tourism MEC Jacob Zuma and presented to the provincial cabinet.

Provincial legislation would be passed, possibly by year-end.

Presenting the document, provincial tourism director Ian Dixon said the KwaZulu-Natal government had to create an environment for promoting the industry.

This included setting policies, identifying prospective regions, initiating tourism-based programmes and lobbying private sector investment to ensure job creation and growth.

"Various members of provincial government must also be educated that tourism can benefit everyone within the region and is not just a eurocentric philosophy."

Dixon said provincial government should aim to tap into reconstruction and development programme (RDP) funding as an initial means of kickstarting KwaZulu-Natal’s tourism plans.

"Worldwide tourism generates $1.4 trillion in gross output and is responsible for 10.1% of world gross domestic product. KwaZulu-Natal must not lose sight of the role tourism plays in creating sustainable employment," Dixon said.

Special attention would be given to the vital role small, medium and microenterprises played in the tourism industry. Internationally tourism industries relied on individual entrepreneurs within communities for their success."
Rugby lifts City Lodge

Amanda Vermauwen

LIMITED services hotel group City Lodge was ex-
pected to report earnings growth of 40% to about 89c
a share in its year to June results, due for publication
tomorrow, analysts said yesterday.

The group's earnings growth would be based on a
strong showing during the rugby World Cup mouth,
and benefits accruing from the opening of two new
town Lodges.

Analysts said the hotel chain's acquisition of the
Courtyard self-catering hotel accommodation was
unlikely to have an impact in the 1996 financial year,
but should have a positive effect in the 1997 financial
year.

One obstacle to growth was the difficulty in acquir-
ing sites for further hotels.

The group said recently it planned to spend R100m on
building new road Lodges, the first of which was
opened this month.

One analyst said the
group's previous relation-
ship with the mines' pen-
sion fund, which had a mul-
tibillion-rand property
portfolio, might be a solu-
tion to finding sites.

The group's proposals to
expand the chain offshore
should be successful, as the
concept had worked well in
SA. The share was rated
highly by the investment
community, backed by its
strong upward growth pat-
tern since listing.

The decline in the share
price since February was
attributed to a consolidat-
ion and market correction.
Earnings for the half year
to December increased
57% to R10,4m.

City Lodge shares closed
unchanged at R21 yesterday, off its year-high in
February of R24 a share, but up on the annual low of
R18 in October.
City Lodge posts 51% rise in profit

BY CHARLOTTE MATHEWS

The post-election economic upswing and increased business and leisure travel contributed to a 51 percent surge in profit for City Lodge Hotels to R23.9 million in the year to June compared with the previous year.

The average room occupancy at City Lodge and Town Lodge hotels for the year was 81 percent (79 percent). The interest in The Courtyard was acquired only in April and the first Road Lodge was opened on August 1.

Turnover grew 28 percent to R92.5 million. On operating margins up to 49 percent (46 percent), operating profit was R45.2 million (R33.1 million).

On earnings of 95.3c (63.9c), on a slightly higher number of shares in issue, capitalisation shares or a final cash dividend of 26c a share are being offered, making a cash dividend of 40c (31.6c) for the year. Hans Enderle, City Lodge's executive chairman, said margins had benefited from the increase in occupancy levels. Overall, the group's margins tended to be high because it owned its own properties rather than leasing them.

If the group chose to sell and lease some of its properties — one of its options to free capital for expansion — margins would reduce.

Five new hotels a year were planned for the next five years — one City Lodge, one Town Lodge, one Courtyard and two Road Lodges. The costs of the new developments ranged from about R225 000 a suite at The Courtyard chain to about R75 000 a room for a Road Lodge.

The group was embarking on a R200 million project to upgrade City Lodge rooms to take into account business travellers' changing needs, said Clifford Ross, City Lodge's managing director.

Enderle said occupancy levels were expected to remain high this year although the level of crime was of major concern to the industry.
Tourism ‘is Cape’s most important job creator’

450 000 extra tourists annually predicted within three years

SABATA NGCAI
Staff Reporter

THE tourism industry is becoming the Western Cape’s most important generator of new jobs and provides the most visible vision of hope for a better future for millions of people.

So says regional Minister of Agriculture, Planning and Tourism Lampie Fick, who pointed out that the Western Cape — already the most important destination for foreign visitors to South Africa — could attract another 450 000 new tourists a year within three years.

He was speaking at the opening of the new Salt River offices of Ikapa Tours and Travel — a company he described as a shining example of entrepreneurial initiative which was contributing to the development of the tourism industry and economic growth in the region.

Tourism in the Western Cape was in the process of becoming “the single most important generator of new job opportunities,” said Mr Fick.

“With the growth of the tourism industry, we can expect to see a significant increase in the number of jobs created. This is crucial for our economy as it provides opportunities for people to earn a living and contribute to the overall growth of the region,” he said.

Mr Fick highlighted the importance of tourism in generating economic activity, providing employment opportunities, and contributing to the development of the region.

“The tourism industry is a key driver of economic growth and development in the region,” he said. “It is an industry that can be accessed by all and can provide opportunities for people to earn a living and contribute to the overall growth of the region.”

The company, which started operating in January last year with just two 60-seater semi-luxury coaches, now boasts a fleet of 15 60-seaters and two luxury minibuses.

Its first offices were a disused tennis clubhouse in Observatory. Its new offices are at a former milk depot.
Boost for City Lodge

Amanda Vermeulen

INCREASED travel and an improved economy boosted City Lodge Hotels' earnings 51% to R23.3m for the year to June 30.

Earnings per share increased 49% to 92.3c and total dividends of 40c (31.6c) were declared. The board plans to proceed with a capitalisation share award.

Turnover grew 38% to R52.3m, while operating profit grew 36% to R46.2m. Pre-tax profit was up 51% at R34.4m and taxed profit up 49% to R23.7m.

The average room occupancy rate for the City Lodge and Town Lodge hotels increased to 81% from 75% in the comparable period.
City Lodge profits rise

BY CHARLOTTE MATHEWS

The post-election economic upswing and increased business and leisure travel contributed to a 51% surge in profit for City Lodge Hotels to R29.9 million in the year to June compared with the previous year.

The average room occupancy at City Lodge and Town Lodge hotels for the year was 81% (75% percent). The interest in The Courtyard was acquired only in April and the first Road Lodge was opened on August 1.

Turnover grew 28 percent to R92.7 million. On operating margins up to 49 percent (46 percent), operating profit was R45.2 million (R33.1 million).

On earnings a share of 95.3c (83.9c), on a slightly higher number of shares in issue, capitalisation shares or a final cash dividend of 26c a share are being offered, making a cash dividend of 40c (31.6c) for the year.

Margins

Hans Enderle, City Lodge’s executive chairman, said margins had benefited from the increase in occupancy levels. Overall, the group’s margins tended to be high because it owned its own properties rather than leasing them.

If the group chose to sell and lease some of its properties margins would reduce.

Five new hotels a year were planned for the next five years — one City Lodge, one Town Lodge, one Courtyard and two Road Lodges.

The costs of the new developments ranged from about R225 000 a suite at The Courtyard chain to about R75 000 a room for a Road Lodge.

The group was embarking on a Room 2 000 project to upgrade City Lodge rooms to take into account business travellers’ changing needs, said Clifford Ross, City Lodge’s managing director.

Enderle said occupancy levels were expected to remain high this year.
83% tourist rise over six months

CLARE BISSEKER
STAFF REPORTER

TOURISM figures for South Africa increased by 83% in the first six months of the year, providing the first firm indication that the country was seeing the beginnings of the long-awaited tourism boom.

The Central Statistical Service announced yesterday that more than 500 000 foreign tourists entered South Africa through the country's three main airports in the first six months of the year.

The number of foreign tourists coming on holiday was up by 83% and the number of business visitors increased by 42% during that period.

Four fifths of the tourists came on holiday and the rest on business.

Capetour spokeswoman Ms Lauren de Wet said the figures provided the first real evidence of the tourism boom the industry had been expecting since the election.

However, she said it was too early to form the basis of a trend.

She pointed out that the figures compared the tourism climate in South Africa over the election slump to the period covering the Rugby World Cup, which attracted 25 000 people alone.

Prime season

Cape Chamber of Commerce and Industry deputy director Mr Albert Schutte said the real test was how tourism performed in the second half of the year compared with the second half of next year.

Protea Hotels sales and marketing director Mr Danny Breyer said an increase in tourism of between 25% and 40% could be expected over the next six months which was SA's prime tourism season.

He said there had been a noticeable increase in hotel occupancies since the election. The capacity for growth was vast and tourism increases far higher than 83% could be achieved.
Tourism boom as world discovers the Cape
Cape Point. The Cape's unique atmosphere makes it a world-beater. Say regional tourism matters, and rate higher.
Good growth report expected from leisure group Kersaf

Good LEISURE group Kersaf was expected to report earnings growth of 15% to 255c/280c a share for the year to June, but the contribution of unlisted assets was an unknown factor, analysts said at the weekend.

The group will publish its results tomorrow. The most significant contribution - about 40% - would come from SunBop, Sun International's (SI) operation in the former Bophuthatswana.

In SunBop's year to June, earnings increased only 5% to 209c a share due to industrial unrest, which offset a sharp improvement in the second half. SI's operations in the former Ciskei, SunCisk, posted a 39% increase in attributable earnings to R38.4m, while Transkei Sun, reported a 37% increase to R71.3m in the same period.

One analyst said, however, that the performance from the unlisted assets would have a marked effect on the 1995 financial year's results. Paradise Island, the Bahama island resort, had recently started making profit, after initial start-up losses.

Keen for a turnaround, analysts also expected to show a turnaround after a dismal showing. The other unknown was the management fee received by the group from the SI resorts and shipped offshore.

The value in the listed investments, which also included Interleisure and City Lodge, would provide a solid contribution, particularly City Lodge which last week maintained its earnings growth pattern by reporting an increase in earnings of 31%.

Despite uncertainty over the future of Kersaf's gambling interests under the proposed new gaming legislation, one analyst said market confidence in these operations was experiencing a resurgence, witnessed by the Sun Bop share price.

The gaming legislation was unlikely to have any major effect on Kersaf's share price in the short-term due to the lengthy process in promulgating the relevant laws.

Earnings growth for the next financial year should be in the same region - 15% - or better, analysts said.
Improved trading conditions lift Kersels' profit

SOUTH AFRICA'S NATIONAL FINANCIAL DAILY

BUSINESS REPORT

CAPE TIMES
Let province aid tourist trade

CLAIRE BISSEKER

PROVINCIAL Tourism Minister Mr Lampie Fick said yesterday he did not know enough to design a tourism policy for the province and instead proposed the creation of a provincial board to enable the industry to devise its own policy.

Mr Fick told about 100 members of the industry at a public meeting in Bellville that it would be disastrous for the government to design a tourism policy.

"The directorate should be the size of a match box. My approach would be to keep politicians as far away as possible from the tourism industry. It should manage itself. The ministry should provide the infrastructure and legislation the industry needs to implement the policy it has made itself," he said.

His office had designed a structure plan to revitalise and expand the role of publicity associations, which were the first line of contact with tourists.

All local authority-accredited publicity associations in the Western Cape would hold annual elections to choose about 10 regional representatives to sit on the provincial tourism board.

The board would be operational by April 1, 1996. Mr Fick suggested it be funded by the private sector and the government.

Some delegates argued for liaison forums or task teams to be set up to fine-tune the minister's structure plan so that the industry felt that it "owned the process".

Mr Fick said the forum they envisaged was contained in the plan. He refused to deviate from his time scale and had no intention of creating a multitude of forums "to be paralysed by consultation".

No humanity in attack
JOHANNESBURG. - A R205 million Malaysian-South African project to build the first Hilton hotel in South Africa has been announced in Sandton.

The Sandton Hilton is intended to provide world-class luxury accommodation.

Making the announcement, Amin Shah, known as the "Malaysian Onassis," said the construction would be undertaken by Cresta Investments Property Limited.

The hotel would be built in Rivonia Road and would provide 324 luxury rooms as well as a 650 sq m ballroom.

This venture signifies the beginning of a mutually beneficial partnership between Malaysia and South Africa on a cultural, political, and economic level.

As investors, we also hope to encourage the government in South Africa to assist us in our endeavours to promote development and job creation here," said Mr. Shah.

He said the company was looking at investing in property, engineering, agriculture, and shipping, but this depended on future co-operation between the two countries.

About 1,500 jobs would be created with the construction of the Sandton Hilton, he said.

Malaysia had chosen to join forces with a local company to benefit businesses locally.

Hilton operates 160 hotels in 50 countries.
Malaysian group looks to tourism

By ANDREW D'ANGELO

Tourism is about to take off in South Africa and will be the number one earner of revenue in this country, according to Ahmad Askandar, the operations executive of the Malaysian Seriing Group.

The Long-Island Hotel in Cape Town is the first of several substantial investments by the group in South Africa. It was formally opened by Mahathir Mohamad, the Malaysian prime minister, after a multimillion rand refurbishment which has upgraded the historic hotel and increased the number of rooms from 30 to 50.

In addition to the hotel, the group has opened a factory in Athlone which is already producing fruit juices and is about to diversify into assembling electronic goods including TV sets, VCRs and hi-fi.

Askandar said that the fruit juice would initially be sold on the domestic market but the group intended to expand them as production increased.

The group has also entered the middle-income housing market in Cape Town. It has completed a town-house development in Kensington and is about to start one in Ottery.

Plans are being drawn up for the development of a prime site in Hout Bay.

A more extensive up-market development of a 600-acre site in Blouberg is under negotiation, in which "it is our intention to inject new concepts and ideas".

Nasredin Arshad, the group managing director of Sering, said he did not consider South Africa a country with an uncertain future.

"Everywhere sure South Africa will be a stable and prosperous place, otherwise we would not have invested here."

"Crime is everywhere in the world. I do not consider it a deterrent to investment," Askandar said.

But he admitted that the South African work ethic had come as a surprise to him after looking after group investments in southeast Asia where, he joked, "people work a nine-day week."

He was confident that the South African attitude to productivity would change, but he did not expect this to happen overnight.

Askandar said the introduction of direct flights between South Africa and Kuala Lumpur by Malaysia Airlines had been a factor in encouraging investment and tourism from Malaysia.

Gordon Oliver, the chief executive of Western Cape tourism authority Captour, said investment and tourism from Malaysia were a "valuable addition to the economy".
Sun International to restructure

He said he could not comment on speculation that the restructuring could result in the delisting of one or more companies in the Sun International group.

The cautionary notice mentioned Sun International, Bophuthatswana, Sun International Ciskei, Sun International Transkei and Venda Sun.

According to analysts, the company was probably planning to combine Transun, Sun Ciskei and Sunbop into a single listing.

The vehicle was likely to be Sunbop because that company, with a market capitalisation of around R2.7 billion, was very much larger than the others. The advantage of a single listing was that it would combine the group's gambling licences rather than have some companies disadvantaged by holding fewer licences.

Another problem with the existing structure, analysts suggested, was that if the company wanted to apply for a gambling licence in an area where it was not yet represented, there might be some awkwardness in deciding which subsidiary should apply.

They said it was likely the recommendations of the Lotteries and Gambling Board would result in a decline in the number of gambling licences held by the group from the present 17 to at least 10.
Hotel occupancy levels surge in May

South Africa's hotels had a bumper May with room occupancy 28.5 percent higher than in May last year and income 30.7 percent higher, the Central Statistical Service reported.

However, there was considerable variation in the performance of various grades of hotels and between those in different locations.

Five-star hotels showed a 38.2 percent surge in room occupancy and a 38.7 percent increase in income. While four-star hotels did not have a similar rise in room occupancy their income jumped by 66.4 percent.

The income of three-star hotels rose 90.2 percent, while one and two-star hotels had a 86.6 percent rise, even though room occupancy rose only 18.3 percent.

However, no-star hotels without liquor licences experienced a 0.2 percent drop in revenue, even though room occupancy was up 21.1 percent.

Hotels in the Western Cape showed the biggest overall increase in business.

In Cape Town and the Boland, hotels experienced a 86.9 percent rise in room occupancy and an 81.3 percent increase in revenue.

Hotels in Gauteng, excluding Johannesburg and the East Rand, showed a 79.1 percent rise in income. The income of hotels in Johannesburg rose 27.6 percent. The figure for the East Rand was 56.7 percent.
Tourist figures rise — as Captour slashes staff

Staff Reporter

CAPTOUR is retrenching almost half of its staff — in spite of the tourism industry in the Western Cape showing strong signs of picking up.

Statistics for May released by the Central Statistical Service (CSS) showed hotels in Cape Town and the Winelands had the largest increase in bed occupancy as well as the largest increase in hotel income compared to the same month last year.

Captour chief executive officer Gordon Oliver said while he welcomed the growth in the industry it was ironic that as an organisation involved in the marketing of tourism in the region, it now had to retrench half its staff.

Earlier this year the Cape Town City Council decided to cut Captour’s budget by 90 percent, making it difficult for the organisation to continue working to its full potential.

However, the council has also offered Captour bridging finance of R1 million. This could be converted to a grant-in-aid if the organisation meets certain conditions, among them restructuring itself to become more representative, and seeking finance from sources outside of the Cape Town City Council.

Mr Oliver said Captour would re-organise itself to become a leaner and meaner organisation.

“We are cutting our staff down from 31 to 18 because of the budget cuts, but we will continue to serve the industry because although statistics indicate a certain amount of growth, we have still not reached our true potential.

“The figures for May were heavily influenced by the staging of the Rugby World Cup tournament in the country but preliminary figures for June, July and August also show an increase.

“These are the signs of the times and although we still do not have the tourism boom, things are looking brighter.” He said Captour had spent a lot of time marketing the Cape Town winter to Asian tourists, who wanted to spend their holidays in cooler climates.

The latest figures by the CSS show that the room-occupancy rate in the country’s 22 tourism regions was higher than May last year with the largest increase of 46.9 percent shown by Cape Town and the Winelands.

The region also had the largest increase in hotel income, up 81.3 percent compared with May 1994.

Five-star hotels got the biggest slice of the market and had increases of 38.2 percent and 54.2 percent in room and bed occupancy respectively, while one and two-star hotels showed the biggest increase in hotel income, up 86.8 percent.
observes that two key costs in the hotel business are labour and servicing capital, and the results for the year to June 1995 demonstrate efficiency in controlling them: Operating margins rose from 45.8% to 48.8% on turnover of R92.5m, up 28% on 1994’s annualised figures. Attributable profit jumped 51% to R23.9m, but net financing costs increased only 3.9% and gearing dropped to 21% (24%). The balance sheet shows a healthy cash balance of R11.1m (R4.3m).

Providing selected services of high quality has proved to be a winning strategy this far, and Enderle stresses their service excellence programme, which turns out friendly and accommodating staff. “The finances don’t work without this,” he says.

On August 1 — Swiss national day — the group celebrated its 10th anniversary in SA and the opening of its first Road Lodge, the budget-version sibling in the Lodge family. The group now runs 14 Lodges (nine City Lodges, four Town Lodges and the Road Lodge) comprising 1920 rooms and plans to raise its profile outside SA. Average occupancies rose to 81% (75%) against an industry average of about 54%.

Break-even point, which depends partly on financial structure, is near the 50% occupancy mark for the efficient City Lodge group, whereas the wider industry breaks even at about 62% occupancy — depending heavily on gearing.

In April, the group acquired a 50% holding in the Courtyard “suite hotels” and 100% of the management. The Courtyard fills the four-star slot in the City Lodge group. The five-hotel, 334-suite group operates in Bruma Lake, Rosebank, Sandton, Pretoria and Cape Town; international tourists make up more than 50% of the clientele. Occupancy rates range from 70% at Bruma Lake to more than 80% in Pretoria, which will gain 25 new suites this year. “We are delighted, and quite frankly excited, about Courtyard,” says Enderle.

The group is experiencing teething problems in the Cape, where it is still relatively unknown, but Enderle expects concerted promotion to amend that. The full effect of its contribution to profits will be apparent next year.

Enderle expects the group’s position as the leading selected services hotel group to be challenged by international entrants — mainly by franchise operations.

He perceives the risk of an oversupply in the four- and five-star hotel range in three or four years’ time, but considers City Lodge — in the best locations and offering outstanding service — “will compete favourably with them.” The group has contributed strongly to the 1995 profits of 44%-shareholder Kersaf, whose management must be congratulating themselves on their foresight.

On a multiple of 22.8, the counter’s fundamental strengths imply considerable residual value.

Margaret-Anne Healy
Better times ahead

As predicted by the faithful, Kersaf's performance to June 1995 improved substantially over last year. A much happier second half boosted final turnover 10% to R2.43bn and hoisted attributable profit 17% to R208.7m, though EPS grew only 12%, diluted by new shares issued to buy a holding in City Lodge.

Subsidary contributions to profit include R70m from Sun International's offshore operations, R113m from southern African interests and R16.3m from Interleisure.

The balance comes from Douglas Green, which executive chairman Buddy Hawton says "has turned into profit. There was a swing of R18m in the last year." Equity-

accounting City Lodge for the full year added R10.5m to income from associates. "City Lodge has turned out to be an outstanding acquisition. Its share price at the time was about R10 and it has doubled."

The group is emerging from a difficult period; the legacy of 1994's results can be seen in the share price, which dived in May 1994 and struck a low of R29 this June. It has since rallied to R34.50, partly on the results of its Suncisk and Transsun subsidiaries which pushed attributable earnings up almost 40% (Fox August 18).

Sunbop was disappointing, scarred by labour upheavals and resulting cancellations in the first half. "This is a fragile business," says Hawton. "Once bookings are lost, they can't be recaptured. A hotel room night is a perishable commodity." But prospects on several fronts are brighter for 1996.

Construction at Paradise Island in the Bahamas is complete and the write-offs have been taken. Hawton says occupancies in the second half averaged 87%; in July they hit 94%. "Trade is strong and things have gone much better than we thought," he says. Better room quality and service have also spurred an increase in the average room rate.

Negotiations on the gaming and leisure resort in Connecticut are almost complete. The process of obtaining authorisation and funding is extremely complex, says Hawton, because the land belongs to the Mohican Indians. Sun International Hotels Ltd, listed on the US's Nasdaq, is teaming up with US institutional investors on the project, which will cost US$250-$265m and from which Kersaf will draw a profit share.

If all goes smoothly, those profits should start streaming in by late 1997.

At home, the vexatious matter of gaming licences continues to fan uncertainty. Hawton believes there has been a "gross over-estimation of the potential tax take from gambling and people will be very disappointed." He expects some expansion of the market, but, considering the levels of disposable income, "there will not be billions."

Tax harmonisation between SA and the homelands, which will take place this year instead of being phased in over three to five years, will hit profits at the Sun International subsidiaries in 1996 -- but rather the short, sharp shock that leaves the books clear for the future.

The share, on a multiple of 14.8, is looking inexpensive and starting to show evidence of its intrinsic value.  Margaret Anne Halt
Games ‘must have public support’

Staff Reporter

THE Olympic Games were South Africa’s single greatest economic opportunity, but a lack of public support could ruin Cape Town’s chances to host the event in 2004.

Speaking at a Cape Town Press Club meeting, Chris Ball, chief executive officer of the Olympic Bid Committee, warned that the greatest threat to the Olympics was an unenthusiastic public.

The Olympics should be a national priority but "we like to knock ourselves continually".

"The worst enemies of the bid are South Africans," he told hundreds of representatives of the Press at the meeting at the Cape Sun hotel.

Through serious and thorough management the Olympics would have a sound profitable impact on Cape Town and further the needs of the people of the city as opposed to being a burden for ratepayers.

"Cape Town was ‘unique — one of nature’s masterpieces and a perfect setting for the hosting of Africa’s first Olympic Games’.

The Games would also have a major impact on the economy of the Western Cape and South Africa.

"The one thing that is missing is the support of South Africans," he said.

Mr Ball said the committee planned to change public opinion before January "from a negative position, to a neutral position, to a positive situation".

Cape Town’s bid suffered a serious setback earlier this year when infighting broke out between former Olympic bid chief executive officer Raymond Ackerman, the National Olympic Committee of South Africa and Cape Town City Council.

This was resolved in June with the appointment of Mr Ball, also head of the South African Housing Trust and former head of First National Bank.

Mr Ball said the Olympics would be profitable because television and sponsorship rights would be sold in advance before planning the costs.

He said the impact of the Games would be 10 times the cost.

In response to a question, he said a referendum in Cape Town about the issue would be premature because residents were "not properly informed at this stage”.

Mr Ball said the committee had to prepare a proposal by August 15 next year and submit it to the International Olympic Committee for a decision by September 1997.

With the exception of a war, the Olympic event was the most difficult logistical exercise there was, he said.

Four hotels were on the drawing board for the Waterfront and there was a proposal for six hotels to be built at Wingfield.
Tourism awaits its boom

THE hotel and tourist industry is bracing itself for a record year of foreign visitors.

A target of 6.1 million for the year 1996—an all-time high—will be achieved this year if the current momentum continues, says Ernie Heath, Satour's deputy executive director.

Last year 714 000 foreigners visited South Africa. The number could rise by about 35% this year.

Dr Heath says while this growth is placing pressure on local infrastructure, it is also broadening the base of the participants and facilities that will benefit.

South Africa's main tourist market remains Europe, especially Britain, but growth areas include North America, the Far East and Scandinavia.

A Business Times survey of major hotel groups shows that foreign bookings for the summer are firm.

For example, both Southern Sun and Protea Hotels were fully booked last summer and expect the same to happen this season.

Some hotels warn that the days of SA holidaymakers arriving on the blind and finding rooms available are gone. They will now have to book in advance, especially for the Christmas season, but could still find good offers during certain periods.

Helder Pereira, Southern Sun's chief operating executive, expects booking styles in South Africa to change as foreign trade grows.

Fedhassa's Deon Viljoen says occupancy levels have risen by 12%-15% on average this year.

A number of groups say occupancies are running at over 70%.

Peter Bacon, Sun International's chairman, says occupancies at the Palace, Sun City, should be in the upper 80% range from now until early 1996. The group is now considering adding more rooms at Sun City.

More than 60% of the Palace's visitors are foreign and this could rise to 80% in the future.

This week two new Hilton Hotels, one in Sandton and another in Cape Town, were announced. However, Mr Pereira says the major growth area when it comes to foreign tourism is in three- and not five-star hotels.

This was proved by Rugby World Cup when 85% of visitors chose three-star hotels.

Observers say South Africa's high levels of crime remain the biggest inhibitor of growth in tourism.
Kersaf shuffles its deck as old bantustans change hands

KERSAF investments have been shuffling its deck this week. Interim results to June showed that a better second half helped it lift earnings 12%, making 25c a share on 10% higher turnover of R2.4-billion. At the same time Kersaf and Servgro, the joint controlling shareholders of entertainment group Interleisure, said they were looking at delisting it. Later in the week, Kersaf's major subsidiary, Sun International, issued a cautionary announcement which seems to be pointing to a restructuring of all the listed interests in the former TBVC states and the possible delisting of some of these interests.

Buddy Hawton, executive chairman of Kersaf, says at this stage Servgro and Kersaf are diverging Interleisure's delisting, but nothing has been resolved.

Mr Hawton says Sun International is looking at restructuring its interests, which still operate separately as Sun International Bophuthatswana, "Ciskei" and Transkei. But he gives no further details.

The reincorporation of these former homelands will put pressure on the group's tax in the coming year.

It appears from the results that the southern African interests did well, taking some analysts by surprise.

But Mr Hawton says international activities also did well.

Final spending on the Paradise Island resort in the Bahamas is around $143-million. Occupancies have been 'good' since it opened in January, averaging about 85% and the resort has essentially been trading in profit since it was reconfigured.

The group is still looking at a resort in Connecticut, but Mr Hawton says the complex deal as the resort will be on tribal trust land. The resort will cost around $250-million.

Sun International will be looking at possible expansion on undeveloped land which it owns in Bahamas and it is still considering a development in Israel.

This does not mean the group is starting to ignore southern Africa.

"We are going, together with partners, to remain aggressive as far as the southern African market is concerned. We would like to get into more gaming and resort facilities and we are hoping to announce shortly, subject to the conclusion of negotiations, a new five-star hotel in Cape Town. We intend making further applications for casino licences."

There is still some uncertainty about gaming licences in South Africa and how these will affect the group. International operations are going well, and in a strong currency. Growth is expected in the coming year.
Protea stands up to global competition

BY AUDREY D'ANGELO

Protea Hospitality Corporation, the hotel management group, was proving it was more than equal to competition from international groups, said chairman Otto Stehlik.

He told Business Report the company had won management contracts for hotels in other African countries in competition with groups from around the world. Its experience in Africa gave it an advantage over competitors used to doing business in Europe and America.

The group took over the management of the Grand Palm Hotel in Gabon from the Sheraton group in July.

Bernard Cassar, the regional director for Africa, said on Friday that although the new hotel complex in Egypt, the El Sokhna, had not yet been formally opened, it already had a good occupancy rate with South African and European guests staying there.

Cassar said the El Sokhna, with 54 rooms and 10 villas, was at the top end of the group's range and had done well since its soft opening earlier this year. The formal opening would be in October.

Work would start soon on the second phase of the project, when another 60 rooms and up to 200 more villas would be built on an adjacent site.

The El Sokhna is on the Red Sea, just over an hour's drive from Cairo. Cassar said tour operators, particularly from Italy, France, Germany and Russia, had shown great interest in the complex.

He said Egypt, Morocco and Tunisia were the most popular tourist destinations in Africa. The group was negotiating for contracts in all three countries as well as in Senegal.

Its hotel in Uganda was due to open in December, he said.
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Bernard Cassar, the regional director for Africa, said on Friday that although its new hotel complex in Egypt, the El Sokhna, had not yet been formally opened, it already had a good occupancy rate with South African and European guests staying there.

Cassar said the El Sokhna, with 24 rooms and 190 villas, was at the top end of the group's range and had done well since its soft opening earlier this year. The formal opening would be in October.

Work would start soon on the second phase of the project, when another 60 rooms and up to 200 more villas would be built on an adjacent site.

'The El Sokhna is on the Red Sea, just over an hour's drive from Cairo.'

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Protea's hotel in Uganda was due to open in December. Cassar said.
Tourism, travel as school subjects

BY ANITA ALLEN
SCIENCE WRITER

Encouraging South Africans to think tourism will get an exciting lift-off in a new initiative to introduce travel and tourism as a subject in schools.

The introduction of a pre-vocational course will be piloted at six Gauteng schools next year, with the intention of going national thereafter.

The innovative plan is the brainchild of Reach & Teach, the independent, not-for-profit education initiative funded by computer company IBM, and managed by a board of prominent South African educators.

The Travel and Tourism (T&T) programme as part of a national school curriculum is a direct response to the Reconstruction and Development Programme, says project manager, David Agar, who heads up a team which is responsible for the development of the curriculum.

In consultation with provincial education authorities and teacher organisations, the process of identifying the six pilot schools in the 15 school districts in Gauteng is under way.

English

In addition, the intention is to introduce the programme into adult training centres and within the T&T industry.

The programme in this initial phase will be in English, with the eventual aim of running it in all 11 official languages.

The programme must not be seen only as a T&T programme, Agar emphasises. "It is a service industry programme, which is using T&T as a vehicle. We chose T&T rather than any other service industry, because it has the potential to be the largest contributor to the Gross National Product - the biggest job creator and foreign exchange earner."

"Internationally one in nine jobs is linked to tourism. In South Africa the comparative figure is one in 15."

He points out that T&T is related to services - banking, catering, transport, etc - and introduces the principles, practices and underlying values of the industry, while at the same time being fun.

The programme is designed to help students relate to the workforce needs of industry in general, and more particularly, of the travel and tourism industry in their future lives, whether as hosts, policy-makers, direct participants in production, initiators, organisers, owners, managers or employees.

Cross-curricular

"Another thing is the cross-curricular approach - with history, geography, business economics, mathematics and so on," says Agar.

American Express in New York is the initial funder of the programme development, and the local industry partners currently are Avis Rent-a-Car, Budget Rent-a-Car, Fedex Group, Imperial Car Rental, Protea Hotels, Rent-A-Van, Safi Safari Game Reserve, SAA and Southern Sun group. It is hoped that further local partners can be found to enable activities to really take off.

Reach & Teach's board consists of CEO of Independent Development Trust Professor Mervyn Mehl as chairman; Stanley Louw, president of IBM International Foundation; Dr Neil McFarlane, headmaster of Sacred Heart College, Bryan Mehl, deputy chairman of HSG Ltd; Professor Wissman Nkululeko; Rolf Stump, president of the HSRC; and Phelwa Touwani, director for policy, research and evaluation of the Independent Examinations Board."
Cape Town gets set for R600m building boost

The original purchase price offered by CBC for the two sites had been R20 million, which was far higher than any offers received when the site was put out to tender. The highest offer then came from Murray & Roberts which tendered R9 million for one of the five demarcated sites.

Negotiations between the Cape Town city council and French construction group, Compagnie Generale de Batiment et de Construction (CBC), to build two five star hotels linked by a shopping galleria, and new headquarters for BP South Africa on a prime Cape Town CBD site, are close to fruition.

Construction of the project, which should see an investment of more than R600 million in the city and provide a major boost for the Cape construction industry, is expected to start early next year.

The two hectare power station site, owned by the city council, has been divided into five blocks. It was put out to tender late last year but attracted a "disappointing" response. This led the council to give the go-ahead to project co-ordinator Rod Young to negotiate other offers.

Young said that in terms of the deal, the council would dispose of two of the sub-divisional sites, totalling about 9,000m², to the French group.

"But in order to do so, the existing bulk on the site will have to be increased and we are now awaiting to hear from CBC exactly how much more bulk they will require so that we can advertise this as part of a public participation exercise. Obviously we will be looking for a higher price for the land proportionate to any increased bulk," said Young.

Proceeds raised from the sale of the two sites would wipe out all holding costs associated with the R6 million removal of the power station foundations, construction of the extension to Loop Street and landscaping on the site.

"These improvements will increase the value of the additional sites, including the two held by a private company, Deviland, and it would be in the city's interest to bank these sites until such time as the council can reap the benefit."

Young said that while CBC was a construction company, it had indicated that it would be using South African contractors and professionals.

"CBC has not made it clear how much of the development will be funded offshore but it usually takes a stake in its developments around the world. In addition, the Hilton hotel group, to develop one of the hotels on the site, has made it clear that it would finance its hotel with offshore funds."

He said while a Sheraton hotel had been mooted for the second five-star 300-room hotel on the site, it was possible that an eastern hotel group would come on board.
Joint plan to build 10 new five-star hotels in Africa

BY MAGGIE ROWLEY

A total of 10 new five-star hotels are planned for the next 10 to 15 years on a joint-venture basis between Inter-Continental and Southern Sun in sub-Saharan Africa.

Helder Pereira, the chief operating executive of Southern Sun, said it had "made no bones" that it would be going after casino licences within the country's borders but had also held discussions in a number of neighbouring countries including Namibia, Mozambique, Uganda and Tanzania.

A deal emerging from these negotiations at least one, if not more, new hotels in the sub-Saharan region were expected to be built in the next year or two.

In terms of Southern Sun's link-up with Inter-Continental, Southern Sun had put three of its hotels — the Cape Sun in Cape Town, the Sandton Sun in Johannesburg and the Beverley Hills in Umhlanga, Durban — under the combined new logo, while Inter-Continental had done the same for nine of its hotels in sub-Saharan Africa.

The three Southern Sun hotels were undergoing revamps, all the old signage was being replaced and the staff had been undergoing training ahead of the re-launch under the new logo of Inter-Continental on September 18.

The agreement between Southern Sun and Inter-Continental Hotels and Resorts — the world's largest five-star hotel chain — not only gained representation in South Africa for Inter-Continental but also gave Southern Sun access to Inter-Continental's global infrastructure, technology and branding.

All three South African hotels were already benefiting from the link-up with Inter-Continental's established international reservation system, Global II.

Pereira said that while Southern Sun could hold its own in the South African market, the link-up with Inter-Continental would make it more competitive in attracting international business travellers, particularly in view of other global hotel chains moving into South Africa.
Flying, tourism: partners in SA

BY MANOLO MTHEMBU

The integration of aviation and tourism will come under the spotlight at an international one-day conference to be opened by Transport Minister Mac Maharaj next week.

Overseas and local transport experts will give input on the need to integrate aviation and sustainable tourism in SA.

Sharing their experiences will be representatives from India, United Kingdom, New Zealand and Malaysia.

The conference in Johannesburg on September 7 is part of the campaign by the transport department to declare September “Transport Month”.

“This would raise awareness about the role of the industry in the development of SA economy,” said Transport Ministry spokesman Jodl-Ann Jones.

She said the growing interest in SA as a tourist destination has made the need “to review the most convenient means of getting to the country’s exotic destinations”.

“Given the vast distances that have to be travelled, air travel is often the chosen transport mode,” said Jones. “This, in turn, required careful examination of the aviation business in SA and its regional partners.”

Transport and Commissioner for Civil Aviation deputy director-general Japha Sait said unless aviation and tourism were integrated “there would be gloom in both industries”.

He was optimistic that the conference would be able to find ways to strengthen the relationship between aviation and tourism.

For more information about the conference contact Jones at (011) 864-9900.
An area which relies on its remoteness as an attraction is making slow progress developing eco-tourism, writes Greg Arde after visiting the area.

Tourism lags as RDP dallies
Fairest Cape’s grant reduced by half

MUNICIPAL REPORTER

THE Fairest Cape Association has had its usual annual grant from the Cape Metropolitan Council cut by half to R100,000.

But this decision may be revoked later. The council left an opening to increase the budget by recommending that "a contribution of at least R100,000 be made".

Mr. Chris Joubert said it was disappointing to hear that "our grant is cut in half", but the association was grateful for the R100,000.

Mr. Roger Hulley, deputy chairman of the Metro Council and former chief executive officer of Fairest Cape, said the association had received a grant of R180,000 from the Regional Services Council two years ago, and R200,000 last year. This year, the same amount had been asked for as last year.

The Cape Town Symphony Orchestra is to get R150,000 a year indefinitely, the council decided yesterday. The RSC finance committee had recommended it get R1 million over four years.
COUNCIL GRANT FOR OLYMPIC FIRM

The Cape Metropolitan Council (CMC) has found a legal way of providing the Olympic Bid company with a R1.25 million no-interest loan by giving it as a grant.

This follows a three-month impasse.

Deputy CMC Chairman Mr Roger Hudson said yesterday the council had decided in May to make 'bridging finance' available to the company.

However, there had been legal problems with this as the office of the minister of finance had to give its blessing.

The office did not want to do this as the government had not yet approved the new company's bid. This is expected to happen soon.
R1-m council aid for Captour

ANDREA WEISS, Municipal Reporter

UNCERTAINTY over the funding of Captour was settled today when the Cape Town City Council agreed to give the tourism organisation a R1 million grant.

This is to be coupled to a further R1 million as bridging finance — which could be converted to a grant provided Captour has made enough progress in restructuring itself and has approached other stakeholders for funding.

Captour will also be required to submit quarterly progress reports.

Although the majority of councillors voted in favour of the decision, some members expressed concern about the insecurity this was likely to cause.
Interleisure delisting talks end in failure

Amanda Vermeulen 31/8/95

INTERLEISURE’s delisting has been called off after parent companies Kersaf and Servgro failed to reach agreement with its minority shareholders, Sanlam, Old Mutual and the Anglo American Pension Fund.

Last week Kersaf, Interleisure and Servgro published a cautionary which said negotiations could lead to a possible delisting. Interleisure and Kersaf chairman Buddy Hawton said yesterday the negotiations had been initiated to find common ground between the shareholders regarding a possible delisting.

But the talks had been called off after failure to agree on the basis of the delisting. Hawton would not say whether the discussions had been fruitless because of a failure to reach a mutually acceptable offer to the minorities, but sources close to the company said one of the minority shareholders had rejected the offer price.

Hawton said it was unlikely that the talks would resume.

The low tradability of Interleisure’s shares and the group’s strong cash-generating ability were two of the reasons given for the negotiations to delist. Interleisure MD Mike Egan said the low tradability made the shares unattractive to institutions.

None of the other parties could comment on the suspension of the negotiations.