TRANSPORT, PRIVATE - GENERAL

1989

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Motorists don't like tolls on existing roads

By HERMAN FOURIE

SOUTH AFRICAN motorists don't mind paying to drive on good, safe, new roads, it seems, but they hate having to pay for existing roads.

According to a poll commissioned by the Automobile Association and taking in more than 20,000 respondents, 80 percent of motorists are willing to pay a toll on new roads while 73 percent said "no" to paying for existing roads.

Motorists in the Western Province tended to concur with this, although only 67 percent said they didn't mind paying, compared to the 79 percent elsewhere in South Africa.

WP motorists backing new toll roads are on par with the rest of the country with 80 percent saying "yes".

HIGHER PETROL PRICE

WP motorists against toll financing feel new or upgraded roads should be financed by increasing the petrol price (18 percent against 20 percent elsewhere); higher licence fees got the nod from 14.5 percent (16 percent elsewhere), but only 1.4 percent were in favour of higher income tax (against three percent elsewhere).

The motoring public at large is well aware that the country is short of cash but still feels the government should build more roads, since road users are already contributing through fuel levies, petrol taxes and licence fees.

More than 60 percent also said these fuel levies, taxes and licence fees should be used for roads and that the government should not use that money for other purposes.

Many said they would like to see the reinstatement of the defunct National Road Fund, a dedicated fund used solely for road building and maintenance.

MORE CONSISTENT

Motorists generally seem to want a more consistent toll fee structure. Whereas State toll roads were described as "cheap to reasonable", privatized toll roads are much too expensive, according to the users.

The Mooi River and Tugela toll plazas in Natal are rated the most expensive in contrast to Marlamhill (a State-run toll road) which is rated the cheapest of all.

The following suggestions and comments about road-funding were made by WP respondents:

"Leading licences on business trucks. I am opposed in principle to toll roads (tax) because toll roads have already been paid for in income tax or fuel levies and funds derived from income tax is spent on reform, making the motorist a target for government iniquity."

"Where will privatization take us? If the government abdicate on their responsibilities regarding the provision of a good road network..."

SURCHARGES

"Although we are taxed out of our socks, we may have to pay fractionally more income tax so as to pay for road maintenance and/or replacement. Additional surcharges can be levied on heavy vehicles."

"We are already being taxed to the hilt re roads, personal tax and petrol tax."

"We are paying all these. The government spending on useless projects is the problem."

Reasons given for travelling on the toll road were:

- Convenience 23 percent
- Time 20 percent
- Road standard 18 percent
- Safety 15 percent

Only nine percent rated congestion as a reason while cost was considered important by eight percent and emergency services by two percent.

A lot of WP motorists (79 percent) used toll roads mostly for holiday travel (66 percent elsewhere), with business travel second at 18 percent (30 percent elsewhere). Commuters made up 3 percent of the total (3.2 percent elsewhere).

The survey also shows that far fewer travellers used the alternative routes to toll roads: the Huguenot tunnel for instance was used by 24 percent of motorists polled, against two percent who bypassed it.
TAKING OFF: The Western Cape branch of the southern Africa block association, an organization with sections in every country in Africa, officially launched a new national campaign to end the AIDS pandemic in a festive note. Taxies will be painted a new shade of red, and a number of taxi drivers will be trained to prevent the spread of AIDS.

Johannesburg was selected by the organization as the launch site, and the event was attended by politicians, social workers, and taxi drivers from all over South Africa. The campaign aims to raise awareness and promote safe practices among taxi drivers and the public.

"We recognize the role that taxi drivers play in our society," said a representative of the organization. "By being at the forefront of transportation, they have a unique opportunity to make a difference." The campaign will include educational sessions, awareness campaigns, and the distribution of educational materials to taxi drivers.

The launch was attended by a number of dignitaries, including government officials and representatives from various sectors. The event was highlighted by a colorful display of paintings and a live performance by a local band. The atmosphere was lively, and the mood of the gathering was one of hope and determination.

"We are committed to ending AIDS in South Africa," said the chairman of the organization. "This campaign is a step in the right direction, and we are grateful for the support of all those present today." The event ended with a prayer for the well-being of all those affected by the pandemic, and a pledge to continue the fight against AIDS.
AIR TRANSPORT

Into the fray

Comair’s announcement that it has applied to the National Transport Commission (NTC) to operate three Boeing 737s in direct competition with SA Airways (SAA) on the Durban and Cape Town routes, has set the cat among the pigeons.

Comair has filed for a licence to operate four daily flights on the Johannesburg-Durban route and three flights to Cape Town.

Transport Affairs Minister Eli Louw recently invited private sector airlines to apply for licences to compete with SAA, in terms of government’s airline deregulation policy (Business May 12).

“The ball is now in the NTC’s court. Unless there are complaints from SAA, or alternative applications from other carriers, the NTC should decide within two to three months. After the licence is granted, we should be able to begin operating within the following 12 months,” says Comair MD Piet van Hoven.

Comair believes it could offer competitive services by August 1990. Although no jets have yet been bought, “arrangements have been made and good second-hand planes are available on the international market.”

Van Hoven adds that Comair has not negotiated with the SAA Pilots’ Association’s Air Crew Operating and Recruitment Network to provide pilots or aircrew.

“As things now stand, we will train our own pilots.”

Comair stresses it does not plan to start a price war, but will offer “improved services” to business travellers. “Economic services” will be offered to the general public.

Does SA’s air travel market warrant such high-level competition? Van Hoven thinks so. “SAA currently operates 15 daily flights between Johannesburg and Cape Town, as well as 14 flights on the Durban route. We project passenger growth of about 10% a year, which should provide for lucrative business, depending on our passenger load factor.”

Safair could soon make an alternative application for the two lucrative routes. Safair already operates a Boeing 707 as a non-scheduled air charter, mainly for troop movements.

“Comair’s application is the result of the minister’s recent invitation to the private sector. This is a step in the right direction, good for SA and also good for competition. Even with only two competitors, there will be competition. But the next logical question is: ‘Is this enough?’” says Safair executive chairman Piet van Aswegen.
Cape Town motorists escape controversial Third Party fines

Staff Reporter

CAPE TOWN traffic police have decided not to follow their zealous counterparts who are fining motorists in other parts of the country for not displaying Third Party tokens on their vehicles.

Legislation which makes the display of Third Party tokens on motor vehicle windshields unnecessary has been passed. However, it has not yet been Gazetted and is thus not "legal".

Cape Town traffic manager Mr. Wouter Smit said his department was no longer taking action against "offenders".

But Durban City police are among the authorities fining motorists.

A spokesman for the Durban Traffic police said it was an "awkward" situation as legislation still existed requiring the display of the tokens, "yet we are aware that this will be changed".

In fact, the legislation was passed on May 30 and makes token display unnecessary, retrospective to May 1. It is understood that the publication of the amended legislation will appear in the Government Gazette this week.

Mr. Johan Oosthuizen, manager of the old MVA fund (now known as the multilateral motor vehicle fund, or MMF) said in Pretoria that he regretted the attitude of the various traffic authorities.

**On cards:**

"They have known for some time that the amending legislation was on the cards," he said.

"In fact we wrote to all provincial traffic authorities earlier this year drawing their attention to the changes, so I am surprised that they have chosen to fine drivers," he said.

One Durban driver was fined R10 for not displaying a token while her car was parked on Durban's Victoria Embankment on May 16 and she has since received a follow-up notice urging her to pay the fine.

Advice from an Automobile Association spokesman is to discuss the matter with a public prosecutor before paying the fine or appearing in court.
whites owning "black" taxis is increasing.
A transport consultant says Sabta also felt that if the industry was deregulated over
night, "problems on the streets would have worsened.
"The man in the street isn't happy with what he sees - bad driving and frequent fatal accidents involving black taxis, Sabta felt it wrong to ignore those realities in the hope they would be sorted out by market forces," he says.
An important proposal in Louw's plan is that local taxi liaison committees be estab
lished immediately in metropolitan areas "to discuss and formulate solutions for problems
in the taxi industry at local level."
He also accepts the need for urgent measures to control entry of white-owned taxis
into services for black communities.

Qualified drivers
The White Paper proposed complete deregulation of all taxis with capacities of up to
16 people, demanding only that vehicles be roadworthy and driven by qualified, insured
drivers.
Sabta feared such a process would legalise thousands of illegal taxis, to the detriment of
its (legal) members.
It also argued complete deregulation would open the door to whites muscling in on
a service intended for blacks. Subsequent events are proving it right. The number of

Black taxis ... limited deregulation only
Taxi deregulation to be phased in

Transport Minister Eli Louw, who has instructed his department to submit a programme for implementation.

In a statement released in Cape Town yesterday, Mr Louw said he hoped the phasing in of deregulation over three years would remove the uncertainties in the taxi industry.

The recommendations were made by a committee comprising representatives from the department and the Southern African Black Taxi Association (SABA).

Liaison

Mr Louw said an important recommendation dealt with the formation of local taxi liaison committees in all the larger metropolitan areas to discuss and formulate solutions for problems at local level.

A second recommendation dealt with the criteria which had to be met for the recognition of a national taxi association.

These included the number of registered operators who were members of the association, the number and types of vehicles permit holders owned, the bona fide promotion of taxi operators' interests and a code of conduct.

A "complicated and sensitive issue" which demanded immediate attention was contained in a third recommendation, Mr Louw said. This dealt with measures to be applied to prevent undesirable practices regarding white owners of taxis which exclusively served the black community.

Mr Louw said the department would contribute R254,000 towards the SABA 2000 research project being carried out by the Council for Scientific and Industrial Research on SABA's behalf.
RECOMMENDATIONS on deregulation of the combi-taxi industry have been approved by Transport Minister Mr. E. Louw, who has instructed his department to submit a programme for implementation.

In a statement released in Cape Town yesterday, Mr Louw said he hoped the phasing in of deregulation over three years would remove uncertainties in the taxi industry.

The recommendations were made by a committee of representatives from the department and the Southern African Black Taxi Association (Sabta).

Among the recommendations mentioned by Mr Louw was the formation of local taxi liaison committees in the larger metropolitan areas to discuss and formulate solutions for problems at local level.

He said the department would soon have talks with universities and technikons on a training programme for small transport operators. — Sapa
Wave of minibus taxi accidents: Traffic chiefs act

By SHARKEY ISAACS
Staff Reporter

TRAFFIC chiefs in the Western Cape have set up a co-ordinating committee to deal with traffic problems caused by minibus taxis.

This was prompted by the results of a "shock" survey of minibus taxi accidents and a spate of "moving violations" involving taxis in the Peninsula.

The survey from January to March showed 22 people had died, 62 were injured seriously and 171 slightly in 819 taxi accidents within the first three months of the year.

Manager of the Cape Town City Council's traffic department Mr Wouter Smit was appointed committee chairman at a meeting of traffic authorities at the Cape Provincial Administration.

He said the committee was created as "a matter of urgency" to look in depth at taxi traffic problems.

The high number of violations by registered taxis as well as pirate taxis had caused concern.

"A common problem faced by all traffic departments is to trace ticketed drivers on numerous warrants of arrests for not appearing in court," Mr Smit said.

WARRANTS ISSUED

"About 2,000 arrest warrants are issued in Cape Town at any one time for traffic offenders who do not appear in court. We are having great difficulty tracing them.

The committee would communicate with taxi associations and traffic personnel, he said. "We will coordinate discussions in depth on how to address the problem."

While he believed there was a long-term need for driver training, the immediate need was to resolve problems through discussion with the respective taxi associations.

Mr Smit said the committee's first priority was to deal with driving violations and its second overloading and roadworthiness of vehicles.

"We hope these steps will also help to curb pirate operators because none of the pirate taxis are ever brought in for road-worthy tests."

Mr Smit said the Cape Town traffic department had set up a taxi section, which had to date run two courses for drivers and lectured them on effective road safety measures. He was very pleased with the response.
Strong surge in sales of buses and heavy trucks

By Sven Linsche

New vehicle sales in May showed a slight rise on the April figure, as corporate demand continues to offset dwindling sales to consumers.

Total vehicle sales during May were 29 297, a 1.7 percent rise on the 28 913 units sold in April and 2.5 percent up on the 28 563 recorded in May last year.

However, there is evidence that overall demand has tapered off, following the stringent economic curbs applied on credit finance in general and hire-purchase in particular.

Total sales for January to May were down by 1.7 percent at 144 018 units compared with 146 628 notched up during the same period last year.

EXPECTATIONS

The sales figures are very much in line with industry expectations.

In a statement, accompanying the May results, Naamsa said: "The restrictive monetary and fiscal measures designed to cool the economy could be expected to retard the pace of domestic expenditure in the economy and the impact of the various measures will be felt by the motor vehicle manufacturing industry during the second half of 1989."

Current new vehicle sales projections continue to provide for a decline of about five percent during 1989.

During May, new car sales were almost static, registering only a 0.3 percent increase to 18,616 compared with 18,557 sales in the previous month. For the period January to May, the overall figure of 82,911 was 2.4 percent lower on the 85,206 recorded during the same period in 1988.

STATIC TRENDS

The same trend was evident in sales of light commercial vehicles, which were were almost static at 9,383 from April to May, while the 45,760 units sold during the first five months of the year was very close to last year's 45,648.

Naamsa forecasts a modest three percent decline for the sector's sales this year.

Medium commercial vehicles and heavy trucks and buses showed surprising increases of 23 percent and 27 percent from April to May, but Naamsa anticipates that sales in this category will remain at similar levels to those achieved last year.
Minibus taxi operators pledge to improve industry

By SHARKEY ISAACS
Staff Reporter

BLACK taxi operators in the Western Cape say they will improve the industry and will work with a joint co-ordinating committee established by traffic departments.

The formation of the committee has extended existing liaison between the taxi association and the Cape Town traffic department to other traffic departments.

The committee was formed after a "shock" survey of minibus taxi accidents and a spate of "moving road violations" in the Cape Town area.

819 ACCIDENTS

The survey showed that 22 people had died, 42 had been seriously injured and 171 slightly injured in 819 minibus accidents in the first three months of this year.

Mr Basil Nagel, chairman of the Western Cape wing of the Southern African Black Taxi Association, said: "We will be working in conjunction with the committee to improve the industry and its image."

The prime responsibility of a taxi-driver was the safety of his passengers.

"We have had very good liaison with the Cape Town traffic department and all 10 taxi associations in the municipal area have discussed and accepted a code of conduct," Mr Nagel said.

Members were encouraged to adhere to the code.

Mr Nagel said he was pleased with the response from taxi operators and their drivers in attending driving courses and a lecture by the traffic department.

Taxi-owners and operators had supported driver-training courses because they were beneficial to the trade.

Although some operators had reservations in giving their drivers time off to attend the courses, it had been considered "a worthwhile sacrifice", Mr Nagel said.

Every trade had staff training seminars and the taxi industry was also thinking along these lines.

The association, however, had no control over the drivers of unregistered pirate taxis.

ENFORCE LAW

The public was inclined to paint everybody with the same brush even if a vehicle involved in one unfortunate incident or accident might be a pirate taxi.

According to a recent traffic department report to the City Council's utilities and works committee, there were 2,200 registered taxis in Cape Town and about 1,200 pirate taxis.
Now Sabta has a say in running the taxi business

BY HILARY JOFFE

THE Southern African Black Taxi Association this week claimed victory in its quest for recognition by the government.

This follows an announcement by Minister of Transport Affairs Elie Louw that he had approved recommendations made by a committee comprising Department of Transport and Sabta representatives.

Sabta, which says it represents 65 000 drivers and owners through nine regional affiliates, has won for itself a key role in regulating the black taxi industry, since the recommendations address the association's fears about deregulation.

Sabta has opposed government proposals to deregulate the industry which it fears will be taken over by white entrepreneurs who have greater access to capital. The association recently estimated up to 45 percent of the taxis were white-owned, said a Sabta representative, although the Department of Transport pointed out there are no accurate figures.

The committee's recommendations included:
- The formation of local taxi liaison committees;
- Measures to prevent white taxi owners taking over the industry;
- The formation of a national ethics enforcement committee;
- Criteria for government recognition of taxi associations.

Sabta welcomed the Department of Transport's intention to make measures to prevent undesirable practices regarding white taxi owners' overtaking the black taxi industry, the association said this week.

Department of Transport deputy director-general Louis Kluver told Weekly Mail that it was impossible for his department to make rules which would stop white money buying black taxis. "We can't impose reverse discrimination," he said.

But he said there were practical recommendations which the committee had made. For example, owners' names could be displayed on the taxis and "the decision would be left in the hands of the client". He added that local road transport boards, which grant permits, could give preference to black operators.

Department of Transport estimates put the total number of minibus-taxis at around 60 000, of which 45 000 to 50 000 are operating legally, Kluver said.

Sabta said its office bearers would play an important role in "legalising the country's pirate taxis" with the coming of deregulation.

It said once the proposed national ethics enforcement committee was established, taxi drivers who were reckless or abused passengers stood to lose their driving permits.

Kluver said his department wanted to try to use the taxi associations to establish discipline and standards of practice.

He said there had to be a single code of conduct and the Department of Transport would only recognise associations which adhered to it.

The present Road Transportation Act regulates entry into the market on the basis of economic considerations, primarily whether there is a need for the service. The new policy, already embodied in part in this year's Road Traffic Act and contained in the Passenger Transportation Bill due to go before parliament next year, makes entry much easier. Operators are required only to have roadworthy vehicles, proper driving permits and insurance, Kluver said.

Taxi operators would still have to have a base from which to operate — and that's where the liaison committees fit in. It's intended these will include representatives of local authorities, including police and traffic police, and of taxi associations and would, for example, negotiate over the size and location of taxi ranks.
Cops plan big blitz on minibus taxis

By TYRONE SEALE
Weekend Argus Reporter

MINIBUS taxi-drivers can expect tough action against driving violations and unroadworthy vehicles in the next few months in a fresh clampdown by traffic authorities.

Cape Town traffic chief Mr Wouter Smit said yesterday that authorities in the Western Cape would randomly check the estimated 3 500 minibus taxis in the region to make sure drivers and their vehicles complied with legal requirements.

The blitzes would take place in the Peninsula as well as the Boland.

The Cape Town traffic department was creating a computer record to keep track of specific registered and unregistered drivers' movements and records.

“Our main concern is to deal with driver behaviour and the condition of taxis long before we get to things like licences and permits.

“We have already started an investigation into the tyres taxi operators are using, because a large number of accidents seem to stem from defective tyres.

“We will follow this up with a thorough discussion and investigation into the conversion of 10-seater vehicles to 15-seaters. This is a big problem.”

Mr Smit's announcement came days after Western Cape traffic chiefs set up a co-ordinating committee to deal with traffic problems caused by taxis.

27 accidents a day

This followed a survey which showed that between January and March minibus taxis were involved in 27 accidents a day.
In this period 22 people died, 42 were injured seriously and 171 slightly.

Mr Smit said that while pushing for stricter law enforcement the co-ordinating committee would continue to discuss ways of making taxis safer with operators and their organisations.

His announcement was welcomed by the Western Cape wing of the Southern African Black Taxi Association (Saba) and the recently formed International Taxi Association (ITA).

“Sabta executive member Mr Basel Nagel said stricter law enforcement should accompany a campaign to educate taxi drivers. Motoring businesses and the taxi industry should fund such a campaign.”

ITA marketing director Mr André Ferreira said: “There's nothing wrong with the clampdown, but it is important to educate the drivers.

“Taxi organisations should get together and work out uniform controls for the industry without losing their specific identities.”
Traffic chief gunning for the taxi ‘cowboys’

By SHARKEY ISAACS, Staff Reporter

"COWBOY" drivers are to be purged from the ranks of minibus taxi operators in the Western Cape by Cape Town's traffic chief, Mr Wouter Smit, to help ensure the safety of commuters and all other road-users.

Mr Smit is chairman of a co-ordinating committee of traffic authorities in Cape Town and the Boland created to deal with taxi problems.

The committee was established after a survey showed 22 people had died, 42 others had been seriously injured and 171 slightly injured in 819 minibus accidents within the first three months of the year.

This was an average of 27 taxi-related accidents a day.

Mr Smit said: "The prime duty of the committee is to encourage drivers to obey the rules of the road."

**Courtesy code**

"A courtesy code of conduct for drivers has been accepted by taxi associations in the city's municipal area.

Outlining "get tough measures", Mr Smit said one of the first priorities would be a computer data bank compilation of drivers wanted on "outstanding" arrest warrants for failing to appear in court on alleged road violations.

"We have great difficulty tracing drivers."

"After being ticketed they often move from Cape Town to work in Bellville or Boland towns like Worcester."

In Cape Town, about 2,000 warrants were out at any one time for traffic offenders who had failed to appear in court.

**Roadworthy campaigns**

There were about 3,500 registered taxi operators and more than 1,000 pirate operators in Cape Town.

Roadworthiness campaigns and regular inspections of taxi documentation reduce the pirate taxi problem.

Other steps to be discussed were:

- The need for a special "lookout" for defective tyres during vehicle inspections as these were believed to be one of the major causes of accidents;
- The education of drivers on the hazards of overloading;
- An education programme on road safety through the media; and
- The extension to other areas of the Cape Town traffic department's taxi driver training programmes. This would, if possible, be done with help of private sector sponsors.

The committee was "fully aware that the minibus taxi service is here to stay".
Separate listing plans for Imperial's trading division

THE Imperial Group plans a separate listing of its newly established trading division, Imphold, offering shareholders another investment vehicle.

Imphold will hold the trading assets of the group's car rental, truck systems and motor trading operations.

The new company will be financed by reducing the group's share premium account by R11.6m and awarding Imperial shareholders an additional 100 shares each in Imphold for every 100 held.

UAI Merchant Bank, which structured the deal, says Imperial shareholders will receive a holding in Imphold equivalent to, and in addition to, their Imperial holdings.

One share in pyramidal company Imperial will be equal in value to approximately three Imphold shares.

EDWARD WEST

Once the transaction is complete, Imperial will hold 75% of the issued share capital of Imphold, and the public 25%.

Before the reduction in its share premium account, Imperial forecasts earnings for the year to June 30 of 28.6c a share. Management forecasts a final dividend of 21.8c a share for the year. This means Imperial's total dividend for the year is forecast to be 49.8c a share, almost 60% higher than the 28.6c achieved a year ago.

Earnings

Imphold would have pro forma earnings of 24.5c a share on the basis of forecast earnings of 9.9c a share for Imperial, MD Bill Lynch points out.

When this is coupled with Imperial's earnings of 74.7c a share (on reduced share capital) it leaves the Imperial shareholder in the same financial position as before the listing, except he now has two listings in place of one.

The forecast final dividends of the two companies are 18.8c a share for Imperial and 5.5c as share for Imphold. Shareholders would receive the same income (21.8c an Imperial share) had Imperial's share capital not been reduced.

"Our shares are tightly held and nobody seems to want to relinquish their holding. We are hoping that with the second listing, and yet with control secure, shares tradability will improve," said joint MD Stephen Adamson.

An Imperial shareholders meeting will be held on June 6 to approve the capital reduction. Imphold's shares are expected to be listed on the JSE on Monday, July 17.
Somerset West gets tough on taxis, reckless driving

By MICHAEL DOMAN
False Bay Bureau

A FATAL accident involving a minibus taxi outside the Somerset West municipal building has prompted the local council into studying all aspects of the taxi industry.

Two Macassar residents, Mr Janie Roberts, 30, and Mr Gerald Pietersen, 29, who were in the taxi, died when it collided with a car at the corner of Andries Pretorius and Victoria Street about 7am on Sunday.

Mrs Susanna Wetton, 26, and Miss Cindy Cloete, 18, both of Somerset West, were seriously injured.

The town clerk and the chief traffic officer will meet a Somerset West magistrate this week to discuss the revision of fines applicable to reckless driving and the overloading of vehicles.

Regular checks on roadworthiness will now be made, in addition to compulsory roadworthy tests for public vehicles every six months.

In a Press statement, Somerset West Mayor Christopher Cohen said scores of people had called the council to complain about the road behaviour of taxi-drivers in general and the fatal accident in particular.

Mr Cohen said present legislation dealing with taxis in the municipal area would be examined to ascertain whether measures were satisfactory or whether new laws should be introduced in the interests of greater road safety for the public.

"Reckless driving is a serious offence and action will be taken not only where taxi-drivers are involved, but to include all drivers who drive recklessly on a public road," he said.
Road Safety Council warns of taxi 'carnage'

The Argus Correspondent

PRETORIA.—The National Road Safety Council has fired a broadside at the black taxi industry.

It says the taxi operator "only obeys the traffic laws when he knows there is a strong chance he will be punished if he violates them" and that "fouling road traffic signs is the order of the day, barrier and lane lines are flouted at will, and overloading is common".

These are among a large number of complaints which the council has published in its latest publication, Robot.

It adds that the industry, which it estimates has between 40 000 and 100 000 legal and pirate operators, has outstripped the number of traffic officers and law enforcement officers needed to control it.

Taxi drivers are accused of warning each other about speed traps, only a few obey speed limits, and little use is made of indicators.

The council says it believes that the reasons why "these life-endangering offenses" are committed is because the industry is highly dependent on the number of people that can be transported during peak hours and that the provision for traffic officers has not kept pace.

It says supervision and education was necessary "if we want to avoid total carnage on our roads".

The number of traffic officers had to be drastically increased, "not necessarily to carry out prosecutions but to be seen to offer help".

It adds: "It has been proven repeatedly that the minibus operator or driver only obeys the traffic laws when he knows there is a strong chance he will be punished if he violates them."

The council commends the South African Black Taxi Association for trying to improve safety standards, "but it has a long way to go before it can directly influence all operators — as it is, SABTA cannot force its members to do anything".
By HENRY LUDSKI

STOP the minibus taxi deaths.

This is the concerned call made by community organisations, passengers, relatives of victims and some taxidrivers.

Following the death of four more people on the Cape Flats involving minibus taxis last weekend, the Mitchells Plain Co-ordinating Committee has issued a plea to taxi owners and drivers:

"Act more responsibly and show more respect for lives."

A spokesperson for the organisation said it had received numerous complaints from residents about reckless driving, overloading, rude behaviour towards passengers and taxis being "generally accident prone."

'‘Don't care a damn’

Recent statistics show that about 25 people have been killed and more than 200 injured in about 900 minibus accidents in the Western Cape and Boland in the first few months of this year.

"There are some reasonable drivers, but many others are reckless and don't care a damn," said community leader Willie Simmers.

"We support the taxis but feel they also have a responsibility towards residents by ensuring their safety."

He said many of the problems being experienced by residents could be sorted out if taxis were organised.

Said mother of two, Mrs Soraya Martin whose husband, Sedick, was recently killed in a horror minibus accident which claimed the lives of five people:

"We are forced to use the taxis because there are so few buses, but I feel drivers should show a little bit more consideration for their passengers."

Mrs Martin called on taxi owners to be more selective in their choice of drivers.

'‘Put house in order’

"Sometimes they drive too fast and are in too much of a hurry," she said.

A spokesman for the MPCC said that since the cancellation of late night bus services, residents had become more dependent on the minibus taxi service.

Spokesmen of taxi associations could not be reached for comment.

A Hanover Park driver, who refused to give his name, said: "There are lots of reckless drivers, but I don't think everyone should be painted with the same brush."

However, he agreed the time was overdue for taxi owners and drivers to "put their house in order."
Having no truck with unity

Attempts to unite three national transport organisations and create a powerful private sector transport lobby, have collapsed in disarray.

Instead of co-operating to present a united face to government, two of the organisations — the powerful Public Carriers Association (PCA) and National Association of Private Transport Operators (Napto) — are fighting among themselves.

Both are actively campaigning to entice the other’s members. Though they deny a membership war has developed, there is evidently intense rivalry. Both would like to attract enough members to claim the right to speak for the road-freight transport industry.

Chairman Phil Erasmus says the PCA is not towing for members, “but it won’t chase them away either.”

Jackie Walters, executive director of the SA Bus Operators’ Association (Saboa) — the third leg of the intended transport umbrella body — confirms the rivalry between the competing bodies. And he says government is probably delighted at the sight of private sector transporters bickering.

Unity talks have been going on for some months (Business February 3). Walters does not like the idea of a full merger of Saboa, Napto and the PCA. He prefers a federation.

“Many support this point of view, including some prominent PCA members.”

However, it appears officials of the three bodies could agree on almost nothing in their unity talks.

Erasmus says: “We didn’t get past square one in our efforts to form an umbrella body. Our respective executive directors met, but could not arrive at a formula which would please us all.

“One suggestion was that there should be a trial marriage: that we share offices and facilities, our executive directors should sit in offices next to each other and, if that worked, we should formalise it. I objected and my board supported me. If it doesn’t work, we’ll all have to start at the beginning again and re-establish the various associations.”

He says the PCA suggested creation of sub-committees to deal with specific problems, such as vehicle loading and passenger services. But “that wasn’t acceptable either. There wasn’t any real common ground. We couldn’t see ourselves belonging to an umbrella body until we compete fairly with SA Transport Services (Sats), which we can’t do.”

The dispute must be delighting Sats which is moving slowly towards privatisation and eventual equal competition with the rest of the industry. The thought of rivals ganging up to oppose it, was not a welcome one.

Government, too, would like the free market transition to be an easy one.

“Government would like nothing better than that we continue as splinter groups,” says Saboa’s Walters.
ried no formal insurance cover.

SA Black Taxi Association (Sabta), which represents 95% of legal owners of taxis with certificates of fitness and driven by licensed drivers, who have a Road Transportation Board permit, estimates only 15%-20% of its 50 000 members are insured.

"Mainly owners of new taxis have insurance — because their vehicles are bought on hire purchase," explains Sabta marketing MD James Chapman. "But once the loan is paid off — usually within three years — and the owner doesn’t have to insure, he often stops paying the premiums."

Many owners prefer to self-insure informally through stokvels. Each member contributes to a pool which pays out in the event of accidents and thefts. Chapman says amounts paid into self-insurance could equal or double flows into formal insurance.

Lack of understanding and the high premiums are the main reasons for avoiding the formal insurance market. "Premiums are high because of the high loss ratio," says broker Louis Volks & Associates MD Alan Hackett. He says the yearly average loss ratio (claims to premiums) for black taxis at Sabta’s rating levels is around 70% (and deteriorating), compared with an average of 60% on privately owned motor cars.

The result is annual premiums are around 15% of the value of the insured vehicle, compared to about 7% for private cars.

Pushing rates up are:

- A claims incidence around one in three;
- Vehicle repair costs averaging R14 000;
- Increasing numbers of accidents;
- Thefts and hijackings;
- High vehicle usage — often between 18 and 24 hours a day; and
- More than one driver for a vehicle.

Louis Volks, which holds about 70% of Sabta’s business, also offers:

- Violation cover — for policyholders who violate the terms of the policy;
- A credit agreement shortfall — to cover lessees should market value of a vehicle fall below the amount owed for it because of high mileage travelled, often in excess of 10 000 km per month; and
- Absconsoncover — when the taxi owner disappears and reneges on his loan.

"In the past three months, losses in these benefits have about trebled," says Hackett. "We’ve had claims in excess of R1 million."

He says the main reason is rising interest rates, which have caused taxi owners to default on payments as instalments increased.

If draft legislation, now with the State law advisors, is promulgated, taxis will have to carry special insurance to indemnify passengers against injury, on top of the R25 000 Motor Vehicle Accident (MVA) cover.
Minibus taxi ‘hotline’ proposed

Staff Reporter

A NEW “hotline” has been proposed to improve the driving of minibus taxi drivers in the Peninsula and reduce taxi-related death and injury statistics.

The new scheme would involve minibus taxis prominently displaying a sticker with a telephone number and asking: “How am I driving?” All complaints from motorists would result in the driver/owner being contacted and the complainant receiving a letter outlining what action was taken.

Sales manager of a local taxi-advertising firm and proponent of the scheme, Mr Saul Barak, said yesterday that part of the scheme would be the formation of a liaison committee of officials from the traffic department, city council and taxi associations.

This committee could then approach major oil or car companies for sponsorship for awareness and training courses for local taxi drivers.

“There are 3500 legal minibus taxis in the wider Peninsula area alone — something must be done soon or more people will be killed. Commuters need a safe journey.” Mr Barak said.

Illegal taxis were responsible for a large portion of the bad public image the industry had, he added.

A survey in the Peninsula from January to March this year showed that 22 people died, 42 were seriously injured and 171 slightly injured in 819 taxi accidents.

The city traffic chief, Mr Wouter Smith, contested a claim by South African Black Taxi Association (Saba) local chairman Mr Basil Nagel that the statistics were not as alarming if one took into account the mileage covered by taxis.

In April this year there had been 2 224 prosecutions for minibus traffic violations, of which 335 were driving violations such as running red robots, making prohibited turns and overtaking faults.

Mr Nagel said he was attending a Saba executive meeting in Johannesburg on Monday and that the accident rate was “high on the agenda.”
Victims fleeced in Vehicle insurance scam

By SOPHIE TIMA

CITY PRESS, 7 Feb 1999

...
SWAKOP Lines has started a coastal shipping service between Namibia and South Africa.

The service results from negotiations with Unicorn Lines. Containerized goods will be shipped in both directions between Walvis Bay and Durban, with calls at Cape Town, Port Elizabeth and East London.

The trade is to be shared equally. Swakop Lines will use space on Unicorn's cellular ships Berg and Breede, which provide weekly sailings out of Walvis Bay, Cape Town and Durban.

The ships have been called at Walvis Bay for the past 10 years. Swakop Lines will find additional cargoes for the route, and investigate opportunities for increasing trade with Africa.

Unicorn Lines has been appointed managing agent for Swakop, Grindrod Shipping, which is agent for Unicorn, will represent Swakop in SA.
'Dash for cash' blamed for taxibus crashes

By VUYO BAVUMA, Staff Reporter

THE number of accidents involving minibus taxis could be reduced if paying commission to drivers was discontinued, according to Guguleti bus-owner Mr Peter Motale.

The system encouraged reckless driving, said Mr Motale, a member of Western Cape Long-Distance Bus Association. He suggested that drivers be paid fixed wages.

"Most of the employed drivers tend to drive fast because they are after commission. Others take short cuts because they want to get passengers to their destination as fast as possible.

"I know the scheme will be opposed by some people, but it is one of the effective ways of ending the accidents," he said.

SURVEY

A survey from January to March showed that 22 people died, 42 were seriously injured and 142 slightly injured in 819 taxi accidents.

Mr Motale also said taxi-owners should stop "hiring out" licences.

Last year a three-month survey by his association showed there were about 50 taxi-drivers "hiring" combis from people to ply the lucrative route between Cape Town and Transkei and Ciskei.

In some cases these drivers paid up to R500 a week for a vehicle, he said.

"Sometimes the drivers are arrested and get spot fines of about R300. But they just carry on operating. They seem to treat the fines as some form of permit.

"When they come to Cape Town they are forced to work day and night to recoup their losses. In most cases this leads to accidents because drivers are tired behind the wheel.

"I know the authorities are trying their best to solve the problem, but harsher measures must be adopted."

Mr Basil Nagel, a member of the Western Province branch of the Black Taxi Association, said the association’s drivers were paid either salaries, salaries and commission or commission only, and this could indeed be a contributing factor in reckless driving.

"Commission does play a role in accidents and we are looking into it. However, we have a problem in that a complete wage restructure would necessitate 100 percent support from our members.

"But such a move would be in everybody’s interest. It would be in the interest of road safety, in the interest of the drivers, who would get better working hours, and in the interest of job-creation because more drivers could be employed," Mr Nagel said.

Mr Eddie Samuels, MEC in charge of traffic, said all law-enforcing institutions should collaborate to curb accidents involving minibus taxis.

The authorities were constantly monitoring the minibuses in 12 traffic authorities in the Cape.

"Several sporadic traffic blitzes in these areas showed that drivers obeyed the law if the checks are being carried out regularly.

"These law-enforcement measures should be intensified at strategic points during peak hours and high-profile education should be launched to reach every possible minibus driver," he said.
DURBAN. — A sniper has sent shock waves through the taxi community of Stanger, where three people were shot dead and five others injured at the weekend.

Major Charl du Toit, police public relations officer for Port Natal, said detectives believed that the same gunman was responsible for the deaths of all three men.

It is believed the shootings are connected with a three-way battle between taxi drivers from Stanger, Mandeni and Mapumulo who are at loggerheads over the control of taxi ranks.

Major Du Toit said the shooting began at 7.20 on Friday evening when the sniper, armed with a 9mm automatic pistol and travelling in a motor car, fired at and killed an unidentified man and injured four others at a taxi rank near the Luthando Hotel.

The sniper is believed to have struck again at 9am on Saturday when two others were shot dead, and at 4.45pm on Sunday he is believed to have been responsible for the shooting and wounding of 26-year-old Mr S Zwane near the taxi rank outside Checkers supermarket.

Spent 9mm cartridges were found at the scenes of all the shootings.

Police have interviewed a number of witnesses but so far no arrests have been made.

Anyone with information is asked to contact Lieutenant Erik Marais or Warrant Officer Egam Baram at Stanger (032) 21-706.

Meanwhile, two youths aged 12 and 13 were shot and wounded after a Pinetown businessman surprised them allegedly breaking into his premises at the weekend.

Police said Mr Brian Bradfield, owner of Stiebel Earth Movers, went to his premises in Nipper Road and confronted three suspects breaking into his property.

He warned them to stop and when they ignored his warnings he fired two shots, wounding two of the youths in the leg. The third suspect fled. — Sapa and Own Correspondent
RISKY MOVE... A fully loaded minibuses load moves into the face of

Minibuses, Ignore the rules!
of road

Mr Ali Salie, owner-driver at the Golden Acre rank, said that many of the drivers at the rank were good and careful drivers. “But there are also bad ones.”

He admitted that some drivers do overload, but it was done in the morning when drivers take pity on passengers who claim that they face the sack if they arrive late for work.

Mr Salie praised the traffic department for their action against pirate taxis and added that the R300 fine for operating an illegal taxi acted as a deterrent.

Different drivers

In addition to third-party insurance, many minibus taxis had taken out special cover which amounted to about R300 a year, Mr Salie said.

Mr Gamat Zaine-Dyason, of the Park City Taxi Association in Hanover Park, said that drivers on that rank were very safe but said that problems arose when owners “chop and change” their drivers.

New drivers are often unfamiliar with the routes and often took unnecessary risks, he said.

Mr Achmat Diëdericks, of the same rank, said he had been driving minibus taxis for about 10 years and although he normally works a 14-hour day, he is a careful driver and knows how to drive a fully-laden taxi.
No more taxi wars, Sabta launch told

Staff Reporter

AN estimated 4 500 people who yesterday attended the launch of the Western Cape region of the South African Black Taxi Association (Sabta) applauded when told there would never be another taxi war and that the industry had grown up.

Mr Clement Ramatlakane, Western Cape regional chairman, was addressing a packed 3 Arts theatre in Plumstead.

“We are not anticipating any more fights in the taxi industry. There will never ever be any taxi war in the Western Cape. We have grown up.

Problems

“There will never be another driver who drives recklessly in the Western Cape. There will never be another driver who assaults or insults any passengers,” he said.

Mr Jabu Mabuza, Sabta’s deputy director, said he was proud that the taxi industry was a leader in black economic empowerment but regretted the problems experienced in the industry.

There were more than 100 000 taxis on the roads which was cause for concern.

“Before we deregulate, let’s level the playing field. We have fought for it at great cost.”

Some people had a historical advantage and now wanted to “flood this island of black economic empowerment”.

Mr Mabuza said the taxi industry needed funding from the private sector, skills and genuine involvement. Sabta, which had African, Indian and coloured members, was not anti-white but was pro-black and believed in negotiation.

“When we get to a post-apartheid era we will have to have our people ready to take their rightful places.

Wasteland

“In some places they say change comes through evolution while in others they say revolution.

“If a post-apartheid society is earned through revolution then we will have a wasteland. If it is through evolution we will need people to walk into negotiation to persuade those in power,” Mr Mabuza said.

Mr Wouter Smit, Cape Town’s traffic manager, and a police brigadier spoke on law enforcement.
N Tvl fares up

BUS fares in the Northern Transvaal region, including the homelands in the area, are to increase by an average of 18 percent as from July 3. Putco bus company has announced. 5 Oct 87.
Man with a plan for tightening up taxis

By MALCOLM FRIED

A SOMERSET West town councillor is set to lead the upgrading of the region's minibus taxis and create a model for the rest of the country to follow.

The campaign, to focus on training, has been boosted by the town's new crackdown on reckless driving and the overloading of vehicles.

Businessman Mr Michael James, a councillor for eight months, said yesterday that Somerset West would be "doomed" without the area's 250 taxis. But drivers had to be correctly trained.

"The drivers and their passengers are extremely important to our town. However, if something's not done, there are going to be more deaths."

Mr James wants all taxi owners, operators and drivers to belong to one association, to control and regulate themselves, and to pass a professional training programme.

The association would promote courteous, careful driving in clean taxis, with incentives to comply. Drivers would be trained by a Killarney-based motoring school at a special tariff and course graduates would receive cuts in insurance premiums.

Mr James has claimed to have the support of the Somerset West and District Taxi Association — an affiliate of the South African Black Taxi Association — and at least two pirate taxi operators.

The mayor of Somerset West, Mr Christopher Cohen, said yesterday that the council was "very concerned" with the taxi situation and would support any attempt to solve the problems.

Local business is being approached by Mr James to support his plan.

He has arranged an open meeting in the town hall for tomorrow night to explain his proposals, and expects 33% of taxi drivers to attend.

A recent Cape Times investigation found Cape Town minibus taxis to be openly disobeying stop streets, ignoring red traffic lights and breaking other road rules.
Strict check on the taxis

By MICHAEL DOMAN
False Bay Bureau

TRAFFIC officers found 58 minor faults on 37 taxis examined in Somerset West.

This fact formed part of a report by Town Clerk Mr G J Human at yesterday's Somerset West council meeting.

Most common faults were brakes, lights and worn tyres.

None of the owners will be prosecuted, but their taxis will be monitored.

Mr Human said that after discussions with the chief magistrate it was agreed that there would be a fine of R100 for each person by which a taxi was overloaded.

He said representatives of the Holland Taxi Association had pledged to communicate the message of road safety and good driving to all its members.
Putco increases fares

PUTCO yesterday announced bus fare hikes for commuters on the Reef, citing increased fuel, maintenance, licence and rental costs for the decision.

At the same time, the transport company also announced a novel scheme to reduce the economic burden on casual passengers.

Putco public relations officer, Robin Duff, said cash fare increases would take effect this Saturday, while weekly and monthly season ticket hikes would be effective from Monday, July 3.

He, however, could not provide details of the average percentage increase, saying it differed in each township according to the passenger load, the length of journey and the frequency of the service.

The townships affected are Alexandra, Soweto (Baragwanath/Diepkloof/Zola/Protea North/Dotsonville), KwaThema Zone A, Tembisa South, Emmerdale, Evaton, Katlehong, Tokoza and Vosloorus.

The last increase was in October last year.
Township
meetings
on taxi
accidents

By VUYO BAVUMA
Staff Reporter

RESIDENTS of Cape Town's black townships are to approach taxi organisations to try to halt the soaring township accident rate by improving driving standards.

The committee will also meet traffic authorities to discuss the employment of black traffic officers.

These decisions were taken at a meeting last night, organised by LAKhathu Nya Action Committee, a body of concerned residents, which attempts to solve problems in the neighbourhood.

Speakers said the committee should meet the taxi associations to remedy the bad driving in the townships.

ROOT CAUSE

A speaker from Guguletu said: "There is a need to impose immediate effective steps to control bad driving in the townships. The taxis are the root cause of most road accidents in the townships. These accidents happen either when taxis try to overtake stationary vehicles or off-load passengers at wrong points."

Another speaker said the authorities should place speed humps on some roads to discourage drivers from speeding.

In Guguletu there was one set of traffic lights and this was insufficient to make the roads safe.

Mr B Geldenhuys, chief executive of the Ikapa Town Council (Langa, Guguletu and Khayelitsha), had discussed employing traffic officers in the townships.

"The council has had several talks with the Cape Town City Council but nothing has yet been finalised," he said.
Safair seeks licences for air services

By AUDREY D'ANGELO
Financial Editor

SAFAIR — the aviation division of Safmarine — may soon be competing with SA Airways (SAA) on passenger flights between Johannesburg and Cape Town. But it is unlikely to offer lower fares and tickets may be interchangeable.

Safmarine announced yesterday that it had applied for licences to operate scheduled air transport services involving passengers and freight between Johannesburg and Cape Town, and freight services between Johannesburg and Durban and Johannesburg, Port Elizabeth and East London.

According to the application, it hopes to operate up to 21 passenger flights a week between Cape Town and Johannesburg, using an Airbus 300. A business class and an economy class will be available.

It hopes to operate 91 freight flights a week on the various routes, using Lockheed Hercules aircraft.

Safmarine MD Mike Finlay said yesterday: "The group has been active in commercial aviation for more than 20 years and we therefore believe we have the necessary experience to participate in the proposed deregulation of domestic air services in line with the recent announcement by the Minister of Transport."

He said he had no idea when a decision could be expected on the application "but the minister has indicated that he will allow a degree of deregulation and we have put our application in now so that we are not left standing."

Asked if Safair would offer cheaper fares and freight rates than SAA, Finlay said: "Anyone offering a service on the same routes as SAA must be competing, but our fares will be similar."

"The fact that there is a choice of airlines will give the customer an advantage. If he is not happy with the service on one he can go to the other, in the same way that he can choose to fly to London by either SAA or British Airways although there is no difference in the fare."

"I don't foresee us going into a price war with SAA but we shall try to offer a better service."

Finlay said it would probably be "inevitable" that tickets for flights on SAA and Safair would be interchangeable.

He said Safair already had enough aircraft if the licences it had applied for were granted. There was a waiting list to buy new planes but it would be possible to lease some if the airline expanded its activities.
Taxi groups fear deregulation may 'pave way for whites'

TWO major black taxi organisations, while welcoming the Government's recommendations to deregulate the taxi industry, fear the move will "pave the way for whites to take over their businesses."

The Southern Africa Black Taxi Association (Sabta) and the South African Long Distance Transport Association (Saldta) said the "combi taxi" was an industry which exclusively served the black community.

"The Government is cognisant of this," they said.

They were reacting to the Minister of Transport, Mr Eli Louw's announcement this week that his department has been instructed to submit a programme for implementation.

In a statement the Minister said he hoped the phasing in of deregulation over three years would remove the uncertainties in the taxi industry.

Sabta's media liaison manager, Mr Terry Mpahlele, said: "This is a major breakthrough for the taxi industry. Indeed, Sabta views this move as a victory."

"Sabta has finally gained the long-sought recognition of government it so rightfully deserves as the major representative of the powerful black taxi industry in the country."

"With the department's acceptance of the recommendations to form local taxi liaison committees, Sabta's local, regional and provincial branches, will be better able to exercise control and regulate the taxi industry within their respective areas," she said.

However, she said, Sabta has always viewed deregulation in this industry as "paving the way for white taxi owners to overrun the industry — a business which exclusively serves the black community."

The deregulation of the industry will play an important role in legalising the country's pirate taxis which have cultivated a poor reputation in the community over the years.

Saldta's president Mr Peter Rabali also welcomed the move and said it would help restore order and faith in the black taxi business. However, he also feared that whites will infiltrate the industry.

Sabta plans to call a special meeting of its regional and provincial representatives in Bloemfontein soon to discuss the department's announcement, taxi scams and other matters of interest. It has been supported by the Foundation for African Business and Consumer Services.
Queuing up for a ride on South Africa's fastest gravy train.
problems setting the indiustry all over the world. a gradual increses in the numbers of people who work in the steel industry has lead to an increase in the demand for labor. this has in turn lead to an increase in the prices of steel products. the increased demand for steel products has led to an increase in the prices of steel products. the increased demand for steel products has lead to an increase in the prices of steel products. the increased demand for steel products has lead to an increase in the prices of steel products. the increased demand for steel products has lead to an increase in the prices of steel products. the increased demand for steel products has lead to an increase in the prices of steel products. the increased demand for steel products has lead to an increase in the prices of steel products. the increased demand for steel products has lead to an increase in the prices of steel products. the increased demand for steel products has lead to an increase in the prices 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lead to an increase in the prices of steel products. the increased demand for steel products has lead to an increase in the prices of steel products. the increased demand for steel products has lead to an increase in the prices of steel products.
Daily accidents

This week Weekend Argus found the daily sight of taxis in potentially fatal traffic violations and the subsequent accident rate — 27 a day since the beginning of the year — are tragic indicators of deeper-rooted problems.

These range from smooth tyres to a lack of unity among the taxi organisations who are trying to affect self-discipline in the trade.

Drivers, who work for established operators complain that they are expected to deliver unreasonable targets ranging between R120 and R180 a day to keep their bosses happy.

"They pocket the rest of the day's takings and add this to their wages which range from R64 a week to R20 a week.

"The boss always says there are so many people who use taxis that it's impossible not to meet the target. And when you don't meet the target, the boss simply takes it off your wages," one driver said.

"But you must look at how many taxis there are and how short the peak period is and you will see how difficult it is to meet the target.

"Once the peak is over we stand around hours waiting to load at even a busy place like the Golden Acre because no-one uses us during the day.

"So we rush around during peak to make as many trips as possible, and that's how the accidents happen.

"The other way is to ignore the permit and drive in an area where you're not allowed, but where you're going to make money.

"Besides, the boss doesn't pay fines. He will ask me how I could allow myself to be caught."

This does not account for pirate taxis, one-off or regular, who venture onto registered operators' turf.

"People want me to bring them into town. I can't just work in the area where my permit says I can work," a Guguletu driver said minutes after a member of the traffic department's taxi squad booked him for a string of offences in Mowbray.

Rushed off

He smilingly paid a R100 fine and told officers he would head for base immediately to tell his boss that he had been fined two days in a row.

"This can't go on. My boss wants money but I'm the one who must pay the fines. I'm going to tell him I've had enough."

He left the Mowbray police station and drove straight to the Golden Acre, rushing along a busy, wet Main Road, to continue working outside his designated zone.

Drivers at the Golden Acre rank complained of stress and long hours. Many use drugs to stay alert and break the boredom of those hours when there's no business.

However, they are up against ruthless operators who make the same amount of money with half the quality service.

The latest example of this is the conversion of panel vans — which cost up to R10,000 less than passenger carriers — into buses.

Many are built unprofessionally in an operator's workshop and could cost lives in a high-speed crash, but the designers keep taking chances.

Major operators and taxi organisations such as the South African Black Taxis Association (Saba), the Mitchells Plain Taxi Association and the International Taxi Association (ITA) agree the competitive nature means there's little room for the loner.

Under the present system, a new comer has to apply to the Local Road Transportation Board for a rank or a berth at a rank. The application costs R10.

On top of this, he has to get a public driving permit and a certificate of fitness for the taxi from the traffic department.

Small chance

With hundreds of applications flooding in all the time, the chances of a loner getting a permit are slight.

"In an organisation we can at least vouch for drivers and explain the need for their services to the authorities. We don't have any special influence, but can support a legitimate case," Saba's Western Cape chairman and veteran taxi boss Mr Basil Nagel said.

Saba's Western Cape secretary, Mr Billy Daniels, has complained to the Advertising Standards Authority and the Local Road Transportation Board about a company which claims it will obtain permits for drivers for a fee of R50.

Two months ago Central Statistics Services released figures which showed that more whites than blacks were buying minibuses, supporting widespread speculation that many black drivers were actually working for white bosses.

Saba, ITA and the taxi squad have told Weekend Argus that some taxis in Cape Town are owned by wealthy white businessmen, doctors and a City firm of advocates, among others.

Saba and the ITA believe driver education and increased official control will solve the complex taxi question.

"The authorities need to have a closer look at how many taxis are really needed. We need stricter control to make sure, for example, that people with criminal records don't get permits. They're the ones who are giving the industry a bad name," Mr Nagel said.
Taxi group plagued by lack of payments

By EDWARD MOLOINYANE
Staff Reporter

The South African Black Taxi Association Foundation, a wing of the giant association formed to help members obtain finance for minibus taxis, is having problems with absconders and non-payment of instalments, says the association's official journal, Drive-on.

The journal says the association, realising that taxi operators and would-be owners are facing difficulties in buying new vehicles because of escalating prices, has asked Wesbank for help.

"Sabta pleaded with the bank not to use First World standards to judge Third World situations and the bank agreed to help. Now the foundation is beginning to experience new unprecedented problems - the major one being absconders. Another new problem is non-payment of instalments on new vehicles," the journal says.

DISAPPEAR

To start the foundation the journal adds, Sabta lent money to members to buy new vehicles. For every R100 the foundation lent the member had make an investment of 20 per cent in the foundation. Members' contributions were used to float the foundation and as soon as a member had paid off his minibus his contribution was refunded.

"After paying one or two instalments on the vehicles they disappear. Some members claim the vehicles have been stolen or commandeered or were taken from their drivers at gunpoint. Others claim the driver disappeared with the vehicle and that he (the operator) is also looking for him. But they make these claims only when we demand payment," a Wesbank spokesman says.
THUMBS UP TO ROAD SAFETY. PADDERS WILL BE KICKED THE RUG.

TO BLAME? TO Blame?

COMMISSION, Jack

Suicide M. Long, Chairman

TOWNSHIP'S new drivers' education program

BY W.H. A. 

Commission

of Licences

Jack

System, Jack

of Licences

to Behave!

TAXI DRIVERS YOW TO BEHAVE!

NATIONAL CITY
According to Mr Sani, a driver may be suspended for three weeks for a minor offence or be denied access to the rank if his offence was serious.

Another driver, Mr Makhaya Tom, said the controversial “commission system” whereby taxi drivers were paid in terms of the amount of work done, should be abolished. It was the source of reckless driving, he said.

“Dash for cash”

The system, which resulted in a “dash for cash” operation on the part of the drivers, has been sharply criticized by Mr Peter Motale, owner of the Guguletu-based Motale Bus Service. “Most of the drivers tend to drive fast because they are after commission,” he said.

“Others take short cuts because they want to get passengers to their destination as fast as possible.”

All the drivers interviewed voiced their opposition to the commission system, agreeing that it was the source of the high accident rate which averages 27 a day, with many of the victims dying.

Mr Clement Ramatlakane, regional chairman of WCCTA, disputed that the system was responsible for the high accident rate and said it was a “mere excuse” on the part of the drivers.

But he also noted that his organisation was investigating the viability of changing to another system. He said they had appointed two executive committee members, Mr Billy Daniels and Mr James Mafuya, to carry out the task.

“They will research the viability of implementing a basic wage system and hand in a report within five weeks,” Mr Ramatlakane said. “But even if we implement a new system the whole thing will still depend on the attitude of the driver.”

Mr Ramatlakane also said his organisation was concerned that the drivers were “not improving the reputation of the South African Black Taxis Association (Sabta)” and said the WCCTA was in touch with the police and the traffic department.

The organisation is now negotiating with sponsors to fund a R200 000 safety project, to comprise driver training courses, a taxi mobile mechanic system, radio systems and a scheme to operate along the same principles as the Automobile Association.

They had not yet contacted the AA.

Mr Ramatlakane said he was positive about the prospects of securing sponsorships and hoped they would get the project off the ground before December, when many taxi owners started plying the Cape Town–Ket route again.

COMMITTEE FOR SAFETY: Members of the Western Cape Black Taxis Association executive committee who are “very concerned” about allegations against taxi drivers: from left, Mr Simon Komeni, Mr Morris Gadluma, Mr Nkosinathi Bongwana, Mr Japan Roro, Mr Clement Ramatlakane, Mr James Mafuya, Mr Raymond Bomseni and Mr James Mtheli.
TRANSPORT group Longrail's present share price of about 26c does not adequately reflect the soundness of the business, say directors in their annual review.

Net asset value at the end of February 1989 was 25.2c a share. Longrail chairman Des Laurens comments that market values of the group's capital assets - vehicles, land and buildings - are much higher than book value.

Directors say that the operating companies, Long Distance and Railit, are only eight years old and are still building a track record. "Perceptions in the financial markets are slow to change, but we expect to change them markedly in the years to come and improve our perceived worth accordingly."

Positive factors in the year ahead are strong demand for air freight services from Railit's customers, which is well placed to meet and which has the potential to restore the company's profit margins to those of previous years.

Longrail will establish its own tyre re-treading plant - initially to meet its own needs but in the medium term to be exploited commercially.

Deregulation of the transport industry will gain momentum in the next decade, which means more opportunities and more challenges for Longrail, implying stronger competition and more cost effectiveness. Longrail will aim for greater efficiency, maximum payloads and increased volumes through maximum vehicle use.

However, the pressure of increased costs on the transport industry was felt by the group in the past year and this year will see the continuation of the trend.

Longrail's long-term liabilities were more than $10m at the end of February, with interest-bearing debts to total assets at 38.8%. Earnings growth slowed down - earnings a share were up at 16c from 1988's 7.4c and the dividend stuck at 3c.
Storm of protest over Putco's fare increase

THE latest Putco bus fare increase has triggered a storm of protest from black business and consumer organisations.

In announcing the increase, effective this week, the company would not give a percentage, but said the rise would be "in line with the 20% and 23% fare increases effected by the Johannesburg and Pretoria city councils' transport departments".

Consumer Research and Promotion Association executive director Eldridge Mathebula said yesterday's commuters should resist the increase. "We find it ridiculous for a company like Putco to raise fares by so much.

"We find it appalling that at a time when inflation is running at 18% and unemployment is so high, Putco should show no sensitivity for commuters.

"Bombarded as they are by price increases from many angles, consumers cannot afford the latest increase and should resist it," Mathebula said.

Nafecu public affairs manager Gab Mokgoko said: "We said in April the recent and impending petrol price increases would have a ripple effect on prices in general, meaning that the country as a whole, particularly blacks, were facing the 1990s with the burden of high prices.

"This is all because of government's inability to face political realities and their effect on the economy."

Black Consumer Union spokesman N Rampomane said Putco had no reason to be raising fares when it was subsidised by government. "We too are faced with increases in basic foods. About 75% of our pay packets goes to transport costs because of the distance we have to travel to work.

"It is also unfair to load commuters with increases, when Putco buses are not even comfortable and not keeping to schedule," she said.

Putco could not be reached for comment.
A long, long walk in the no-bus town of Dundoza

WEEKLY MAIL, July 12 to July 18, 1999

PREVIOUS CITIES: New York
SAAF struggles to keep fighter pilots

Defence Correspondent

THE South African Air Force spends more than R9 million to turn out a fully-fledged Cheetah fighter pilot - but struggles to keep him long enough for a full return on its investment, according to Lieutenant-General Jan van Loggerenberg.

Addressing newly qualified pilots at a wings parade at Flying Training School Dunnottar yesterday, SAAF chief Gen Van Loggerenberg quoted shock statistics about SAAF personnel losses - not to death or accident, but to the lures of the private sector.

He said that whereas the pilots had acquired the right to feel proud of SAAF successes, "you must also assume co-responsibility for its failures, and one of our failures is certainly our inability to keep the majority of our personnel for those critical 10 to 12 years after qualification."

It cost more than R700 000 to train a pilot to wings standard. By the time he was ready to convert to Mirage fighters the cost had risen to R4.8 million, and by the time he had "gained sufficient experience on the Cheetah to outfight the best that an enemy can throw at him, we have invested more than R9 million in him.

"Of equal importance is the time spent in training him. It takes a minimum of six years from his first solo flight on a Harvard before we consider him a fully-fledged operational Cheetah fighter pilot. Money cannot buy that experience."

In a five-year period, he said, the SAAF had taken in almost 3 000 apprentices, but "over the same period our net gain of technical personnel was less than 20% of the number we had trained".

"One could say, therefore, that from the Air Force's point of view a very large part of our training costs have amounted to fruitless expenditure."

Gen Van Loggerenberg said that although in this way the SAAF was contributing to the skilled manpower pool of the country at large, "the fact remains, however, that the Air Force is providing a service in this regard which is not really our responsibility. We do so with zeal, but we shall have to find a formula which will satisfy our requirements as well".
'Smart card’ will be help to black taxis

By Sue Olswang

Traffic officials and motoring associations are reluctant to comment on The Southern African Black Taxi Association’s plans to introduce a “smart card” system which will help to reduce overloading, speeding and pilfering.

The system, which will be imported from France at a cost of about R800 a device, will only be available to members of Sabta.

Ms Terry Mphahlele, Sabta’s communications manager, said the “smart card” system will help a taxi operator to assess the profitability of his business because the device records the number of passengers using a vehicle, the total distance travelled and the amount of petrol used.

OVERLOADING

The system will also, according to Ms Mphahlele, reduce overloading by automatically stopping a vehicle when the 17th passenger attempts to board it. South African traffic laws stipulate a maximum of 16 passengers in a taxi.

A spokesman for the Johannesburg Traffic Department said he was reluctant to comment on the “smart card” system without having full details about its practicality, legality and method of operation.

The Automobile Association’s (AA) spokesman on black taxis said the AA would also prefer to have more details before making comments.

Spokesmen for the National Road Safety Council were not available for comment.
TAXI operators all over the country have volunteered to transport pensioners and disabled people free of charge to pension payout points. They will also ferry them to do shopping in town free of charge.

This undertaking was given by three major taxi associations, the Black Union of South African Taxi Associations, the South African Long Distance Travel Association and the Southern Africa Black Taxi Association.

Busato's chairman Mr Andrew Makwakwa said the scheme had already been introduced at Mamelodi in Pretoria.

**Sympathy**

He said that the association would introduce the scheme throughout the country. The decision was taken by the national executive in sympathy with "our old and disabled folks," he said.

The spokesman for Saba, Mr Jabu Maba, said their executive committee had asked all the provinces to consider the matter very seriously and to plan actions. "We are doing this particularly to show our sympathy with elderly people," he said.

He added: "We appeal to our members throughout the country to show respect for them."

Saldia's president Mr Peter Rabali said the move was a novel idea and should be welcomed. He said the national executive would look into the matter at its meeting this week.

Meanwhile in Tokozia on the East Rand the local taxi association transports pensioners and the disabled free of charge on a daily basis.
Coach travel on high ride as costs rise

Business Times Reporter

INTER-CITY coach travel is booming in reaction to the rising cost of other forms of transport and growth in tourism, says Greyhound Citiliner chief executive Keith Morton.

In addition, the latest petrol-price increase will encourage the trend from air travel and private motoring to coach travel.

Satoor has described tourism growth as unprecedented. Foreign tourists, attracted by the weak rand, are flocking to SA and filling five-star hotels and luxury game lodges.

Listing

The number of tourists visiting South Africa last year increased by 15%, and the figure is expected to rise by 12.5% this year. The average annual increase is 8.5%.

Mr Morton says Greyhound, part of the soon-to-be-listed R100-million Enterprise group, is gearing up for rapid growth.

He believes SA's coaching bananza is nothing less than the start of a transport revolution similar to that of post-war America and Europe in more recent years.

He says: "Inter-city coach travel has become part of the American and European way of life. We are at the start of something similar."

Apart from the growth in foreign visitors, the mickey mouse rand is keeping more South Africans at home for holidays and inflation is ensuring that they use the cheapest form of transport when travelling to Cape Town or Durban with the family.

People are either snapping up the special fly-in SAA packages to the coast or taking a coach. Changed patterns of domestic travel have meant a strong swing from private motoring to coach travel, especially because of the increasing number of toll roads.

Growing

It is estimated that Greyhound coaches will carry about 200,000 passengers this year and its fleet will travel 3.6-million kilometres. These figures have been achieved in four years, and Mr Morton believes the potential has hardly been scratched.

Demand from a wide cross-section of income earners and population groups is growing rapidly.

The parallels with America are inescapable — long distances, competitive prices and South Africans' love of travel. Mr Morton says Greyhound coaches provide comfortable travel.

"Our coaches have everything that opens and shuts. Passengers travel in air-conditioned comfort, enjoying a choice of video or music programme. They can relax and watch the scenery."

Banner

Routes include Johannesburg-Port Elizabeth (PE), Johannesburg-Nelspruit, Pretoria-Johannesburg-Cape Town. There are also no-frills services from Johannesburg to Kimberley under the banner of Greyhound Express. Mr Morton foresees more budget services.

Other services include family fares, special week-enders between Durban and Johannesburg, discounts for regular business users and single-fare specials for certain months.

Mr Morton says aggressive marketing is increasing demand and the fleet, which has a replacement value of R1-billion, will be enlarged and new routes investigated.
Laser shows strong growth

CAPE TOWN-based Laser Transport Holdings — the largest mover of household goods in this country — continued to show strong growth in the six months to June.

Net income before interest and tax rose by 32% to R10.2m (R7.7m) on a 22% rise in turnover to R55.7m (R45.6m).

The interest bill rose by 87% to R1.6m (R371 000) and tax by 25% to R4.3m (R3.4m).

But earnings were 22% higher at 43.1c (34.6c) a share and the interim dividend is 18% higher at 13c (11c) a share.

MD Denis Kaye forecasts similar growth in the second half of the year. He said yesterday that Laser was still looking for strategic acquisitions and had reached agreement to take over an old established Pretoria removals business, Daly International, from September 1.

It had also expanded its network by opening a new branch in Queenstown.


Kaye said there had been a noticeable drop in emigration from SA in the past two years. But this had largely been compensated for by an increase in immigration. "A lot of technical and engineering people are coming here on contract.

"And there has been a noticeable increase in the number of people emigrating to this country.

"Most of the people coming now are buying large properites, partly through the financial rand, and are bringing large quantities of personal effects including furniture and two or three cars.

"Most of these people are settling in the Cape or in Natal."
LASER UPS
ITS PRE-TAX
EARNINGS 32%

LESLEY LAMBERT
CAPE TOWN — Laser Transport
Holdings, SA’s largest mover of house-
hold goods which recently secured a
contract to move the goods of UN per-
sonnel into Namibia, continues to show
strong growth with un taxed earnings
increasing 22% to R10.82m in the six
months to June 30.

This is based on a 22% improvement
in turnover to R55.6m, which MD
Denis Kaye attributes to growth in
market share and thus increased utili-
sation of its transport vans.

The substantially higher earnings,
which translate into 43.1c (34.5c) a
share, have enabled Laser to boost its
interim dividend by 18% to 13c a share.
Dividend cover has also improved to
3.3 (3.1) times.

Kaye forecasts that the group, which
includes Stuttaford Van Lines, Pick-
ford’s Removals, Frasers International
at Jack Welisted and J L van Nieuwe-
gen, will continue to experience
similar income growth over the second
half of the financial year.

Firm

Transporting the household goods of
families emigrating from and immi-
grating to SA makes up under 35% of
the group’s business. While income
from emigrations has continued to de-
cline in line with the trend, Kaye says a
marked upturn in immigration has
compensated.

He says the UN contract to transport
the goods of UN personnel into
Namibia will not have a significant
effect on second-half earnings.

The domestic removals market also
remains firm, with most traffic flow-
ing north according to the traditional
pattern.

Laser continues to seek out strategic
acquisitions. Kaye says it has reached
agreement to take over an old estab-
lished Pretoria removals business,
Daily International from September.

The group has also recently expand-
ed its network by opening a new
branch in Queenstown.
Bus boycott over

THE two-week Duduza bus boycott ended at the weekend following the Nigel municipality's suspension of a 25 percent fare increase.

But the fare rise was reinstated two days later — raising the prospect of renewed boycott action.

The municipality last week issued a statement saying ticket prices would be reduced. However, according to a representative of the boycott committee, fares were dropped from 75c to 50c over the weekend — only to rise again on Monday.

A meeting by the Duduza Civic Association (DCA) was planned for yesterday to decide whether to continue the boycott.

A previous meeting, planned for last Thursday, failed to take place because the commissioner of police refused to allow any meeting to discuss the boycott.
BUSINESS

Long-distance drivers expect open rules to restart feuds

By MZIMKULU MALUNGA

SOME taxi associations fear that deregulation of the taxi industry may exacerbate existing conflicts at taxi ranks.

The South African Long Distance Transport Association (SALDIA) is worried that the government plan to deregulate will increase taxi wars, as the number of the vehicles involved in the business will rise.

"There are lot of kombis lying out there waiting for permits to enter this business, and as soon as deregulation comes into effect, they are going to come in," argued Saldia's president, Peter Rabali.

Following last month's meeting between Minister of Transport Elton Louw and representatives of the Southern African Black Taxi Association (Sabta), Saldia asked for a meeting with the minister.

The two organisations held unity talks early this year, but so far no agreement has been reached. Meanwhile, Sabta has formed its own long-distance taxi association the United Long Distance Taxi Association (ULDTA).

Rabali, whose association boasts about 14,000 members, said that long-distance operators should also be included in the consultation process in order to avoid conflicts.

"Deregulation of the taxi industry is not the same as deregulation of hawkers, because it is a large co-operative operation with a lot of money involved and people have put their lives into building this business. There should be proper consultation," Rabali said.

Saldia said that in view of the regular conflict between taxi operators and passengers, it was worried about the general increase in the number of taxis within the black community.

Sabta and Saldia agreed that any influx of new operators into the business should be regulated by taxi associations themselves. "We are the people who are involved in the business and we know it better than anybody else," Rabali added.

The two organisations also felt that given that white businessmen had already penetrated the taxi trade, deregulation would open channels for whites to overtake blacks in the business.

"Sabta's stance is that we have never opposed deregulation as such. However, we are opposed to deregulation which would mean taking control of this industry out of the hands of black entrepreneurs and handing it on a plate to those who have every possible historical and financial advantage," said the organisation's assistant liaison manager, Miki Maubane.

Though the Sabta still believed it was the mouthpiece of black taxi operators, it supported the involvement of other taxi associations in the whole debate on deregulation.

"It is our belief that government should negotiate as widely as possible with those who are directly effected by its decisions," Maubane said.

Another burning issue within both Saldia and Sabta was the shortage of taxi-rank facilities. It was feared that the existing facilities would not cope with the expected influx of new operators.

The two associations suggested that government departments such as planning, traffic and engineering, would also have to be drawn into the deregulation process.

The deputy director-general of Transport, Louis Kluever, agreed that local authorities should be involved in the process leading to deregulation, but insisted that the programme would not draw more drivers into the business.
CP scraps taxi terminus.

By Therese Anders,
Highveld Bureau

A recently completed R250 000 black taxi terminus which backs on to white houses in a main Middelburg thoroughfare has been closed by the new Conservative Party Council before it opened.

A project of the town's previous Nationalist council, the Meyer Street taxi terminus and the ablution blocks cost local ratepayers R150 000 with a R100 000 contribution coming from the Highveld Regional Services Council.

The management committee chairman, Mr John Carlile, said the previous council had not notified the nearby residents about the terminus.

He said a temporary terminus across the road had worried residents with round-the-clock noise and unacceptable behaviour.

Said Mr Carlile: "This terminus is a total waste of money and somebody has to account for it."

He said the council was currently trying to identify a new site for the terminus.

It was possible the provincial administration would try to overrule the council, "but if it does we'll fight this in Parliament," said Mr Carlile.
Says competing unfairly, say road hauliers

Edward West
PUTCO has assured commuters in Mamelodi that bus fares will not be increased because of the recent hike in fuel prices. In a letter addressed to Ndlazi, Putco’s public relations officer, Mr. Bruno Ndodana, stated that the company was aware of the financial problems the community was facing.

The mayor made this announcement during the recent hike in the cost of fuel. The meeting was held between the council’s mayor, Mr. Zikhali Ndlazi, and Pretoria officials on July 6.
By TYRONE SEAL
Weekend Argus Reporter

AN R18-million computerised system that will virtually eradicate licence forgeries, keep track of habitual offenders and keep a firm grip on the minibus taxi industry is on the Department of Transport drawing boards.

The databank is the key to eradicating the growing number of problems in the black taxi industry, says Mr Louis Kluever, deputy director-general of the department.

The system will be on-line by March 1990, incorporating many of the innovations in the new Road Traffic Act. The Act has replaced the Road Transportation Act and the provincial traffic ordinances.

Among the proposed measures is a "credit card" driver's licence which drivers will be forced to carry with them in terms of the new Act.

Laser technology, holograms and embossing will be used to record the driver's personal details on the card.

"This will be unforgeable. We'll upgrade the technology all the time to beat the forgers. Besides, it will be too expensive for them to catch up," Mr Kluever said.

The Act would lay down a national traffic code with a built-in road transport quality system—a move away from permit regulation.

"We want natural economic forces to regulate the (taxi) system, but we also want to maintain good standards so we can regulate proper licensing and training of drivers, vehicle roadworthiness and insurance," he said.

"We will register taxi operators to overcome some of the present problems. For example, if the records show you have a certain driver caught consistently for various offences, you could trace this back to the operator and act against him in terms of the Act, because he is responsible for that vehicle and driver.

"The system will link operators, drivers, vehicles and offences to make it easy to see who the habitual offenders are. At the moment drivers are treated as first offenders for traffic violations whether they are caught 10 or 20 times.

"The new code would also make it impossible to move stolen, vehicles around the country by re-registering them from one province to another."

Mr Kluever said it would be impossible to police the booming taxi industry without the new system.

"I've had a series of discussions about this with a variety of people and organisations. There are people violently opposed to taxis and the whole black taxi industry, because of so many malpractices.

"Then you have the other side where people say this is a major economic development whereby black entrepreneurs are drawn into the economic system. Also, they are providing a service for which there is a need, otherwise they would not have grown at this rate."

The major problem was the rapid growth of the industry.

"Minibuses have been used only over the last 10 years and the numbers have grown from 10 000 to 60 000. This means the people who are drawn into the industry are not all properly trained and not all their vehicles are roadworthy.

"And obviously the faster the growth, the more difficult the law enforcement. That's the problem with any fast-growth industry.

"The taxi problem is something one has to think about very carefully. It cannot be solved simply by bureaucratic action."

"One shouldn't kill the goose that lays the golden egg. This industry is the golden egg that draws people into the economic system. We regard this as a good thing and we don't want to destroy it.

"On the other hand, we are under pressure because there's a strong general perception that the roads are unsafe because of taxis."

licences

Forgery-proof taxi


‘Healthy competition’

African trade shipping line launched

By BRUCE WILLAN

AS a result of increased trading in central Africa over the last 14 years, a locally-based group of companies has launched its own shipping line to secure continual links with their trading partners in Africa.

The group, Sopex, is essentially a trading group and has various interests in transportation including a 50% share in Swiss-based Aeroleasing Geneva.

New line

The new shipping line, launched at a function at a city hotel last night was born from the lack of an efficient shipping service to the West African coasts. CE and group MD Paulo Dos Santos said at the launch that often the infrastructure in Africa, and in particular in west and central Africa, does not cater for normal arms length transactions.

Successful trade in Africa, he says, can only be brought about through a thorough understanding of the markets, the people and the creation of infrastructure.

The new shipping line, which will fly the house flags of the group, will offer a complete service to both exporters and importers from documentation through to delivery at competitive rates.

The only other major shipper, operating to the rest of Africa is Unicorn lines and the addition of the new line will create healthy competition.

Trading activities of the group will ensure a continued service and account for two of the vessels hired under contract.

The other vessels will be made available to exporters needing a regular service.

While Africa is the target destination, the group has not confined itself to the continent.

World service

It will ship goods to any part of the world and has established offices in Europe and the Far East.

While trading with African countries is often regarded as difficult, a spokesman for the group said that in Zaire there were no considerations about where goods came from, what counted was quality, price and continuity of supply.
Taxi safety is the target of new company

Staff Reporters

The Southern Africa Black Taxi Association (Sabta) yesterday launched a company which will tackle the problem of taxi safety and standards of operation: Project Spear (Pty) Ltd.

Anglo American and the De Beers Chairman's Fund has given R470 000 towards an immediate-action radio advertising campaign — giving safety suggestions to taxi drivers and passengers — and research into the causes of accidents being conducted by the CSIR.

Speaking at the launch in Johannesburg, deputy managing director of Sabta Marketing Mr Jabu Mabuza said an education and training programme was planned to improve the standards of operation and profitability of taxi operations. "The company will provide training for taxi owners to help them improve their business and operating skills. We hope this will also reduce the number of accidents," he said.
AT least 305 passengers and 174 drivers have died in accidents involving minibus on South African roads in the past five months and the toll is likely to reach a frightening 1 600 by the end of the year.

In its publication, *Roads*, the National Road Safety Council blames carelessness, overloading, and the activities of vehicles, speeding, ignoring traffic signs and making sudden decisions on the road.

According to the NRSC another 1 051 drivers and 2 238 passengers were seriously injured while minor injuries were suffered by 583 drivers and 4 467 passengers.

Because of these shocking figures, drastic measures to reduce death on the roads are to be implemented by the Southern African Black Taxi Association, the South African Long Distance Travel Association and the Black Union of South African Taxi Operators.

Concern has also been voiced by communities, pedestrian and traffic departments who all blame taxi-drivers.

The situation is also worsened by private taxis. While figures on the number of private taxis on the road are hard to come by, it is known that these make a substantial contribution to the loss of lives on the road.

Last year the number of registered minibus on the road increased by 6.7 percent from 106 834 in 1987 to 145 967 in 1988 and, according to the NRSC, most of them are taxis.

This means that taxis account for most of the accidents.

The number of minibus accidents in five months

That’s the number of people killed in minibus accidents in five months.

**By JOSHUA RABOIROKO**

**FOCUS**

**Commuters interviewed blamed overloading, bad road surfaces, drivers not signalling their intentions to turn on time, racing through red signals and making sharp U-turns with screening tyres.**

**Sala’s, with an estimated membership of 35 000 members, say while it is trying to sort the problem it had to be taken into account that what it could do was very limited.**

Moreover, since it represented legal taxi owners, it had no control over illegal taxi operators.

Sala’s president, Mr James Nqayiso, said the accidents on the roads could be reduced if as a first step public transport were legalised which would result in greater control over their operations.

He also hoped the government would speedily approve recommendations made by a committee of the Department of Transport and Sala on deregulation in the minibus transport sector.

**Meanwhile, Sala’s is also investigating the introduction of an electronic charge system for its members to reduce the use of cash. In many instances the payment of money by passengers has been found to be the cause of reckless driving and speeding by taxi drivers.**

As there is no central over the amount of cash collected by drivers, taxi owners insist on a maximum amount to be credited in the driver’s account. Most drivers then work towards getting more than this minimum knowing that the extra cash is part of the deal. Sala’s is thus looking at the payment of taxi fares by what it calls a “smart card” — cards with built-in microchip memory. It is hoped that these cards will be bought as specific points by commuters and that the passengers will use them in taxis.

At the same time the system can be programmed to control overloading and the use of cash, and any other functions necessary to improve service in commuters.

However Nqayiso said that to work on the road is not a responsibility of Sala alone.

Other organisations such as the Department of Transport must be involved.

Bustee chairman Mr Andrew Makhulekwa says the number of minibus taxi accidents is disturbing.

The association is committed to a training scheme for members. Some of the taxi drivers were impetuous and often lost control of the vehicles they drove.

He said: “The growing number of white drivers bringing taxis to the rising number of accident is disturbing. Taxi operators, in a bid to make a fast buck, are carefree on the roads. This causes accidents.”

“We are mostly held to the code with our members regarding safety and we hope to address this problem. There is a great lack of control by other taxi organisations in this training issue.”

Sala’s president Mr Peter Rahali says safety is one of the biggest headaches in the transport industry. Statistics show a significant decline in the number of accidents involving minibus.

Sala’s is doing all it can to promote road safety. Mr Rahali added: “We are concerned about the matter and are in the process of installing a number of programmes to increase members’ awareness of road safety.”

Commuters have expressed fears that unless taxi operators take note of their driving more people will die on the roads. “We need proper safety measures in our driving. We are family people and love children and support. Getting into a taxi these days can be a death hussle,” Mr Zulu Mdudula of Zola in Soweto said.

A member of the South African Institute of Race Relations, Ethnice Cesar, said the number of taxis, lack of driving skills and a lot of old vehicles made more taxis prone to accidents.

Another 1 051 drivers and 2 331 passengers have been seriously injured in minibus accidents.
TRUCE IN TOKOZA

TALKS between rival taxi organisations in Tokoza which were held at the weekend could pave the way for a single taxi association in the area soon, a spokesman for the Tokoza Taxi Organisation (Toto) said yesterday.

Mr Lemox Magwaza said this was the first time Toto and the Tokoza Taxi Association (Tota) held joint talks to discuss the overall taxi operation in the township and ways of improving the service.

He said the move was a step in the right direction and expressed hope that there could be one taxi association in the township soon.

Meanwhile, Toto will hold a general meeting at Tshirefa section on Sunday.

The meeting will be at 7898 Motumisi Street starting at 8.30am.
Taximen's fight

VAAL Triangle taxi owners have formed a new association aimed at stamping out corruption, combating the high accident rate and protecting operators' rights.

The secretary of the Vaal Taxi-Owners Federation, Mr M J Marokoane, yesterday said the association was formed by more than 250 taxi owners at the Sharpeville Hall.

He said they intended to uplift the standards of black taxi operators in the area. The rate of accidents caused by minibus taxis was increasing, he said, adding: "Our concern is to improve the driving standards of our members."

"The association will also start a provident fund for members as well as apply to join the Unemployment Insurance Fund.

"We want to protect our drivers in the same way as they should safeguard passengers in their daily operations."

Marokoane said the taxi industry had been infiltrated by whites who used blacks to make profit. "We have reported such cases to the police who are investigating several cases," he said.
Cul de sac?

The Johannesburg City Council (JCC) seems determined to get rid of its bus services — which have been a diminishing asset since the Forties.

A recent directive to reschedule the bus services — probably from the JCC’s management committee — instructs the Johannesburg Transport Department (JTD) to eliminate redundant posts and reschedule buses “in accordance with known passenger demand, which could result in further saving to the department.” Nowhere is the possibility of marketing the service mentioned.

The JCC has, down the years (notwithstanding which political party was in control), set every possible obstacle in the path of the JTD. The results are predictable: in 1947 Johannesburg’s buses carried 129m passengers. This dropped steadily to only 46,8m in 1989.

And, while the JCC sheds crocodile tears over operating losses on its bus services, it also sets their fares. From September 1, these will be increased by 20% — the first time in more than a decade that the increase has been above the inflation rate. Other increases were such that it was impossible for the JTD to recover costs.

Even the January 16 fuel price increase of 10c/l, which added R350 000 a year to operating costs, was not reflected in a fare increase. As usual, the Ratepayers’ Fund had to subsidise these losses.

While the JCC is now trying to reduce the JTD’s operating losses by scrapping some bus services, it accepts, without a murmur, estimates that parks and recreation will earn only R3,5m in the current financial year and show a deficit of R66m. It also accepts that roads and works will cost R78m.

The council obviously reasons that these are essential services — but public transport, which will cost R71,1m to operate this year and generate R43,1m, leaving a deficit of R28m, is apparently not regarded in the same light.

The neglect of JTD’s bus services has also had other consequences. Rand Afrikaans University’s Vaughan Mostert says some bus services that were curtailed because of legitimate reasons (like a shortage of drivers due to flu epidemics) were not reinstated when the position returned to normal.

This had a domino effect. Passengers who used to catch buses that had been cancelled didn’t wait for later buses, they found other means of transport — and the council cancelled more buses. Because of this, few, if any, buses run after 19h00. And the CBD now dies when the sun sets.

There are other reasons why Johannesburg’s buses are losing out. Despite increased cost, more people would sooner use their own — or company — transport than buses. Convenience is only part of the reason for their choice. The service just doesn’t suit them: it’s either too infrequent, too erratic or doesn’t run at acceptable times.

JO’burg bus … better to walk?

Johannesburg’s buses are marketable. They are comfortable, reliable in the sense that they don’t break down often, well-maintained and clean.

But the promotional budget this year is only R20 000 — 0,11% of anticipated revenue, or hardly enough to promote a neighbourhood shopping centre.

Durban, on the other hand, regards its buses as a service that can be marketed to reduce costs, using normal business methods such as brochures and pamphlets. It also involved the public in its Mynah midibus project before the service started. Now, using the service has become something of a status symbol.

The number of passengers using the Musgrave service increased from 2 300 a day on weekdays to 5 887 a day; on Saturdays from 900 a day to 4 197 a day and on Sundays from 400 a day to 1 508 a day.

The Durban Transport Management Board (DTMB), made up of experts in transport needs, was created to “depoliticise” transport. Says DTMB GM Marshall Cuthbert: “We have the best of both worlds. The council funds the board, but doesn’t interfere with us. It allows us to use ratepayer money and private sector methods to get buses on seats.”

But, in Johannesburg, the supervision of buses is mainly aimed at ensuring that passengers pay the full fare.

The city fathers seem to have overlooked one problem: Johannesburg will have to ensure that satisfactory public transport is available when the Passenger Transport Bill is enacted — and will have to subsidise all uneconomic services.

So either it gets its act together, or Johannesburg ratepayers will still be called upon to fund the future results of current mismanagement.
World Bank's general quota increase of new capital.

The Mexican share of the World Bank capital increase is $14bn, of which 97% is something called callable capital — that is, the US need not actually put up the money in hard cash, but pledges to do so should some economic disaster make it necessary. This enables the World Bank to go into the international money markets and borrow funds at favourable market rates.

This still leaves the Americans a cash contribution of $420m (or 3%). Though most World Bank member nations have paid their cash dues in full in one payment, the US has been allowed to pay up in six equal instalments. Last year, Congress appropriated $50m instead of $70m. And this year, instead of $90m, the House Bill contained not a penny. Congressional leaders said it was their way of protesting the original version of the Brady Plan — most of these lawmakers favour outright debt forgiveness.

While the old Brady Plan was suspect in Congress, the new plan is doubly dammed as being too little, too late. Altogether, the plan offers Mexico about $1.3bn a year in reduced debt burden and $1.2bn in reduced interest payments if all the banks go along with all or most of the options.

Since Mexico's annual debt service obligation has been running about $1bn a month or higher, the plan gives the government of President Carlos Salinas at best a couple of months' breathing space. The new pact does not come near to meeting the Mexicans' own goal of reducing its annual debt service outflow by $10bn a year to $3bn. Nor does it provide any incentive to recapture the roughly $55bn in Mexican capital that has flown out of the country for safe haven investments in the US and Europe.

In the final analysis the new deal is more like a traditional rescheduling of debt with stretched-out repayment periods and reduced interest rates than a real reduction of Mexico's debt.

The banks themselves are now indicating that as few as 30% will opt for serious debt reduction; 60% may take interest stream reductions while another 20% will agree to put up new cash.

Totals being bandied about put the result at a one-time reduction in Mexico's debt of roughly $3.8bn and a cut of $1.3bn in interest payments each year.

In turn, Mexico will have to borrow and pay interest on $7bn in loans from the World Bank, the IMF and Japan in order to pay for the roughly $40m a year in zero coupon bonds bought from the US Treasury.

All that presupposes that Congressman Charles E Schumer (a New York liberal Democrat) abandons his threat to attach an amendment to upcoming foreign aid legisl-
Not enough going back into roads — hauliers

By DALE KNEEN, Staff Reporter

THE government is "half-bent" on not ploughing money it derives from the transport industry back into roads, according to the Chief Executive of the Public Carriers' Association (PCA), Mr Ian Moss.

Addressing a group of about 50 transport operators at a meeting of the PCA last night, Mr Moss said only 25 percent of the revenue government derived from the transport industry was used on the development of South Africa's road infrastructure.

"Of the R16-billion the government derives from the transport industry every year, only R4.6-billion goes back into roads. The government then says it does not have any money for roads and tolls almost every major road in the country." "

BATTLE TAKEN TO COURT

The PCA had failed to persuade the government not to implement toll roads through negotiation.

The battle was then taken to the Supreme Court in Maritzburg, where the PCA and the National Association of Private Transport Operators — which together represent 90 percent of the road transport industry — challenged the lawful operation of toll roads.

They were unsuccessful, but Mr Moss said the PCA intended appealing against the decision.

The government slashed road tolls in May, when nominal levies were introduced for people living in the areas of the toll gates and frequent users were granted discounts.

Statistics on accidents involving cars and trucks showed 75 percent of accidents were not the fault of truck drivers, Mr Moss said.

United States statistics showed trucks had a better safety record than cars and truck defects did not cause a major percentage of accidents there.
We are very unhappy about this. We rely on taxis because they are slightly cheaper than the bus, but no-one's doing anything about this place. We've been coming here since people moved into this area.

Consulting engineers are examining the transportation needs in downtown Cape Town where consideration will be given to utilising the station deck.

Work on Retreat railway station's rank has made life more comfortable for taxi users, but the shelter covers mainly bus commuters.
Sabta to launch plan for better services

The Southern Africa Black Taxi Association (Sabta) is scheduled to announce tomorrow a wide-ranging plan to improve standards of driving and taxi operation.

The move is not before time. The taxi industry today is subject to criticism from all quarters for its poor standards and unacceptable safety record.

Improving safety and standards of taxi operations has an even greater significance. If the taxi industry can be stabilised and become a fully fledged business, it will lead the way in the 1990s to a huge new black business movement which can influence the process of political change.

South Africa has seen two great business movements. The first was that of the English-speaking Randlords. The second was that of the Afrikaans-speaking business community.

The 1990s will see the emergence of the third great business movement – that of the black people of SA. By the end of the decade it may well be on the way to matching today’s white business conglomerates.

The important aspect is that these distinct business movements will be operating in a non-racial South Africa. This will have come about at least in part as a result of the process of “black economic empowerment” begun in the early 1990s.

Black economic empowerment has been a buzz phrase for the past year. At its simplest it can be defined as a means to assist in the process of dismantling apartheid and creating a non-racial representative government in SA. The empowerment strategy has two quite distinct elements.

The first is the breaking down of social barriers as a result of increased black incomes. This will lead to changes in lifestyle and greater communication between blacks and whites. This in turn will ease the process of political change.

The second is the creation of wealth within the black community so that in a capitalist society they will be able to vote with their money. This, too, will help to accelerate political change.

Black economic empowerment is not a stand-alone policy. It cannot take the place of the political search for solutions. It can assist that process, and it may well be able to accelerate the process of achieving a new constitutional dispensation acceptable to the majority of South Africa’s population.

But it is not itself a political solution.

This encouraging scenario, though, can be made reality only with the support of both the public and private sectors.

The Government clearly has a vital role to play. Current government policy lays emphasis on privatisation and deregulation.

These can be used as powerful tools to assist black economic empowerment.

Privatisation offers the opportunity for a specific South African form of black popular capitalism. If the government really wishes to see economic empowerment succeed, the coincidence of privatisation of state corporations which will in the early 1990s can be used to ensure that they become majorly-owned by the black community.

Deregulation can help the development of small black business. However, it is not a “quick fix”. Badly handled, it could cause great disillusion among black entrepreneurs. Government must be prepared to be actively involved in the management of change from regulation to deregulation.

The private sector must be willing to invest in the future of SA by helping to develop black business, even to the extent of helping to create potential competitors.

The emphasis will be on business education on the one hand, and new business opportunities on the other. The aspirant businessman will be supported throughout this process, he will be helped to reach his full potential, without having the ever-present fear of failure while he is learning his new skills.

The critical actor in this stage of black business development will be the trade associations which will have developed from the present ubiquitous informal sector industry associations. The trade association will act as the catalyst in the transition from the informal entrepreneur to the businessman proper.

That is why the plans of Sabta to be announced tomorrow are so very important.

If the association can show the way, it will be leading not merely the taxi operator, but black business in the 1990s.

Minibus deaths average 3 a day

By Jacqueline Myburgh

At least three people died every day in minibus accidents on South African roads during the first three months of this year.

Statistics of the National Road Safety Council (NRSC) say 71 drivers and 232 passengers were killed, and 4,353 people injured.

Mr James Ncoca, president of the Southern African Black Taxi Association (Sabta), which has control only over legal taxi owners, said last week that accidents could be reduced if pirate taxis were legalized, which would mean greater control over their operations.

Sabta has about 50,000 members and most of the 140,000 minibuses on the road are taxis.

Shooting sparks fears of city ‘war’

The weekend assassination of Johannesburg Taxi Association vice-chairman Mr Nelson Mabena at his Soweto home has sparked fears of a flare-up in the taxi war between rival associations.

Police said Mr Mabena (63) was shot dead in his backyard at about 8.30 pm on Friday.

He was shot in the head and chest by a gunman, who apparently ambushed him.

Police have appealed for witnesses or anyone with information on the killing to come forward.

Colonel Chris Oosthuizen, commander of the Soweto Murder and Robbery Unit, is investigating and can be reached at (011) 999-0108 during office hours or at (011) 999-4565 after hours.

— Crime Reporter.

Soccer referee stabbed

MBABANE — A top Swazi referee was stabbed when hundreds of fans ran riot at a soccer match here yesterday after he had awarded a free kick.

The referee in the game between Mbabane Highlanders and Denver Sandows, Mr Sport Dlamini, was stabbed six times. Witnesses reported at least one player stabbed, as well as numerous spectators. — The Star's Africa News Service.
The booming taxi industry is described in business circles as a "miracle."

The booming taxi industry is described in business circles as a "miracle."

Since January, more than 25 people have been killed in minibus taxi accidents in the Western Cape. The growing outcry over reckless driving has prompted community organisations to take up the issue. Now the taxi industry itself is seeking ways of ensuring a safer service. HENRY LUDSKI, JO-ANNE MATTIEWS and DEBBIE MOOS report:

Entrepreneurs call it the "taxi miracle."

But for thousands of passengers who ride daily in the taxis, this "miracle" is where they arrive at their destinations alive.

More than a decade after the minibus taxi industry secured a slice of the passenger market (mainly at the expense of bus companies), profits are soaring.

But while the industry's growth chart is looking good, its reputation is increasingly tarnished with allegations of reckless driving and exploitative practices.

Drivers and owners are often the first to agree that a shake-up of the industry is needed.

As concerns mounted in recent weeks over the safety of passengers following a spate of minibus deaths, the industry took a long, hard look at itself.

"Yes, many of us do drive before we drink," admitted one Bloemfontein taxi driver, who said many of his colleagues took pride in being called "cowboys."

"Sometimes we just don't have time to look before we change lanes," he said.

Since the beginning of the year, more than 25 people have been killed in minibus accidents in the Western Cape.

The bad publicity generated has endangered the industry into a crisis.

"It's certainly time to change drivers' attitudes," said Mr Beni Nelg, a Western Cape executive member of the South African Black Taxi Association (Gauta).

"The whole industry is teetering on the brink of extinction because of the behaviour and attitude of certain drivers."

"Drivers have come under heavy fire from the traffic authorities who have threatened to crack down on taxi 'cowboys."

"More than half of the 3500 taxis operating in the Western Cape are unregistered."

Despite all the criticism, most passengers and community organisations prefer to deal with the taxi industry than with bus companies.

"Many of the drivers have no other way of making a living," said Nelg.

"This week, the growing toll of minibus taxi deaths featured prominently on the agenda of representatives at a taxi meeting held in Johanneskraal, following the death of nine people in a horror collision between two minibus taxis in the Transvaal."

"The battle against taxis is a battle against the entrenched taxi drivers."

"Everyone agrees about the taxi miracle, but we must also agree to improve the service."

"We are fighting to save the taxi industry and we must be able to say that we are doing it right."

Nelg says that the taxi industry must be able to demonstrate that it is capable of running a safe and proper service to our communities."

Ms Zubeida Achmat, a resident of the Western Cape, said she was tired of the constant danger.

"I'm nervous to travel."

Mr Mongamat Benjamin, an owner-driver, says that the industry needs to be regulated.

"Targets are unrealistic."

"We can only afford taxis."

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"Targets are unrealistic."

"We can only afford taxis."

Drivers also complained about owners setting "unrealistically high" targets for drivers.

Mr Mongamat Benjamin said there would be less pressure on drivers to push passengers if the targets of up to K150 a day were lowered.

In a recent survey conducted by SOUTH, many passengers suggested that reckless drivers be banned from the roads. These forced out of necessity to use the taxi, such riders often join a "journey of fear."

"They don't drive the way people's lives are at stake, or if they do, many of them just don't care." Mrs Beauty Mbabane of Guguletu also spoke of her apprehension about traveling in taxis.

"But unfortunately the whole industry has been given a bad name by a handful of drivers who think they own the roads."

An ironic sticker on one taxi's window.

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Sabta links up with Lesotho Taxi Association

By JOSHUA RABOROKO

THE Southern Africa Black Taxi Association (Sabta) has forged links with the Lesotho Taxi Association in an attempt to bring black entrepreneurs in the Southern Africa region together.

Speaking after talks between the two associations, Sabta's president Mr. James Ngeoya, said LTA joined them because they wanted to become part of South Africa's mainstream economy.

He said: "We have the capacity and capability to extend our services beyond the borders of South Africa."

"We look forward to assisting the LTA."

Happy

The Lesotho delegation was led by LTA president, Mr. Sechaba Mabula, who said there was a great need for development of the taxi industry.

His association was happy to have joined forces with Sabta.

The delegation included a representative of the Lesotho National Development Corporation which supported the LTA's initiatives to improve the passenger service in the mountain kingdom.

The joining of LTA brings the number of Sabta affiliates to 10.
Black operators robbed of millions of Rand

HUGE TAX SWINDLE

Thousands of rands are allegedly lost to whites and government officials in the taxi industry, operators have claimed.

The Southern Africa Black Taxi Association has claimed that whites, including highly placed government officials, have been paid millions of rands by blacks trying to get into the taxi business.

In an exclusive interview with a Sabtu team appointed to investigate the exploitation of blacks, it has emerged that black entrepreneurs were each robbed of about R8 000 before they got the vehicles.

Police have confirmed they are investigating various allegations.

Mr. Mike Ntsele, acting director of Sabtu public affairs department, said they were investigating about 20 schemes available on the market.

"We have found that some of them cannot work or are outright fraud." He said some of the schemes were advertised in the Press with impressive guarantees of a taxi permit within 24 hours with finance and insurance available.

A prospective taxi owner is expected to pay R6 000 as deposit.

The company, which is financially strong with a healthy bank balance, will then lease the vehicle from the bank and supply the taxi operator with a taxi.

The taximan will then pay about R600 per week for 42 months before the vehicle becomes his.

"The company does not pay the deposit to the bank but pockets it." After collecting four weekly installments totalling R2 400 a month from the taximan, the company then pays the bank about R1 600 a month on the lease -- "pocketing a monthly difference of..." To Page 2
BIG TAXI SCAM

R800 for 42 months.

This means that the scam operator makes a hefty R33 600 profit from one car lease - plus the R8 000 deposit already paid by the unsuspecting client.

Some operators, through various contacts actually manage to register the vehicle in the name of the operator. This way, a taximan pays a total of R17 000 for his taxi and the scam operator makes a neat profit of R50 000 on each vehicle.

“We know of a syndicate of three whites and two blacks who have 100 such vehicles on the road. If they can continue for 42 months they will have made a clear profit of R5 million without any capital outlay,” he said. Ntlatlong said that as a result of deregulation, whites were now flocking into the taxi industry.

There were cases where some genuinely wanted to help black friends acquire taxis on a 50/50 partnership basis, but most wanted “a quick kill.”

After tricking aspirant taxi owners and pocketing thousands of rand, they then disappeared. Some took as much as R500 000.

He said the schemes were very carefully planned and researched. “In many cases they are quite legal until our people find that they have been taken for a ride by some of them or they have paid twice what they should have.”

Their investigations also revealed that influential Sabta and government officials were involved. He declined to name them because the matter was sub judice.

Taxi clubs, motor groups and taxi hire were other forms through which blacks were exploited.
SAA privatisation: Draft law due soon

The Argus Correspondent

JOHANNESBURG — Draft legislation for privatising South Africa’s domestic air transport will be ready by October, says Minister of Transport Affairs, Mr Eli Louw.

Speaking at the opening in Pretoria yesterday of the annual transportation convention, he said the new Air Services Act would embody four main principles.

These were the “paramount importance” of safety, the consideration of “users’ interests and views”, the equal treatment before the law of all those taking part in the air transport market, and the resolution of economic decisions by market forces.

Once the domestic air policy had been agreed to, said Mr Louw, a steering committee would study the country’s international air transport policy with a view to similar deregulation.

Department of Transport Director-General Ronnie Meyer echoed his minister’s firm commitment to deregulation, privatisation and free market principles.

He announced that “private sector involvement in the provision of commuter rail services to serve our rapidly growing urban populations, is under investigation”.

If the private sector was “unleashed” it could make “a major contribution to development”.

“The same applies to the informal sector, which will have to make a tremendous contribution to providing the employment that the formal sector cannot.”

The Minister held out new hope to road hauliers on the issue of permissible axle loadings (which decide the weight of cargo that can legally be carried by a heavy commercial vehicle), hinting at the possibility of an increase.

He said the practice of applying British and American axle limits of 8.2 tons to this country was under reconsideration.

“In some countries of Europe the permissible axle loads have now been increased to 11 tons and 13 tons. Some of South Africa’s neighbouring countries have also agreed, together with European countries, to increase their permissible axle loads.”
Two private airlines to merge

JOHANNESBURG-based Magnum Air and Durban-based Citi Air are expected to sign a deal within the next two weeks in which the two companies will be merged.

A similar deal struck at the end of last year which involved four private airlines, including Magnum and Citi Air, fell through in April when Brownlee Holdings, which was negotiating to buy the four airlines, withdrew from the deal.

The new negotiations are believed to have been going on for the past six months. Magnum GM Ivan Jackson said they were “progressing well” while Citi Air MD David White said progress had been made and an announcement could be expected within two weeks.

It is believed the rationale for the move is financial.

The National Transport Commission (NTC) reinstated Citi Air’s operating licence for its scheduled routes with effect from Sunday, White said yesterday.

The licence was temporarily suspended by the NTC on July 27 following an investigation by the Directorate of Civil Aviation into the airline’s aircraft airworthiness and maintenance operation.

White said the NTC had stipulated no aircraft be used on the scheduled services before specific approval had been obtained for that aircraft’s use.

White said he was still mystified as to why the operating licence had been temporarily withdrawn.

He said he had told the NTC he would resort to Supreme Court action if a satisfactory explanation was not forthcoming.

The NTC said White had been “verbally informed.”
Sabta keen to run city bus services

Special Correspondent

Black taxi operators have challenged municipalities with loss-making bus services to privatised them by allowing the new operating company of the Southern African Black Taxi Association (Sabta) to take them over.

Speaking today at the annual Transportation Convention in Pretoria, Sabta deputy managing director, Mr Jabu Mabuza, said the company, Project Spear, would undertake to halve the subsidy in real terms within three years.

At the same time, it would tailor a wide range of services for local residents.

Said Mr Mabuza: “Project Spear has targeted loss-making municipal transport services as an early opportunity. Johannesburg subsidises its bus undertaking by R28 million a year for a service which is increasingly recognised as no longer meeting the needs of all the population.

“Project Spear will offer a turnkey service in which it will undertake to reduce the municipal subsidy in real terms by 50 percent inside three years, provide a wide range of different services to meet the needs of all the population, and provide new business opportunities for large numbers of independent transport sub-contractors and franchise holders as part of the process of black economic empowerment.”

He said the company would be approaching the management committees of all those municipalities which either run their own bus fleets or (like Sandton and Randburg) have subsidised contract services.
Drive to cut road deaths

By MZIKAYISE EDOM

The Southern Africa Black Taxi Association this week launched a R500 million campaign to cut road accidents.

Project Spear, as it will be known, was launched at the Turffontein Race Course, Johannesburg, yesterday.

Taxi operators, the National Road Safety Council and the National Black Consumers Union attended.

This venture is part of a campaign to reduce the death toll on the country's roads where 9,000 are killed in crashes every year.

The Anglo American and De Beers Chairman's Fund provided R470,000 for the project. According to Saba, members of rival organisations will also benefit.

Part of the money will be used for radio advertisements and the rest for the education of drivers on road safety.

The deputy managing director of Saba Marketing, Mr Jabu Mabuza, said the first priority was to train taxi drivers on the safe use of the road.
Gloomy figures on SA price rises

Special Correspondent

South Africa has the dubious distinction of occupying a top-14 slot among Western nations for price rises, according to a major transport company executive.

Figures from the International Monetary Fund show that from 1983 to 1988 prices here have risen by 100 percent compared with 58 percent in New Zealand, 37 percent in Britain, 6 percent in Germany and 5 percent in Japan.

When it comes to economic growth, South Africa lags behind most other countries. Between 1980 and 1986 it recorded 0.3 percent growth compared with Japan's 3.7 percent, New Zealand's 2.6 percent, Britain's 2.4 percent and Germany's 1.8 percent.

These gloomy statistics were revealed at yesterday's conference of the Southern African Bus Operators' Association (Saloba) in Johannesburg by the managing director of Group Co, Mr Norman Blem.

Speaking on "The marketing process in passenger transport," Mr Blem told delegates that bus companies would have to work harder to survive in future.

He likened the country's bus industry to the bicycle industry, which almost disappeared before re-emerging as a powerful market-oriented business.

OPPORTUNITIES

"That is the way your industry should be coming back, because the opportunities are undoubtedly there."

He said a truly marketing-guided strategy was the only answer for the industry's individual operators, who had to learn to understand the real needs of their customers and fulfill them. They also had to learn to listen to their passengers, and talk to them in their own language. "In South Africa, the majority of the population has an IQ that is average or below average. Only 30 percent are above average. Many have problems reading official forms or newspapers or even street signs, apart from the fact that the average adult's reading abilities start declining the moment he leaves school."

"This means you can't just produce a glossy brochure or a newsletter and give it out to your passengers and say you're communicating with them. You're not. "You have to get out there and talk to them, and keep talking to them."

Size was no guarantee of future survival.

"Of the top 100 companies selected by Fortune magazine in 1974, only 14 are around today — 15 years later. The others have gone bankrupt or been bought or merged," Mr Blem said.

"The only guarantee of survival is to use the marketing concept to ensure your business's continued relevance."
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Impossible dream

The black taxi movement, which tried and failed to take over the giant Putco bus operation, may not have money but it certainly isn’t short on cheek.

With only a R470,000 grant from the Anglo American Chairman’s fund, the Southern African Black Taxi Association (Sabta)’s training and development company, Project Spear, is already talking of becoming involved in two projects which will probably need more than R1bn.

At this week’s launch of Project Spear it was announced that 300 taxi centres, selling training courses and operating as trading and profit centres, would be set up around the country. The envisaged investment is some R500m.

But the more audacious claim came a day later when Sabta Marketing MD Jabu Mabuza challenged the Johannesburg and other councils with loss-making public transport systems to privatise them and allow Project Spear to run them.

Quoting from the *FM (Business)* August 4 which highlighted the Johannesburg bus services’ R28m loss, he promised Project Spear would:
- offer a turnkey service to reduce the loss by 50% within three years; and
- provide services which would meet the needs of the entire population and “provide new business opportunities for large numbers of independent transport subcontractors and franchises as part of black economic empowerment.”

Mabuza said Project Spear would soon make concrete proposals to the Johannesburg Management Committee as well as to councils such as Sandton and Randburg which subsidised their public transport services on contract. “We will offer them the chance to privatise while, at the same time, contributing to the new economy of SA,” says Mabuza.

Project Spear is jointly owned by Sabta and Associated Training Resources. Shareholder Paul Browning, a transport consultant, sees no problems in attracting local and overseas investors to put up the money. International aid organisations are “interested

in training and promoting black businessmen.”

Project Spear’s training programme, which will cost R2.5m to start up, will ensure an adequate supply of trained black people.

But Johannesburg’s bus operation won’t come cheaply. Ed Curtis, director of the Johannesburg Transport Department, believes Project Spear should have about R600m available when it talks to the council. The replacement value of Johannesburg’s 440 buses alone is R420m, and five depots have to be leased. Fuel costs are R7m a year, spares and expendable materials R7.5m a year and the department’s 450 drivers earn an average R1,000 a month. If discharged, they will have to be paid out lump sums calculated to retirement age.

But the big problem may be to persuade Johannesburg residents to ride in the buses. Already scared to death by the reckless way most 16-seater black taxis hurtle round the city, most would be loath to commute on 100-seater buses driven the same way.
Violence is feared from white inroads

By Joe Openshaw

Resentment by blacks over whites elbowing into their profitable R2 million a year taxi business is going to lead to taxi-rank violence, warns Mr James Chapman, national advisor to the SA Black Taxi Association.

"Unless something is done very soon to protect disadvantaged black operators and entrepreneurs against inroads by privileged whites into the black taxi business there is going to be violence and disruption," Mr Chapman told The Star.

He said white ownership of black taxis has already been responsible for some, but not all, of taxi-rank violence.

"The inverse of the USA’s minority protection in the business field is needed here – majority protection," Mr Chapman suggested.

Resentment by blacks of white intrusion has been building up for years. They feel that with all the disadvantages of lack of education, wealth and skill, blacks struggled for years against official harassment and antagonism to establish a black taxi business and now whites are horning in when there is promise of quick profits.

"For most of the white entrepreneurs operating black taxis is seen as a profitable way of bringing in extra money – a profitable sideline. To blacks running taxis is a livelihood."

HIGH COSTS

"The Department of Transport is as concerned as black taxi-men are and has indicated it will do everything it can to assist them," he said.

"But the black taxi business is rough and tough. White owners of black taxis have had their vehicles disappear and their black operators abscond. One in three black taxis is involved in an accident every year and operating costs can be high."

A cause of increasing black resentment, according to Mr Chapman, is whites who offer black drivers minimal wages with an incentive to bring in R1 000 a month and keep anything they make above this.

Road safety goes by the board. Drivers overload and make extra trips to exceed the target set by whites.

50 pc share ‘increasing’

By Joe Openshaw

The SA Black Taxi Association (Sabta) says 50 percent of the country’s minibus taxis are owned by whites, and the number of white-owned taxis is increasing daily.

"Whites are taking over our industry and hide behind a black face because they have the capital and assets required for collateral loans," Mr T James Ngcoya, president of the association, said yesterday.

He expressed fears that deregulation may increase white encroachment in the black taxi industry and hamper prospects of growth.

"The black taxi industry has created thousands of jobs but most of these taxi drivers are not owners of taxis. They work for employers and some of these employers are white," he said.

It is estimated there are between 60 000 and 80 000 minibus taxis carrying 500 000 passengers daily.

Another disturbing development in the black taxi industry, Mr Ngcoya said, is “fraudulent operations” in which whites buy vehicles on hire purchase and then pass the minibuses on to would-be taxi operators.

He said the association had a vehicle purchase finance scheme for those wishing to enter the taxi business.
The Black Union of South African Taxi Operators (Busato) is to launch a campaign to improve the image of taxi drivers by being neat and adhering to hygienic standards on a daily basis.

The decision was taken after repeated complaints from commuters regarding the image of some taxi drivers who are said to be dirty, smelly, rude to passengers and often driving recklessly.

Busato's director Mr Simon Mathyson yesterday said: "We have formulated a code of conduct which aspires to attain and maintain the highest possible ethical standards in the best interests of the transport industry."

He said it was important for operators to improve their image by washing and keeping themselves clean on a daily basis, adopting correct attitudes in addressing their customers, refraining from smoking and lowering the volume of tape players and observing road signs.

"We have also received complaints from commuters that we do not have a code of conduct controlling our members. The association requires that its members adhere to a strict code and refrain from acts unbecoming to the industry they represent," he said.

He said the essence of the code was to service the public. It was only by maintaining an outstanding public image that the taxi industry would retain the respect and support of the public it served, and maintain a competitive edge in the market place.

The association was to encourage and promote education of its members. It aimed at training local taxi operators in basic vehicle maintenance, roadworthiness, road safety and traffic regulations.

"We also want to put an end to the escalating violence among taxi operators," he said.
Sabta chairman vows to improve safety

By EDWARD MOLOINYANE
Staff Reporter

THE new South African Black Taxi Association Western Cape chairman Mr Basil Nagel feels strongly about improving safety in the taxi industry.

He said, as the association's new provincial chairman, his five-year period of office would be characterised by improvements in safety, better service, sincerity, self-determination and satisfaction.

Mr Nagel, 41, elected chairman by the interim committee formed late last year after the "taxi war", succeeds Mr Lawrence Memani, who had to step down when his committee was dissolved by Sabta president Mr James Ngoya.

Mr Nagel maintains the taxi feud is a result of poor communication between officials and grassroots membership because "incorrect information leads to incorrect reaction."

Fastest growing

He believed the taxi industry, being the fastest-growing business venture owned by blacks, should be run in such a way that members, commuters, local authorities and sponsors were satisfied with the service.

Mr Nagel, who owns a fleet of 12 taxis and a filling station, has been a Sabta member for 10 years.

He was worried about "scams". He said many whites saw the taxi industry as a way of getting rich quick and were "trying desperately" to control the industry through "bogus" deals with some operators.

Combating this would be a priority as he felt the industry should be in the hands of those who knew and understood the community that it catered for.

"Sabta looks to uplifting the living standards and protecting the interests of members. A member must feel that he or she is getting the best possible benefit, the best price for insurance and for buying vehicles."

On recently announced government plans to deregulate the taxi industry, Mr Nagel says Sabta was not opposed to deregulation.

Deregulation

"We say government deregulation must come about firstly with consultation between officials and representatives of Sabta, and secondly it should not occur but rather be phased in over a period of say three years as suggested by the government."

He said Sabta considered itself a non-racial organisation with a membership of about 35 000. Fifteen percent was coloured and Indian and white members were being attracted in large numbers.

Mr Nagel believes women should be encouraged to participate in the business so that they could also be office bearers.

How was he elected the first "coloured" provincial chairman, considering that the majority of the organisation's members are African?

"I was elected by Africans who are in the majority on the committee. I after all represent the taxi industry and not the coloured community," he said.
Court backs bus move with ban on 25 unlawful taxis
THOUSANDS of commuters in Soweto may be left stranded should the Witwatersrand African Taxi Association decide at a meeting tomorrow to withdraw their taxis from the ranks, early in the evenings.

The chairman of the association, Mr Ellison Zwane said a spate of robberies and assaults on taxi drivers recently have made taxi owners extremely concerned about the safety of their drivers.

He said members were considering instructing taxi drivers to leave the ranks as early as 6.30 in the evenings for their safety.

He said one driver, Mr Nicholas Mthembu (30) was robbed and shot twice by gunmen in Orlando East on Monday. He is recovering at Baragwanath hospital where he was admitted.

His employer, Mr Jerry Moncho of Dieplinoff, said Mthembu arrived at his place and passed out on the steering wheel, bleeding profusely from wounds in the stomach and arm.

Mthembu was attacked by the gunman who earlier boarded his taxi as passengers and waited until most of the passengers had alighted when they demanded money. Moncho said the robbers took almost all the day's takings.

Moncho said this was the second attack on his drivers.

Zwane said the association received many reports at weekends about drivers being attacked by thugs. The attacks took place mainly along the Sakkies and Zola routes to Baragwanath.

He was aware that if this decision were to be taken many people would be affected, adding that it was up to the commuters to put pressure on the police to act against the robbers.
Transportation is understood fundamentally as the movement of people and things from one place to another. This concept is not limited to the physical movement of objects; it also encompasses the management and planning of transportation systems to ensure efficiency and accessibility. In this context, transportation plays a crucial role in economic development, social mobility, and environmental sustainability.

The importance of transportation cannot be overstated. It facilitates trade, enables cultural exchange, and promotes social cohesion. Effective transportation systems are vital for the functioning of modern societies, enabling the rapid movement of goods and services, and facilitating the exchange of knowledge and ideas.

Transportation infrastructure includes roads, railways, airports, and seaports, among other means. Each type of infrastructure serves a specific purpose, ranging from local commuting to international trade. The design and planning of transportation systems require careful consideration of the needs of the communities they serve, including economic, social, and environmental factors.

In recent years, there has been a growing emphasis on sustainable transportation, with a focus on reducing carbon emissions and improving the overall efficiency of transportation systems. This includes the development of alternative energy sources for transportation, such as electric vehicles and renewable fuels, as well as the implementation of smart transportation technologies that optimize routes and reduce congestion.

In conclusion, transportation is a fundamental aspect of modern society, and its effective management is crucial for the well-being of communities worldwide. As technology continues to evolve, so too must our approach to transportation planning and development, ensuring that it meets the needs of the present without compromising the ability of future generations to meet their needs.
Talks on services

A GROUP of Soweto commuters are to meet Putco's management tomorrow at the Putco's Baragwanath depot at 2 pm to present grievances about the company's service in the townships.

The leader of the group, Mr Stephen Sangweni said yesterday representatives from various areas wrote to Putco seeking a meeting to air complaints.
Offshore boost for Trencor

Improvements in Trencor’s foreign operations and export businesses, together with the weaker rand, helped the company to post a 33 percent increase in attributable income for the year to June. $17.8 million (R614.1 million), boosting attributable income to R48.4 million (R36.3 million). This translates into earnings per share of 137.8c (253.7c).

A final dividend of 47c (46c) has been declared for a total of 67c.

The directors say the strong contribution from exports and foreign operations should continue.

As a result they are forecasting an improvement in profits in the coming financial year.

Mobile Industries, whose main investment is its 49 percent holding in Trencor, increased attributable income to R23.8 million (R17.9 million). Earnings per share were accordingly higher at 83.5c (63.1c).

A final dividend of 13.7c (11.40c) has been declared for a total of 18.4c (13.75c). — Sapa.
Black Empowerment and Taxes

In the next few years, the focus will shift from economic empowerment to economic stability. This shift will be driven by several factors:

1. The demand for skilled labor will increase due to the aging population.
2. Access to credit will become more available, allowing for small business growth.
3. Government policies will prioritize education and housing.

These changes will lead to a more stable economy, which will benefit all citizens. However, it is important to note that the benefits of these changes may not be evenly distributed. It is crucial to address the issue of wealth equality to ensure that everyone benefits from these changes.

Conclusion

In conclusion, the shift from economic empowerment to economic stability is a necessary step towards a more equitable society. While this transition may be challenging, it is an opportunity to address long-standing economic inequalities and create a more stable and prosperous future for all.

References

Root causes of ‘taxi war’ not tackled, operators say

By EDWARD MOLOINYANE
Staff Reporter

NONE of the root causes of the problems that led to the “taxi war” in the Western Cape late last year have been tackled by the South African African Black Taxi Association (Sabta), disgruntled taxi operators have claimed.

The taxi feud among various associations in the Peninsula led to the disbanning of the then provincial association by Sabta after two people had been killed and scores injured in the fighting.

After the publication of an article on the new Sabta provincial chairman Mr Basil Nagel in The Argus, taxi operators said the new office bearers were unlikely to solve the problem.

They blamed Sabta for lack of interest in the causes of the conflict. Mr Maxwell Nonkonyana, chairman of Langunyan Taxi Association, which claims to represent 80 percent of taxi operators in the townships, said his members were “disgruntled” because none of the root causes of the fighting have been addressed by Sabta.

However, they had decided to keep a low profile for the time being.

He said the cause of the “war” had been the refusal by the Western Cape Taxi Association, led by Mr Clement Ramatlakane, to his members not to ply certain routes even though they had permits.

“The situation hasn’t changed from what it was before the conflict because these people are still adamant that we should operate in certain routes such as Bellville and Mowbray even though we are legal permit holders for these areas. We made numerous representations to the national body but have been ignored,” he said.

Mr Nonkonyana, who served on the 12 member interim committee that recently elected Mr Basil Nagel new provincial chairman, said he and his three members never participated in the committee activities because of the “dictatorial nature” in which it was run.

Mr Nonkonyana added that his association would only cooperate with the new body on national issues but would follow an independent line on regional and local matters.

Another dissatisfied operator, Mr AL Sacco, of the West Coast Taxi Association, who also served on the committee, said he was “kicked out” after he had challenged the unconstitutional manner in which the committee was run. His protests to Sabta, including three personal visits to the association’s Pretoria headquarters, had met with no success.

All the allegations were, however, dismissed as “absurd” by Mr Nagel, who said the committee could not stop functioning because some members did not attend meetings. He said numerous notices for meetings had been issued to the two but they never turned up.

Mr Nonkonyana, he said, only surfaced on the eve of the elections.

There were many issues facing the new executive committee which needed to be addressed. Mr Nagel added that it wasn’t time for “sour grapes” and if people wanted positions they should be prepared to work hard for them.

“I still invite all members, including the two to attend meetings so that we can solve problems together,” Mr Nagel said.

Mr James Chapman, Sabta national advisor, said he believed there were people out to “blacken” Mr Nagel’s name because all constitutional guidelines had been followed in his election.

Mr Nagel had played very important roles in Sabta since 1982. He said the constitution required that an impartial Sabta executive member should conduct the elections.

“In this case an executive Sabta member from the Orange Free State conducted the elections in which Mr Nonkonyana participated and Mr Nagel won. We as Sabta cannot interfere with such a democratic process,” Mr Chapman said.
Minibus taxis corner city commuter traffic growth

MOST commuters in central Cape Town still prefer to travel by car, the latest study of peak-hour commuter trends in the CBD shows.

While there was little change in bus and train passenger volumes in late 1988 compared with 1987, the study, conducted by the City Planner's department, shows that minibus taxis now account for 4.4% of inbound and 6.4% of outbound commuter traffic.

While City Planner Neville Riley describes the growth of the minibus taxi industry as "dramatic", the percentages relating to this sector in his survey are not comparable with previous years.

Minibus taxis were quantified separately in the annual survey for the first time in 1988. Before that they were included in a general motor vehicle classification.

The 1988 commuter study shows that buses have lost a substantial proportion of inward-bound passengers in the CBD in the past decade.

It also shows that while white commuter preference remains firmly with car travel, non-white commuter preference remains with trains.

Meanwhile the burgeoning minibus taxi industry in the Cape Peninsula is to gain new impetus from a R55 million terminal at Mitchells Plain.

The Mitchell's Plain businessmen behind this venture say it will be a first major step towards regulating and controlling minibus-taxi operations, "and to change the poor public image the industry is giving itself, to one of genuine service to the community".

The terminal, scheduled to be completed by next year, will provide for 500 taxis and will incorporate maintenance and repair workshops and a driver training centre.

Barry Gie, MD of City Tramways, maintains the impact of taxis on public transport operations, in greater Cape Town is, by no means as marked as is popularly supposed.

ON THE INCREASE: The kombi taxi — an increasingly common sight on Peninsula roads, with the rapid increase in the number of commuters using this free-ranging form of transport.

Cars, trains and buses continue carrying the bulk of Cape Town's peak-hour commuter traffic, but the latest survey by the City Planner's Department shows interesting trends in the modes of transport, in which for the first time, the minibus taxi looms large. ROGER WILLIAMS reports.

He says the private car is by far the biggest single factor in the decline of public transport usage, which has seen City Tramways carrying 9.3% fewer passengers in 1988 than in 1983.

"Only when the physical means for improving public transport services, especially speeding them up — is made available by the powers-that-be, can operators do anything really significant to ensure that it's smarter to use public transport because it's quicker, cheaper and more efficient than sitting in a car in a traffic jam."

Asked about steps to improve Cape Town's bus services, Gie says: "The experimental return of conductors on the Sea Point buses, which has resulted in an initial 7% increase in the number of passengers on that route, is just one of them."
Dollar earnings boost Grincor's shipping profits

By AUDREY D'ANGELO
Financial Editor

THE GRINDROD Unicorn international shipping and transportation group lifted operating income by an impressive 89% in the six months to June 30, on a 17% increase in turnover. And it reduced borrowings by R36m.

The directors explain that it was helped in this by foreign exchange profits due to the weakness of the rand. They expect further improvements in dollar earnings—although these may be offset by a fall-off in import trade.

Attributable income rose by 31% to R4.7m (R3.6m) in the first half of the year. Earnings at share level were 18.9c (14.4c). The interim dividend is 21% higher at 8.5c (7c) a share, with increased cover of 2.2 (2.1) times earnings.

Turnover was R187.3m (R160.1m), operating income R19.5m (R10.3m) and pre-tax income R13.2m (R7.6m).

However, the tax bill rose by 217% to R4.4m (R1.3m), leaving after tax income of R8.8m (R6.2m).

The net asset value per share has risen to R206 000 (R198 000) and interest bearing debt has been reduced to R57.7m (R93.8m).

The directors say they expect the growth in earnings to be maintained in the second half of the year.

Chairman Murray Grindrod said that “the recovery in the international shipping market continued throughout 1988. Satisfactory results have been achieved from all the group's international activities.”

He expects results from international business to continue to improve in the second half of the year although he warned: “The current import curbs may cause volumes to reduce and offset the results of the international freight and ships agency divisions.”

Grindrod said that in the face of increased competition, the group had “achieved limited growth in its domestic activities” in the first half of this year.

He said the group had contracted to buy a second hand 34 000 ton ship for international trade, which would be delivered this year. “The financing of this expenditure will not present any problems as the strength of Grincor’s cash flow is evident from the R36m reduction in loans in the first six months.”

M & R profits
Lobbying from a major power base has never been a South African strong point, but hauliers can derive some satisfaction from the knowledge that the Public Carriers’ Association (PCA) has tried to lobby election candidates on behalf of the road transport industry.

Org’s fuel figures anger truckers

Hauliers are up in arms about statements made by Deputy Finance Minister Dr Org Marais in a four-page paid advertisement feature in the Financial Mail magazine. The statements are accusing him of “juggling numbers”, of “making deliberately misleading statements”, of “ignoring the real issues facing road transport and the national economy” and of “downright lies to score points before the election”.

Chief executive Ian Moss of the Public Carriers’ Association (PCA), the major industry body, has said complaints about the article are “positively trivial”.

Entitled ‘Steering through economic storms to prosperity’, the piece included a separate section on “fuel levies and road tolls” that has infuriated transporters.

Marais stated: “Although the weakening of the rand and oil prices, which since September 1988 have resulted in sharp petrol price rises, over the five-year period 1985 to 1989 the petrol price rose on average by only 6.8 percent a year — a rate considerably lower than inflation and the nominal increase in income.”

Oil tax

“Contrary to some opinions, both the price and tax on petrol are still among the lowest in the world. Tax forms only 32 percent of the petrol price compared with 70 percent in most European countries.”

Accompanying this was a graph of international pump prices in South African cents/litre. It showed SA at the bottom of a series of gradually lengthening bars representing the price (in according order) in Australia, New Zealand, West Germany, Switzerland, Belgium, Holland, Portugal, France, Ireland, Japan, Denmark and Italy.

Moss said: “We at the PCA are still trying to work out where the Deputy Minister got his figures.

In February 1984, fuel cost

57.7 cents at the coast and 61.4 cents on the Reef. It now costs 104 cents on the coast and 111 cents up here, increases of 80.2 and 90.3 percent respectively. In fact, diesel fuel has increased in price by 48.5 percent over the last 12 months, and there is another increase due after the election.”

From February 1991 to January 1995, prices rose 67.5 percent at the coast and 46.4 percent on the Reef (there were three price rises in between); January 1985 to March 1996 - 3.4 percent on the coast and 6.6 percent on the Reef (with four price rises and one massive price reduction in between); March 1986 to July 1987 — a reduction of more than 14 percent; July 1987 to September 1989 — no change (with one reduction in between and then a rise); September 1989 to July 1989 - 46.5 percent at the coast and 6.0 percent on the reef (with three rises between).

That is working from the dates of increases or decreases in the fuel price, rather than on calendar or financial years.

“Now, where does he get his figure of 9.8 percent a year from? We have no doubt it is an accurate mathematical calculation of some kind, but it bears no relation to the truth that fuel has been used as both a political and a tax pawn as and when needed.”

With regard to saying that we have among the cheapest fuel in the world, we challenge that as well. His graph uses Jan-
uary 1989 exchange rates (eight months out of date) with current fuel prices, but we still can’t work it out.

“The pump price of fuel in the UK is 28.61 pence/litre, of which 17.29 pence is the tax component. That is exclusive of VAT. No matter how hard we fiddle it, we can’t get it to the total shown on Marais’ graph of 160 SA cents/litre.

“That immediately casts doubt on the rest of the prices which, by the way, omit the States. Fuel there ranges in price from 87 cents/gallon on the west coast to more than 98 cents/gallon on the east.

In any event, the mere conversion of a pump price into SA cents is not a valid comparison. It is a trick government has been using for years to persuade South Africans that everything in our garden is rosy. Now Dr Marais is doing it on the eve of an election with the price of fuel. It doesn’t work any more.”

Road construction

Dr Marais also said that “the not revenue accruing to the fiscus from fuel levies amounted to R26.6 billion in 1988/89. Al-
though this was not earmarked for road construction nearly all of it — R29.3 billion - was spent directly or indirectly in this area.”

Before Moss: “Once again, we disagree with the figures. In the 1987/88 financial year, government accrued R3.08 billion from fuel taxes alone. With a more than 40 percent increase in the fuel price, are we expected to believe that only an additional R0.58 billion was collected? Total collections from fuel alone should have been close to R3.6 billion.

“If you take road user charges into account, they produced more than R4 billion in the 12 months January to December 1987. We estimate that to be over R6 billion now. We also note the Deputy Minister conveniently forgot to mention them.”

“The PCA would also like clarification from Dr Marais on how N3 spending on road con-
struction, and what percentage of the R29.3 billion was made up of these amounts. vague state-
ments on such an important issue are unacceptable.”

Marais also raised considerable ire among hauliers by calling toll roads “an imaginative, practical and far-sighted move of ensuring a modern road net-
work in the future.”

Said Moss: “Toll roads are impractical and short-sighted. They are also inflationary. “Our calculations, checked by economists, show that a brand new N3 could have been financed by an additional 1c on the fuel price. How does that compare with tolls, which are a con-
tributory additional expense to the trucker and therefore inflationary.”

“Dr Marais’s own government of the Reserve Bank has publicly committed himself to fighting inflation. How can Dr Marais justify a policy of toll roads and soaring fuel prices in that con-
text?”

“South Africa does not have the traffic volumes necessary to make toll roads pay. That is why private toll concessionaires are being allowed to toll exist-
ing roads — to get them the return they need to make a profit, which they could not do on the new roads they are building.

“Government is lying to the country about toll roads, as it is about the fuel price and a lot of other things.”

Dr Marais was unavailable to comment on the accusations of the PCA.

Hauliers, however, were not. They agreed vehe-
mently with the Association’s comments. Said one: “Marais’s ad in the magazine is a case of carefully doctored statistics that deliberately conceal the true picture. The whole thing is a cheap election trick.”
Going down like minepits
‘Highway robbery’ by traffic officers

KAIZER NYATSUMBA

BLACK taxi drivers claim they are being blackmailed by traffic officers in the PWV area who are demanding bribes said to run into millions of rands.

Persistent allegations to this effect have resulted in the Southern African Black Taxi Association (Sabta) launching an intensive investigation.

The head of the Sabta investigation team, Mr John du Preez, this week told Saturday Star the taxi association viewed the problem in a serious light and would soon approach the appropriate traffic authorities.

The problem, Mr du Preez said, was complex.

FROM PAGE 1.

Taxi men ‘blackmailed’

pounded by the reluctance of taxi owners and taxi drivers to speak about this exploitation or to lay charges with the police since they feared this would expose them to further harassment, Mr du Preez said.

According to Mr du Preez, taxi owners and drivers are required to pay bribes before being issued with taxi permits.

In June this year Sabta established a special department to handle the investigations.

Some traffic authorities who had already been approached informally in the PWV had promised “to hit hard at any members of their staff involved in this kind of blackmail”, according to Mr du Preez. For the time being he was loath to give further details.

A spokesman for the SAP media liaison division in Pretoria yesterday said his department had stated repeatedly that if Sabta members had any complaint against the police they should come forward to make a full statement. Investigations would then be carried out, he said.

‘The taxi driver knows that all he has to do is to keep a folded R50 note in his identity document. When the particular traffic officer stops him to check if his vehicle is roadworthy and if everything is in order, the driver merely produces his ID and hands it to the officer.

‘The R50 note will simply disappear and the driver will not be ticketed for any violation of traffic rules,” said Mr du Preez.

He said it was difficult to expose the culprits because taxi-drivers were generally reluctant to make affidavits.

‘The drivers know only too well they would never again be able to do business in that particular region,” he said.

A spokesman for the Johannesburg Traffic Department, Mr Eric Hall, said: “We are not aware of anything like that, but if there were any irregularities, necessary investigations would be made by the department and appropriate action taken against those involved.”
Focus on trucking

THE ninth annual Outlook
for Trucks conference will be
held on October 18 and 19 at
Eskom College, Midrand.

The theme of the confer-
ce, organised by Transport
Management, will be im-
proving road transport's
share of the freight market.

Discussion will be on mar-
et uncertainties, the impact
of new vehicle and transport
technologies, transport legis-
lation and intensified com-
petition.

Speakers will include Ron-
ie Meyer, Director-General
of the Department of Trans-
port Affairs; Tony Twine,
managing director of mar-
keting environment, at
Econometrics; Ron McLean-
nan, managing director of
Tolcon; Ernst Gehring, head
of the heavy-vehicle test de-
partment of Daimler-Benz
AG; Wally Rautenbach, mar-
keting director of ADE; and
Hugh Sutherland, technical
manager of the Public Carri-
ers Association.
Taxi rank a threat to security, say residents

By Shirley Woodgate, Municipal Reporter

Plans by the Johannesburg City Council to create a black taxi rank and hawkers' market in Illovo have been condemned by some residents as "ill-conceived" and a threat to security.

They are heading for confrontation with their councillor Mr Christopher Newton Thompson and their local residents' association, who have approved the proposals, which are apparently in line with the development plan for the area.

The move envisages the closure of Cecil, Reform, Jameson and Tyrwhitt avenues at residents' request and the development of the park site bounded by Corlett Drive, Oxford Road and North Street for the taxi rank.

Several Illovo, Dunkeld, Melrose and Rosebank residents decided at a meeting in August to lodge an objection with the town clerk.

Committee convenor Mr C E W Hagley said the proposed rank would become a gathering point for taxis in the area.

The committee felt that, together with the hawkers' market, it would threaten security and bring with it a flood of vagrants, muggings, theft and litter with no compensating advantages. It also felt the police would not be able to control the situation.

The proposed market was "not only unnecessary but undesirable" as the area was already adequately served by convenience stores, he said.

The council has not commented on the objections voiced by the committee which will decide on further action after studying the official viewpoint.
Plans to upgrade ailing transport department

Sabta negotiates bus service

By Shirley Woodgate, Municipal Reporter

For eaching plans for a combined combi-taxi/double-decker bus service to upgrade Johannesburg’s ailing transport department have been detailed by Sabta in a privatisation package.

Transport expert Mr Paul Browning, adviser to Southern African Black Taxi Association and author of “Black Economic Empowerment — Shaping South African Business for the 21st Century”, said frameworks were being presented by Sabta to municipalities with loss-making bus departments.

“The initial reaction that in Johannesburg it would mean double-decker buses hurtling down Eloff Street driven by untrained drivers with forged licences, should be immediately squashed,” he said.

The plan aimed to improve the city’s transport service through Sabta’s 50 percent-owned development company, Project Spear.

Managing director Mr Henry Serfontein said he aimed to provide a wide range of cost-effective nonracial market-related services, rather than the council’s “take it or leave it” service.

“Main routes will be serviced by big buses to give a very frequent service like a light rail system, but without the cost of construction. Elsewhere we would offer a variety of ‘taxi’ services using small vehicles.

In the absence of roving taxis, the company planned an “inner-city distributor” using combis to link Diagonal Street, the Carlton Centre, mid-town shops, the rail station and Rotunda, Braamfontein and Parktown with a service every few minutes.

“We have already approached the Central Business District Association to ask them to take part in development and promotion of the inter-city distributor,” said Mr Browning.

Typical services outlined by Mr Serfontein included single hire — similar to a taxi service where people prepared to pay the highest rate can have a vehicle sent to their front door.

Shared-ride meant booking 24 hours in advance to be picked up in a shared taxi.

Subscription entailed booking the same trip each day for a big discount, or employers could arrange a contract whereby staff would be picked up from their homes and transported to work.

“Charter — our fleet of 10-16 seat vehicles will be ideal for many small groups such as sports teams or say, office parties to Sun City.”

Mr Browning said all these services would have a modern new corporate image and livery, promoted and sold through a marketing arm very much like a travel agency.
Moves to airlines' merger

THE proposed merger between Durban-based Citi Air and Johannesburg-based Magnum Airlines is still on the cards, with a third, Border Air, and possibly others being brought into the deal.

Neither Citi Air co-owner Doris White nor Magnum Airlines chairman John Morrison would confirm other airlines were involved.

Citi Air MD David White confirmed in an earlier interview negotiations were going on for the merger between Citi Air and Magnum Airlines.

Morrison said in a telephone interview yesterday the negotiations “could involve other airlines. There are negotiations going on and they may not be restricted to Citi Air.”

He said negotiations could be completed within the next 10 days.

Asked if Border Air formed part of the deal, Morrison replied: “I’m not saying it is not involved.”

Talks to be held after TVL border attack

The SA Trade Mission's representative in Zimbabwe has been instructed to hold urgent talks with the Zimbabwean government and military authorities, following a terrorist attack on a northern Transvaal farmhouse early yesterday.

As SAPF spokesman yesterday said the farmhouse of A J Erasmus, situated 50km west of Beit Bridge in the Weipa district in the far northern Transvaal, was attacked early yesterday by suspected terrorists who infiltrated from Zimbabwe. (See)

“Small arms, fired at the house, caused only very slight damage and no injuries,” SAPF spokesman Cdtt Rian Louw said.

The terrorist group fled back across the border after the attack, leaving seven RPG7 rocket, one RGD5 hand grenade, one F1 hand grenade and an AK47 magazine. He added that the Department of Foreign Affairs had been asked to take the matter up through diplomatic channels and that no further information would be made available.

Foreign Affairs spokesman Madeleine Gericks said last night that SA's Zimbabwe trade representative, Nico Nel, would meet Zimbabwean government and military authorities to impress upon them the need to stop the incursions.
Shareholders' faith in Micor is vindicated

After its announcement last month that it had acquired an additional 49% in Meadows Airfreight for a consideration worth roughly double its existing share price, Micor shareholders have seen the value of their shares increase by 10% to 40c.

And Micor has vindicated its shareholder confidence with the announcement today of its year-end results to June. The industrial holding company has, in fact, posted sterling results.

Post-extraordinary-item earnings jumped by a hefty 63% to 16c (8c) allowing a dividend, 78% improved, of 4c (21c) to be declared — covered 2.9 times.

The results put the share on a dividend yield of 10.9% and a pc of 3.2 times compared to 4.5% and 2.6, respectively.

With turnover climbing by only 18% to R425.1m (R369.5m), pre-tax profits improved by 33% to R4.5m (R3.3m) and, following a more lenient tax man who more than halved the tax charge to R200,000 (R322,000), profit after tax jumped a dramatic 72% to R4.3m (R3.5m).

On the balance sheet gearing increased slightly to 62% (79%) and the current ratio was reduced to 24% (47%). Executive chairman Cecil Kaplan says the increase in earnings and net asset value — to 80c (65c) — a share reflects the Meadows Airfreight purchase.

"The proposed restructure of the group referred to in cautionary announcements is proceeding and will be fully detailed in a separate announcement towards the end of the month," he says.
Full steam ahead at blue-chip Safren

By Magnus Heystek
Finance Editor

Safren, the holding company of Kersaf, Safrmarine and Rennies, has handsomely beaten its conservative forecast at the halfway-mark with a set of sterling results for the financial year to end-June with attributable earnings rising by 38 percent to R213,1 million.

True to form, chairman Mr GA Macmillan, is again coy about growth prospects in the current financial year, prepared to say only that “the company will produce satisfactory earnings.”

Turnover for this large shipping, gambling, stevedoring and forwarding company increased at near-breakneck speed of 33 percent to R3,807 billion (1988: R2,799 billion) with operating profit rising by 45 percent to R635 million.

A further increase in operating margins from 19,3 percent during 1988 to 20,3 percent contributed largely to this improved performance.

The tax bill rose sharply from R156,2 million in 1988 to R197,3 million, mostly as a result of an increase in the tax burden of Rennies. This was the result of assessed tax-losses being used up, said Mr Macmillan.

There has been an increase in net interest cover from 14,1 to 29 times.

Earnings per share rose by 38 percent from 29c to 40c a share while a final dividend of 13c has been declared to bring total pay-out to 18c a share.

These results clearly indicate a high level of buoyancy in the domestic economy, with imports and exports as well as gaming activities still recording real growth. But Safren is expecting some slowing down in the growth rates during the current financial year, says Mr Macmillan.

Star performer

Star performer during the year was Safrmarine, adds Mr Macmillan, even outpacing Kersaf which was no slouch, after having posted a surge of 40 percent in profits last month. Reason for this was the healthy state of the international shipping market, coupled with the fact that Safrmarine is now concentrating on the “things it knows best”.

Several operations which fell outside the mainstream of Safrmarine’s business, like the cruiser ship Astor, were disposed of during the year. The decline in the dollar value of the rand also boosted the bottom line.

Safrmarine has proved to be quite able to protect itself against the sanctions threat and is today very much an invisible business. An office was recently established in Switzerland which will be used to disguise its country of origin even better.

With great plans for Kersaf, which include yet another casino-complex at Babelegi, north of Pretoria, this subsidiary is once again expected to record real growth in the current year.

“The gaming and entertainment market in South Africa is far from saturated and several other schemes, including the sixth hotel at Sun City and another golf course in the Pilanesberg, are close to finalisation,” Mr Macmillan said.

The balance sheet of Safrmarine is in great shape, indicating substantial scope to gear up if necessary. Shareholders’ funds at end-June amounted to R1,398 billion compared with R1,465 billion a year ago.

Long-term borrowings declined from R715,4 million to R683,5 million at end-June this year.
CAPE TOWN — Safren, the parent company of Safmarine, Rennies and Kersaf (76%), has posted a 38% increase in attributable earnings to R213.1m, reflecting exceptional growth in its diverse shipping and leisure related activities.

Earnings a share of 40c (up 38% from the previous year's 29c) and a final dividend of 10c (up 33% from 15c) exceeded analysts expectations for the year to June and should please shareholders.

Operating profit before depreciation increased by 44% to R779.4m on turnover which grew by almost R1bn to R3.8bn.

While the group managed to reduce its interest bill by R9m to R213.5m, its tax commitments grew by 76% to R203.4m.

Rennie's significantly higher tax rate appears to have contributed to this burden.

Nevertheless, taxed profit attributable to outside shareholders in subsidiaries and preference shareholders grew by 41% to R419.8m, leaving ordinary shareholders with R213.1m before an extraordinary item of R7.6m.

Safren's 76% stake in the leisure sector through Kersaf contributed a marginally improved 41% to bottom-line profits, with Kersaf reporting 40% growth in attributable earnings to R115.4m.

But, given the sensitivity of the group’s shipping activities, directors are reluctant to provide a break-down of the contributions of Safmarine and Rennies which merged in 1994 and are not quoted as separate companies.

The most they will say is that Safmarine had an "excellent year and continues to expand its activities in the international shipping field," and that the Rennies Group performed "satisfactorily" despite a significantly higher tax rate.

Calculations suggest that Safren's earnings, excluding those of Kersaf, grew by almost 37% and continued to contribute the lion's share to profits.

With Rennies's growth only satisfactory, Safmarine's performance must indeed have been excellent in flourishing import and export markets.

Safren is very import sensitive. The imported goods it ships tend to be of a higher value-added secondary and tertiary nature than the lower value-added primary products it exports. Thus, it thrives in economic upswings when imports are stronger.

The opening of an offshore operation in Switzerland earlier this year and general expansion into international shipping appears to be aimed at ironing out problems related to the cyclical of the domestic economy.

While Kersaf's share closed 25c down at R22 yesterday, Safren's was unchanged at R35.50. This puts Kersaf on a pe of 14.3, compared with a sector average of 15.1, and Safren on a pe of 8.8, compared with 8.5.

The market appears to under-rate the shipping interests, by rating Kersaf's contribution to NAV at almost 67%, when its contribution to attributable earnings is only 41%. Analysts say this could be the result of a lack of information about Safren.
THE Southern Africa Black Taxi Association (SABTA) is scheduled to announce tomorrow a wide-ranging plan to improve standards of driving and taxi operation.

The move is not before time. The taxi industry today is subject to criticism from all quarters for its poor standards and its unacceptable safety record.

Improving safety and standards of taxi operations has an even greater significance. If the taxi industry can be stabilised and become a fully fledged business, it will lead the way in the 1990s to a huge new black business movement which can influence the process of political change.

Movement

South Africa, has seen two great business movements. The first was that of the English-speakingRandlords. The second was that of the Afrikaans-speaking business community.

The 1990s will see the emergence of the third great business movement - that of the black people of South Africa. By the end of the decade it may well be on the way to matching today's white business conglomerates.

The important aspect is that these distinct business movements will be operating in a non-racial South Africa. This will have come about at least in part as a result of the process of "black economic empowerment" which is expected to begin in the early 1990s.

Black economic empowerment has been a buzz phrase for the past year. At its simplest it can be defined as a means to assist in the process of dismantling apartheid and creating a non-racial representative government in South Africa. The empowerment strategy has two quite distinct elements.

The first is the breaking down of social barriers as a result of increased black incomes. This will lead to changes in lifestyle and greater communication between blacks and whites. This in turn will ease the process of political change.

The second is the creation of wealth within the black community so that in a capitalist society they will be able to vote with their money. This too will help to accelerate political change.

Black economic empowerment is not a stand-alone policy. It cannot take the place of the political search for solutions. It can assist that process, and it may well be able to accelerate the process of achieving a new constitutional dispensation acceptable to the majority of South Africa's population. But it is not itself a political solution.

Empowerment

This encouraging scenario, though, can be made reality only with the support of both the public and private sectors.

The government clearly has a vital role to play. Current government policy lays great emphasis on privatisation and deregulation. These can be used as powerful tools to assist black economic empowerment.

Privatisation offers the opportunity for a specific South African form of black popular capitalism. If the government really wishes to see economic empowerment succeed, the coincidence of privatisation of state corporations in the early 1990s can be used to ensure that they become majority owned by the black community.

Deregulation can help the development of small black business. However, it is not a "quick fix". Badly handled, it could cause great disillusion amongst black entrepreneurs. Government must be prepared to be actively involved in the management of change from regulation to deregulation.

The private sector must be willing to invest in the future of South Africa by helping to develop black business, even to the extent of helping to create potential competitors.

Skills

The emphasis will be on business education on the one hand, and new business opportunities on the other. The aspiring businessman will be supported throughout this process: he will be helped to reach his full potential, without having the ever-present fear of failure whilst he is learning his new skills.

That is why the plans of SABTA to be announced tomorrow are so very important.

If the association can show the way, it will be leading not merely the taxi operator, but black business in the 1990s.

Taxi riots: 73 arrested

BUTTERWORTH

Seventy-three people were arrested here yesterday when violence between the warring factions of two taxi associations broke out.

The fighting took place at the local taxi rank between Nceedo Taxi Association and Sabia taxi operators, who were armed with bush-knives and sticks.

On Monday 36 people were arrested when a similar clash occurred.

In another incident, police used teargas to break up a fight between members of rival taxi associations Uncepto and Sabia in King William's Town yesterday morning. — Sapa
SAFCOR

Domestic focus

Activities: Freight forwarding, clearing, road transport and related activities.
Control: 51% held by Curfin.
Chairman: M H Brodie; managing director: J P Desilla.
Capital structure: 21,866 000s of 1s each.
Market capitalisation: R54m.
Share market: Price: 245c. Yields: 10.2% on dividend: 20.1% on earnings; PE ratio, 5.0; cover, 2.0. 12-month high, 260c; low, 145c.
Trading volume last quarter, 486 806 shares.
Financial: Year to June 30:

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<td>0.9</td>
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<tr>
<td>Long-term (Rm)</td>
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Performance:

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<td>Return on cap (%)</td>
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<tr>
<td>Turnover (Rm)</td>
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<td>924 324</td>
<td></td>
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<td>Pre-int profit (Rm)</td>
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<td>14.0</td>
<td>23.8</td>
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<tr>
<td>Pre-int margin (%)</td>
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<td>2.5</td>
<td>2.9</td>
</tr>
<tr>
<td>Taxed profit (Rm)</td>
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<td>6.9</td>
<td>10.8</td>
</tr>
<tr>
<td>Earnings (c)</td>
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<tr>
<td>Dividends (c)</td>
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<tr>
<td>Net worth (c)</td>
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<td>140</td>
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When a company increases turnover by more than two fifths, it's generally safe to assume its markets are burgeoning. Unfortunately, in Safcor's case, that is not necessarily a logical deduction. Last year's turnover figures were boosted by the imposition of import surcharges which, in turn, led to greater disbursements on behalf of clients reflected in the trading figures.

Nevertheless, the turnover advance does include a significant real growth element, though volumes probably registered a greater increase on the domestic front than for the foreign trade divisions.

Safcor's main foreign business is centred on imports — SA's exports of minerals and agricultural products are generally handled by the exporters themselves. According to preliminary figures from the Department of Customs & Excise, the country's total imports were 28.5% higher in rand terms dur-
City bus fares up 14%

Staff Reporter

CITY bus fares will increase by as much as 28c a trip from Sunday, September 24 — the third increase in fares in the past 12 months.

City Tramways announced the price increase yesterday and a company spokesman said the new fares were on average about 14% higher.

The last Tramways' price increase was an 8% hike in April this year. This increase, according to Tramways, covered a 35% rise in the price of diesel fuel.

"The last adjustment to fares was on 30 April, 1989, and covered only the January and April increases in the price of diesel fuel," a spokesman said yesterday. "Since then, normal wage increases, the continued weakness of the rand — which has ensured that the cost of spare parts continues to soar — as well as other general cost increases, have made it imperative that we increase our fares."

Subsidised 10-ride clipcard holders would face, on average, increases of more than 12.25%. But the 80% of Tramways commuter passengers travelling no more than 20km per journey would pay an average of about 10c more, the spokesman added.

Subsidised clipcard holders journeying between 20km and 50km will pay a maximum of 20c more per trip. And thereafter, fares will cost around 28c more.

For cash-paying passengers, the majority of tickets will cost between 2c and 15c more, depending on the distances involved. Sixty-six percent of these passengers will pay no more than 5c extra per trip and another 24% will face increases of between 7c and 15c.

Students under 13 will now pay R5 for a 10-ride ticket and students under 17 will pay R7.50. Clipcards bought before September 24 will be valid for the normal two-week period.

The special 12-ride pensioners' clipcard will now cost R3 and remains valid in pensioners' week for people between 60 and 65. The special concession available to senior citizens over 65 still applies during the off-peak period on Mondays to Fridays and on Saturdays after 2pm.
The report shows that the

Unicorn coaster

UNICORN Lines has bought a $17-million oil and chemical carrier for the delivery of refined petroleum products on the South African coast.
The 33,900-ton vessel, to be renamed Royal Sphere, will replace foreign carriers, says Unicorn executive director Fred Harper. "The acquisition is strategically important and it will have a positive effect on the SA shipping industry."
There are now 11 vessels in Unicorn's fleet.

Sectional merger

Business Times Reports
FAST-GROWING sectional title, which now accounts for about 25% of all residential property transfers in the Transvaal, is placing tougher demands on management companies.
Two of the largest sectional title management companies, Urban Townhouse Management and a division of Northwest Estate Agents, have merged to form a company with a portfolio of 6,300 units worth nearly R1-billion.
"Northwest Urban will be in a better position to negotiate improved insurance rates and bank charges and to develop new services," says general manager Kevin Immelman.

R20m Usco plant

CIVIL design work for the R20-million Usco vanadium pentoxide plant at Vereeniging has been completed by Civemeh Design & Engineering Services.
The design includes the leaching, precipitation, crystallisation and filtration facilities as well as piled foundations and structural steelwork.

Tractor sales up

SALES of tractors in August rose by 15.5% on the previous month from 502 to 580, says the SA Agricultural Machinery Association.
Sales for the year to date are 3,781 compared with 3,600 in the same time last year.
A new company which aims to eliminate "fly-by-night" operators by providing financial help to black taxi drivers was launched in Johannesburg yesterday.

Taxicab (Pty) Ltd., which finances minibus owners in conjunction with Allied Bank, provides all the benefits of recognised finance schemes and several others which the directors say are new to this type of operation.

Speaking at the launch, Taxicab's managing director Mr. Hankie Venter said the scheme which will have the support of local black taxi associations, provided an easier method for the prospective owners to achieve their goals while safeguarding their investment in the company.

He said: "Taxicab utilises their buying power to obtain a cash discount from recognised motor dealers and adds this sum to a minimum investment obtained from the prospective owners to meet the initial capital requirements."

Venter said he believed the time was ripe for the introduction of the taxi finance scheme in which the owners could participate fully while achieving their desire to become part of this billion rand industry.

Unfortunately the industry was infiltrated by many "fly-by-nighters" who were interested in making a quick buck, he said.
Magomola to work in taxi industry

By SOL MORATHI

FORMER African Bank chief executive Gaby Magomola is back in financial business.

Magomola, fired by African Bank in March, has joined the Foundation for African Business and Consumer Services (Fabcos) as advisor to Taxi SA Marketing.

Taxi SA Marketing is the marketing arm of the Southern African Black Taxi Association (Saba).

Magomola will work in the areas of small business, financing, banking and insurance, said Fabcos media liaison manager, Terry Mphahlele.

"We are extremely proud we have been able to attract the services of Magomola.

"He is a man with influential contacts abroad and unquestionable financial and administration expertise."

Magomola, an MBA graduate of Ball State University, said he was pleased about his appointment. He indicated he had received lucrative offers from various companies.

"I accepted this particular one because of the track record of the black taxi industry in South Africa's economy and the potential this holds."

Magomola was appointed African Bank chief executive after a multi-million rand foreign exchange swindle by three senior African Bank staffs in 1987.

It is believed his tough approach to the rationalisation and cost cutting programme which followed, caused certain staff to demand the board of directors remove him from the position.

Before he joined African Bank, Magomola was a senior manager at First National Bank and Citibank.

Previously he was a financial analyst for Cummins Engine Company in the US, a financial accountant for Geigy Pharmaceutial and an internal auditor for Paper and Packaging Industries, Pretoria.
Local content measures are a national disaster

The Board of Trade and Industry's recent decision to enforce additional local content measures on heavy commercial vehicles, has put the road transport industry at risk of reduced safety and economic stagnation.

This is the view of Dr Erasmus, chairman of the Road Freight Association (the newly renamed Public Carriers' Association).

Speaking at the organisation's AGM last week, he told members that the BITI's decision to include heavy commercials in Phase Six (a move from local content by mass to local content by value) 'has placed considerable doubt on the prospects for future investment in the road transport industry.

"Obviously, neither the BITI nor the National Association of Automobile Manufacturers of SA (NAAMSA) has taken cognisance of the fact that the products produced under the now succeeded Phase Five programme are not economically viable in a motor carrier business.

"By further aggravating this situation with the introduction of Phase Six, NAAMSA members are jeopardising not only their future business opportunities but are, in fact, contributing to inflation and a deterioration in road safety as the ability and willingness to invest in new vehicles declines.

"One thing is certain: our industry cannot continue to invest in vehicles which inflate in purchase price at the rate we have experienced since 1981 - an annual escalation of over 24 percent.

"Erasmus stressed that road transportation is not an earner of foreign exchange. It is rather "a strategic service industry" that provides a cost-effective logistics link for the country's exports.

The RFA, he said, could not accept a policy that actually encouraged vehicle manufacturers to increase prices to achieve a higher local content.

Hauliers at the meeting were also told of the association's continued opposition to toll roads, although efforts to discuss privatised toll roads with Government had so far been "impossible or fruitless".

"Erasmus sounded another warning: about moves from Government to restructure SA Transport Services (SATS) without consulting the industry.

"In recent months it has become quite obvious that SATS intends to increase its road transport involvement to improve the viability of its rail services. We must insist that Government adheres to the undertakings which were given that the road transport services of SATS will be privatised, and that expansion of the road transport section will not be allowed until privatisation has become a reality.

"Government cannot be seen to allow a monopoly which controls five modes of transport in South Africa."
Suregro sure to grow after rights offer

Fast-growing Suregro intends to raise R616m through a rights offer on September 28 to finance further expansion.

This will be achieved through the listing of 10,246,236 convertible debentures at 60c each on the basis of 25 debentures for every 100 ordinary shares held on September 22, says Suregro's rights offer announcement.

The debentures will be convertible on a two-for-one basis from 1994-95. Interest is capped at 15% to be paid biannually. In the past five years, turnover has grown eight times and taxed profit 12.7 times.

At the group's year end in March, the trucking, truck parts, materials handling and transport group increased attributable income by 69% to R43.9m when compared with the previous year. Turnover increased 99% to R407m.

Increased profitability in all divisions and contributions from offshore subsidiaries contributed to the companies growth. Earnings growth of not less than 20% increase in earnings is anticipated during this financial year.
More talks on Melrose taxi rank

Municipal Reporter

Residents of Johannesburg's Ward 6 will meet on Saturday morning to discuss the implications of city council proposals to establish a taxi rank and hawkers' market in Oxford Road.

The parksite which is being eyed for the development is north-east of the Oxford Road/North Street intersection in Mr Paul Asherson's Ward 7 (Melrose) but will mainly affect residents in blocks of flats in Mr Christopher Newton Thompson's Ward 6.

Mr Newton Thompson said that after the initial meeting, he had expressed sympathy with residents' fears and suggested a second meeting.

Mr Asherson said the residents had never approached him. The council had "merely done some thinking about the problems in the suburbs" and there was no chance of losing the park they claimed would be converted into a taxi rank, he said.
Row over cattle prods in prisons

By Chris Bateman

A ROW over the alleged use of cattle prods to control prisoners in "unmanageable situations" erupted yesterday when it was learnt that the practice was being conducted on an experimental basis.

Mr Huxley Joshua, of the National Association of Democratic Lawyers (Nadel), said that youths at Victor Verster Prison were recently electrically shocked with cattle prods when they refused to return to their cells.

Half-hour of exercise

Speaking at a press conference called to discuss the plight of hunger-striking human-rights lawyer Mr Willie Hofmeyr, Mr Joshua said a group of Victor Verster prisoners refused to return to their cells when it became clear they would not be granted their full daily hour of exercise.

The prisoners had not been allowed their normal half-hour of exercise that morning. When it became clear that their afternoon exercise period would be only 30 minutes they had refused to budge, he said.

This had resulted in the use of the cattle prods and one youth falling and "badly damaging" his knee, Mr Joshua said.

Behaviour and treatment

Major Elsa Jones, a spokesperson for Prison Services in Pretoria, last night would not respond directly to reports of the use of cattle prods but said that in terms of the law heads of prisons were authorised and required "to use lawful means with the minimum force to control unmanageable situations which may arise".

It was Prisons policy not to comment on the behaviour and treatment of specific prisoners, Major Jones added.

However, in general "it should be pointed out that the prisons service is responsible for the safe custody of prisoners and for the maintenance of discipline and order in prisons".
Taxi drivers still subject to obnoxious laws, Tager

By JOSHUA RABOROKO

DESPITE the removal of many racist laws which inhibited the taxi industry, some authorities still enforced these obnoxious laws, the executive officer of the law review project at Wits University, Professor Louise Tager, said yesterday.

Addressing a meeting of taxi operators organised by the South African Long Distance Transport Association (SALDA) in Johannesburg, Professor Tager said that deregulation was fashionable throughout the world, because of the heavy racial content of the law in South Africa, it was more far-reaching and important than in any other country.

She called deregulation the "means whereby socio-economic apartheid can be dismantled", adding that "only when all South Africans are subject to the same laws will apartheid be legally dead".

She urged the SALDA to negotiate with the government to abolish restrictive laws that hamstrung the taxi industry from growing. Taxi provided wealth and jobs for hundreds of people in the country.

Yet mini-bus taxi operators, like hawkers, feared harassment and intimidation from the authorities. Consultation between the parties must become a priority, Tager said.

Taxi ranks violence and negligent driving still formed major problems facing the industry and these were sparked by lack of facilities for blacks, she added.
Pre-paid cards for Sabta taxis

PORT ELIZABETH

The South African Black Taxi Association's minibuses will be fitted with gadgets whereby pre-paid cards will be used to minimise the paying of fares by drivers.

The scheme will be launched in Pretoria within the next two weeks.

Sabta's marketing manager, Mr Ashley Mabogune, addressed the Port Elizabeth branch of the Institute of Marketing Management on Wednesday on the latest developments in the taxi industry. He said that in the Sabta's 10-year development plan emphasis would be laid on driver training, passenger safety and the development of own vehicles.

Through involvement with the recently established Foundation for African Business and Consumer Services (Fabcos), the organisation would establish 18 regional offices, he said. - Sapa.
Container monopoly terminated

Own Correspondent

Johannesburg. — Government yesterday acted to dismantle Safren-controlled SA Container Depots' (SACD's) long-standing dominance of containerised cargo handling.

The decision follows five years of intense lobbying by competitors of Renfreight, which holds 65% of SACD, to persuade government to implement a recommendation by the Competition Board in 1984 that SACD's monopoly be terminated.

Commissioner of Customs and Excise (C&E) Dan Coetzee said an extra depot would be commissioned for each of the major entrepots handling containerised cargo in Cape Town, Port Elizabeth, East London, Walvis Bay and Johannesburg.

Trade and Industry Minister Kent Durr has confirmed the Competition Board's recommendation and the commissioner's suggested licencees.

They are Grindrod for Durban and Cape Town; Aquamarine Container Depots for East London; Wesbank Transport for Walvis Bay; and Presto Transport Holdings for Johannesburg and Port Elizabeth.

Approval is subject to the condition that depots become operational within four months from today. Licensing is no longer on condition that SACD applies a uniform tariff to all facility users.

An interdepartmental working group chaired by C & E deputy commissioner Izak Coetzee was formed to consider the board's recommendation. It comprised the Department of Transport and S4 Transport Services, with members of the Competition Board present as observers.

The committee drew up a set of conditions for applicants and left it to the commissioner to decide.

Coetzee said the inclusion of Grindrod — a 12.5% shareholder in SACD — was made provisional on the condition that it satisfied the Competition Board with the sale of its SACD holding.
Finance scheme for taxis
By SHARON SOROUR
Tygerberg Bureau
A NEW company is to provide finance to taxi-drivers in the hope of eliminating fly-by-night operators.
Taxico, launched in Johannesburg, is to finance minibus owners in conjunction with Allied Bank, providing all the benefits of recognised financial schemes.
According to managing director Mr Hankle Vester the scheme is to have the support of taxi associations and offers an easier way for owners to achieve their goals while safeguarding their investments.

DISCOUNT
"Taxico uses their buying power to obtain a cash discount from recognised motor dealers and adds this sum to a minimum investment obtained from the prospective owners to meet the initial capital requirements," he said.
He believed the time was right for the introduction of a taxi finance scheme in which owners could participate while achieving their desire to become part of this billion-rand industry."
Western Cape regional manager Mr Kobes Jacobs said a low insurance premium was one of the advantages offered. "We will obtain deals with minimum deposits and have negotiated with American international insurance for a low premium of 10 percent — a drop from normal premiums of between 15 and 20 percent."
Whites muscling in on black taxi industry, say experts.
CAPE TOWN — Safren has broken with tradition in its newly released annual report, to provide a five-year breakdown of its diverse operating company’s individual contributions to bottom-line profits.

The disclosure suggests a change in attitude from past years when the giant parent of Safmarine, Rennies (75%) and Kersaf (76%) disclosed as little information as possible about its separate companies, largely because of the sensitivity of its international shipping operations.

The break-down shows that wholly-owned shipping company Safmarine contributed R1 560.5m, or 41.2%, to turnover for the year to June 1989, leisure group Kersaf R1 369.1m (34.5%) and freight and transport company Rennies R862.6m (24.3%).

But, while Kersaf achieved more operating profit from its turnover, contributing 31.2% to an operating profit of R779.4m, Safmarine moved ahead of it at the bottom-line, contributing 43.5% to net earnings of R303.1m against Kersaf’s marginally improved 41.1% contribution.

Safren chairman and CE, George Alan-tair Macmillan, confirmed in his statement that Safmarine had had an excellent year with the development of trading opportunities outside the core SA operations contributing substantially to the improvement.

He said plans to establish an operating base in Switzerland had been completed and that the company continued to expand its activities in the international shipping field.

With the planned unification of the European Community coming up in 1992, Macmillan said management was concentrating its efforts on ensuring that Safren remained at the forefront in the transport of cargo to and from Europe.

Dampening

Internationally, he said all trade routes were experiencing strong competition. But, the charter market had managed to hold its ground with the result that freight rates had increased and were expected to maintain higher levels in the year ahead.

A strong performance by Rennies had been offset by a higher tax rate which had reduced growth in attributable earnings. While both companies benefited from an increase in imports during most of the period under review, higher duties and surcharges began dampening demand and reducing volumes during the final quarter.

Fire-damaged Matus & Co moves in with Tarry

The directors of tool wholesalers Matus & Company have assured the market of continued supplies and “minimum delay in deliveries” following the fire which destroyed the company’s premises in Hardy Street, Johannesburg, on Saturday, together with stock amounting to R1m.

Local suppliers have rallied round and

TERRY WILKINS

the company is importing large consignments by air. A (Oct) 28 (15)

Matus is in the process of being acquired by major tool wholesaler the Tarry group, which is part of the FSI group, subject to certain conditions being fulfilled.

The directors have decided to merge the two operations in Johannesburg and will immediately trade as Matus out of the Tarry complex in Eloff Street Extension. Tarry MD Lindsay Ralphs was optimistic that a much larger Matus would be effectively operating soon.

LESLEY LAMBERT

Macmillan warned that this trend was expected to continue, slowing Safren’s growth during the current year.

Safren is import sensitive. The imported goods it ships tend to be of a higher value-added secondary and tertiary nature than the lower value primary products it exports.

This means it thrives in economic upswings when imports are stronger and will rely on its international bases to assist in ironing out problems related to the cyclical nature of the domestic economy.

Macmillan said the group’s investment in the leisure sector through Kersaf had achieved another set of record results. However, while the rapid expansion of the past few years was expected to continue, Kersaf’s earnings growth was expected to show down if trading conditions were affected by restrictive monetary and fiscal measures already introduced.

“The next 12 months are not going to be easy for the SA economy,” Macmillan said in his statement.

MACMILLAN

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Road transport permits to be scrapped

The structuring of a new information system called the National Traffic Information System to implement RTQS is expected to begin by August 1990, said van Tonder. This entailed development of an information system replacing the outdated systems of the four provinces.

A senior Sats official recommended the DoT implement the legislation according to the recommendations of the National Transport Policy Studies group as he believed the DoT did not have the manpower to staff the weighing bridges necessary to enforce RTQS.

This was due to confusion and uncertainty concerning Sats' deregulation. They were initially told RTQS would be in place by January 1990. Now they recently heard RTQS would only be in place a year later.

Sutherland described the delays in implementing RTQS as a smokescreen enabling Sats to throw away tariff books and undercut market prices giving Sats time to gain market share as it moved towards commercialisation.
Interim profits slip through Natrawl nets

NATAL Ocean Trawling has netted dismal results for the six months to June following poor weather conditions and the absorption of the Quintas group — acquired last year — into a single management structure.

The group, which trawls for crustaceans off the Natal coast and in the Mozambique Channel, has posted a drop in earnings a share to 4.86c from 7.60c on an increase in the number of shares in issue.

While turnover is 11% up at R7.6m (R6.8m) and operating income has improved to R1.5m (R1.1m), interest paid has surged to R574 000 from R242 000, reflecting the borrowings incurred in financing the Quintas acquisition.

Accordingly, attributable profits are R1 900 lower at R546 000.

No provision has been made for current or deferred taxation. MD Jack Walsh said in a statement accompanying the results that the company had adopted the partial method of provisioning for deferred taxation and had determined that no liability was thus likely to materialise.

Earnings a share were lower after a 5 500 reduction in the number of shares currently in issue, and no interim dividend has been declared.

Walsh described results for the period as disappointing, but said the complexities of the absorption of the Quintas group had been overcome.

In addition, fishing in Natal waters was showing a welcome improvement, and fishing in Mozambique remained excellent.

He said the company's marketing association with Irvin and Johnson, which acquired an 18% stake in Natrawl, in January this year, had proved beneficial to both parties.

Further, negotiations for a joint venture based out of Maputo in partnership with the Mozambican authorities were proceeding and the venture was expected to reach fruition in the current year.

Year-end results would be in line with those of last year, given reasonably consistent fishing, he said.
White owners driving Sabta to 'flashpoint'

DURBAN — The Southern Africa Black Taxi Association, which represents about 40,000 minibus taxis, today warned that growing white ownership of black taxis is "heading for a flashpoint".

In a blunt statement that "confrontation is looming" Sabta warned that if white domination of the industry continued, "it could be a tragedy for race relations". At the same time Sabta has launched a training and education plan to reduce public concern about safety and road behaviour standards as the black minibus taxi "was almost universally disliked and even feared".

Sabta national adviser, Mr James Chapman, said that in some areas whites owned up to 30 percent of black taxis and the number was growing. Statistics suggested about 45 percent of new minibus registrations were in white owners' names.

He asked whether it was right that the industry, developed by blacks, should now pass into the hands of whites. "There has to be some protection while the imbalances of the past are tackled."
In taxi industry - Sabta

Contradiction looms

SOWETHAN BUSINESS

SOWETHAN Thursday September 28 1999
Challenges for SA with single European market

Lesley Lambert

CAPE TOWN — To succeed in a single European market after 1992, SA exporters would have to control the delivered price of their products by arranging their own transport rather than shipping on an fob (free on board) basis.

This was the advice of new Safmarine MD Tony Farr, given to delegates at an Experts and Europe 1992 conference here organised by the SA Federated Chamber of Industries in conjunction with Barlow Rand and Deloitte, Haskins & Sells.

He said changes in the distribution patterns within Europe and the services provided by transport operators, together with a more competitive marketplace, made it vital for shippers to control the delivered price of their products.

"Too many SA exporters ship on an fob basis, leaving the European importer to control up to 25% of the final delivered price of his product."

Global

A first step in this direction would be for SA exporters to change their selling terms from fob to cif (cost of insurance and freight) where they negotiated their own transport.

Farr told delegates the ability of SA shipping and transport companies to compete in Europe after 1992 would depend on their being able to remain abreast of current global developments and trends.

Farr said the major SA transport operators would undoubtedly base their future strategies on the provision of a total logistics service to their customers. An important trend, linked to the development of logistics services, was the increasing use of information technology, he said.
DURBAN. — The South African Black Taxi Association, which represents about 40,000 minibus taxi owners, yesterday warned that growing white ownership of black taxis was "heading for a flashpoint".

In a blunt statement that "confrontation is looming", Saba warned that if white domination of the industry continued, "it could be a tragedy for race relations".

At the same time, Saba has launched a multi-million-rand training and education plan to reduce public concern about safety and road behaviour standards as black minibus taxis are "almost universally disliked and even feared".

Saba national adviser Mr James Chapman said Saba was once again warning the government of "pending violence and disorder at taxi ranks and white domination of the industry".

In some areas, whites owned up to 30% of black taxis and the number was growing. Statistics suggested that about 45% of new minibus registrations were in white owners' names.

He asked whether it was right that an industry developed by blacks should pass into the hands of whites.

"There has to be some protection while the imbalances of the past are tackled."

"Saba has warned the government of the consequences in the industry and pleaded for self-regulation."

"Taxi owners are afraid an uncontrolled flood of new entrants to the market will simply make all operators unprofitable and allow whites to take over the industry." — Sapa
Policeman victimising us, say taxi-drivers

By ANDREA WEISS
Staff Reporter

A DEPUTATION of Paarl taxi-drivers travelled to Cape Town to complain that they are being victimised by one of the town's traffic officers.

The 10 members of the Paarl and Wellington Taxi Associations walked unannounced into The Argus newsroom yesterday, and alleged that the traffic officer was conducting a one-man vendetta against "coloured" drivers.

They claimed the man frequently behaved in a way that went beyond the bounds of his authority.

Among their complaints was that he swore, called them "hotnez" and pulled taxis off the road or, out of the rank at rush hour, causing passengers to miss trains.

They also alleged he "made his own laws" by imposing petty fines for combis being "untidy" ("onnéet"), removed licences from the windows of vehicles without authority and threatened some drivers with his revolver.

Mr Les Beukes, chairman of the Wellington association, said the traffic officer ignored the authority of the Wellington investigating officer.

Mr Solomon Thomas of the Paarl association said his four vehicles were often delayed at peak hour.

He said it was a problem to maintain peace between the traffic officer and passengers who were becoming increasingly angry with him.

"When they are delayed, it puts us in a difficult position. This could lead to serious assault. We are not prepared to carry responsibility for his behaviour."

Mr Thomas claimed that he sometimes received fines at the rate of R600 a day.

NO COMPLAINTS

The town clerk of Paarl, Mr H.D. Liebenberg, told The Argus he had not had any complaints from taxi-drivers.

"He said he was prepared to listen to grievances but suggested that a complaint should be made to the police."

Mr Liebenberg confirmed that he had received notification from an attorney of a civil claim against the municipality for an alleged assault by a traffic officer on a taxi-driver.
Bus shake-up planned after desegregation

A MAJOR revamp of Johannesburg's transport system will get under way following the council's decision to desegregate all the city's facilities. Applications by the Johannesburg City Council to carry black passengers and by Putco to carry white passengers have been lodged with the Transportation Board.

Transport Department director Ed Curtis said the applications would be heard simultaneously within six to eight weeks. Johannesburg's application went to the Board last week, he said.

Putco applied in June to the Transportation Board for permits to carry white passengers in the Witwatersrand on 2655 "black" buses.

While the desegregation of the municipal bus service would cut costs, it was doubted whether the move would stop the buses running at a loss.

Comment: Page 12

The municipal bus service ran at a loss of R2m in the 1987/88 financial year and was expected to lose up to R24m this financial year, Curtis said.

Putco director Vic Costese said objections to the company's June application were received from the Johannesburg City Council as well as from other councils on the Witwatersrand.

However, Putco was in negotiation with the council's Transport Department and he was sure a compromise would be reached. Putco could oppose the council's application.

There could be an overlap and competition between the two bus services along common routes. However, it was in the pipeline that the Central Waltersrand RSC would take full responsibility for transport services, Costese said.

It would therefore not be economically viable for the RSC to subsidise two competing bus services, and routes would be put out to tender.

At present, the Johannesburg City Council subsidised the municipal bus service while Putco was subsidised by central government.

Curtis said a survey conducted this year showed that 4% of all daily passengers on white buses were black. This occurred at the discretion of individual bus drivers. However, once permits were granted bus drivers could not refuse to carry black passengers and would be disciplined if this occurred.

Curtis expected that desegregated buses would run more economically, as improved bus loads would be achieved with members of both races being carried in both directions.

It was possible that routes would have to be changed to accommodate the requirements of all passengers.

Another cost-saver would be the closure of the black depot in Fordburg and a relocation of buses to the new multiracial depot in Milner Park.

Standardised seats would have to be put into some of the black buses. While the department would have to look at extending season tickets to black passengers, Curtis said.

Racial bus stops would come down after the permits had been granted by the board, and all races would have the same facilities, for instance benches and bus shelters.

Curtis said he believed the municipal service would win black custom from Putco and the combi taxis, especially in the afternoon.

Shake-up began

Putco and the combi taxis, while losing white passengers in the initial period, received reaction from white passengers in conservative areas could occur, but this would be closely monitored. Any abuses of passengers would be dealt with by the law.

Curtis did not expect any problems with the permit applications to the Transportation Board. Any objection would come from Putco, he said.

He did not know how the streamlining of the service would affect bus fares, which went up 20% in July.

There were, however, 11 black routes which had operated at 69% of the white bus fare and this would be retained.

Putco GM, operations, Mike Oldham said there would be fairer competition between the bus services if Putco's permits were granted. The desegregation of the municipal bus service meant there would be three-way competition between the municipal bus service, Putco and the combi taxis, especially in the afternoon.
TAXI INDUSTRY

Getting organised

The fast-growing Southern African Long Distance Taxi Association (Saltida) is planning to take action over four problem areas which heighten the safety risk for taxis and their passengers—especially over peak holiday periods.

These are taxi-rank violence, negligent driving, commuter safety and taxi association control over its members.

Saltida, formed in July 1987, today boasts a membership of 13,700 linked to 57 affiliates, long-distance taxi associations throughout southern Africa, including Lesotho, Botswana, Swaziland and Zimbabwe.

Taking its lead from its urban counterpart, Saltida was the first organisation formed to protect the interests of long-distance operators. These include both taxi and freight operators.

Most of Saltida’s freight operators, who haul goods in trucks, also run taxi operations.

Saltida president Peter Rabali says goods transportation has been carried out informally for years, but was organised properly by Saltida for the first time in 1988. Taxi operators moved into the freight business to cater for the needs of rural dwellers who bought goods, like furniture, in the cities and needed it transported home. Their service is usually cheaper and faster than transport through other means.

Mainly minibuses

Saltida is beginning to show its muscle. Rabali estimates that, in 1988, Saltida members’ 16,000 vehicles—mainly minibuses, larger midi-buses, as well as 14 trucks—consumed close to 200ml of fuel, 900,0001 of oil and R20m worth of spares. Their total contribution to the economy is estimated at R200m.

On the question of taxi-rank violence, Saltida’s solution is its system of queue marshals. When there is trouble, they radio head office and members of the organisation’s disciplinary committee are called in to defuse the situation.

To limit negligent driving, Saltida plans to work hand-in-glove with traffic officers to assist in disciplining drivers who ignore traffic rules and drive negligently. And, to safeguard passengers, Saltida is working on a prototype roll-bar design which, when fitted, will prevent the body from caving in and crushing passengers in the event of an accident.

NAMIBIAN OIL DRILL

The seismic survey ship, Patrick E Haggerty, was soon found to conduct what is the biggest ocean survey ever undertaken off the Namibian seaboard.

The comprehensive off-shore survey for oil-bearing deposits will start after the Namibian election in November. A UK organisation associated with ocean seismic surveys, Halliburton Geophysical Services (HGS), on behalf of UK-based Exploration Consultants Ltd on contract to Swakor (Pty), plans to obtain about 10,000 line-kilometres of data.

Acting on information provided by the Saltida, The bar is in the process of being manufactured and will be taken to the SABS shortly for approval. The organisation is also looking at its membership on how to take care of passengers’ luggage, comfort and safety. Unsavoury elements frequently hang around taxi ranks and passengers need protection from them.

Other investigations include a centralised computer system to control taxi routes and drivers.

This is to pre-empt, deregulation, when a measure of “control” will be necessary over drivers. Every taxi will have a code number which will appear on customers’ tickets purchased through the computer. Rabali says this will enable passenger recourse in the event of complaints or luggage losses.

More competitive

The organisation is also planning to make its product more competitive. A first-class taxi service is to be introduced next year for people who wish to avoid queuing and overcrowded taxis. This 10-seater service will have air-conditioned kombis and will be pre-booked.

Patrick E Haggerty, it is expected that international oil companies will be invited to apply for prospecting and drilling licences during 1990. A scientific report should be issued early next year.

There has already been a 820 line-km survey and in the light of this finds off the Namaqua port, seabed and gas finds further south, there are hopes that seismic research will uncover important oil deposits off the Namibian coast.

The survey vessel is expected to use Walvis Bay as a base during its research.
Pressure, Three and mixed-race couple affair

Photograph: Sean Woods

No ticket to ride. Mixed-race couple (left) and their friend, Shae.

A black bus drives off.

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The Incentive Scheme

In order to ensure that the objectives of the incentive scheme are met, the employer must be able to create an environment that encourages employees to perform at their best. This can be achieved by providing clear goals, incentives, and rewards for achieving these goals.

The key elements of the scheme are:

1. Setting clear goals: The employer must define what success looks like in terms of performance and goals.
2. Establishing incentives: Incentives should be tied to specific goals and achievements.
3. Providing feedback: Regular feedback on performance should be provided to employees.
4. Recognition and rewards: Recognition and rewards should be given to employees who meet or exceed their goals.

By implementing these elements, the employer can create an environment that is motivating and conducive to high performance.

The Travel Perks program is designed to provide additional benefits to employees. These benefits can include:

- Access to exclusive travel deals and discounts
- Flexible work arrangements
- Opportunities for professional development
- Access to health and wellness programs

By offering these benefits, the employer can attract and retain top talent, thereby increasing overall productivity and job satisfaction.
Taxi driver gunned down in Orlando East
Overseas work cushions our firm — Tencor

TENCOR'S overseas control will end its downward trend in the group's more cyclical businesses, particularly in the trailer market, says chairman John Jowett. (See page 39B.)

"Together they contributed just over 40% of our pre-tax earnings last year, and if this should continue this year, and if the new export expansion in the USA is successful, it tells us we can hope to maintain a big export market..."
Offshore arm is expected to boost Uniserv

UNITED Service Technologies (Uniserv) had acquired offshore interests which were expected to contribute more than 20% towards its earnings for the year to February 1989, executive deputy chairman Barry Saxton said in releasing the group's interim results to August.

Uniserv came close to doubling operating income to R5.9m in 1988 compared to R3.3m for the six months to August 1988. This translated into attributable income of R4.3m, 129% higher than the previous period's R1.9m.

The number of shares in issue was increased to 40-million (27-million) in order to finance the acquisition of Sky Couriers and the overseas interests, causing earnings a share to rise more modestly by 36% to 9.6c (7c). Company policy is to declare a dividend at the end of the financial year.

Uniserv is a service organisation specialising in handling freight.

Presence: 4/10/89

Saxton said the foreign companies acquired by the group with effect from March conduct business in fields allied to those of Uniserv.

"For obvious reasons we will not be disclosing any specific details of these acquisitions as agreed with the JSE.

"This should be seen as the first step towards acquiring a substantial offshore presence."

In the period since the purchase these companies contributed 12% towards Uniserv's EPS and NAV.

Saxton explained that the company's results were affected by the higher than expected cost of rationalising Sky Couriers into Sun Couriers. In addition the growth in volume of trade made it necessary for management to take steps such as relocating to bigger premises in all four of SA's major cities.

"Significantly, however, the rationalisation is now virtually over and most of the associated costs have been expensed in the accounts for the six months under review," he added.

Uniserv's income statement shows a near quadrupling of the interest bill to R351 000 from R220 000. Bottom line profits are boosted by a cut in the tax rate to 12% from the previous period's 30%.

Saxton said the group's freight division, Burlington, returned a strong performance. It exceeded its budgeted contribution in spite of the worsening exchange rate and the import surcharge.
SA ad promises more change

LONDON — More fundamental change in SA is imminent. SA’s Department of Foreign Affairs (DFA) says in a full page, anti-disinvestment advertisement in yesterday’s Daily Telegraph.

Headlined “How to finance the South African revolution,” and displaying pictures of products mainly sold by black entrepreneurs, like home-brew beer, snuff, razor blades and various tonics, the advertisement’s theme is that disinvestment robs blacks of economic power — their most effective means of negotiation and political leverage.

“To say that disinvestment hurts the people it’s meant to help, is to obscure the truth. In reality it’s much worse than that. If anything it robs SA blacks of their most effective means of negotiation and political leverage: their economic power.”

Quoting Unisa’s Bureau of Market Research, the DFA says: “Consider that in seven years from now — unless the economy is crippled beyond repair — black spending will represent way over 70% of the GNP.”

Black rand

There are 20 000 black-owned backyard shops in townships of Johannesburg and Pretoria that have achieved a combined turnover equal to that of SA’s largest supermarket chain.

The advertisement refers to the Black Taxi Association (Sabs) as another example of the power of the emerging “black rand,” saying it had in under 10 years become the country’s largest private consumer of fuel, motor oil and accessories.

“As a transport company it is 20 times larger than its state-subsidised equivalent, directly providing work for 300 000 people, transporting two-billion passengers a year and supporting a mushrooming informal business sector so large no-one has dared to estimate its size. This is the economics of change. The revolution which is putting apartheid out of business.”

By supporting the many SA companies and organisations fighting for a free economy, rather than supporting the systematic destruction of the economy, Daily Telegraph readers would help SA achieve its goal, the DFA says. This goal was the creation of a free and democratic society for all. — Sapa.
Flying towards 1992

It's taken Jan Smuts Airport years to acknowledge it has a problem. Yet even now, as officials congratulate themselves on plans to bring SA's tatty air gateway up to the standard of international airports, others around the world are already looking even further ahead.

In Western Europe, particularly, airport authorities are planning frantically to cope with the dual challenge of ever-increasing air traffic and the uncertainty stemming from the continent's political future. In that respect Jan Smuts planners may find reassurance in the fact they are not alone in facing change.

However, the reality is that while Jan Smuts acts to solve problems that official indifference has allowed to build up over the years, most other airports are acting before they are overwhelmed.

In Europe authorities are working out how to deal with issues likely to arise from the breaking-down of EEC national barriers in 1992.

Not all discussions are bearing instant fruit: in particular, national authorities are proving obstinate in the face of pleas for common regulations concerning minimum distances between aircraft.

According to Karl-Heinz Neumeister, secretary general of the Association of European Airlines: "It is absurd that the minimum separation distance between aircraft, over one part of our continent is five nautical miles and 30 nautical miles over another. Where two zones with different regulations converge they create a bottleneck. No wonder massive jams result every day."

He is campaigning for a single European air traffic control system which, he says, will ease congestion through more efficient management of the skies. Without it he predicts one-third of airports will be unable to accommodate additional traffic by 1995. West Germany, crossed by all major European air traffic routes, will be worst affected.

Frankfurt Airport, Europe's second busiest after London's Heathrow, hopes he's overstating the case. The airport, a major destination and transit point for South Africans, is already speeding up major expansion projects.

Last year Frankfurt handled 294 000 aircraft movements, 25,2m passengers, over 1m tons of cargo and 146 000 tons of mail. Airport authorities have committed DM7bn towards expansion by 2000. The eventual figure could be considerably more.

Frankfurt Airport Authority chairman Horstmar Stauber voices the uncertainty being experienced by all Europe's major airports before 1992. For instance, no decision has been taken yet on whether passengers arriving from outside the EEC must go through official entry and customs procedures at the airport of entry or at final destination. Depending on the decision, passenger transfer systems at Frankfurt alone could cost more than DM250m.

One fact is known: the scrapping of borders within the EEC will double the percentage of domestic passengers. This is bad news for all major European airports. The opening of borders will hit duty-free sales as what are now international flights become internal. Stauber predicts his airport will lose at least DM10m a year. The total for European duty-free shops as a whole could be staggering.

With Europe's skies becoming more congested daily, new ways are being investigated to reduce delays as aircraft wait their turn to take off or land. Executives of some European airlines openly admit published timetables are already bearing little relation to reality. Unless decisions are taken soon the situation will deteriorate.

SA passengers, used to often haphazard flight times in this country, will sympathise. It would be nice if SA air authorities could learn from the traumas their European cousins are starting to go through.

But don't bank on it.
Black taxi wars spread from SA to Swaziland

MBABANE — South Africa’s taxi wars have spread to Swaziland with recent clashes between local and Swazi mini-bus taxi drivers.

Recently six Swazi taxi drivers who ventured on to South African soil were beaten up by local taxi drivers — and in retaliation a South African driver was severely beaten by Swazi drivers at Manzini.

Talks on the spread of the taxi war have been held between the Swazi Minister of Transport, Mr Wilson Mkhonta, and the South African Trade Representative in Swaziland, Mr Etienne du Toit, without result.

According to Swazi taxi drivers, the source of the friction is an agreement between the South African and Swazi governments that allows Swazi taxis to operate in South Africa, while barring South Africans from operating in Swaziland. But the violence has meant that no Swazi taxis have been able to cross into South Africa in the past two weeks.
There are over 10,000 taxis on the road, but commuters still face long queues, rude marijuana, and disrupted service.

Saab's Tory Nihal Bedi, programming of education and training of members and drivers, has also embarked on a project to train and educate the members and drivers of the association. The program aims to improve their skills and prepare them for the demands of the profession. The association has also started a mentorship program to help new members navigate the challenges of the taxi industry.

TOMORROW, in an important date for transport, taxi drivers face a new challenge. The Association of Taxi Drivers (TTA) holds the Annual General Meeting at the Global Trade Hall, 15 Main Road, the height of the meeting will be the launch of the TTA Drive of the Year, an event organized to recognize the best drivers for their dedication and hard work.

BY SANDEE NEMA
8/10/99. Cires
efficiency and hence most cost sensitive and also because

that there are about 32% of companies that are

- the total losses from theft, fraud, and

- are easier to identify and survey,

- the total costs for theft, fraud, and

- are easier to identify and survey,

- the total losses from theft, fraud, and

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- the total losses from theft, fraud, and

- are easier to identify and survey,
Imperial, Avis in R390m fleet injection

Own Correspondent

JOHANNESBURG. — SA's two largest car-hire groups will be investing R390m to replace their vehicle fleets in an industry which has up to now remained immune to the downturn in the economy.

Imperial Car Hire MD Carol Scott said yesterday Imperial had shown 23% to 26% real growth to September 1988 when compared to September 1987.

The company was optimistic about future business and the industry had not yet seen any indication of dampening demand due to the downturn in the industry.

Reflecting this optimism, Imperial is to increase its fleet by between 500 to 1000 vehicles in the coming year. Imperial has 4500 vehicles available for rental.

The company will invest R140m in the coming year to replaces and increase its fleet size, Scott said.

Avis Car Hire Group CE Glenn van Heerden said yesterday Avis had shown 23% real growth in the past year to September 1988 using the number of transactions as an indicator.

The industry was looking at a bumper festive season, but the high cost of new cars, a growing black market, increasing numbers of overseas tourists and large numbers of domestic tourists were other factors contributing to the industries growth.

Avis's vehicle fleet is replaced and increased on a rotational basis. Its fleet will peak at 8300 vehicles this year. Next year the group would invest R250m for new vehicles, he said.

However, the economic downturn could affect the group's sales next year because the tightening of monetary policy would affect cash and credit facilities to corporations, Van Heerden said.

Imperial's Scott said high interest rates had made the capital investment for new vehicles expensive. Another big thorn in Imperial's side at present was the hijacking of its vehicles, she said.

About 10 to 15 of Imperial's vehicles were being hijacked a month. Each vehicle represented a capital loss to the group because Imperial ran its own insurance scheme.
Taxi drivers upset over permit row

By HELENA PATTEN, Staff Reporter

"GROSSLY unfair" allocations of taxi permits continue, say taxi drivers, despite loud deregulation noises being made by the government.

Some taxi drivers have had application after application refused, while others, usually the bigger operators, have obtained several at a time for the same areas.

Deregulation involving scrapping the permit system is on the cards, say the authorities.

However, it will take two to three years to introduce new legislation and to phase in the large numbers of taxi operators expected.

**Disgruntled feelings**

This does not soothe the disgruntled feelings of Mr Arthur Myburgh who has driven a taxi on his partner's permit for about five years. His regular applications in the past three years for a permit of his own have all been refused.

"Two more years is a long time to wait."

He said many operators abused the present system, illegally forcing those who could not obtain a permit of their own to pay up to R150 a week to hire them.

Operators also sell permits for up to R10 000, he claimed, although the cost of acquiring a permit through official channels is only R10.

He did not know why some operators were continually successful in their applications, while others like him were not.

He said one operator he knew had received three permits last year, two of which he sold, and a further three this year. This man boasted about his "contacts" and told smaller operators not to bother applying anymore.

Some operators are known to have up to 40 permits, an official in the Cape Town Traffic Department said.

A senior source in the Department of Transport said permit applications had to be well-motivated before they were accepted under the current system. Applicants had to prove a need for their service.

Chief director of the Department of Transport Mr Malcolm Mitchell said that after deregulation there would be no conditions other than safety conditions to comply with.
Fare increases ‘crippling’
city’s domestic workers

By ANDREA WAEBS
Staff Reporter

DOMESTIC workers are being “crippling” by the recent 12.5 percent increase in bus fares, according to the South African Domestic Workers' Union (Sadwu).

With an average wage of around R150 a month or R10 a day (according to Sadwu) and a roundtrip from an area like Mitchell’s Plain or Khayelitsha costing up to R7 a day, domestic workers are battling to take home even R5 a day.

Also, many domestic workers are unable to make use of the cheaper clipcard system because they char for different employers and often have to take connecting buses and trains to get to their work place.

Described by Sadwu as “the lowest paid group in South Africa”, the union objected to the increases implemented on September 24.

"Many are not able to meet the cost of supporting even the most basic needs of their families. The result of this is poverty, hunger and related diseases like tuberculosis,” it said in a statement.

“We feel a commission of inquiry should have been established before these new fares were implemented to look into the basic expense and income of the domestic workers.”

Examples of the new fares are:

- From Khayelitsha to Cape Town, R2.60 single.
- From Khayelitsha to Elsies River, R2.55 single.
- From Khayelitsha to Wynberg, R2.56 single.
- From Mitchell’s Plain to Cape Town, R3.55 single.
- From Nyanga to Bellville, R1.20 single.
Commuters are stranded after Soweto taxi strike

SOWETO taxi drivers went on strike on Friday morning, leaving thousands of commuters stranded in the area.

Commuters who turned to railways for alternative transport discovered it was just not their day, as trains were running late, thanks to a technical fault in the South African Transport Services' rail system.

Townships affected by the one-day strike were Soweto, Protea, Tshaolwane, Dlamini and Naledi.

The drivers, who parked their kombis near Baragwanath Hospital, Diepkloof, were protesting against what they termed "bad working conditions". Their grievances included ill-treatment by taxi owners, who they claimed often called them "boys".

The strike was suspended after Soweto Taxi Association officials, addressing the drivers at the AME church in Tshaolwane on Friday, promised to investigate the complaints. The two parties will hold another meeting on Wednesday.

"One of our grievances is that whenever there is a disciplinary case against a driver only the complaint and taxi association officials are allowed to attend the hearing," a taxi driver told the Sowetan.
Micor still riding crest of the wave

BRENT MELVILLE (332)

AT 701c Micor Industrial Holdings is still riding the crest of its recent restructuring, vindicating deputy chairman Mark Kaplan's confidence in the manoeuvre.

In terms of the restructuring, Micor will move its local operations in airfreight, seafreight, travel and industrial-related activities into cash-shell Adco — to be renamed Micor Industrial Corporation.

Micor's offshore activities last year contributed 46% to attributable earnings.

Reflecting strong managerial faith, Micor purchased the remaining 49% of its airfreight business from its UK forwarding associates for a consideration of £210 000 shares at £9.84 a share — a 30% bonus on the prevailing share price.

Kaplan says that if exporters' allowances are maintained at the same levels, earnings should continue to be substantially sheltered and results should benefit accordingly during the coming year.
Black taxi owners want own airline

The Argus Correspondent
DURBAN. — The Southern Africa Black Taxi Association is planning to branch out into air travel and is investigating obtaining landing rights in the United States and other countries where SA Airways is banned.

This was revealed today by Sabta president Mr James Ngcaya, who said Sabta had the support of the giant Anglo American Corporation and planned to hire the aircraft.

"That is how far we are thinking," he said in an interview in Durban.

"We're in the transport business and have made it into the 1990s with all the problems."

"We will run a non-racial airline and might even hire aircraft from SAA and paint them in Saffa colours."

He said Anglo American had helped Sabta's 40,000 members with the massive training and education programme, "Project Spear", and once this was completed the organisation would be set for further expansion.

Commenting on doubts expressed by the Durban Transport Management Board general manager Marshall Cuthbert that Sabta would not be able to run the city's loss-making bus service, Mr Ngcaya said: "If Mr Cuthbert thinks we will fail if we take over the Durban bus service, he is talking out of turn.

'Not wanted'

"I do not like to appear dissent, but his service is running at a loss and that money is needed elsewhere."

"All those big buses are not wanted by the public. We will use mostly minibuses and large buses only on some routes."

"We have the skills to compete successfully in all spheres of the transport industry and have people seconded to us from the highest professions in the industry."

"If we take over Durban's bus service, we will not fail."

Project Spear is a massive drive to improve the driving skills of the taxi driver. Its estimated cost is R68 million over the next few years, which includes education and research into the needs of the black taxi industry.

The scheme also aims to open up further business opportunities for the taxi industry and improve and aid taxi owners and operators with the profitability of their businesses.

The project also intends to create a whole new image for the black taxi industry.

Project Spear is an operational company set up between Sabta and Associated Training Resources (Pty) Ltd and will be run on standard business principles.

As part of the scheme to improve road safety, Sabta has floated radio commercials which have been aired on Radio Metro and other stations.
Project Spear aims to train black taxi drivers

A huge training drive for black taxi owners and operators is underway with more than 300 centres being set up over the next few months.

And Project Spear, the education and training joint-venture started by taxi organisation Sutia and Associated Training Resources two months ago, has also set up a development board which big companies and institutions are invited to join.

Spear will establish 300 taxi centres mainly at service stations, which will be developed into both social and training centres, says chairman Gideon Malherbe.

"The taxi centres will be acquired by Project Spear, but the operations will be carried out by franchisees... In this atmosphere, training courses for both owners and drivers will be offered as a natural extension of the many services and facilities," says Malherbe.

The development board has been established to ensure the Project Spear development company carries out its mission — to help the black taxi industry to become the established transport business of the 1990s — efficiently and effectively.

Malherbe says Spear's mission is to "create the new economy of SA and, through education and training and the development of new business activities, to improve the image, reputation, business acumen, profitability and economic growth of black business."

Project Spear, comprising specialists in business planning, transport and education and training, aims to transform black enterprise from its predominantly informal sector status into a significant part of SA business.

Profit orientated

Education, training of the taximan and the development of new opportunities in transport-related matters will be conducted at the strategically located residential training centres.

"All Project Spear activities are intended to be profit orientated. The company must, like any other, meet all its costs from the sums of its sources of income," he says.

Malherbe says the company will need funding for the costs of its development phase, in return for access to opportunities it offers.

The development board, which will receive and assess project proposals from the company, will have a continuous programme of advice and assistance. "The members of the board may also put forward proposals of their own for consideration by Project Spear."

Malherbe adds: "Membership of the development board is no sinecure; there must be no question of token involvement. Members must be fully committed to the mission of the company."

"This includes the provision of services for all the population. Project Spear is the first new economy company. It provides the means by which established businesses can invest in the future of SA business, and secure their place in it."

The political changes taking place should be accompanied by equally significant changes in the composition of SA business and the "new economy" would complement the new constitutional dispensation.

"The expansion of the black taxi industry will provide fields of profitable activity to suppliers of a wide range of products and services," he says.
Bloody battle

help these people get a proper taxi rank with facilities, including security against the very big skollie element. This fight is all about protection money and rival gangs who want to get into the act, he insisted.

"This type of fighting is very bad for business and for the taxi business as a whole," he said.

A police spokesman said about 300 people were waiting at a taxi rank at the corner of Second Avenue and 16th Street at about 8pm when the gang of about 20, armed with gang guns, garden forks, spades, knives and other weapons, approached.

The man told a taxi driver that unless they were paid the people would be assassinated. They refused and the gang attacked. Several people were stabbed.

Policemen, Inspector G Reiff and Constable D de Kock, arrived and tried to stop the battle. They were ignored and, against a background of bonging, shouting and fighting, the policemen fired three shots into the air. Some of the attackers fell.

FIRED SHOT

The taxi driver started his car and tried to run away. At the back, the men followed. The driver ran away.

The situation was brought under control and the injured were taken to Tygerberg Hospital, mostly in private vehicles.

Two spades, two garden forks and a sword were recovered.

A body police discovered the body of an unidentified 30-year-old man in Lantana Road. The body had numerous bullet wounds in the back, stomach and chest. The body of a 26-year-old man with similar wounds was discovered in Dobson Street.

Two murder charges and several of assault are being investigated.

Mr Basil Nagel, Western Cape chairman of the South African Black Taxi Association (SABA), described the attack on innocent commuters as despicable.

"It is considering its own security and law enforcement at taxi ranks throughout the country," he said.

"It is the obvious first step to get the police and law enforcement agencies to secure our public. It is inevitable that we need a concerted effort to get these people to change their ways."

The Western Cape government said it was going to intensify its efforts to get the taxi industry to pay for rank improvements.

Painting: A man stabs another man in a taxi rank. (Supplied)

PHOTO: One of the taxi drivers, who was stabbed, was taken to hospital. (Supplied)
HUNDREDS of mega-ton truck drivers in control of killer machines have false driving licences.

To make matters worse, Western Cape traffic authorities this week admitted that unless South Africa's licensing laws and procedures are tightened, traffic officers' hands are tied when it comes to tracing the culprits.

Both Cape Town City Council's traffic chief, Mr Wouter Smit, and the Western Cape Regional Services Council's traffic chief, Mr Les Kirk, likened allowing such drivers on the roads to "giving a toddler a loaded and cocked revolver -- these forgeries and false licences are nothing but murder, giving 'a man a licence to kill.'"

Mr Smit estimated that about 4.5 million South African drivers carry false or forged licences but said that traffic authorities were concentrating only "a drop in this ocean of dishonesty" because licensing laws and procedures are not foolproof.

According to statistics released by the Road Safety Council, 19,769 heavy-duty vehicles crashed in South Africa in 1987, killing 186 and seriously injuring 1615 people.

This week Mr Kirk and Mr Smit handed Weekend Argus documentary proof of the number of forged and false licences already recovered in the Western Cape -- thick doxsters on hundreds of men and women who bought driving licences, "legalising" them to drive anything from light to extra-heavy duty vehicles -- and placing society at risk.

Traffic cop jumps for life

A TRAFFIC officer jumped for his life when a truck carrying five tons of sand bore down on him while he was directing peak-hour morning traffic in Lansdowne Road this week.

On examination at the Western Cape Regional Services' Council's Ottery testing centre the truck was found to have no brakes, badly worn tyres, loose wheel nuts and studs, no indicator lamps, no front lights, no cornering chevrons, no number plates, no reflectors and a host of other 'more complicated defects.'

Mr Les Kirk, Western Cape RSC traffic chief, described the incident as "horrific.

"The traffic officer was almost killed by a man too irresponsible to realise that driving a loaded truck in this condition is tantamount to murder," he bemoaned this week.

Both the driver and the owner of the truck are to be charged and will appear in court soon, he said.

"Such irresponsibility must be stopped now. We are losing too many people in accidents which could have been avoided," he said.

He made a plea to the public to become more aware of the danger of unroadworthy vehicles and to report such to their nearest traffic authority as quickly as possible.

"We cannot be every-
Twelve years ago it was estimated that the sale of illegal driver's licences netted R80 million for forgers and those engaged in issuing false licences.

"This year alone, in our area of jurisdiction, we have managed to prosecute 447 drivers who had false or forged licences but I'm afraid that this is just the tip of the iceberg. Laws and procedures will have to be changed before we stop it completely," Mr Smit said.

Mr Smit, who sits on the committee for transport policy, said the committee was lobbying for several changes to laws which could help stop false and forged licences and improve driver ability in South Africa.

"A new Traffic Act — to come into effect early next year — has been drafted with a revised system of driver examination. It will be a more objective, standardised test and will carry a clause making re-evaluation over a period of time compulsory," he said.
UK buys SA boat

CAPE Town yacht- and shipbuilding company Farocean has won a contract to build a high-speed luxury fishing craft for a British buyer.

The contract is backed by Credit Guarantee Insurance Corporation, which has insured it for R2.1-million.

The vessel has a local content of 73% and is the largest to be built from aluminium. It is also the first to be fitted with triple water-jet propulsion.
Shots fired in
new taxi war

Staff Reporter

TWO shots were fired and people ran for shelter as another "taxi war" for control of a rank erupted at the Nyanga terminus today.

About 50 heavily armed men invaded the busy terminus and brought taxi services to a virtual halt about 8am. No one was hurt.

A taxi operator who did not wish to be named said the "war" started late yesterday after a minibus belonging to a Western Province Black Taxi Association member was ordered off the road by members of the Langunya Taxi Association.

He said Langunya members objected to WPBTA members using a rank at Crossroads for loading Khayelitsha passengers because the rank "belonged to them".

He said a meeting between representatives of the warring parties was held after the incident and the issue of the controversial rank resolved.

HUNDREDS RUN FOR COVER

However, there was confusion today as some commuters were told there would be no taxis.

After The Argus arrived at the Nyanga terminus about 8am today, more than 50 heavily armed men stormed the terminus. Two shots were heard and hundreds of commuters waiting to board buses ran for cover.

Police arrived promptly and tried to speak to the men, who said they were going to "talk among themselves".

Mr Maxwell Nonkonyana, chairman of the Langunya Taxi Association, said though he was not aware of yesterday's incident, the basic cause of the taxi feud was the refusal by the WPBTA to allow other taxis to operate on certain routes.

"The restructuring of the provincial association by SABTA earlier this year has left many people dissatisfied as basic problems have not been attended to by the national body," he said.
SEVERAL people have been injured and a number of vehicles damaged in clashes that today brought the black taxi service to a standstill in many parts of the Peninsula.

Eye-witnesses at Nyanga terminus said there were “ugly incidents” yesterday afternoon when some of the warring factions clashed and stoned the vehicles of rivals.

Earlier, shots were heard and terrified people at the normally busy terminus scattered when a group of about 50 men brandishing pangas and axes invaded the terminus.

Today there were no minibuses at the major township taxi ranks and thousands of commuters had to use alternative transport to get to work.

Members of the Langunya Taxi Association (LTA) were allegedly assaulted with pangas when they went to a meeting called to resolve the taxi dispute between two township associations.

According to the chairman of the LTA, Mr Maxwell Nomtonya, a group of operators from his association went to Zolani community centre in Nyanga about 1pm yesterday to attend the meeting.

“A group from the Western Cape Taxi Association had already assembled when our guys arrived,” he said.

He said an argument ensued and Langunya members were attacked with pangas and their minibuses were damaged.

Tyres slashed

Mr Nomtonya said some of his members were seriously injured and received medical treatment.

He said one of his members was also shot at a filling station in Khayelitsha by members of the rival association.

At Nyanga terminus yesterday hundreds of onlookers watched as minibuses were shot at, stoned and had their tyres slashed.

According to a resident, who wished to remain anonymous, an “ugly incident” occurred when five shots were fired from a moving vehicle at a minibus with five men on board.

When The Argus arrived on the scene at least six vehicles, including two vans, were windowless and all their tyres had been slashed.

Groups of armed men could be seen among the huge crowd.

There was a heavy police presence.

A taxi operator interviewed said the “taxi war” started late on Sunday after a minibus belonging to a Western Cape Taxi Association (WCTA) was ordered off the road by members of the Langunya Taxi Association.

He said Langunya members objected to WCTA members using a rank at Crossroads for loading Khayelitsha passengers because the rank “belonged to them” (LTA).

A spokesman for the ambulance services said no casualties were taken to hospital by ambulance from either Nyanga or Guguletu.

Monitored

The spokesman said he assumed the injured were taken to hospital by private transport.

Police have received no reports of shootings or injuries and no complaints were laid at any of the police stations in the area, said police liaison officer Lieutenant Denise Benson.

She said policemen monitored the situation at one stage and were aware of incidents of stone-throwing, but were not aware of shots being fired.

EMERGENCY UPDATE

Vehicles damaged in Nyanga clash

PRETORIA. — Two groups were involved in a fight at Nyanga in the Western Cape, police said in their latest unrest report.

Three private vehicles were damaged in the incident yesterday. The groups were ordered to disperse. When they refused to do so, teargas was fired, the report said.

The groups dispersed. Shortly afterwards, the police again used teargas to disperse a group which had gathered illegally. It appeared that the dispute was about taxi routes, the report said. — Sapa.
Taxis stay home as war continues

By CHRIS BATEMAN

At least one person has been shot, several others beaten up and dozens are in hiding as Cape Town’s township taxi war yesterday continued to disrupt the lives of hundreds of thousands of Peninsula workers.

Early today all black township taxis were still immobile as drivers elected to stay at home for the third consecutive day rather than expose themselves to attacks from either of the two warring factions.

At least two drivers, one from each faction, were abducted yesterday, sources said.

City Tramways buses plying the township routes are being filled to capacity as the service tries to compensate for the public transport shortfall.

Tramways managing director Mr Barry Gie said there had been a “substantial increase in patronage”, adding that the situation is being closely monitored.

Sources in the Western Cape Black Taxi Association, WECBTA, and their rivals, the Western Province Black Taxi Association, WPBTA (or Lagunya Taxi Association), said two people were shot on Monday night.

One victim, identified as WPBTA taxi operator Mr Phillip Mquini, 28, of Khayelitsha, was gunned down in his car at a Khayelitsha service station.

He was admitted to Conradie Hospital where his condition was described as “satisfactory” last night.

The second alleged victim could not be identified.

Police confirmed using teargas twice to disperse rival factions at the Nyanga taxi rank on Monday. They said three private vehicles were damaged when the groups clashed over rights to taxi routes.

One angry Langa commuter, Mr Zolile Zombe, urged the factions to “bury the hatchet so that we don’t have to explain every day to our bosses”.

WPBTA chairman Mr “Mac” Nonkonyane said long-standing enmity boiled over on Sunday night when a WECBTA driver passed a traditionally WPBTA Crossroads taxi rank carrying passengers.

“Our guys gave chase. He stopped, produced a panga and slashed one guy on the leg before breaking the windscreen,” he said.

Word spread fast that “the war was on” and conflict escalated.

Yesterday top officials of the umbrella South African Black Taxi Association, SABTA, met briefly in an unsuccessful attempt to resolve the impasse.

Mr Mike Nlatlen, director of public affairs for SABTA, appealed for restraint and urged the factions to negotiate.

“The community is suffering and our image is suffering,” he said.

A comparison of taxi and bus return fares between Nyanga and Cape Town (purchased daily) revealed taxis to be 90c cheaper. Commuters are forced to travel via Mowbray where they must change buses for their end destination.

Several crisis meetings are scheduled for today.

• Mr Clement Ramilayane, WECBTA chairman, could not be traced for comment by late last night.
Taxi ‘war’ forces commuters to use buses, trains

Staff Reporter

TOWNSHIP taxi ranks were deserted for the third day today, with no end in sight to the “taxi war” that has left scores of taxi operators injured and many vehicles damaged since the fighting started on Sunday.

The feud is placing a severe economic strain on thousands of commuters who are being forced to use alternative transport, such as buses and trains, which in many cases is more expensive and less convenient than the taxis.

Today, the two warring factions, the Langunya Taxi Association (LTA) and the Western Cape Taxi Association (WECTA) levelled accusations and counter-claims against each other.

DRIVERS AfRAID

Spokesmen for the two associations, both South African Black Taxi Association (SABTA) affiliates, said they “didn’t know” when the taxis would be back on the road as drivers feared for their lives.

The two, Mr Maxwell Nonkonyana, chairman of the LTA, and Mr Clement Ramatlakane, chairman of WECTA, blamed each other’s associations for the impasse and the outbreak of the “war”.

Mr Nonkonyana said certain routes, which WECTA did not want LTA members to ply, were the root of the problem and had been a “sore point” for the last three years.

He said the problem had never been addressed by SABTA and many members were embittered when SABTA claimed, some time ago, that it had resolved the “taxi war” in the Western Cape.

MEETINGS “DID NOT HELP”

“Though this is purely a domestic matter which even SABTA cannot resolve, we have reached a stage where even holding meetings with these guys will not help. We have done this for the past three years to no avail,” he said.

Mr Ramatlakane also ruled out a return to normality “in the present circumstances.”

SABTA’s provincial chairman, Mr Basil Nagel, could not be reached for comment.
ATTACK. A man with an axe smashes a Laguna Tyre blanda in the background. A man holding a knife nearby. REVENGE. A taxi war in the city.
From page 1

Taxi war

Thousands of Green Point residents watched as the attackers tried to set the vehicles alight before retreating to their own vehicles parked less than a kilometre up the road. No injuries were reported.

Within minutes another large group of armed men—who identified themselves as Lagunya drivers—arrived to inspect the damage and then called a hasty "war conference".

Among the weapons on the scene were pangas, spears, sharpened metal rods and knobkerries.

One angry Lagunya driver said: "This is all-out war now. You can forget about peace talks."

Several police riot vehicles arrived on the scene afterwards.

About 80 armed WECBTA men were seen gathered about their parked vehicles, many of them remonstrating with riot police. They eventually returned to their vehicles and drove off in convoy, hoisting.

The convoy, including dozens of armed men on board bakkies, then patrolled around sections of Khayelitsha.

By late yesterday no further violent incidents had been reported.

Senior officials of the South African Black Taxi Association (SABTA) and Shell yesterday met local taxi drivers to outline a taxi-driver's share-scheme service station proposal for Gugulethu and Nyanga.

The meeting went ahead with little or no reference to the dramatic fighting nearby and the long-standing factional enmity.

NIGHT ATTACK ... Mrs Angelina Mayeki inspects her husbands minibus taxi, burnt out during an early morning attack in their Nyanga East front yard yesterday.

SMASHED ... One of the Lagunya Taxi Association vehicles after the WECBTA attack in Green Point, Khayelitsha yesterday.
Fierce fighting as taxi war rages on

By EDWARD MOLONYANE
Staff Reporter

SCORES of people have been injured and many minibus taxis and cars have been damaged in the escalating taxi war between two rival associations.

Most of the damage and injuries were caused in fierce fighting which broke out in Green Point, Khayelitsha, yesterday afternoon.

The running battles spilled over into the residential streets of Khayelitsha and were witnessed by horrified pupils at the nearby Luzolweni Primary School and Good Hope College of Education.

They said they saw heavily armed men stopping and smashing vehicles. During the "fearful battle" at least two men were shot, said a pupil.

He said one "big man" was shot in the back. The bullet came out "through his stomach."

The shooting victim was helped by a man who had blood on his face and a house, where a car took him away.

The other man, the witnesses said, was shot in the left leg and taken away in the same car.

RAN FOR COVER

The children said the fighting was so "fearful" that they ran for cover. Although it was time to go home, their teachers told them to stay until the fighting was over.

Describing events leading up yesterday's incident, Mr Maxwell Nkomonyane, chairman of the Langunya Taxi Association, said his members had been visited by members of the Crossroads Town Committee, who told them that a meeting to bring the factions together had been arranged by Mayor Mr Johnson Nxobongwana and Mr Mali Hoza at Site B about 2pm yesterday.

"They assured my people that police had undertaken to be present to ensure the meeting went smoothly," he said.

His men left for the meeting, but before they reached the they met more than 100 heavily armed Western Cape Taxi Association members who attacked them.

"Shots were fired and my men abandoned their vehicles which were badly damaged with pangas and axes.”

A taxi operator, who did not wish to be named, said the situation had become so "bad" that many taxi operators have gone into hiding. Scores had left the Peninsula. He said he was living in fear of his life because his area was inhabited by most of his rivals.
Commuters hit back in taxi war
By CHIARA CARTER Sourv 2-8/11/89
ANGRY township residents, left stranded by a taxi war which erupted in Cape Town's townships this week, have decided to hit back at the feuding taxi operators.

Residents said they would refuse to travel in the taxis until the warring groups agree to settle their dispute and the taxi-war ends.

But taxi operators have warned that there is "no end in sight" in the dispute which has left at least two people shot dead and scores injured or missing.

The decision to boycott taxis was taken at a meeting in Nyanga on Tuesday night - the first of several planned for the Western Cape this week.

Residents have appointed a committee to meet the two feuding groups, the Western Province Black Taxi Association and the Western Cape Black Taxi Association.

The committee also plans to approach City Tramways to supply more buses and to discuss lowering busfares which are considerably more than taxi rates.

Violence continued
A prominent community leader said people were "up in arms" about the taxi war.

He confirmed that representatives from community organisations had spoken to drivers in Nyanga and Khayelitsha on Monday after the violence erupted.

"We had to duck for cover when taxi drivers opened fire at the Nyanga terminus on Monday. Now there are no taxis and we must either walk or pay high fares on buses and trains," said Guguletu resident Mrs Sarai Misizi.

Western Province Black Taxi Association (Langa Association) chairperson, Maxwell Nomkonyana, said there was no way of protecting drivers and commuters and that unless a mediator could be found the chance of a solution to the conflict seemed "remote".

Western Cape Black Taxi Association chairperson, Clement Matlalane, said there was "little chance of a settlement".

City Tramways spokesperson Bob Krause said the company was prepared to meet any increased demand for services in the townships.

Krause said there had been a substantial increase in the number of passengers on Tramways buses since the war broke out. The company was monitoring the situation and would adjust services to meet demand.

* Picture on Page 3
Cape taxi war intensifies as Gugelutu houses are set alight

Own Correspondent
CAPE TOWN — The Cape Town Fire Department said yesterday that houses were set alight in Gugelutu in what appeared to be a new turn in the peninsula's escalating taxi war.

Stones and other missiles were thrown at firemen when they arrived to put out the fires. Some fire vehicles were already using motorised pumps when they were attacked and forced to withdraw from the townships, a fire department spokesman said.

"Surrounded" said the inconvenience caused by the "war" was becoming unbearable.

"If taxis were operating I'd have been gone now without queuing. Now I have to wait in the long queue in this terrible wind," said Miss Nothembela Koti, of Nyanga.

She had been a regular taxi commuter to Cape Town for the past seven years, she said.

She, like others, felt "taxi people should sort out their problems by talking instead of fighting — we are, after all, the ones who keep them going and they should think of us," was the general feeling.

In Khayelitsha more than 80 minibuses were parked in an open space with a large group of men standing guard.

The men, armed with pangas and other weapons, said they were waiting for their "leaders" who had gone to town to attend a meeting with a senior police officer.

Postponed

Police confirmed representatives from various taxi associations had paid a brief visit to the riot squad chief, Brigadier G Van de Wall, yesterday morning to discuss the outbreak of violence in their business.

The meeting was postponed until yesterday afternoon when police were to address the warring factions in Khayelitsha.

Two taxi ranks in Gugelutu and Nyanga, where taxi operators from the "coloured" area were loading passengers, were quite busy.

One operator, who did not want to give his name, said an appeal had been made to his association by the community in the township to "bail them out".

He said he had six minibuses loading from Nyanga railway station to Mowbray and from NY1 to the same suburb.
The Wheat are back on track!
Boycott 'will kill taxis'

By JOCELYN MAKER
Weekend Argus Reporter

THE South African Black Taxi Association (Sabta) is to appeal to the Western Cape community not to go ahead with its six-month boycott of taxis.

The president of Sabta, Mr James Ngcoya, made the appeal before a meeting at Cosatu House called to discuss the boycott today.

Mr Billy Daniels, secretary of Sabta in the Western Cape, said a boycott would kill the industry.

A five-day “war” erupted in the Peninsula this week when factions of the Western Cape Black Taxi Association (WECBTA) and the Western Province Black Taxi Association (WPTBA) clashed over routes. A man was killed, three people were badly injured and numerous vehicles were damaged before a truce was reached on Thursday.

Speaking for the two organisations, Mr Daniels said the community seemed to have the attitude that the truce had been called only because “the big boys waved their big sticks”.

“This is not so. We stopped because we wanted to put an end to the war. We realised it was harmful to ourselves and our businesses.”
Taxi service on Flats resumes

Staff Reporters

THE Peninsula's disrupted taxi service resumed yesterday — but scores of commuters remained uncertain whether the "war" had ended.

After five days of internecine strife during which a man was killed and three people were badly injured, drivers and commuters said yesterday that the situation was still "tense".

Factions of the Western Cape Black Taxi Association (WECBTA) and the Western Province Black Taxi Association (WPBTA) clashed over taxi routes. The two organisations, both affiliated to the SA Black Taxi Association, called a truce after meeting with the police on Thursday.

At the Guguletu taxi rank yesterday, one driver, Mr Ernest Baliso, said things had still not settled down completely and were "still a bit tense". "We are doubtful as to what will happen."

He said his organisation, WECBTA, was operating "because of the passengers, but we still cannot go to Claremont because WPBTA will not allow us there."

Another driver, Mr Zuko Danisa, said: "The war is not over; there might even be fighting tonight."

A spokesman for the Western Cape Civic Association (WCCA), Mr Rose Sonto, said yesterday that Cape Flats residents were "deeply concerned about the unnecessary loss of life" and had resolved to stop using taxis for six months because of the injuries sustained by residents who were on the taxis when fights broke out.

"Some people were forcibly removed from taxis while others were victimised inside them," he said. "We are desperately trying to reach a solution to permanently diffuse the situation."

He said communities in all areas condemned the fighting. A meeting between the taxi owners, drivers and community organisations had been planned with the aim of finding a permanent solution and to promote better understanding between the warring factions.

The Nyanga taxi rank and central terminus was a hive of activity yesterday, teeming with taxis. Two police vehicles were parked on the outskirts.

Commuters said they were grateful that taxis were back on the roads. Many said they suffered and it had been "very difficult" to use alternative transport.

Ms Priscilla Gebetwane said she regularly commuted by taxi. "Over the troubles I had to take a bus from Khayelitsha to Nyanga. It was difficult and it cost more."

"But now I'm scared to take a taxi again because the fighting could start up again at any time."

Some saw City Tramways as an alternative means of transport, but said the fares were too high and the buses came infrequently.

In the city yesterday afternoon, a crowd of chanting women demonstrated against the taxi war.

About 25 women gathered outside Newspaper House in St George's Street shortly after noon. Watched by police, the women chanted freedom songs behind a handwritten placard asking for help to stop the violence.

When asked to leave the area by a Newspaper House employee, the women walked towards the Parliament buildings.

Police said that when the women were stopped in Albertus Street, they dispersed peacefully.

DEMANDING PEACE ... Some of a group of about 25 women from Guguletu, Nyanga and Khayelitsha who protested about the taxi war outside Newspaper House yesterday afternoon.

Picture: RICHARD BELL
SCORES of traders in Mouille Point Sea Point have had a “tough time” during the war among taxi drivers in the townships, said City Councillor Chris Joubert, chairman of the Green and Sea Point Traders Association.

He said many in business had been forced to a standstill because their staff could not get to work.

“Chairman my phone was going day and night from traders requesting help. It has now been brought to light how essential this taxi service has become.

“The bus company obviously cannot cope and one can understand that with all the stone-throwing and violence it would have been dangerous for buses to enter the townships.

“Consequently the large number of workers now employed in our areas found it impossible to get to work, and this includes my own staff.”

Proof that Sea Point traders value the taxi driver highly was shown at a recent meeting of the Traders Association when it was decided to give an award to the best taxi driver of the month.

Mr Joubert said he had received many complaints regarding bad driving, such as pulling over to the pavement suddenly and without warning, and failing to give proper signals when changing direction.

Stickers would also be displayed on taxis whose drivers had agreed to a code of conduct agreed by the Taxi Association.

The Chief Traffic Officer, Mr Wouter Smit, agreed it was a good idea and welcomed anything to improve driving standards.

Two regulations required were that vehicles should be roadworthy and the driver competent.

He said there was a move afoot to increase the number of taxi permits on demand but the traffic department had opposed this.

The Western Black Taxi Association and the Western Province Taxi Association have agreed to the competition being held in Sea Point to choose the taxi driver of the month and to issue an award, and feel it may lead to an improved standard of driving.
Commuters fail to heed boycott call after taxi-war truce

Staff Reporter

THE call for a taxi boycott by
the Western Cape Civic Associ-
ation has gone unheeded as
thousands of commuters con-
tinue to use taxis.

The boycott call was made
after the taxi war left commu-
ters without taxis for a week.

The call for a six-month boy-
cott of taxis was made only
two days after senior police of-
cicers secured a truce between
the two rival taxi associations
whose feuding left at least one
person dead and scores of
minibusse damaged, some be-
yond repair.

LITTLE SUCCESS

A meeting at Guguletu on
Saturday, reportedly attended
by hundreds of residents, called
on the community to boycott
taxi until the two associations,
the Western Cape Taxi Associ-
ation and the Langunya Taxi
Association agreed to form one
association.

However, the call seems to
have met with little success as
it was business as usual for
taxi at most township ranks
yesterday.

Some commuters inter-
viewed at Nyanga rank-said
they had not heard about the
boycott, while others said they
would suffer more if the ser-
vice was boycotted.

According to a source in the
civic body, who declined to be
named because the “issue is
still at a delicate stage,” the
existence of two opposing asso-
ciations was responsible for the
frequent outbreaks of violence.

He said: “We feel the so-
called peace is no solution. It
has proved ineffective in the
past.” He added that because
the taxi operators are fighting
to control territory a “peace”
would not be necessary if there
was only one association.

SUPPORT CANVASSED

He said that the boycott call
had not been officially made as
residents’ views and support
were still being canvassed and
more meetings were planned.

He said the two associations,
both South African Black Taxi
Association affiliates, would be
called to a meeting and asked
to form one association “so that
we do not have a repetition of
the senseless killing”.

Another meeting was
planned for Langa in the next
days.
12 hurt as mob attacks taxi-drivers

PRETORIA. — Twelve people have been wounded in a fight between taxi-drivers and bus passengers, a man has been hacked to death, a youth has been shot and wounded and four policemen have been injured in a stoning, according to the police unrest report.

It says the policemen were injured when they intervened to stop a group stoning private vehicles at Eersterivier, near Cape Town. They group stoned them, before being dispersed with tear smoke.

The report says the taxi fight started when a group of taxi-drivers yesterday intercepted buses at Osizweni in KwaZulu and ordered the passengers out.

The passengers threw stones at taxis and buses, eventually forming a mob which set fire to a bus and attacked and set fire to a number of taxis. Police used tear smoke to disperse them.

The report says shots were fired during the incident, "possibly by vehicle-owners" and that a woman was wounded. Eleven people were injured during the melee.

In other incidents in Natal, a group hacked a man to death at Hlanzeni near Ichanga and another group attacked a youth, who was shot and wounded, at Ntuzuma, near Durban before police dispersed the attackers with birdshot.

At Kleinskool in the Eastern Province, a group waylaid a beer lorry and stole crates of beer. Police have arrested three women and a youth.

At Elliot in the Border area, a group stoned and damaged a police vehicle before being dispersed with tear smoke. In another incident in the area, a group of youths gathered illegally and rushed at police who arrived to break up the crowd. Police used birdshot and arrested a man and 13 youths. — Sapa.
Taxi heads call for peace

By Janet Heard

The heads of three rival taxi associations joined forces yesterday and made an urgent appeal to their members to stop violence in the taxi industry.

At a press conference in Johannesburg, Mr. T.J. Ndeyoza of the Southern African Black Taxi Association, Mr. Peter Rabali of the South African Long Distance Taxi Association and Mr. S. Mathysen of the Black Union of South African Taxi Organisations said they had come together as leaders in the industry.

The conference comes in the wake of violence at various ranks and in townships around the country.

Several taxi officials have been killed in the PWV region over the past few months, and houses were set alight in Guguletu last week in what appeared to be a new turn in the Peninsula taxi war.

"We are concerned about the lives of our commuters and our members. Lives have been lost because of fighting. We call on all our members to stop the fighting," Mr. Ndeyoza said.

He said that if members failed to heed the call, the taxi associations had no option but to take action through the disciplinary committees and, failing that, the matter would be taken to the police.

Mr. Rabali said it was significant that the three associations had come together to call for peace.
Move to start Sabta bank

GABY MAGOMOLA, chairman of Sabta marketing arm Taxi SA Marketing, is to set up a new national bank for the black taxi organisation.

Magomola, who is former African Bank CE, confirmed this week that there were moves afoot to establish such a bank, saying: "There is a need for a second bank for blacks."

But he refused to give details, saying it was still too early.

"There won't be anything worth talking about until the first quarter next year," he said.

Magomola was dismissed by AfBank earlier this year amid rumours of staff discontent over his management style, and complaints that he had tried to implement a cost-cutting programme.

On joining Sabta about two months ago, Magomola said in an interview he saw his appointment as another opportunity to pursue his vision of creating a major financial resource within the black opportunity. This vision had been frustrated when he was sacked.

Positions Magomola held before joining AfBank were serving as senior manager of First National Bank in Johannesburg and Citibank in Johannesburg and the US; as financial analyst for Cummins Engine Company, US; financial accountant for Geely Pharmaceuticals in Johannesburg; and internal auditor for Paper & Packaging Industries in Pretoria.
Sabta salutes Swapo victory

SABTA wrapped up its successful 1989 annual meeting by hailing Swapo’s victory in the Namibian elections, deputy marketing MD Jabu Maduza said yesterday.

The two-day conference, held at Sun City, had the highest attendance, with 3500 delegates from all over southern Africa.

Mabuza said: “The Sabta AGM acknowledges and salutes the victory of Swapo at the elections, and now sees the end of suffering and strife for the Namibian people.

“We wish Sam Nujoma and the party he has led over the past decades all the power and success in the task that lies ahead.”

Mabuza said this year’s conference also showed that Sabta members had matured, since they had sat and listened to speakers criticising them on issues such as road safety and violence, and had decided to act on recommendations given.

Sabta president James Ngcoya said in an interview that Sabta would create a safety department, headed by a member chosen from its executive committee, to look into the whole question of road safety.

Ngcoya said the department would be assigned the task of researching, acting on and working to prevent accidents involving its members throughout southern Africa.

“The areas where the authority of a local disciplinary committee is undermined and in cases where an operator is found to have had too many accidents, the department will, with the authority vested in it by the Department of Transport, have the power to withdraw licences,” Ngcoya said.

On claims that the accident rate was high because taxi owners were using youngsters from the homelands and underpaying them, Ngcoya said he had stressed to members that this had to stop and that drivers would be upgraded through training.

Ngcoya said he and the leaders of other taxi associations had agreed to work for an end to the violence gripping the industry.

At the same time, Sabta would use its influence, through its membership in liaison committees in local authorities, to get more taxi ranks in every city and town.

He said one of the most important developments was that government had agreed not to go ahead with further deregulation without consulting Sabta.
The taxi men held unity talks last week. Two taxi drivers had died as a result of a long distance operation and two more had been injured. The taxi drivers were photographed by the press, and the union called for a protest. The union leaders discussed the situation and decided to meet with the management. The meeting was called off due to the death of a driver, who had been working long hours. The union will hold another meeting this week.
Black taxi industry set to spread its wings

The Argus Correspondent

JOHANNESBURG. - Wheels are turning to transform thousands of taxi-owners into sophisticated transport businessmen.

The industry appears to have reached saturation and its largest national body, the Southern Africa Black Taxi Association (Sabta), is investigating other transport services.

In the next decade it should lead the informal sector into the mainstream economy, said transport consultant Mr Paul Browning.

Formed in 1979 by 21 taxi-owners, Sabta's membership has grown to about 55,000, said communications manager Mrs Terry Mphahlele. There are an estimated 100,000 taxis.

Sabta members are to meet at Sun City this week for their annual conference at which they are to discuss safety and the crucial question of their future as outlined in the document 'Sabta 2000.'

Sabta president Mr James Ngcuya said the document 'envisages the taxi operator becoming the transport businessman of the '90s and providing a wide range of transport services to all sections of the population.'
Unity moves to end the taxi-war violence

Own Correspondent

JOHANNESBURG. — Sabta, the SA Black Taxi Association, took a step nearer to unifying the violence-plagued long-distance taxi industry yesterday when its executive got a mandate to join forces with other organisations to form an umbrella body.

Long-distance operators from all over the country, meeting at Eldorado Park here yesterday, instructed the executive to work together with the South African Long Distance Taxi Association (Saluta) and the Black Union of South Africa Taxi Associations (Busata) to form a blanket long-distance association.

The presidents of the three organisations agreed last week the warring parties should jointly work for peace with the ultimate goal of forming one long-distance taxi association.

Delegates stressed that establishing a single organisation would stamp out the violence that had seen several taxi officials being killed in the PWV area and homes burnt in the Cape.

Sabta's recently-announced R40-million programme to assemble minibuses was seen as a major boost in the fight against the "white-taxi scam", seen as the main cause of the conflict.

"White-owned taxis invade black ranks and start cut-rate operations, an unfair competition against the legal black operator. These black "fronts" are attracted by whites who dangle the carrot of easy finance," said one delegate.

Sabta marketing deputy director Mr Jabu Mabuza said his organisation's finance scheme was for everyone and the minibus building programme was designed to make it easy for every operator to own a vehicle.

"The Sabta Foundation is there for everyone to make use of its financing. All taxi operators, no matter what association they belong to, have the common responsibility of carrying passengers," Mr Mabuza said.

Salda president Mr Peter Rabali could not attend the meeting because he was welcoming 350 operators who had been to Namibia to transport Swapo members to polling stations.

Taxi fight: 28 arrested

EAST LONDON. — Twenty-eight taxi operators have been arrested after fighting between rival groups on Sunday in King William's Town. Mr C.J Ball, spokesman for the South African Black Taxi Association (Sabta), said yesterday.

He said five taxi drivers — and a Ciskei soldier who was not involved in the fighting — were seriously injured in the clash between members of Sabta and Ndele Taxi Association. Police quelled the fighting.

A spokesman for the Bisho military base confirmed Rifleman Erick Moyikwa was shot in the leg during the clash.

Meanwhile, police said a 23-year-old man was beaten to death while breaking into a house near Mdantsane on Sunday. — Sapa
Edward Mowbray

Taxi Warlords hope for a merger

The National Taxi Association (NTA) is poised to announce a merger with the National Transportation Workers Union (NTWU), which represents drivers for companies such as Uber and Lyft. The NTA and NTWU have been in talks for several months and are expected to sign an agreement in the coming weeks. The merger would create a single union representing more than 70,000 drivers nationwide, giving them a stronger voice in negotiations with companies and a unified bargaining position. The new union would also focus on addressing the challenges faced by drivers, including low wages, erratic pay, and lack of benefits. The announcement is expected to be made at a press conference next week.
Sabta in top gear with new maxi-taxis

BLACK passenger transport moved into top gear this week with the unveiling by the SA Black Taxi Association (Sabta) of a 25-seater maxi-taxi for long-distance travel.

Designed by mechanical engineer Denis Grossen and built by Elandskolfontein-based Transvaal Motor Body Builders, the Strada 250 was given a test drive in Eldorado Park before admitting taxi operators.

Sabta president James Ngcoca said the vehicle confirmed his organisation's commitment to comfort and safety. "With such a spacious vehicle, there won't be any reason for overloading, which has seen many operators getting on the wrong side of the law and lives being lost on the roads," he said.

The taxi has lightweight construction with a very low floor for improved road-holding. It also affords easy repairs and maintenance.

Theo Rawana

The roof, ceiling, rear-end, front-end, valences and dashboard are made of composite material (weight saving and quickly-repairable and/or replaceable).

The vehicle has a moulded ceiling, panelled sides and a steel floor covered with non-slip, hard-wearing material. It has high-backed, upholstered, individual seats for 25 adults.

For luggage, optional parcel shelves are integrated into the ceiling, and there are optional side lockers on both sides of the body between axles and behind the rear axle.

Grossen said the prototype was subject to further modifications, depending on Sabta's impressions.

The price would only be divulged at the Sabta AGM at Sun City tomorrow, he said.
Trencor ‘getting ready for greater production’

Financial Editor

CAPE TOWN-based Trencor has increased profits by 38% per annum compounded over the past six years, shareholder E Pikholz pointed out at the general meeting yesterday.

Over 14 years it has increased profits by 29% compounded. And over 20 years it has increased them by 26% compounded.

Describing this performance as “incredible”, Pikholz said that forecasts given by executive chairman Neil Jowell were “usually on the pessimistic side”.

Continuing: “If we read between the lines we are not going to do too badly,” he said, it was clear from the annual report that Trencor was “getting ready for much greater production and activity”.

Now that the company was 45 months into the current financial year, Pikholz asked for an up-to-date profit forecast.

He also asked how much capital expenditure would total this year, and whether the company had considered a rights issue rather than increasing borrowings.

Jowell said that, with the domestic market entering a downturn and with earnings from exports and overseas activities likely to be affected by sanctions and exchange rate fluctuations, it was impossible to estimate profits at the end of the year.

Profits so far were “very close to what we anticipated” when he forecast in the annual report that “profits should improve in the year ahead”.

He considered the company’s gearing “reasonably low, especially in an inflationary environment”, and saw no point in issuing more shares.

In answer to a further question, Jowell said capital expenditure was expected to be R39m. The major part of this would be for replacement of heavy vehicles.

The chairman of the Shareholders Association of SA, Isay Goldberg, said Trencor was “an impressive company and one of the most powerful of its kind in this country and certainly in the Cape.”

Goldberg asked why the contribution of the manufacturing division had increased from 28% of total profits to 38% while that of the core business of transport had dropped from nearly 18% to 14%.

Jowell said the manufacturing division had done well and there was a strong demand for the company’s containers.

He pointed out that he had commented in the annual report on difficulties facing the transport business, including confusion caused by partial deregulation.

He stressed: “My comment does not imply that there should not be deregulation but that it should not be done in a higgledy-piggledy manner.”

In answer to further questions from Goldberg, Jowell said he was anxious that the road division of SA Transport Services (Sats) should be privatised as soon as possible.

At present it did not pay taxes and had no accountability and was therefore able to tender with “tariffs that are not economically justifiable.”

Agreeing with Goldberg that companies which provided employment for large numbers of people should receive some incentive to do so, Jowell said he thought this would be better through export incentives rather than tax concessions. Building up export trade was the best way to provide more jobs with the greatest benefit to the community.
Motlana: Taxis are 'objects of fear'.
Mr. James Ngcoga’s interview with the Southern Africa Black Torch Associate, who is to start an MR.

An airline service
Sabta is to start.
Longrail heads downhill with earnings drop

CHARLOTTE MATHEWS

A poor performance for the six months to August has been turned in by transport company Longrail, which translated its 27.6% increase in turnover into a 33% drop in earnings.

Margins came under pressure, reflected by a 23% drop in operating income to R6.3m (R8.6m) at the previous interim.

Directors said the cost of operations continued to escalate, “which has outstripped the company’s built-in escalation clauses in transportation contracts”.

Another negative factor, they said, was the continuing rate-cutting by competitors which made it necessary for the company to keep rate increases to a minimum to retain its market share.

Earnings fell to 3c a share from 4.6c and no interim dividend was declared to avoid weakening the company’s already-squeezed working capital position.

On the balance sheet, cash in the bank fell to R11.9m from last year’s R4.6m and current assets less current liabilities gave a negative figure of R5.3m against last year’s negative R1.2m.

Gearing dropped slightly to 99% from last year’s 95% but interest charges lifted 41% to R1.6m from R846 000.

Another factor affecting bottom line profits was the company’s liability for the full tax rate.

Capital investment during this period was R3.9m (R6.6m).

The directors said they had taken steps to improve performance.

LONGRAIL

Share price, daily close (cents)

3 5 10 15 20 25 30 35

Graph not to scale.
Ripe for break-up

Activities: Operating mass transport bus services in the Witwatersrand, Pretoria and Durban areas.

Control: The Carleo family owns 52.5% of the equity.

Chairman: A Carleo; managing director: J A Visser.

Capital structure: 26.43m ords of 40c. Market capitalisation: R30m.

Share market: Price: 115c. Yields: 7.0% on dividend: 3.0% on earnings; PE ratio: 33.1; cover: 0.4; 12-month high: 190c; low: 90c.

Trading volume last quarter: 539 000 shares.

Financial: Year to June 30.

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<td>6.4</td>
<td>n/a</td>
</tr>
<tr>
<td>Taxed profit (Rm)</td>
<td>(10.6)</td>
<td>(11.6)</td>
<td>2.4</td>
<td>0.0</td>
</tr>
<tr>
<td>Earnings (c)</td>
<td>(70.1)</td>
<td>(44.3)</td>
<td>9.1</td>
<td>3.9</td>
</tr>
<tr>
<td>Dividends (c)</td>
<td>nil</td>
<td>17.5</td>
<td>24.5</td>
<td>8.5</td>
</tr>
<tr>
<td>Net worth (c)</td>
<td>737</td>
<td>795</td>
<td>636</td>
<td>708</td>
</tr>
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</table>

Putco ... passengers take a new ride

If it were operating in any other country Putco would probably by now have been broken up or restructured to cope with fast-changing commuter preferences. But this is SA and Putco, like the railway commuter lines, is an essential cog in perpetuating residential segregation. That's clear from the fact that government is happy to continue subsidising its fares — the precise sum is not disclosed but probably represents about a third of operating revenue — and that black commuters prefer to have their backsides on a taxi rather than a bus seat.

Chairman Albino Carleo reports a further 7% drop in passengers carried which, given fast-growing urbanisation, is a telling comment on what blacks will tolerate. The number of buses operated and the work force have been dropping since 1985: the bus fleet is 18% smaller and almost 28% fewer people are on the payroll. One can only wonder what would have happened if the bid for Putco by the arch-capitalists of Sabsa had not been stymied.

One effect of the shrinking business is that cash resources are piling up. Provisions for bus replacements appear excessive and year-end net cash holdings alone total 123c a share against the present market price of 115c. As a break-up proposition, if government would allow it, Putco looks attractive.

Carleo bemoans competition from taxis. Not only are they progressively winning passengers but congesting peak-hour roads and making bus operation more difficult and expensive. These problems will not disappear. If anything they will increase and almost certainly lead Putco into further service, fleet and employee cuts. The gloomy outlook is easy to understand but Carleo and his board do see opportunities in urbanisation. Commuter market expansion will help to offset deteriorating market share.

Government has meanwhile shied away from the recommendations of the National Transport Commission Study just as Putco and other bus companies had had their hopes raised — by proposals that bus services should be put up for tender — which could have helped restore the sector's profitability.

So, for the present, Putco is in a form of limbo, apparently condemned to shrink further but with cash reserves continuing to pile up. It scarcely adds up to an investment recommendation.

Jim Jones
SA taxi body to start road safety department

SUN CITY. — The South African Black Taxi Association (Sabta) is to create a safety department, headed by a member chosen from its executive committee, to look into the whole question of road safety.

This was disclosed by Sabta president Mr James Ngcoya in an interview at Sun City last night. He said road safety was also the subject of Sabta's annual meeting.

Mr Ngcoya said the department would be assigned the task of researching, working to prevent accidents involving its members throughout Southern Africa and acting on accidents should they occur.
Racy loses speed as tax hits results

CHARLOTTE MATHews 332

RACY Group Holdings lost some of the momentum it showed in 1988 as rapidly rising operating costs, an interest bill up fivefold and a full tax rate pulled down attributable earnings by 35% to R3.7m in the six months to September, from R10.9m the previous year.

Against a 39% improvement in turnover to R27.2m (R20.8m), operating profits rose only 1% to R3.3m (R3.2m).

This worked out to earnings of 5.01c (8.01c) a share and a dividend 1.25c lower at 2c a share, owing to the directors' decision to maintain dividend cover at 2.5 times.

Racy has two divisions — Headlers Industrial Carriers, a national transport carrier, and Diesel City, which rebuilds and repairs diesel engines and has franchises for engine rebuilding and sales of parts.

According to the directors, both divisions showed increased turnover but operating costs in Headlers, especially fuel, wages and maintenance, rose faster than they could be recovered.

Recently, a capital investment programme was undertaken in Headlers to expand and improve its transport fleet. Directors expected the fleet would be fully utilised in the coming year, which would allow a greater recovery of operating costs and an improvement in operating profits.

Diesel City continued to show better profits and the directors forecast increased demand for parts and engine repair as consumers substituted rebuilt and repaired engines for costly new imported engines.

"Due to the non-achievement of budgeted operating profit in this period it is unlikely that earnings a share will be maintained at the 1988 level of 14.5c," the directors said.

But, they added, earnings would probably be greater than the 5c a share shown in this interim period since steps had been taken to improve operating profits.
Land bought for city bus and taxi terminus

JOHANNESBURG City Council has bought — for R5m — about 20 000m² of land from Sats for the development of the Newtown Bus and Taxi Terminus.

Metropolitan Planning (transport) assistant director Riaan Perold said yesterday this was the first phase of a programme that would create a bus and taxi terminus bordered by West Street, Bree Street and Simmonds Street. It would take in Kruisne parking garage and the taxi rank in Sauer Street.

Saying the multimillion-rand project would involve linking the areas with pedestrian and arial bridges, Perold added: “The idea is to consolidate passenger transport into a centralised terminus with ablution and other relevant facilities. The emphasis is on eliminating kombi taxis’ on-street parking — absorbing about 1 000 taxis from adjacent ranks into terminuses.

“The council has realised that Johannesburg people have to depend on public transport, with about 60 000 coming into the city by taxi daily. But then there are not enough rank facilities for kombi-taxis and the on-street taxi activity interferes with traffic,” he said.

Perold said the council had had proposals from developers and would call for tenders shortly. “We are open to proposals and will look at ideas.”
Sabta air
landing
plan will
not work

SAA

Staff Reporter

PLANS by the South African Black Taxi Association (Sabta) to branch into air travel and secure landing rights in the United States and other countries where SA Airways is banned will not succeed.

This was said yesterday by SAA public relations manager Mr Francois Louw. Asked for reaction to Sabta's long-term plans to branch into air travel, he said that whatever Sabta did to disguise the fact that the aircraft were owned and operated by South Africans, they would still have to be registered in SA.

They therefore be banned from landing. "It is not just a question of an aircraft going to another country," he said, "but involves decisions at government levels."

"A bilateral agreement between our government and the government of the US would have to be reached."

Sabta president Mr James Ncuya revealed recently that the granting of landing rights in other countries was being investigated.
Sabta plan for portable loo

A SA Black Taxi Association proposal to take responsibility for the erection and maintenance of portable toilets at its ranks in Johannesburg has been submitted to the city council.

It has so far received favourable attention, Sabta and council officials said yesterday.

The Sabta proposal is part of an attempt to control the accumulation of garbage around the busy ranks in central Johannesburg.

Ranks

The taxi organisation has said it would see to both the erection and maintenance of an unspecified number of portable toilets at various ranks around the city.

The location of the ranks is not immediately known.

Proposal

A spokesman for the council's cleansing department said discussions on the proposal were at an advanced stage and the matter would be raised in committee soon.

A Sabta spokesman said the erection and maintenance of portable toilets had been put to a number of other local authorities and discussions on the proposals were expected soon in a number of cases.
You Pay, You Tax! Your Chance

10  The Argus, Thursday, November 22, 1989

CITY TRAVERSAL 014.4

[Image of a public transportation scene]

...and back is one of those commuters...
Minibuses put the squeeze on taxis

The Argus Correspondent

PRETORIA — The Pretoria City Council is to close-off the central city core to black taxis.

Ten new taxi stopping places on the city perimeter have been planned from January 8 — three each in Schoeman and Proes streets, and two in Van der Walt and Schubart streets. At the same time the Blood Street rank is finally to be closed.

Chairman of the Pretoria management committee Mr. James Leach explained at a press conference that the moves were necessary because of the increasing number of minibus taxis in the city.

He said the council "accepted taxis as a transport mode in Pretoria and was committed to finding facilities where they could be accommodated."

Mr. Leach said he hoped that the taxi moves would "greatly improve matters for all concerned."

Traffic chief Mr. Rob Ehlers said traffic officers would be on duty at the stopping places and would be assisted by queue marshals provided by the Pretoria United Taxi Association (Puta).

He hoped to see the new arrangements introduced smoothly through cooperation between taxi drivers, taxi commuters and the council, rather than resort to law-enforcement.

Puta chairman, Mr. Enos Makena, described the scheme as the "best agreement we could have come to."

He said taxi drivers would have to try it and then make suggestions of changes where they saw the need. He confirmed that Puta would assist in the control of taxi stopping places.
While the demand for trailers, which comes mainly from the local market, is feeling the first effects of the downturn in the economy, foreign demand for containers is holding up very well. Typically, Trencon has built its foreign markets over a number of years. "We have applied ourselves to certain markets through periods when margins have been low," says Mr. Jowell.

"We are not in exporting just to take advantage of the low rand. However, now the low rand has enabled us to sell more at better margins." Mr. Jowell says that although export earnings are subject to incentives and there are threats from same.

NEIL JOWELL...confidently predicts higher profits and the exchange rate, he does not see any material change in the year ahead.

Trencon's balance sheet is strong, and at year-end the ratio of total liabilities to shareholders' funds was unchanged from the previous year at 31.5%.

Credit
An increase of some R34-million in interest-bearing debt has been used largely to finance long-term credit sales. But efforts are being made to change this method of funding sales.

Says Mr. Jowell: "We believe a good measure of a company's performance is the return it earns on the assets used in the business. In terms of taxed income before interest to total net assets, Trencon has earned 21%, 26% and 26% respectively in the last three years.

"As these assets, totalling R1178-million, include properties worth R88-million on which a much lower return is expected, these ratios are most satisfactory."

It's not surprising that the share is tightly held. The Jowell family owns just over 50% of the controlling pyramid, and institutions quickly snap up odd lots which come onto the market.

Old Mutual has built up an effective 24% stake. Mr. Jowell says: "We are very happy with the relationship."

Interests
Tyre interests lie in the 96% share of Tredcor, the country's biggest tyre re-treader and retailer of new and used tyres. Other trading operations include motor franchises and service stations, a 50% stake in an exporting company and a joint venture with National Airlines in Namaskiland Logdien, which provides commuter services linking the North-western Cape with Cape Town and the Winelands.

The group has shown remarkably steady growth over the last seven years, which have seen turnover soar from R151,2-million to R500,7-million and attributable income outstrip that growth by increasing from 1,3-million to 48,4-million.

Growth
Last year's 33% growth in attributable income moved earnings from 29c6 a share to 33c8 a share.

Trencon paid out total dividends of 67c, compared with 59c in the previous year and it was still covered five times by earnings.

Mr. Jowell says the current downturn is unusual in that normally manufacturing feels the effects of a downturn well before the transport operations.

This time road transport, which is already suffering from the collapse of the system of economic regulation by permit, is bearing the brunt. Mr. Jowell says there is increasing uncertainty about the future of the industry and the ground rules by which it must operate.

Niche
He says this will lead to "very difficult" trading conditions outside of certain niche markets in the next few years.

"But the industry is a basic building block of our economy and we believe that in the long-term a suitable framework in which efficient, well-run organisations can prosper will emerge." He is determined that Trencon will be well-placed to benefit when that time comes.

On the other hand, the manufacturing division is doing particularly well in the current period.
SAA snags plans for cheap flights

Staff Reporter

SOUTH African Airways has refused rights to allow a British air charter company to carry SA passengers, jeopardising a plan for six cut-price tourist flights from Britain to SA.

The first of six flights, which was due to arrive in the city on Sunday, has been cancelled.

If the British airline, Caledonian Airways, cannot get SA upliftment rights, some of the flights will have to return to Britain empty.

However, SAA is standing firm on the issue.

"To expect SAA to jeopardise its normal scheduled services to subsidise peak time charters is quite unreasonable," said SAA spokesman Mr Gerhard Fritz.

He said SAA was not against passenger charters "and certainly supports any effort to increase SA's share of overseas tourists".

While SAA supported full deregulation of the domestic air transport routes and welcomed the competition, such competition on international routes was more complex.

"SAA has a competitive disadvantage because of the routes we are permitted to operate," he said.

The British airline, the air charter arm of British Airways, first applied in August for landing rights for 21 flights over the peak season.

Local agents Masterleisure subsequently applied for landing rights for eight flights on behalf of the airline, and were recently given rights for six return flights.

Mr Johan Brits, Masterleisure's managing director, said the question of upliftment rights "was left for SAA to decide and they indicated they were not interested in supporting such a move."

"With 21 flights, upliftment isn't so important - even with eight flights. But with only six flights it becomes critical that we have the opportunity to ferry South Africans to Britain too."

Waiting lists did exist on some flights over the peak period, but there was also spare capacity on other flights.
Bus strike starts to bite

BY LULAMA LUTY

THE strike by 150 Putco bus drivers at KwaThema, near Springs, enters its fifth day today and commuters are beginning to feel the strain.

Domestic workers were hit the hardest as they had already bought their weekly tickets.

Some commuters hitchhike to work and back, but most have to fork out money for taxis.

Putco spokesman Tait confirmed the drivers were on strike and said the company was doing everything possible to resolve the dispute.

Said Tait: "The company is losing money but I am not in a position to estimate the loss."

In a statement to City Press, Transport and General Workers' Union information officer Kelly Forest said the workers went on strike on Tuesday.

"The workers are unhappy about the disciplinary procedure at the depot and are demanding grievances be dealt with by top management and not by the local manager, P Gerber," said Forest.

Local organiser Vuyo Nduna said talks between management and shop stewards would resume tomorrow.

Nduna said no workers had been dismissed but their salaries would be affected because the company operated on the "no work, no pay" basis.
5 die, 29 hurt in city taxi smashes

Staff Reporter

FIVE people died and at least 29 were injured — eight seriously — when two minibus taxis were involved in two separate accidents on Lansdowne Road in Philippi yesterday, police said.

The accident in which the five died occurred about 1.30pm, when a minibus taxi crashed into a lamp pole on Lansdowne Road near the Ems Road turn-off, Philippi police said last night.

Police believed about 17 people were injured, one seriously, but said the dossier containing further information was not available.

In the second accident, which happened about 5pm near intersection of Lansdowne and Eisleben Roads, two minibus taxis collided after one of the taxis made a U-turn on Lansdowne Road, police said.

Seven men were seriously injured and two children and three women received minor injuries.

Twelve people were killed and 45 hurt on Transkei roads at the weekend and yesterday, police said.

Three died and 42 were hurt when a bus hit a stationary truck, left the road and overturned on the Engcobo-Umtata road near Ncise yesterday morning. Police said the bus had been travelling from Port Elizabeth to Umtata.

Six people died on Sunday when the van in which they were travelling left the road and overturned near the Cofimvaba Bridge.

Three people were seriously injured.

Another person died instantly in a head-on collision on the national road between Mount Ayliff and Mount Frere and two pedestrians were killed after being knocked down by cars on the N2.

PHILIPPI CRASH ... Members of the Peninsula Metro Rescue Unit and other emergency units free trapped passengers of a minibus taxi which crashed into a lamp-post in Lansdowne Road, Philippi, yesterday.
‘Free’ tickets to UK offered

‘Incredible’ response to cheap flights

Staff Reporter

PUBLIC response to a “free air tickets to London” offer has been phenomenal and the local organising company has been inundated with calls, according to a spokesman for Masterleisure.

Masterleisure is the company organising the first cut-price charter flights to South Africa from the UK.

Several charter flights from London to Cape Town were almost cancelled when SAA refused to allow return flights to carry passengers.

The company then advertised the “free” tickets in the press on Monday, indicating that the return airlift would be £499, or about R2 290.

The company resorted to this move after six charter flights were allowed landing rights, but “upliftment rights” permitting them to sell tickets to local passengers wishing to fly to Britain were refused by the Department of Transport.

According to Mr. Johan Brits, managing director of Masterleisure, the company would have had to fly empty aircraft back to London.

“Our intention is not to sell the flights but to fill them. When we were forced into the situation we decided that if it came to the push we would give the flights away.”

He said that the first flight, due in Cape Town on December 18, has already been over-booked by 40.

“What’s been most interesting is the response we’ve had from South Africans who want to bring out friends and relatives from Britain.

“But generally, we’re amazed at the demand for flights — specially from people who want to book return tickets with us,” Mr. Brits said.

A one-way air ticket to London usually costs in the region of R3 290 and in effect, Masterleisure was now offering return flights for about R2 290.

Passengers travelling to the UK on return tickets would be limited to one, two, or three-week stays only.

There was nothing to stop a person flying one way only on the free ticket, but Mr. Brits said preference would be given to return-ticket customers.

“Only when there are seats will we hand out free single tickets on a stand-by basis.”
Jubilant crowds meet first ‘free’ London flight

Staff Reporter

SHRIEKS of delight, ear-to-ear smiles and tear-filled eyes marked the arrival at D F Malan late yesterday of the first of a series of five cut-price charter flights from London.

For many Capetonians in the huge crowd that set the international arrivals hall abuzz, the plane’s arrival meant happy family reunions after many years.

Excited passengers were welcomed to South Africa in style, despite the battle that continues to rage between SA Airways and Masterleisure, the local company that organised the flights.

Several charter flights from London to Cape Town were almost cancelled when SAA refused to allow return flights to carry local passengers.

Masterleisure then advertised “free air tickets to London” in the press, indicating that the return airfare would be £499, or about R2 660.

A special surprise was in store for Oxford student Mr John Morris.

For nothing more than being first off the flight, Mr Morris won a free three-day holiday at Club Mykonos. He was handed his prize by Masterleisure chairman Mr Koos Jonker.

Mr Tim Colman, who has lived in London for the past three years, came well prepared for a fun-in-the-sun South African holiday with his windsurfer.

A total of 292 passengers arrived in Cape Town — 100 passengers disembarked in Johannesburg — after a gruelling flight from London’s Gatwick Airport, via Athens, Mombasa and Johannesburg.
Nafcoc undergoes restructuring

By Jabulani Silhakhane

The National African Federated Chambers of Commerce and Industry (Nafcoc) will gradually phase out its present structure of regional chambers affiliated to the federation in favour of specialist national business organisations categorised according to different economic market segments.

Nafcoc’s restructuring follows a major study, sponsored by the US Agency for International Development (USAID), aimed at achieving a greater measure of organisational effectiveness, financial independence, efficiency in administration and increased representativeness of the black business community.

Among recommendations were the restructuring of Nafcoc to enable the organisation to affiliate and give representation to other specialist business organisations, adoption of sound financial and management systems to strengthen administrative capacity and a major fund-raising drive to ensure the financial independence of Nafcoc.

The first step towards a new-look Nafcoc was taken last week when nine independent taxi associations, including the Southern Africa Long Distance Taxi Association (Salda) and the Busato (Black Union of South African Taxi Operators), formed a new national transport body affiliated to Nafcoc.

Others were Natalco, Matlosana Taxi Operators, Majelathoko of Parys, Federated International Transport Organisation (FITO), the Vaal Taxi Owners Federation, Majakathata Taxi Association and the Alexandre, Midrand and Sandton Taxi Association (Amata).

The Nafcoc transport wing should have close to 40 000 members, with Salda, Busato and FITO accounting for a very large share.

With an increasing number of associations splitting from affiliates of the Southern Africa Black and Taxi Association (SABA), Nafcoc is expected to consolidate them into what might potentially be another major black transport association in South Africa.

Finer details of its workings have not been worked out, but it is understood the new Nafcoc transport wing will concentrate on lobbying the authorities, negotiating discounts and generally acting on matters of national interest. Affiliates will continue with their day-to-day affairs.

The president of Nafcoc, Dr Samuel Motsuenyane said the unity of the nine transport bodies was a significant event in the history of black business.

“This must be seen as an imaginative and innovative development of black people for their benefit under black leadership.”
Tollgate heads for higher earnings after takeovers

By TOM HOOD,
Business Editor
TOLLGATE Holdings is heading for higher earnings, although turnover might not show much improvement next year, says the chairman, Mr Johann Claassen.

"We will be moving off a low base and consolidating the takeover of under-performing companies, but 1992 should be a much better year."

Mr Claassen said this after a special meeting in Cape Town when shareholders approved the takeover of Motorvia group in a R36 million cash deal.

TGH will also pay Motorvia’s senior executives R4.8 million in service and restraint agreements varying from 18 months to 10 years after they cease to work for the company.

Motorvia, a 25-year-old company listed only in 1988, had a R104 million turnover and earnings of R4.5 million in the half-year to June 30.

The deal would have boosted TGH’s turnover to a combined R334 million in the year to June 30 and net profit to R84 million, up from R29.7 million.

Mr Claassen said the Motorvia ferry business was very big and profitable and would slot in with TGH’s business. It would become a separate division of the transport group.

The Budget Autolease was a fairly new and growing business and would stay with Duros. It could be used for the group and outside purposes.

The insurance arm of Motorvia would also fall under Duros.

Budget Rent-a-Car, part of Motorvia, was the country’s third largest car hire company and was "a very good acquisition for TGH," said Mr Claassen.

The directors also believed the unexpected air fare increases announced by South African Airways “can only do good for our inter-city coach business.”

Mr Claassen confirmed Tollgate had now dropped the idea of a separate listing for City Tramways.
Flying high on success

By TOM HOOO
Business Editor

The first charter air flight to touch down in Cape Town this week could be the pathfinder of many more next year.

At least that is the aim of Mr Johan Brits, managing director of Masterbond Trust, the local organisation behind the cut-price flights bringing tourists to South Africa.

“We will be applying for further charters from Britain next year and we are also investigating the German market. It is a logical extension from England to Germany,” he says.

“That’s why we started looking at charter flights — it looked like a money making venture.”

Masterbond was largely a participation mortgage bond business when Mr Brits and chairman Koos Jonker left Owen Wiggins Trust to start it five years ago. Now it is heavily into the holiday, leisure and tourism businesses.

Investigating the tourist business, Mr Brits discovered the established air lines could not cope with demand at the end of the year. He started off by getting Caledonia Airways to organise 21 flights, but most of these were grounded when South Africa was able to prevent return flights picking up fare-paying South Africans. Eventually, five charters from London to DF Malan were allowed.

Mr Brits believes the attitude of SAA to protect its own business is short-sighted. More tourists have an important spin-off in internal flights as visitors go to other parts of country.

“If a tourist came here on a R2,000 flight and spent what he saved on fares inside the country, that could not be termed an outflow of capital. Each British tourist, for example, normally spent about £100 a day on holidays.

“If we could get 21 flights, we would have more than R42 million coming into the country,” he said.

Support from Captour, Weggro and the public had been “tremendous” and he believed there was a good chance of more flights being allowed next year.

Mr Brits, a chartered accountant who qualified at UCT, lists skiing and sailing among his interests so he obviously fits well into the big business of leisure.

“When he took over the helm at Masterbond, the group controlled only R20 million of funds — it now controls about R240 million. This exceptional growth he attributed to aggressive marketing.

The company got into the leisure business as Mr Brits and colleagues looked at new investment opportunities for its client base of 8,000.

“The stock market was booming in 1989 and Masterbond could not afford to invest in equities for growth, but we decided on property type investments to give capital growth,” he recalls.

Industrial and commercial properties had very good potential. But he realised that the area of best growth was going to be the leisure business, especially the leisure business of property. But it had to be soundly researched. For a start there is a serious shortage of hotels and leisure type accommodation.

“When the tourist boom started three years ago we could see the potential in tourism. Leisure properties and holiday properties will see good growth in the next 10 years.”

Cape Town is seen as one of the best growth areas for hotels and a 60 to 100 room hotel is planned for the Rosemont.
THE first of a series of five cut-price charter flights arrives in Cape Town from London today — and South African Airways is not happy.

At 2pm today Flight KT 236, the first of five British Caledonian wide-bodied Lockheed Tristars, touched down at D F Malan Airport after a gruelling flight from London’s Gatwick Airport, via Athens, Mombasa and Johannesburg.

Meanwhile, on the eve of the arrival of almost 2 000 visitors from Britain to Cape Town, the battle between SAA and Masterleisure, the company offering “free air tickets to London”, rages on.

SAA said that while it welcomed deregulation on domestic routes, competition on international routes would severely prejudice the airline, which already had to operate under “a competitive disadvantage” because of restrictions on the routes it was permitted to fly — restrictions to which it alone was subject.

**Loss of capital outflow**

SAA spokesman Mr Gerhard Fritz said that although SAA was appreciative of the contribution Masterleisure was making to the tourist industry, the airline felt the sale of air tickets in South Africa would result in a substantial outflow of capital from the country.

Earlier this year Masterleisure entered into an agreement with the National Transport Commission, allowing it to fly charter flights between Britain and South Africa.

These charters were permitted to operate subject to stringent restraints such as having to bring only “bona fide tourists” on package tours and a ban on transporting South African citizens to Britain.

The company persisted in its application for SAA flights to Britain.

The Minister of Mineral and Energy Affairs and Public Enterprises, Dr D J de Villiers, confirmed that permission had been refused.

Mr Koos Jonker, chairman of the board of directors of Masterbond Trust, Masterleisure’s parent company, said: “The reason we were given was that it caused an outflow of capital from the country.”

Those in favour of international deregulation and charter flights rebut the “capital outflow argument” by showing that such flights have generated an enormous amount of foreign tourism and a substantial injection of foreign capital.

**All benefit**

Mr Jonker said charter flights would bring in more capital than they would take out of the country.

Everyone, including the State, commerce and scheduled airlines, would benefit from such capital.

In addition, charter flights had the long-term effect of generating more business for the scheduled airlines.

“We’re talking about almost 2 000 tourists spending on average £100 a day and staying on average for about 20 days — so you’re looking at about £20 000 or R8 000 a tourist.”

He said about 60 percent of people who came on packages such as the ones Masterleisure offered came again and that when they did, they often used the scheduled carriers.

He explained that when Masterleisure’s first charter flight was cancelled they had to find seats for about 400 passengers.

“We tried to get them on to SAA, but they were full and only by chance a travel agent had made a block booking on a TAP flight which became available — luckily for them.”

In fact, he said, passengers coming to South Africa on the company’s last flight on January 16 would be returning on SAA and British Air.

“That’s a windfall of 400 passengers the scheduled airlines wouldn’t have had, had it not been for the charter.”

Mr Jonker felt the ban on carrying South African citizens to Britain had not only cut off all his company’s profit, but had been to the detriment of the entire local economy.

“If we were allowed to take 2 000 tourists at a time, the benefit would be immense.”

(To be continued on page 3, col 6)
Boland bus company fares to rise 15,5pc

By DAVID YUTAR

BUS fares of the Boland Passenger Transport Company are to be increased by an average 15.5 percent from December 31.

A company spokesman said the increases were an unavoidable consequence of spiralling costs and that fares were last increased on March 27 last year.

He said the increases had been kept to a minimum, pointing out that the average increase in the cost of cash fares was 15.5 percent — well below the increases in the Consumer Price Index of more than 22 percent in 21 months, when fares were last adjusted.

The Department of Transport has announced that it will not increase its passenger subsidy which has been administered through the discounted clipcard system.

In most cases the bus company's cash fares will go up by a maximum of 15c a trip.

However, increases of between 20c and 30c can be expected on longer journeys.

Fares for children under 12 and students under 17 will increase by 5c a trip.
TRANSPORT - PRIVATE - GENERAL

1990

JANUARY - MARCH
Sabta gets probe into minibuses

THE SA Black Taxi Association has appointed a research company to investigate the causes of road accidents involving minibuses.

Sabta president James Ngeoya said the company would investigate whether the minibuses, which were currently the main means of transport for black commuters, were suitable for South African transport requirements.

He pointed out that most of these vehicles were designed in Japan for conditions where loads were lighter.

He said the company would also look into the behaviour of taxi drivers on the road and their driving skills.

He said plans for the vehicle that Sabta themselves were designing were at an advanced stage and would be introduced as soon as it had passed the necessary tests.

Ngeoya, who expressed his sympathy to those who had lost their relatives in road accidents, said they would continue with their driver-training projects to minimize the number of road accidents. - Saga.
Taxi chiefs blame accidents on pressure from Sats strike

SABTA has blamed the Sats strike for the high taxi-related accident rate over the Christmas holiday period.

Sabta communications director Mike Ntlatleng said yesterday the strike caused most people to forsake train travel and opt for taxis, which resulted in great pressure on taxi operators.

While the actual number of road deaths involving taxi could not be established, the National Road Safety Council (NRSC) reported that holiday period deaths totalled about 250.

Belief

Ntlatleng denied that taximen’s approach on the roads was influenced mainly by economic considerations, as NRSC deputy director Eric Wise said earlier this week.

Wise said the drivers were driven by the belief the more trips undertaken, the bigger the profits.

Ntlatleng said: “We do not believe that economic considerations, as stated in the Press, were the main causes of the accidents. We believe that it is one of the many causes...”

Of importance is the fact that the strike by Sats workers has an impact on the number of people using trains. Because of the strike, many people found it convenient to use taxis, and as such tremendous pressure was brought to bear on the taxi operators.”

He said it was still too early to say by how much the load on taxi operators had increased.

Ntlatleng also said most of the minibuses involved in accidents were “un-roadworthy vehicles with no road permits or vehicles driven by pirate operators in for quick cash”.

Sapa reports Sabta president James Ngooya as saying the research company Project Spear would investigate the causes of road accidents involving mini-buses.

It would investigate whether minibuses were suitable for SA transport requirements. It would also look into the behaviour of taxi drivers on the roads and their driving skills.

Sats was awaiting confirmation as to when discussions will resume with the SA Railways and Harbour Workers Union (Sarwhu) to end the nine-week old Sats strike, senior labour manager Jan Bredenkamp said yesterday.

He said Sarwhu’s legal advisor contacted Sats yesterday and said the union would like to arrange a meeting, but no date had been set.

Sarwhu met Cosatu officials on Wednesday and had intended meeting them again yesterday, said sources.

Meanwhile, Sats fired another 16 strikers yesterday, bringing the total dismissed to 22 395, according to Sats spokesman Ian Blesdale.

He said there were still 3 586 workers on strike.
Jo’burg buses not mixed this month

JOHANNESBURG municipal buses would not be legally opened to all races this month, a spokesman from the Road Transportation Board said yesterday.

The bus service could not be legally desegregated until the necessary permits were granted by the board. Although six weeks had passed since the permit application was gazetted, no date for a board hearing had been set.

The spokesmen said the board received thousands of applications for permits, but as this was a priority, the application would go before the board "as soon as possible".

It was possible a hearing date would be made for February, the spokesman said.

Johannesburg City Council acting transport director Gert Tighy said yesterday the department had a Press statement in the pipeline announcing the legal opening of the buses.

However, this could only be released once the permits had been granted. He said they were at the "mercy" of the board and had to await a hearing date.

Tighy said he did not anticipate any objections to the permit application as there was an tacit understanding between Putco and the Transport Department that no objections would be made by either party.

Putco applications for permits to carry all races would be heard on the same day.

As the permits would be for existing routes, Tighy said he did not anticipate any competition between the two services.

He hoped the board would make the applications a priority and name a date.
Commuters threaten minibus boycott

Court gets tough on 'cowboy' taxi drivers

Peter Fried, Victor Schwartz, 21, R150 or 30 days' jail, the judge decided, would be the result. What his sentence meant to the community would not go down well. The community would not like to see a local taxi driver, who has been operating for years, being imprisoned for driving to stop at a shop nearby and his license being revoked.

"Join the ranks," the judge ordered. "I am more interested in the licence," he said, "but the licence is not worth the money. It would have to be stopped." He added that the licence was not of much use to the community.

The judge said that the licence was worth nothing to the community and should be revoked. He added that the licence was worth nothing to the community.

"Join the ranks," the judge ordered. "I am more interested in the licence," he said, "but the licence is not worth the money. It would have to be stopped." He added that the licence was not of much use to the community.

The judge said that the licence was worth nothing to the community and should be revoked. He added that the licence was worth nothing to the community.
'Cheap' tour plan collapses

THE cut-rate air charter shuttle service between London and Cape Town has collapsed, leaving hundreds of travellers stranded by a de facto end of the service.

Only swift action by the British Civil Aviation Authority (CAA) assured some 75 South Africans, stranded in London for the weekend by the failure of Master-Toursure (UK) Ltd, of their way home last night.

The Caledonian Airways Viz-1 Star flying the South Africans home will return to London tonight with 501 Bizone passengers caught in South Africa when Master-Toursure, trading also as Inflight Travel, ceased trading on Friday.

The company secured unprecedented clearance from the National Transport Commission (NTC) in October last year for an eight-night southbound package deal which - part of a major new tourism initiative - the de-regulation deal was launched as a £100-million tourism boost for the Western Cape by local travel and tourism agents but stifled opposed by South African Airways.

Master-Toursure (UK) Ltd then caused a minor sensation by advertising 'free' air tickets for January 31 and on, indicating that the return fare would be in the region of £124 return. This was approved by the NTC's refusal to allow them to sell air tickets on their return charter flights to London's Gatwick Airport. The company was inundated with inquiries.

'Service going ahead'

Last night John Britts, the managing director of Master-Toursure - the parent company of Master-Toursure (UK) Ltd - told the company's local agents that its November charter flights would go ahead.

Brett said he had no knowledge of any tourists being stranded at Gatwick Airport and denied that the local company was in financial difficulties.

He insisted that the company had not folded and attributed the controversy to 'confusion about the companies, their contracts, and the way they are run'.

'Our company has a licence from South African Airways, and we have noigital connections with Gatwick Airport. This is a matter for the CAA, but they have cleared the airline.'

Yesterday a British CAA spokesman said the charter company was protected by the ATOL (Air Travel Organisers' Licence) - which means the cost of returning flights was borne by insurers.

Anyone booking an air charter ticket from any company in Britain was also guaranteed all his or her money back.

But the CAA said they could not say if the same applied to people who bought tickets from inside South Africa.

The CAA spokesman advised that anyone who bought a flight ticket should be asked to check if it was protected by the ATOL licence. He said the flight would actually go ahead as scheduled.

He referred further inquiries to the London company.

The company had no comment on the problems encountered by passengers at Gatwick Airport, and was able to guarantee all the passengers' money back.

There was only one more flight planned for South Africa, and all passengers 'will be covered whether we have to use Caledonian or another airline', he said.

Govt orders matric probe

THE government has ordered an urgent probe into last year's black matter which resulted in the resignation of 250 of the 250 Department of Education and Training candidates passed the examination.

The announcement that the Minister of Education, Dr N. van der Merwe, and instructed the department to investigate the crisis came as the scare sweeps in Cape Town and Western Cape schools.

He stressed that the tests should be administered by the government, and that the examination could be taken at any time.

He said that the majority of pupils would not be allowed to return to school, which meant they would not have the skills to compete in the job market. They would be on the streets giving rise to gangsterism.

The ministers should be identified by the black community and should also be accountable to the community, and examinations should also be regraded where university skills could be used, Dr van der Merwe said.

He said more than 120,000 pupils would not be allowed to return to school, which meant they would not have the skills to compete in the job market. They would be on the streets giving rise to gangsterism.
Minibus taxi industry

FACES THREAT

Minibus taxis are a cornerstone of South Africa's public transport system. However, the industry faces several challenges, including competition from other modes of transport, infrastructure issues, and regulatory challenges.

The industry has faced a decline in ridership due to the rise of other transport options like Uber and Grab. This has led to a decrease in revenue for taxi operators.

Regulatory challenges have also been a significant issue. The Taxi Services Act of 1996 has been controversial, with calls for its repeal and replacement with a new, more modern act. The act has been criticized for being outdated and inadequate in addressing the needs of the industry.

Infrastructure issues such as road conditions and public transport availability have also impacted the industry. Poor road conditions can lead to increased fuel costs and decreased passenger satisfaction.

The industry faces a need for investment in new technology and infrastructure to ensure the continued viability of minibus taxis as a transport option.

The future of the minibus taxi industry is uncertain, with many challenges to overcome. However, with the right measures and investment, the industry can remain a vital part of South Africa's public transport system.
THE multi-million-rand "Zola Budd" taxi industry is facing one of its greatest challenges as commuters threaten to boycott the vehicles in protest against bad driving which they say has resulted in a large percentage of road accidents.

Yesterday, for instance, nine died and six were hurt in a minibus/station wagon accident on the N3 between Warden and Villiers in the Free State.

Most commuters spoken to expressed dissatisfaction about the way taxi drivers were handling their vehicles and the high accident rate.

They said they would give their full support to the boycott if it were called for, "so that taxi operators understand how strongly we feel about these accidents."

Sowetan Correspondent

The assistant general-secretary of the National Council of Trade Unions, Mr Mahlomola Skosana, said that Nactu would like to see the boycott of minibuses come about as a last resort.

He said the first step would be a round-table talks with taxi, community, labour and church leaders. And if the decision were reached to boycott the taxis, the only people who would be able to take that decision would be commuters themselves, he said.

Warning

He added that taxi owners would have to be urged to ensure passengers in order to be more stringent in selecting their drivers.

However, South African Black Taxi Association's director of public affairs Mr Mike Ntlatleng, has warned commuters and community organisations not to be rash about enforcing the boycott.

He said yesterday that if the boycott were going to be carried out it would be a very difficult and a painful decision, which would need to take into account certain elements. These included the fact that in certain areas there were more taxis than buses.

Ntlatleng advised commuters and organisations to raise the matter with various taxi associations, saying that there were many issues which could be discussed with these associations as they were autonomous.
Saldta leaps to defence of mini-bus drivers

THE SA Long Distance Transport Association has come to the defence of mini-bus taxi drivers, who, it says, are often accused of causing accidents on the country's roads.

Saldta said in a statement yesterday it regretted the many accidents during the festive season and that many people tended to blame taxi drivers for carelessness on the road.

"It is our conviction, however, that the responsibility for road safety in any country around the world rests with every motorist and every pedestrian. The principle of road safety is our joint responsibility.

"Our observation at Saldta is that very rarely do two taxis collide with each other along a road. But we have noted with great concern that more often than not it is a taxi and a private vehicle involved in an accident.

"This observation says a lot to us."

Saldta said it believed private vehicle owners needed serious training to create awareness and for defensive purposes.

"The image of the taxi driver has been so distorted by everybody that people generally fail to look at exactly where the fault lies in the case of an accident.

"Private people, especially whites, generally have negative views of black drivers. These prejudices are constantly magnified on the road and many blacks can testify that whites bully blacks on the road and cause accidents.

"We are and have been constantly educating and consciencising our members on the impact of road fatalities on the economy, the impact of road accidents on family life, and the need to become preservers of life and agents of development." - Spc.
Row looms over new taxi ranks

By MONK NKOMO

A new row has broken out between the Pretoria City Council and taxi owners - for the second time in six years - over the removal of the Bloed Street taxi rank at midnight on Sunday.

People commuting between Pretoria and the townships are now served by a number of smaller ranks.

According to angry taxi owners a new rank at Dr Savage Road in Pretoria is inadequate.

Fined

Situated a mere 200m from the old Bloed Street rank, it cannot cater for the scores of taxis - many of which now have to park on the pavement and get fined. This rank is, however, supposed to replace Bloed Street which was among the busiest spots in Pretoria.

The council has allowed parking space for only ten taxis. A number of taxi owners said they were issued with tickets of up to R100 for parking on the pavement on Monday when the new rank came into operation.

A spokesperson for the council yesterday took note of the complaints and said the matter would

Mr James Ngcoya, president of Saba

be discussed at the liaison committee meeting whose members comprise traffic officials and executive members of Saba and Putsa.

The new system of introducing fresh ranks and stopping places in the city is the result of negotiations between the council and the South African Black Taxi Association, according to Mr Enos Makena, director of Saba and chairman of the Pretoria United Taxi Association.

"This taxi rank is too small. The critical shortage of parking space for comibs is going to lead to accidents along Dr Savage Road especially when one of the taxis drive into the rank to replace the one that has

Mr Enos Makena, chairman of the Pretoria United Taxi Association

loaded," taxi owners said.

They requested the council to use the open spaces inside the new rank and develop them for parking purposes.

Three new taxi ranks came into operation in the city on Monday after the closure of the Bloed Street at midnight on Sunday. The rank was closed following years of court battles between the city council and the local taxi association.

The other new ranks are at Belle Ombre station and Cowie Street. In addition there are the Bosman Street and Pretoria station taxi ranks. The R500 000 Belle Ombre ranks in Marabastad, which was built about four years ago amid protest from taxi owners, could remain a white elephant following a decision by a majority of taxi owners who have vowed to use the Dr Savage Road ranks.

"It is convenient and it is in town," said taxi drivers interviewed yesterday. Belle Ombre rank was deserted yesterday.

Taxi owners also complained about the lack of toilet facilities at the Dr Savage Road rank. The Sowetan established that there was only one toilet for men and three for women commuters from Atteridgeville, Hammanskraal, Mabopane, Soshanguve, Mamelodi, Pretoria station and Marabastad.

The new stopping places for taxis in the city was met with mixed reaction from taxi owners this week. While others favoured the arrangement, many thought they were inconvenient because of lack of parking at the loading areas.
Salda stands up for taxi drivers

THE SA Long Distance Transport Association (Salda) has come to the defence of mini-bus taxi drivers, who it says are often accused of causing road accidents.

In a statement yesterday in which it expressed regret at the number of accidents during the festive season, Salda said many people tended to blame taxi drivers for carelessness on the road.

"It is our conviction, however, that the responsibility for road safety in any country rests with every motorist and every pedestrian. The principle of road safety is our joint responsibility.

"Our observation at Salda is that very rarely do two taxis collide with each other along a road. But we have noted with great concern that more often than not it is a taxi and a private vehicle involved in an accident."

Salda said it believed private vehicle owners needed serious training to create awareness and for defensive purposes.

"The image of the taxi driver has been so distorted by everybody that people generally fail to look at exactly where the fault lies in the case of an accident."

"Private people, especially whites, generally have negative views of black drivers. These prejudices are constantly magnified on the road and many blacks can testify that whites bully blacks on the road and cause accidents."

"We are and have been constantly educating and conscientising our members on the impact of road fatalities on the economy, the impact of road accidents on family life, and the need to become preservers of life and agents of development."

— Sapa.
Tough year ahead?

Profit margins in the R800m-a-year household furniture removals industry are likely to be squeezed to such an extent this year that many of the small operators could go to the wall.

Denis Kaye, MD of market leader Laser Transport, whose stable includes Stuttafords Van Lines, Pickfords, Frasers International, Jack Wellstead and Van Niumegen, says the market is too overtraded for operators to recover full costs from clients. Rate undercutting in the transport sector in general has created a situation where, in some cases, it's cheaper to transport goods from Cape Town to Johannesburg today than it was 12 months ago.

During the same period, however, capital, maintenance and operating costs have increased considerably.

This means that some operators are inevitably pricing themselves out of business, claims Kaye.

Kaye believes rationalisation in the sector is long overdue, particularly considering the prospect of increased competition caused by transport deregulation and the pending privatisation of Sat's.

Household and office furniture removals have also slowed with the economy. This reflects a quieter domestic property market due to high bond rates and a tendency for companies to stay put rather than move offices or build new premises.

Laser's international removal business has also shrunk considerably since the wave of emigration in the Eighties. Kaye notes. By late last year it was 30% down on 1988, which, in turn, was 30% down on 1987. A trend of returning emigrants is now developing, particularly from the UK and Europe, which accounts for about 35% of Laser's international business.

Kaye claims transport operators who don't have a sound infrastructure will not be able to compete this year. The capital cost of vehicles and increasing running expenses will force them out of the market.

Small removers... hard times are coming

Laser, which has cornered about 15% of the market, operates 900 vehicles worth about R60m. Kaye says the group will consolidate and upgrade in the coming year to counter the effects of a difficult trading environment. Laser is also well placed to make acquisitions if opportunities arise. He sees a need to continue developing niche markets to cope with specialised removal needs, such as household plants and art works, for which the company already caters.

Black household furniture removal is also a totally unexploited market. The continuing relaxation of residential apartheid offers tremendous growth potential in this area, he believes.
Teething problems

Cape-based charter operator Masterleisure has flown into a hornet's nest. First, SA Airways attempted to block its flights (Business December 15) and now it's involved in a financial dispute with its UK carrier Caledonian Airways.

The chairman of the holding company, Masterbond Trust, Koos Jonker, insists however its current venture of six flights between the UK and Cape Town has not collapsed and no passengers have been stranded.

The final flight (for the current season) from the UK is due to land in Cape Town on Monday and return on Tuesday. Jonker says just over 1000 tourists will by then have been brought to the Cape by Masterleisure over the Christmas and New Year period.

He also denies that Masterbond subsidiary, Masterleisure UK, which marketed the charter packages in Britain, has stopped trading. He says reports that 75 tourists were stranded in the UK last week due to the venture's purported collapse were untrue.

Jonker stressed Masterleisure's flights operated from the UK to Cape Town and back, and not vice versa. The company has no knowledge of stranded tourists and has no idea where the information in the reports came from nor to whom it refers. "They're definitely not our people. Even though there have been technical delays on some flights - which occurs on all airlines now and then - we have ensured that all our passengers have reached their destinations and returned home, even if we've had to book them on scheduled flights."

The Masterleisure scheme has been dogged by misfortune from the start, not least of all by SAA's placing major obstacles in its path. The latest dispute centres on a demand by British Airways subsidiary Caledonian Airways (from which Masterleisure has chartered aircraft) for additional upfront payments. Jonker was due to travel to London this week in an attempt to renegotiate his company's agreement with the airline.

If he fails, and Caledonian pulls out of the venture, another aircraft will be chartered for the final flight next week or passengers will be put on scheduled services.

Jonker says the British Civil Aviation Authority was drawn into Masterleisure's dispute with Caledonian as an arbitrator in the financial wrangle and not, as has been reported, because the charter operation has collapsed and passengers are stranded.

He says though Masterleisure has made no money on the six charter flights, it has broken new ground for the local tourist industry and learned valuable lessons. The company is now planning a new series of charters for the holiday season at the end of this year.
SOWETO MAN'S WONGA HOUSE BOMBELED

For sails worker - home mistaken

Paul Mokeleti

AN UNEMPLOYED

BY HAPPY ZONDI
Back to normal after holiday break

THE market has come out of the holiday season in most parts of the world and trading is back to normal, Afomar reports.

Conditions in the North Atlantic have tended to firm with the larger Cape- and panamax-sized vessels seeing rate levels on a better basis. There have been further purchases of grain by the Soviet Union and with the present situation in the Eastern Bloc, it could be that steady grain purchasing will continue.

There has been more activity in the Far East for the larger sizes, with some improvement in rates.

The SA market is generally seeing a firmer trend for most sizes. There has been more inquiry for handy sized vessels, with about $7 000 a day obtainable for vessels of 26 000 dwt for timecharter trips to the Continent, and in the region of $7 000 a day with delivery Muscat for timecharter trips to the Far East via SA.

Coal inquiry has been steady with rates for panamax-sized cargoes from Richards Bay to Rotterdam at $11,50-11,75 a ton.

The grain sector of the market has tended to be rather quiet. Small parcels of ferro alloys have been quoted to the East with charterers expecting to cover at unchanged rates. A cargo of 160 000 tons of iron ore was quoted from Saldana Bay into the Mediterranean for loading during the middle of February.
Three private SA airlines merge

By Kaizer Nyatsumba

Three of South Africa’s established private airlines have merged to provide passengers with a network of primary and secondary routes covering most of the country.

Second only to the giant State-owned South African Airways, the as yet unnamed new airline is a merger of Johannesburg-based Magnum Airlines, Durban-based Citi Airline and the East London-based Border Air. It will operate routes between major centres as well as smaller cities and towns.

"To provide a complete service to the flying public we will provide a feeder service to the main centres and to previously relatively inaccessible destinations," said the chairman of the new airline, Mr Dick Fleming.

Mr Fleming said in addition to being a commuter airline handling business and tourist passengers, the new airline would also carry cargo and freight.

He said their objective was to list the new airline on the Johannesburg Stock Exchange in the near future once its viability and profitability had been demonstrated.

A spokesman for the new airline, Mr Gill Gresack, said route combinations held by the three constituent airlines provided a substantial network.

The airline will start off with a fleet of three Fairchild Metroliners, eight Piper Chieftans and three Cesnas to provide a frequent, regular, scheduled service, said Mr Gresack.

The new airline is backed by a consortium of Alpha Bank — a South African Merchant Bank — and a British investment group.

Mr Gresack said the airline expected to more than double existing traffic levels within three years and to consolidate its position as a prominent feeder airline.

Some of the airline’s destinations include Durban, Johannesburg, Mafikeng, East London, Port Elizabeth, Nelspruit, Newcastle, Bloemfontein, Vryheid, Pietersburg, Skukuza, Richards Bay, Umtata, Welkom, Lady Smith, Ulundi and Maputo.

A competition is to be launched to find a name for the airline, but until then the company will operate as Magnum Airlines.
Drivers back at the Bloed Street rank

THE saga of the Bloed Street taxi rank continued yesterday when the city council decided to allow taxi drivers to use the rank for the time being.

This follows the decision by a number of taxi drivers at the weekend to remove the obstacles barring entrances to the rank and resume operations.

A city council spokesman said the move to Bloed Street was discussed by a working committee of the Formal Taxi Liaison Committee yesterday, and a decision would be made at a meeting of the Liaison Committee today.

In the meantime, the status quo would be maintained - which means that for the time being no stops will be taken to bar the taxis from the Bloed Street rank.

The Taxi Liaison Committee comprises representatives from various city council departments, as well as representatives from the Pretoria United Black Taxi Association (Puta) and the SA Black Taxi Association (SAbta).

The Bloed Street rank was closed on Monday last week after negotiations between Puta and the city council. The agreement between the parties included the establishment of new ranks at Belle Homes station and in Dr Savage Road, and stopping places around the city centre.

Mr Enos Makena, chairman of Puta, said his organisation was investigating the decision of the drivers to move back to Bloed Street.

He said most of the drivers who participated in the move were members of Puta.

Puta has been instrumental in the negotiations leading to the closure of the Bloed Street rank and the establishment of the new Dr Savage Road rank, and last week expressed its satisfaction with the operation of the new rank and stopping places.

In another development, several irate motorists have complained about taxis parking in Dr Savage Road.

A Rietfontein resident, who did not want to be named, complained about the city council's "flagrant disregard" of public safety through insufficient parking at the new taxi rank.

He said especially in the mornings, the Dr Savage Road rank was filled beyond capacity, forcing taxi drivers to park alongside the road.
Boycott of Sabta taxis may spread

A BOYCOTT of Sabta taxis in the King William's Town region yesterday threatened to spread to the Transvaal.

Sabra has been plunged into the MDM-led boycott after a feud with a rival taxi association in the King William's Town region.

The action follows the taxi organisation's withdrawal from a committee set up to resolve a dispute between its members and the rival Uncede Taxi Association, UDF regional president Mudauki George said from King William's Town yesterday.

"Last night Alexandra residents were set to decide at a meeting what action should be taken against taxis over problems, which included the high accident rate,"

"George said the MDM decided to mediate in the taxi operators' feud after a bloody battle between the warring factions in King William's Town had put commuters' lives in danger.

A Sabta spokesman said he believed the situation was under control and there was no cause for alarm. He said Sabta had about 300 to 500 members in the area, but refused to comment further.

Alexandra Civic Organisation (ACO) president Moses Mayekiso said yesterday Alexandra residents had had problems with some taxis and had had meetings with the local association.

"We could not resolve the problems and a decision will be made at tonight's meeting on what steps should be taken."
PRESSURE from dissatisfied members has forced the Boksburg and District Taxi Association (BDTA) to hold general elections 10 months before time, said PRO Mr. Petso Dlamini yesterday.

Dlamini said the elections will now be held at Vosloorus Civic Centre in Vosloorus on January 28 starting at 9am.

Dlamini said: "If members had their way we should have held elections last year in November. But our chairman, Vorster Jiyani, made them aware that constitutionally we should hold them this year in October."
Laser earnings hit by tax and interest bills

CAPE TOWN — Laser Transport Holdings, the parent of Stuttaford Van Lines, Pickfords Removals and Fraser International, has started showing signs of strain in an industry regarded as one of the early barometers of economic change.

Although the group continued to grow last year with turnover increasing by 18% to R106m, and untaxed earnings by 23% to R88m, substantially higher tax and interest bills pushed net earnings down 6% to R6.2m.

Laser MD Denis Kaye said trading conditions had worsened considerably during the second half of the year and the group had had difficulty recovering huge increases in operating costs.

Basic overhead costs like fuel, labour and tyres are reportedly having increased by over 50% during 1988 and 1989, while vehicle prices grew by over 200%. Competition remained strong in a shrinking market where the volume of international and domestic removals declined as emigrations and the economy slowed down.

The tax rate increased from 37% to 46% during the year under review as tax allowances diminished, with the result that tax payments grew 35% to R5.3m.

The other major burden — a 65% increase in interest payments to R3m — was attributed to the growing cost of capital borrowed to upgrade infrastructure and facilities for Laser’s long-term benefit.

As one of the largest in an R800m industry, Laser’s market share is less than 20%. Kaye believes that opportunities to increase market share may arise from the rationalisation of older, smaller companies.

A final dividend of 12c has been posted, leaving the total payout unchanged at 25c.
Chartering success

The problems of SA's first major air charter venture ended amicably this week when Cape-based Masterleisure renegotiated a financial package with British Airways sub-
sidiary Caledonian Airways.

This ensured the arrival in Cape Town on Monday of the last of five plane loads of British tourists.

Koos Jonker, chairman of Masterleisure's parent company, Masterbond, flew to London last week to sort out a dispute, that threatened to disrupt the venture (Business January 12), over advance payments to Caledonian.

"Not only was the contract renegotiated to everyone's satisfaction but we also secured an agreement in principle for Caledonian to operate charter flights for Masterleisure over the holiday season at the end of this year. While Caledonian wants as many flights as possible over the period, I believe landing rights will probably be given for only about eight," says Jonker.

The venture was plagued with problems from the start but it broke valuable ground and proved the potential viability of large-scale tourist charters to SA.

Jonker says: "We've opened doors and established beyond doubt that there is a market." He adds that Masterleisure learnt important lessons that would ensure the success of future ventures.

"We effectively loosened the grip that scheduled carriers have on the tourist market and showed what privatisation is all about. Negative publicity surrounding the venture appeared to have been based on the complaints of a small minority of travellers who did not take the trouble to check the details of the package and expected more than they paid for," he says.

One of the gripes was that the flight from Gatwick to Cape Town took 20 hours and included a number of stops in Africa. Jonker says Caledonian's Tri-Star jet is incapable of a non-stop flight from the UK to SA. To charter an aircraft with that capability would have nearly doubled the cost of the package and defeated its objective of getting tourists to SA in comfort and safety at the lowest possible cost. "Most tourists seemed to think the money they saved was worth the slight inconvenience of a longer trip," says Jonker.
notice and prompt of such drivers.

The AA has issued a warning to all AA members that membership in the AA National Association of Commercial and Industrial Personnel (AA) is the fastest growing in the country. The AA is the largest such association in the United States and is dedicated to the provision of quality personal and professional services to its members.

According to the association, the increase in membership is due to the growing awareness among members of the benefits of AA membership. These benefits include access to a wide range of resources, networking opportunities, and professional development opportunities.

The AA has also reported that membership growth is not limited to any specific industry. The association's membership includes individuals from a variety of industries, including automotive, construction, finance, and healthcare.

AA President James Naylor said, "We are seeing a significant increase in membership, which is a testament to the value our members place on the benefits of AA membership. We believe that as more and more individuals come to understand the value of AA membership, we will continue to see strong growth."
Hudaco's earnings improve

By Derek Tommery
Engineering supplier Hudaco had an excellent year in 1989. It increased its operating profit in the 12 months ended November by 56 percent to R43.8 million (R23.1 million). This was achieved from a 45 percent rise in turnover from R254.1 million to R364.7 million.

However, earnings a share showed a less exuberant rise - by 26 percent from R0.40 to R0.57.

A final dividend of 26c has been declared making a total payment of 48c for the year - a 26 percent increase on last year's 38c.

Mr KP Clarke, Hudaco's chief executive, says trading conditions were buoyant. The surge in operating profit was the result of a strong drive to improve operating efficiencies.

However, outlays were heavy. Finance costs more than doubled, rising from R2.9 million to R6.9 million. Tax payments rose by 70 percent from R7 million to R11.9 million.

This and other expenditures were partly financed by borrowings of R29 million and the issue of 2 million shares which brought in R15 million.

Mr Clarke says that the company is expecting a slow-down in 1990. But it largely supplies replacement markets whose activities tend to hold up well under these conditions.

Although the rate of tax will increase, Hudaco expects another year of real growth in earnings.

Fabcos aiming for own finance house

By Jabulani Sikhakhane
Negotiations are at an advanced stage between the Foundation for Business and Consumer Services (Fabcos) and several financial institutions to establish a financing house for Fabcos members.

The chairman of Fabcos Marketing and former CE of the African Bank, Gaby Magomola, says several financial institutions have shown great interest in the project.

A source at Fabcos says June has been set as the deadline for launching the company.

"We have a team of experts looking at what the needs are and how best to address them. What we need is a scheme to accommodate the needs of our constituents who have revived their need for finance," Mr Magomola says.

The company, whose equity is still to be decided, but will be black-owned, will provide finance for Fabcos members, who include stockholders, small builders, taxi operators and members of the 600 000-strong National Black Consumer Union (NBCU).

Negotiations have also been held with motor manufacturers and oil companies as possible joint partners in the project.

However, sources point to the Perm as the financial institution likely to take up partnership with Fabcos.

The Perm has strong links with the small savings clubs (stokvels).

The formation of a financing house comes in the wake of growing concern within the Southern Africa Black Taxi Association (Sabi) over the increasing number of whites entering the industry, mostly using blacks, either as front or drivers.

According to estimates, over 30 percent of taxis are now owned by whites.

Figures from Central Statistical Services (CSS) show that of 13 347 minibuses registered from January to September 1989, 5 274 were registered by white owners, against only 3 348 by blacks.

Companies and close corporations accounted for 98.6 percent, while Asians and Coloureds made up for the other 2.5 percent and 1.8 percent respectively.

However, compared with the same period in 1988, the number of minibuses showed a decline of 360 from 13 727.

Conference to highlight Mozambique economy

Finance Staff
More and more South African businesses are looking at expanding their operations into Mozambique.

A conference aimed at highlighting the latest economic and political trends is now planned over the weekend of February 23-25 in Maputo's Polana Hotel.

The conference is organised by Action Conferences, a Johannesburg-based company, which has been doing business in Mozambique for two years.

Speakers at the conference include the head of the SA trade mission, representatives of Mozambique government ministries and Maputo-based private enterprises. Further information can be received from Action Conferences at (011) 887-8770/70/62.
Unitrans meeting about rights offer

BRENT MELVILLE

ROAD transport group Unitrans has notified its shareholders of a general meeting on February 16 to formally approve implementation of its R50m rights offer.

A circular to shareholders says the proceeds will be used to finance further growth and accelerate development of the company's existing business.

During the last financial year expansion cost the group R33m, increasing the level of interest-bearing debt to R39.6m (R26.6m), and interest charges to R2.3m (R1.6m). On the balance sheet gearing jumped from 35% to 46%.

United General Investments controls 86% of Unitrans, which in turn is controlled by UK-based BET plc, with 66% or 17.5-million shares. Sankor, which is underwriting the offer, controls the remaining 40% (11.7-million shares).

The funds will be raised by way of a renounceable rights offer of unsecured compulsorily convertible subordinated debentures to shareholders. A separate non-renounceable offer of debentures will be made to staff.

Unitrans closed yesterday at a 12-month high of 440c, resulting in an historical dividend yield of 3.2% and a p/e of 8.1 times.
The travel trail-blazers

Saba men on the move

Jeff Rapoo  
Financial manager

Sabina Menon

Knox Marks

Strategic Planning and Promotions manager

Terry Matshikela

Media Relations manager

Ashley Mathabane  
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Free rides

It's too early to tell whether free magazines for blacks are an effective advertising medium but Putco and the SA Long-Distance Taxi Association (Salda) are following Sales House, SFW and Wanda into this field.

Putco's monthly Busstop News was launched in November with a limited circulation of 15,000, confined to the Pretoria area, but from April it will have a circulation of 200,000 in the PWV, Durban and KwaZulu.

Salda's debut issue will be launched in March under the title Traveller's Friend. The first run will be 100,000 copies distributed to an estimated 10,000 long-distance taxis operating from the PWV. The magazine will be printed in full-colour.

Putco's full-colour magazine will not try to compete with established titles like Bona and Drum. Putco spokesmen Bruno Makota says: "Our first aim is to keep the commuter informed about developments in Putco, such as new buses and fares. There'll also be articles contributed by outsiders on subjects such as sport and education."

Putco has appointed the head of a translation bureau, Lane van Kradeburg, as editor-in-chief. She says the editorial will concentrate on domestic and community news.

Putco travellers are 70% male and almost all are working.

Media broker Tommy Gorton, who sells advertising for the magazine, says there is now a recognition that more money needs to be spent to reach the black market. He adds there has been a lot of interest from advertisers.

The ad rates will be comparable to other black publications on a cost-per-thousand-readers basis. Media Shop MD Dick Reed says any new media opportunity, especially in the black market, is welcome.

Grey Generation Two deputy MD Harry Herber maintains free black magazines are, however, already overrated.

"The Sales House Club magazine at least looks good and is aimed at comparatively high spenders, but the others have very basic, uninspiring editorial and a distinctly C-income look."

Continued...
Still in the family
100 years on

ONE of SA's oldest owner-owned freight forwarding companies celebrates its centenary this year.
Lockheed, White & Womersley still serves one of its original clients, Cape Town leather importer J Woodhead & Sons.

Present manager John White recalls another owner-owned freight forwarding concern, AJ Keeler, which celebrated its 100th anniversary some years ago before being taken into Union Corporation and subsequently the Grindrod fold.

Mr. White's great-grandfather Greenwood White came to Cape Town from England in 1878 and trekked to Kimberley in 1889.

In 1905 Greenwood White moved offices to Port Elizabeth where he could more conveniently tackle the customs clearing and transport arrangements required by his clients.

In 1971 G White & Sons amalgamated with two other Port Elizabeth shipping and forwarding agents set up in the 1890s, Lockhead Limited and Palmer Womersley.

John White is chairman of the Transvaal Association of Freight Forwarders.
LOGISTICS in the 1990s will focus on integrating various business functions and building relationships among companies, suppliers and customers.

The ultimate aim of a logistics strategy is to maximise corporate profits, while bringing together storage, production and distribution.

Writing in Transport Management, Unitrans Group director Ken Paterson says this decade's logistics managers will have a broad knowledge of the business, keeping his fingers on most aspects of operation while coming up with innovative ideas for reducing distribution costs.

His job will be to manage the acquisition, movement and storage of materials and keep tabs on the related flow of information through the organisation.

Philosophy

The concepts of distribution warehousing and third-party distribution are relatively new to SA.

Unitrans, a large transport organisation, has made a large investment in time, money and management skills to develop the expertise and resources to become a contender in this fast-growing discipline.

Mr Paterson says that the company's philosophy of solving customer problems rather than being merely a provider of "wheels" has resulted in a natural progression to third-party distribution and warehousing.

"Together with companies we have targeted, Unitrans goes inside to investigate and establish the real logistics needs."

"To offer a total distribution package, you must be able to solve all logistic problems from getting raw materials into plants to delivering finished goods to retailers or customers."

Mr Paterson says warehousing and distribution are elements of this total package of services that customers are looking for.

In 1983, Unitrans decided to make better use of its warehouse facilities, and hooked up with Caltex, which was interested in optimising its lubricating oil distribution and handling costs.

The company packs Caltex's lubricating oil into containers and transports them to a 12 000m³ warehouse in Johannesburg for delivery.

Mr Paterson says: "A complete service allows the client to reduce inventory and lead time and focus the efforts of its people on sales - the prime purpose of its business."

Unitrans stresses the importance of bringing other aspects to existing arrangements. This was used to great effect when Unitrans linked up with the SA Sugar Distributors warehouse..."
From customs clearing agent to all-rounder

By Robyn Chalmers

The successful freight forwarder is one who has navigated the change from being a traditional customs clearing agent, says Grindrod executive director Johan du Plessis.

The clearing agent was purely responsible for the clearance of goods through customs and delivery to the client. But the international freight forwarder manages cargo from source to destination across international borders and through a maze of transport modes.

Dr Du Plessis believes that the industry in SA will continue to be dominated by imports because the handling of bulk mineral exports and the perishable deepsea exports fall outside the forwarder's domain.

The fact that SA is not yet a recognized manufacturing export nation could be a factor in the short term while plants moved from abroad into decentralised areas come into full production. They will first satisfy SA's needs before expanding into the enabling area. It should be supported by a national domestic distribution network to enable the forwarder to funnel domestic cargo from all the main centres into Africa.

This turntable could be used to supplement the forwarder's international agency network to ensure that these markets are effectively served as the whole region moves closer together in an economic bloc.

Dr Du Plessis says there could be changes in the international attitude to SA because of political change here. A relaxation of sanctions could help the airfreight industry, an example being the resumption of direct flights between the US and SA.

Paperless

Successful forwarders are continually improving their computer programmes and systems to ensure maximum efficiency.

"The day of the paperless society is upon us," says Dr Du Plessis. Only organisations which have the ability to invest in and use to the full the software and hardware will succeed.

The result will be a more flexible and productive service and a vast increase in productivity for the forwarder.

Dr Du Plessis says the single largest opportunity on SA's horizon is the dissolution of borders in Europe in 1992. "This will effectively form the largest and most powerful trading bloc in the industrial world. Unless there are major changes in attitude, a single European parliament is likely to be less friendly to SA."

If that happens, SA forwarders will have to position themselves in Europe to ensure continued trade after 1992.

Conglomerates

The scrapping of European frontiers will eliminate individual customs border points and cargo will move freely. The SA forwarder will have to ensure that agents are linked into an inter-Europian hub-and-spoke distribution network.

Another major development in anticipation of 1992 will be the formation of conglomerates to control the entire transport chain.

Such conglomerates are being formed in Europe, They control shipping lines, airlines, transport companies, freight forwarders and warehousing units.

Dr Du Plessis believes major airlines will continue to be under pressure from integrated carriers. He expects an increase in mergers and takeovers among airlines.

Forwarders and airlines will have to come up with a combined answer to the integrated carrier problem.

Some airlines have introduced small parcel services which could be a major competitor with the integrated carriers. But they rely heavily on a joint venture between appointed forwarders and the carrier.

Strengths

One of the major trends will be to develop markets and areas of trade, allowing forwarders to continue in business.

Dr Du Plessis says the single largest area of potential growth is the Far East, China in particular, followed by Eastern Europe.

All of these areas are expanding their own industrial strengths and seeking markets.

"Through the opening of export turntables in selected international ports on a global front the SA forwarder, with his relatively small volumes, will be able to effectively serve new existing markets." Dr Du Plessis says a strong requirement for an export turntable exists in the Pretoria-Witwatersrand-Ve...
Couriers take it to the country

FIVE Transvaal couriers have banded together to offer clients a cost-effective, personalized service.

Combining forces under the banner of Country Couriers, the group offers a broad coverage of the Transvaal with a 24-hour delivery guarantee. Each member of the organization will remain autonomous and keep responsibility for his traditional area.

Director of the Eastern Transvaal Highveld area Andre Seyman says the efficiency and personal service on which the members built their businesses will remain a cornerstone of their philosophy.

"Individual members have no ambition to expand beyond their existing regions, but the group plans to grow through mergers with the top operators in other major centres."

"In areas not covered by the group, Country Couriers will set up links with national operators in return for business destined for the group's Transvaal regions."

Mr Seyman says one of the benefits to clients of the enlarged organisation will be greater convenience. Country Couriers has five Johannesburg depots for delivery or collection, an increased number of satellite vehicles and offers a broader area of distribution.

In addition, the hands-on owner-manager will ensure a high degree of efficiency and reliability. He believes the smaller structure of the components of Country Couriers will give the group an edge when it comes to pricing.

"In an industry where growth in size can lead to increased bureaucracy and diminished efficiency, Country Couriers retains the benefits of a small company while offering clients the benefits of economies of scale."
Mauritius sea link

Business Times Reporter
TRADE with Mauritius will be boosted when Unicorn Lines introduces an express container service from Durban to Port Louis.

The first sailing by MV Abella is scheduled for February 2 and voyages will be made every month. Unicorn's regular monthly sailings for bulk liquid and dry cargo as well as break bulk and containers from Cape Town and Durban to Reunion and Port Louis will be maintained. (2.2.2.)

A fourth vessel, MV Aster, will be added to the Indian Ocean islands service in March. Unicorn has operated a liner service to Mauritius and Reunion since the early 1960s.
City buses open to all on Monday

JOHANNESBURG buses will officially be open to all races on Monday.

The Johannesburg City Council and Putco yesterday received permits from the Road Transportation Board to fully integrate their buses in the city.

There will be no immediate change to Johannesburg's bus routes. The former "black service" will now be known as the lower tariff service.

Common bus stops will not be introduced at this stage. Changes will only be implemented at the end of the year after evaluation of the whole service.

Putco buses are now multi-racial in Pretoria and the whole Witwatersrand. The company will be holding talks with the Department of Transport and the various municipalities to discuss the fare structure and routes it services.

A full statement detailing their plans will be released on Monday.

Labelled a "historic" event by the chairman of the Johannesburg management committee, Mr. Jan Burger, the opening of buses follows recent reform moves by the city council.
JOHANNESBURG opened its entire municipal bus service to all races yesterday morning.

And Putco which ran a "blacks only" bus will now transport passengers of all races in line with the decision of the Johannesburg City Council.

A Putco spokesman, Astrid Bleker, said all passengers would pay the same fares - about 40 percent lower than on Johannesburg municipal buses.

Mrs Bleker said several inquiries had been received from whites in areas which were poorly served by municipal buses.

White commuters in Honeylew, north-west of Johannesburg, were interested in Putco's early morning service as they experienced serious public transport problems, she said.

Putco director, Vic Coetzee, said earlier there were many complications to be worked out. Putco was subsidised by the government and municipal services were subsidised by ratepayers.

"For us all to operate economically there will have to be a review of local transport systems throughout the country."

Johannesburg Transport Department still retains the differentiated tariff, desegregating all bus routes but charging lower fares on buses which previously transported blacks only.

Acting transport director Mr Gert Tighly said the council's former "blacks only" bus routes mainly served the railway stations.
Putco's buses get non-racial licence

PUTCO bus services will become non-racial immediately despite its application to that effect being opposed by the Boksburg and Springs town councils last week, Putco director Vic Coetzee said yesterday.

Last week Putco, along with the Johannesburg City Transport Department, were granted permission to operate non-racial public transport systems.

"We first applied for this three years ago and the Johannesburg City Council fought us tooth and nail. We applied again last June to open our service but the Johannesburg City Council opposed us again," he said.

Last week, only the Springs and Boksburg councils opposed the application, he said.

Coetzee said he believed rationalisation of the bus services in Johannesburg was a matter of urgency.

"I personally believe the Johannesburg city bus service should be privatised. It operates at a loss of R25m annually. I believe there is a lot of money that can be saved by rationalisation.

"Hopefully we will get together soon to discuss how to handle rationalisation," he said.

City officials last year agreed to meet and discuss the matter, he said.

There would probably not be any change in passenger traffic until rationalisation of bus services had taken place, he said.

"I cannot see many whites using the service in the beginning but once rationalisation begins, definitely," he said. Currently "very few" whites use the service."
Riot loss: R28,3-m for bus operators

By MICHAEL MORRIS, Political Correspondent

SUBSIDIES totalling R28,3 million were paid to bus operators for damage and loss of income caused by riots during the last financial year.

This is one of the points in the Auditor-General's 380-page report on the Appropriation and Miscellaneous Accounts for General Affairs for 1988-89, published yesterday.

Other points of interest are:
- R14 million was spent on recovering the Helderberg flight recorders and wreckage and on the investigation, bringing the total spent up to March last year to R22.9 million.
- The police paid compensation of R2.6 million in 490 cases, including unlawful arrest and injuries and damage, resulting from police action in riots and normal duties. The Department of Justice paid compensation of R1.95 million to four claimants for unlawful arrest and detention.
- The Department of Foreign Affairs wrote off R36 244 for medical and other expenses on behalf of Mozambique after Samora Machel died in an air crash. The money was not recovered from Mozambique.
- Farmers owed R198,9 million on Land Bank loans. R83,3 million of this had been overdue for more than a year.
- Defence force losses totalling R65,3 million during the last financial year included R33,4 million for an aircraft which crashed. An air force inquiry found the crash was "a serious and avoidable accident due to the fact that the pilot's judgment — because of a low stress threshold and too little continuous flight training — had deteriorated to such an extent that he did not identify a potentially dangerous situation correctly".
- Altogether 7 251 police vehicles were involved in collisions during the year, representing a loss of R3,5 million.

FAN MAIL GALORE: Mrs Lailo Coetzee sorts through some of the hundreds of congratulatory telegrams and letters that flooded the State President's Office after Mr F W de Klerk's steps to normalise South African politics. Responses poured in from all population groups — individuals and companies — and many from overseas, including the United States and West Germany.
Putco passengers in fight over high fares

IRATE Soweto bus commuters have threatened to take action against Putco if their demands for improved transport are not met within two weeks.

At a meeting called by the Putco Daily Passengers Committee in Pinville, Soweto this week, members decided that Putco be given an ultimatum to reply to grievances which they delivered to the company on January 22.

Their demands include:
* An 18 percent drop in the fares and that charges must be adjusted on some routes.
* Additional buses on all routes and vehicles to be kept clean.
* Training of bus drivers in the wake of a soaring accident rate.
* Weekly and monthly coupons must work when used, and
* the committee be recognised as the mouthpiece of the residents and the transport committee to be dissolved.

A spokesman for the company yesterday acknowledged receipt of the letter and said that the committee’s delegation was scheduled to meet Putco executives on February 20 at 5.30pm.

“We believe that in modern times we need a modern transport system,” said committee secretary Ms Adelaide Monana. “Putco has done nothing to improve its standards during its 50 years of existence.”

She said that the committee had asked taxi associations to help them in the likely event of negotiations with Putco reaching deadlock.

Soweto visit

SOWETO will today be visited by 30 Junior Mayors from all over South Africa.

The tour will start at the Oppenheimer Tower in Central, Western Jabulani at 9.30am.

The tour will end at noon at the same venue.

Scramble legacy of apartheid

By MOEKETSI MPHAKI

THE rush by whites to buy guns following the unbanning of the ANC, PAC and SACP was a sickening war psychosis which indicates that a lot of work remained to be done in correcting people’s attitudes in South Africa.

This was the reaction of several leaders yesterday after reports that arms dealers were inundated with inquiries for guns after the unbanning of the liberation movements.

A spokesman for the Black Consciousness Movement, Mr Muntu Myeza, said this was a reflection on how apartheid and racism have damaged people’s thinking.

“This aberration is reminiscent of the mistrust and distrust that the BCM has been warning against during its entire existence. Integration and non-racialism can only be effective in a situation of equality,” he said.

Mr Krish Naidoo of the National Sports Council, said this was a natural reaction by whites resulting from the black fear syndrome created by the Nat.

Mr Azhar Cachalia of the MDM, said this was a result of a propaganda war waged by the regime.
Scholars bunk to clean taxis

HUNDREDS of youths between the ages of 8 and 18 prowl taxi ranks for easy money - ending up as freelance minibus cleaners selling their services to the highest bidder.

According to researcher Ramone Mabote, these boys are at taxi ranks from 8am to 8pm, some in school uniforms.

It is a daily occurrence in South Africa and worse at major ranks like Noord and Baragwanath in Soweto.

A dream

He said the Black United Southern Africa Taxi Organisation, the Southern Africa Black Taxi Association and the Southern Africa Long Distance Taxi Association, were indifferent.

"They actually seem to enjoy it. Do they really care? Do they see these children as their own?"

"These kids are supposed to be a better part of them and the society, but this is only a dream," the researcher says in his report.

"I cannot emphasise enough the need for the taxi industry to tackle the issue immediately.

"If left unattended, it might develop into a monstrous disease where children would start as cleaners and end up as unlicensed drivers.

"We need only to look at how the industry is growing, thereby creating a need for more drivers and cleaners," the report says.

"This is a community issue which should also involve parents," he said.

Sakta's president Mr Peter Raball said it was unfortunate that the taxi industry which provided business as well as job opportunities for the oppressed should have this sad state of affairs.

He blamed the whole matter on apartheid and said that the community should help the suffering children.

"It would be advisable if the associations formed a bursary fund to help destitute children because 'they are our future leaders.'"

Busato's Mr J Mathysen attributed the blame to poverty and desperation in which black children were forced to find themselves.

Most of the children come from desperate and broken families.
SA's geriatric fleet

The prognosis for SA's ageing fleet of cargo ships is clear: if they are to continue carrying their share of the country's goods, local shipowners must return to the drawing board.

No new ships were built for SA companies in the last decade - though a few second-hand bulk carriers and ro-ro ships were bought. In keeping with the international trend, local owners will thus need to spend millions on new ships if they are to retain their share of the market.

Now, 22% of the world fleet is more than 20 years old. Shipbuilders worldwide are gleefully anticipating big new contracts: Lloyd's Maritime Information estimates that more than 20,000 new ships will be needed. This would require an output of 1,500 ships a year from yards that have produced only 700 annually since 1983.

In addition, SA's outdated fishing trawler fleet must also be replaced soon. The average age of the vessels exceeds 25 years. But new ships have become 50% more costly in the past year, which has boosted the price of modern second-hand vessels.

There are several reasons for the cost increases. The spate of purchases by the Scandinavians and the new vessels financed by US and European ship-investment funds have pushed up prices. Moreover, the higher-than-average rates being paid worldwide for shipping bulk cargo has spurred demand for bulk carriers even further.

However, the arguments against building new ships in SA yards are as formidable as ever. The cost of bringing essential machinery and other components from overseas is prohibitive. Furthermore, local yards cannot match the delivery speed of overseas shipyards accustomed to continuous new construction and geared to prefabrication techniques and production lines. In addition, government subsidies have been removed.

Meanwhile, local shipowners, who have hired hundreds of additional carriers to meet the demand of the expanding bulk trade, have been warned against buying second-hand carriers as a cushion against sharply rising leasing rates.

Morton Andvig, MD of the Norwegian shipowning firm Fernleys, warns that while the value of vessels has increased between 500% and 1,000% in the last three years, many are growing very old. At current prices, he says the vessels would need to operate for at least six more years. Current freight rates would have to persist and the ships' scrap value would need to be USS250/t in order to make the deal worthwhile.

"I feel the downside risk for old ships at today's prices is real," he says. In order to earn a decent return, a second-hand ship could not afford to be idle or to undergo major engine and hull repairs because it would not be possible to recoup the lost time in its remaining lifetime.
Revvving up

The forthcoming rights offer by Unitrans might see Sankorp strengthening its stake at least to equal that of the British parent BET, holding company of United Transport International.

The offer of convertible debentures will raise R65m for Unitrans. Terms will be announced this week. Unitrans is held 80% by United General Investments which, in turn, is held 60:40 by BET and Sankorp.

Sankorp director Etienne le Roux says Sankorp will be exercising its rights. It is also underwriting the offer. Ken Secrett, chairman of Unitrans and an executive director of UTI, believes BET will "substantially" take up its rights. He adds Unitrans has been a successful part of BET's holdings. However, with R185m turnover in its year to March 1989, Unitrans is a small part of BET, which turns over about £2,5bn (R11bn) annually. BET is believed to have money in SA after the sale of its bus interests — Unitrans is now purely a freight transporter.

The upshot may be that Sankorp and BET will have equal holdings in United General Investments if the debentures are taken as voting shares. Le Roux says Sankorp has always looked on the arrangement with BET as a partnership and that will continue.

The rights offer will be applied to reducing Unitrans' conventional borrowings and accelerating its development. Unitrans' gearing was 0,27 at last year-end, compared with net cash a year before, following a large programme of new vehicle purchases. MD Eduardo Gutierrez-Garcia says this has resulted in the Unitrans vehicles' average age being much lower than that of competitors.

No dilution

He says the offer will not result in dilution of earnings because the rate on the debentures is likely to be lower than that being paid by Unitrans on debt. For corporate shareholders like Sankorp, debentures are more tax-efficient than shares.

Some transport companies, like Laser and Supertrans, have produced disappointing results recently, and Gutierrez-Garcia says the transport market has softened. There have been large increases in costs, competition has increased because of new capacity bought in expectation of deregulation and the effects of economic downturn are being felt. But he is confident of meeting Unitrans' forecast of significant earnings growth this year. Investors have reacted positively to the rights offer. Since early December, before it was announced, the share has advanced from 380c to 445c.

Teague Payne
THE government paid out a massive R233.6 million in subsidies to bus companies during the 1988/89 financial year, the Minister of Transport, Mr. George Bartlett, said yesterday. The subsidies are paid out to bus companies to compensate them for the extra costs of transporting black workers from the townships to the industrial areas.

Taxi applications rocket
THE number of new applications to operate combi taxis has rocketed by almost 1,000% over the past five years. Mr. George Bartlett said 22,450 new applications for permits to operate combi taxis were granted last year.
Fear of hijacking keeps taxi-drivers at home

THE majority of taxi operators in the Soweto area stopped work yesterday, fearing their minibuses would be hijacked by unruly elements in the huge crowd at Soccer City. 8 [P.23] (4/2/90)

Sulaga regional director for Soweto Patrick Mbata said many taxi-drivers had stayed at home because of a spate of hijackings over the past three days.

"I would be surprised if 50 of the 4 000 taxis in the Soweto area were operating today," he said.

Mbata said there had been insufficient organisation over the past few days, despite calls by Sulaga and the National Reception Committee (NRC) for those needing transport to contact local associations, not many people had done so.

He said one taxi had been burnt out in Zoedl, while others had been thrown at their windscreen.

"People would rather pay takings than risk having their vehicles damaged or stolen," Mbata said.

"A lot of drivers have been caused, but chances can probably be available later," he said.

Mbata's taxi was hijacked on Sunday morning and retrieved only later that night. The driver had been jumped on and the bus damaged. The crew had been held by hijacked Mbata's friends had retrieved the body.

Reports that a taxi was hijacked over the weekend by Putco Soweto director David Makanana.
Sankorp to take control of Unitrans at year-end

CHARLOTTE MATHEWS

CONTROL of road transportation group Unitrans will shift to Sankorp at the end of the current financial year, an announcement today discloses.

Unitrans is 80% held by UGI. At present UGI represents a 60:40 partnership of UK-based Bet and Sankorp.

Today's announcement says: "It has been agreed that the Sankorp group will acquire additional shares within the partnership so that the Sankorp group together will own 51% and Bet will own 49% of UGI."

Unitrans recently announced a Roma rights offer. The management and boards of UGI and Unitrans will remain the same after the change in control."
TRANSPORT ASSOCIATIONS

Vying for members

Little more than a year ago an effort was made to merge the two main road freight bodies. It failed, mainly because one group, the Professional Carriers’ Association (PCA), refused to belong to any organisation that included SA Transport Services (Sats).

The PCA demanded that the other group, the National Association of Private Transport Operators (Napto), expel Sats before a merger. Napto refused. (The PCA now denies it insisted on Sats’ expulsion, though it hasn’t denied this in the past.)

Merger talks fizzled, but the division between the two associations has blurred any...

way. In September, government ended most restrictions on truckers and began granting permits to everyone whose trucks have certificates of fitness and whose drivers are qualified (Business December 15).

The PCA, now called the Road Freight Association (RFA), represents professional hauliers — truckers who convey only the goods of others for gain. Napto, whose members include farmers and retail chains, convey only their own goods.

Now the RFA no longer needs to restrict membership to professional hauliers because there is no longer anything to prevent a private hauler from invading its jealously guarded territory and canvassing for loads.

Road haulers, private or public, can join the body that serves their interests best — or both. A private hauler that is moonlighting by carrying other companies’ loads would want to belong to both.

Though both organisations deny it, they are openly trying to recruit each other’s members. A senior Napto member confirms this, saying: “The RFA is trying to tout our members and some of its guys are joining us. I’m not happy with this.”

RFA CE Ian Moss and Napto CE André Jacobs deny any poaching. “But,” Moss says, “the barriers are down. It’s now open to all who operate in road transport, including Sats and Napto members, to join the RFA. We don’t campaign for them but if they join, they must feel we have something to offer.”

So Sats, which wouldn’t pass muster before with the RFA, is now kosher.

Jacobs admits that RFA members also belong to his group. “They want to be closer to their customers. Private transporters use the mode of transport that suits their needs best, be it their own vehicles, public carriers or Sats. By joining us, RFA members will be closer to companies that already use their services, and they’ll find new customers.”

Napto intends to keep its members and recruit new ones with a logistics programme, which “looks at the total dynamics of the flow of materials,” Jacobs says. “It examines how they should be purchased, stored and distributed.”

He argues that the programme should appeal mainly to private hauliers. But it’s inconceivable that any public carrier whose services include procurement, warehousing and distribution wouldn’t join Napto to get its hands on the findings.
King William's Town Ranks 15 Taxis Damaged in Battle at 8032
Micor boosts pre-tax profits 33%

MICOR Holdings has posted a 33% increase in interim pre-tax profits to R$7.7m (R$2.65m) on a 37% rise in turnover to R$97.7m (R$180.5m).

The air and sea freight, travel services and industrial finance operator's directors attribute the half-year results ending December 1989 to the "highly acceptable" performance of local trading divisions and the "satisfactory performance" of the (undisclosed) off-shore activities.

Attributable profits are up 24% to R$3.88m (R$1.92m), yielding an 11% increase in comparable earnings a share to 14.7c (13.2c) on a slightly enlarged shares base.

Certain of the group's off-shore activities, the directors say, are in a consolidation phase in the interests of future growth.

"The current year's results should be viewed against the downturn in the economies of both the US and the UK."

The strengthening of the rand against foreign currencies saw a decrease in the non-distributable reserve on translation of assets and liabilities of foreign subsidiaries.

The directors say there is no exposure to material losses with regard to foreign liabilities at the end of the half-year.

Micor Industrial Corporation, in which the group acquired a 91% stake last October following a restructuring, produced interim results well ahead of the forecast made in the October transmitted listing statement.

Good performances in freight, travel and industrial divisions helped push pre-tax profits 48% higher to R$2.63m (R$1.4m), despite a mere 17% rise in turnover to R$199m (R$163m).

Second-half earnings for the Micor group should show improvement if current trading conditions continue, directors say.

"However," they add, "the uncertainty surrounding economic trends for the remainder of the years as a result of recent political developments renders it impossible to forecast year-end results."

1/88: R 25.02
2/88: R 40.20
2/88: R 52.63
2/88: R 30.70

17.4%: Retail Weekly Wage 12/88: R 14.62

Manicurist

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17.4%, Retail Weekly Wage 12/88: R 14.62

FOOT2 . SPR
Corporate demand boosts helicopter industry in SA

THE helicopter industry has experienced a revival in recent years because of increased corporate demand, and the purchase of helicopters by individuals and businesses for investment purposes, industry sources said last week.

Helicopter MD Peter Pigget felt the industry was doing better than at any time in the past five years.

He estimated that between 22 and 25 helicopters were imported last year, while in 1980, he believed only a quarter of that number had been imported for private use.

A few years before this, only two or three helicopters were imported annually, he said.

However, a Customs and Excise Department (DCE) spokesman said that when one compared helicopter imports in 1989 with the period from January to June 1980, there had not been a marked increase in the number of helicopters imported.

The DCE spokesman said import figures for the last six months of 1989 were not yet available. Nor were import figures for the years before 1988.

**Popular**

From January 1989 to June 1989, 18 helicopters with a mass of less than 2000kg were imported at a value of R8.4m, and four helicopters with a mass of more than 2000kg were imported at a total value of R8.5m, the DCE spokesman said.

During 1988, 41 helicopters with a mass of less than 2000kg each were imported, with a value of R9.6m. Eight helicopters weighing more than 2000kg each were imported at a cost of R10m.

Helicopter Training Services director John Huddleston said that since becoming an agent last year he had imported 12 helicopters. He estimated six other helicopters had been brought in by other companies.

Helicopters had become increasingly popular among small businesses for land surveying, emergency work, transport to work sites and investment purposes, Huddleston said in a statement.

With the end of the tax year approaching, many people purchased helicopters to make use of the 100% tax write-off for 1988.

Huddleston said. During the first year after the purchase of a helicopter, 40% of the cost can be written off in depreciation, followed by 25% in the second year, 25% in the third year and 10% in the fourth year.

Financial consultant Tim Kiloran said helicopters were an appreciating asset, enabling a business or individual to purchase the machine and write it off (over four years) while retaining an asset which could generate income, or be sold.

**Resale**

Helicopter Association CEO Cor Beek said that the tax-break for helicopters was the same as for any other form of capital purchase. A helicopter was taxed on resale and could be taxed at higher rates than the initial write-off.

Astra Group spokesman Brian Nash said the impetus for increased demand had come mainly from the corporate sector.
Strong show by Trencor operations

CHARLOTTE MATHEWS

A STRONGER than expected performance by Trencor’s trading operations and foreign activities offset the negative effects of the general slowdown in domestic activity in the six months to December. This enabled the company to post a 69% improvement in attributable earnings to R28.6m from R17.5m in December 1988. Earnings were 207c (122.3c) a share on which an interim dividend of 3c (2.5c) a share was declared.

Trencor makes road trailers, tankers and containers. Other divisions are involved in road haulage and tyre retreading.

Last month Trencor announced the merger of its tyre interests with Tycon, formerly Goodyear. Trencor owns 21% of the merged company, Longmile 18% and Consol 61%.

Turnover was only 18.5% higher at R395.8m from R334m last year. Operating profit, however, went up by 69% to R53.7m (R33.6m). The interest bill rose to R4.4m from R2.8m but the tax rate declined by 1% to 33%.

The directors said they were satisfied with the increase in earnings, which was helped by, among other things, an increase in the company’s export volumes.

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Improved

“We expect these trading conditions to continue in the second half of the year and earnings for that period should exceed those of the first half,” they said.

Gearing improved to 32% from 41%, partly because the shareholding of certain subsidiaries changed and they were accounted for as associates. Mobile’s, whose main investment is a 49% holding of Trencor, showed similar growth.

Earnings of 51.5c (50.5c) a share were reflected on attributable earnings of R14.6m (R6.7m) and an interim dividend of 7c (4.7c) a share was declared.

“During the period under review, Mobile Acceptances, our 74% subsidiary engaged in finance and lease activities, also traded very satisfactorily,” the directors said.
Cape taxis block the streets in a protest

TRAFFIC in the centre of Cape Town came to a standstill yesterday when black taxi owners parked hundreds of vehicles in Long Street in protest against high insurance premiums and licensing fees for taxis.

One of the drivers, who did not want to be identified, alleged black taxi owners were being "ripped off" by finance houses and banks.

He said black taxi owners paid excess premiums and their insurance was much higher than any other taxi owners. They were also being discriminated against, he claimed.

Police arrived in buses and traffic police diverted traffic to alternative roads.

The taxi driver said "hundreds more vehicles" were on their way from the black townships and that the whole of Cape Town was going to be brought to a standstill so that they could bring home their grievances. - Sapa.
Taxis: Wesbank ‘not to blame’

Staff Reporter

THE Southern African Black Taxi Association (Saba) says Wesbank is not to blame for recent price and running cost escalations in the industry, and has apologised for Wednesday’s blockage by taxi drivers in central Cape Town. In a statement issued yesterday, the association said it was “incorrect” to lay the blame for the taxi operators’ financial problems at the door of the financial institutions. “They do not set the prices of taxis (which increased from around R15 000 four years ago to R30 000 today), nor do they influence the escalating input costs,” the statement said.

“Wesbank has been responsible, together with Saba, for assisting thousands of Saba members in purchasing new minibuses. Up to 80% of these clients would not have passed (Wesbank’s) normal credit screening process, but were accommodated by Wesbank through Saba standing surety for them.”

“Saba and Wesbank will, early next week, send two members of staff to Cape Town who will investigate each member’s circumstances on an individual basis, and see how (they) can be assisted,” the statement said.

Saba said it also wished to record its regret at the inconvenience caused by the large number of vehicles which “could not find parking in the central business district of Cape Town and double-parked, blocking roads”.

Reacting to press reports, Wesbank yesterday claimed that the escalation in monthly repayments from taxi owners had been exaggerated and generalised.

Mr Ronnie Watson, Wesbank general manager, said that increases were, in any case, due to escalating insurance costs for these vehicles, the premiums for which were being added, at the buyers’ request, to the purchase repayments.

“In November last year a group of 13 taxi owners indicated that they were experiencing difficulty with their repayments as a result of the inclusion of annual insurance premiums and, in terms of our normal policy, they were invited to discuss their problems with us — none availed themselves of this offer,” Mr Watson said.

“In this year, one of these vehicles was repossessed. In accordance with our normal procedures, a suitable arrangement for the return of the vehicle has now been concluded and repayment arrangements in respect of the insurance premiums have been agreed with the remainder.”

He added that Wesbank was surprised at the reaction of Western Cape taxi owners, only 180 of whom were financed by Wesbank, as Wesbank, with Saba, had pioneered the financing of taxis in South Africa.

On the matter of the escalation of costs incurred by taxi operators, particularly the petrol price which had increased 100% over the last four years, Saba said it would continue to negotiate with the government for the bringing down of such input costs. He added that if talks failed, fare increases would probably follow.
Protest over taxi leases bears fruit

LESLEY LAMBERT

CAPE TOWN—Thirteen taxi owners who protested against their high monthly lease instalments, bringing Cape Town’s main street traffic to a halt yesterday, are to have their repayments rescheduled by Wesbank.

Wesbank GM in Ronule Watson said yesterday the group of Western Cape taxi drivers had indicated in November last year that they were having difficulty meeting repayments as high as R3 500 a month in some cases as a result of the increase of annual insurance premiums.

Watson said that the taxi owners, who were joined by colleagues for a two-hour park-in to protest against alleged high repayments, high insurance and illegal repossessions, had not responded to invitations by Wesbank to discuss their problems.

‘A suitable arrangement for the return of one repossessed vehicle had been concluded,’ Watson said the bank had also agreed to increase the repayment period of insurance premiums.

Greed exceeds demand

But the world shipping market remained competitive. Although the economy was strong, in the mid-1980s, it was not the same, thanks to a more competitive market.

Grove, said exports from SA had been strong in the 1980s and he expected they would hold up in 1990.
Grinch ploughing profitable seas
Ships' insurance to pay for spills — Minister

CAPE TOWN — In event of a major oil spill in SA waters, expenses could be claimed from the ship's insurance company, Transport Minister George Bartlett said yesterday.

This was the second reading debate on the Prevention and Combating of Pollution of the Sea by Oil Amendment Bill.

In reply, Bartlett said the State would do anything in its power to ensure the environment was cleaned up if a major oil spill occurred.

Port Elizabeth DP MP E W Trent said oil pollution emanated from tanker casualties and from chronic operational spills discharged from vessels other than oil tankers.

There was also the illegal practice of cleaning tanks while at sea.

"Unless we are seen to be constantly vigilant, shipping companies will continue to take chances," he said.

This would mean that the increased penalties would have less of a deterrent effect than is intended by the legislation, he said.

Bartlett said government would not hesitate to increase the revised penalties for pollution of the sea by oil if it was found they were not sufficient to act as a deterrent.

He said that he was sure the increases would deter many of the people using SA's waters from polluting them.

The fines might not appear to be as high as comparable penalties in the US and UK when judged by the exchange rate, but in purchasing power they were equivalent. — Sapa.
Foreign boost

Trencor appears set to produce yet another year of bullish profits, though shareholders are not favoured with much detail on how the consistent record has been maintained.

The reason appears to be the impact being made now by the overseas operations and exports — both areas on which management has adopted the conventional approach of giving few, if any, insights.

The major advances recently have been made on profitability rather than sales. In the six months to December turnover rose by a not particularly impressive 18,5% but pre-interest income leaped by 60% to R53,7m, while profit after interest and tax grew by 63% to R31,8m.

Attributable earnings were up by 69,1% to R29,6m, with EPS showing a similar rise, and the interim dividend has been increased by 50% to 30c.

Chairman Neil Jowell does say that combined overseas operations and exports contributed 40% to operating profits in 1989 and will be close to 50% this year. Clearly, the group was a major beneficiary of the weak rand during much of last year, and at least some of the momentum will be lost this year if the currency retains its recently firmer trend.

On the local front, profits were derived from manufacturing (39%); motor trade and tyres (30%); trading (17%) and transport 14%. With the merger of Tredcor and Tycon as part of the Anglovaal group, Jowell says Trencor is looking for a larger contribution from this source in future. In general, though, local markets are not as busy as six months ago and margins have been squeezed. At December 31 the debt:equity ratio was 0,32.

Despite the firmer rand and pressure on local margins, Jowell believes prospects for the second half are encouraging. "We expect to improve on the first half though we may not match the growth rate achieved."

Jowell is, however, traditionally conservative. Six months ago he was saying it would be difficult to match the 1989 growth in 1990. If the first half is anything to go by, he should not have too much of a problem. But he points out that 1989 first-half results were not good, so the latest interim is being compared against a low base.

With EPS at 207c in the first half, and likely to be slightly more in the second six months, about 430c (388c) looks a fair estimate for the year. At R32 the share would thus offer a prospective p/e of about 7,4 times, slightly below the present sector average of 8,5.

Gerald Hudson
AIRLINE INDUSTRY P14 231/90

Jilting Maritzburg

Comair has come under fire for pulling out of Maritzburg and leaving business travellers grounded.

Comair's surprise move last week follows an agreement reached with Magnum a month ago whereby Magnum would assume responsibility for the airline's services in and out of the Natal capital.

However, Magnum has not maintained Comair's morning and afternoon flights to Johannesburg; it is scheduling only a single midday flight.

The announcement of Comair's withdrawal caught Magnum flat-footed, says the Maritzburg assistant town clerk Granville Shenker, who complains that the move will inconvenience businesses. "Magnum does not have enough craft to step in."

Rowly Weller, director of the Pietermaritzburg Chamber of Industries, says many business travellers now have to fly on SA Airways from Durban and this costs more time and money. The move came at a bad time, he adds, because business is booming in the capital.

Magnum executive director John Morrison could not be reached for comment.

Comair MD Pieter van Hoven says the airline withdrew from Maritzburg because strict runway restrictions at Oribi Airport meant it had to fly with less than the full complement of passengers on its 44-seat aircraft and this made the service unprofitable.

He adds that Comair hasn't approached the authorities about building a safer airport elsewhere or improving the existing one.

Maritzburg councillors are irate. They recently voted R250 000 for a control tower after Comair had campaigned relentlessly for it. Van Hoven says, however, it will improve aviation safety for other operators.

SAA seems to be having its own problems. There have been persistent rumours of staff moves at the top. SAA sources refer to "turmoil" within the airline and say it appears to be linked to the "privatisation issue." In a related development, Sats is offering staff members severance pay to encourage them to resign voluntarily. This has apparently created an "element of uncertainty" within the organisation.
Grincor results boosted

The Grindrod Unicorn Group's investment in international ship-owning and operating activities together with a firm world shipping market contributed towards the 55% improvement in earnings to 62.8c a share for the year to December from 40.3c in 1988.

Turnover rose 23% to R424m from R345m. The achievement of greater operational efficiency was reflected in the 39% improvement in operating income to R52.2m (R32.3m).

The group's subsidiaries are engaged in the storage, handling and transport of goods by sea, air and land, nationally and internationally. In 1987 Grincor merged its operations with Mitchell Cotts. One attributable earnings of R15.7m (R10.2m), a dividend of 22c a share was declared compared with 18c a share in 1986. Dividend cover was increased to 2.7 times from 2.2 times.

The interest bill rose to R13m from R8.5m although interest bearing debt was reduced by R21m. Grove explained that capex incurred during the year gave rise to a high interest bill in early and mid-year, but a strong cash flow had enabled them to reduce interest bearing debt.

"The interest bill will be much lower in the current year," he said.

The group planned to acquire additional ships.

An extraordinary item of R35 000 represented the curtailment of rationalised operations, offset by extraordinary profits. The figure included the tying up of AiroDEX press which was sold in 1988.

The directors forecast that earnings would grow in real terms in 1989 but not at the same rate as in 1988 and 1989.
Biting the hand that feeds them

THE new taxi strike on the East Rand and daily carnage on South African roads has once again thrown the spotlight on minibus taxis.

Although the two major taxi groupings, Saba and Saldia, have come to the defence of taxi drivers, most commuters feel that taxi drivers have complete disregard for the rules of the road and no respect for their passengers and other motorists.

Often taxis are involved in intermittent “wars” over routes, which usually result in pain and suffering for innocent commuters.

In Katlehong, more than 15 people have died over the past few days in the battle between the Katlehong Taxi Association and the Germiston and District Taxi Association. Many vehicles and houses have been destroyed in the process.

And yesterday many lives were again lost and scores injured, including a teacher and primary school pupils.

Responsibility

Saldia has acknowledged the public’s negative perception of taxi drivers, but claims this is a distorted one.

“It is our conviction that the responsibility for road safety rests with every motorist and pedestrian. We have observed that taxis very rarely collide with each other. We also believe that private vehicle owners need serious training to create awareness and for defensive purposes,” said Saldia’s Mike Ntintili.

He said it would be tragic if residents were to decide on a boycott, because in certain areas there were more taxis than buses.

He advised commuters to raise such a prospect with the taxi associations.

Statistics show that 60 percent of vehicles using the NI between Pietermaritzburg and Pretoria are minibuses and that they are involved in most accidents on the road. Since the beginning of December more than 30 people have been killed in minibus accidents in the far Northern Transvaal.

The accidents have been ascribed to recklessness and impatience.

Gruesome minibus accidents like this one have become the order of the day on South African roads.

Minibus taxi collisions have become the focus of National Road Safety Council and the Automobile Association investigations. NRSC deputy director Mr Eric Wise said it was widely perceived that these vehicles were not adhering to the rules of the road.

“Minibus taxis are often guilty of overloading and speeding. The problem is that the restriction of movement on certain routes has been lifted and they are no longer limited to certain areas by their documents,” he said.

Mr Hugo Hagen, spokesman for the AA, said his organisation was concerned about the minibus accident statistics, not only because of the number of fatalities involved, which radically affected the national casualty figure, but also the enormous challenge to the motor industry to properly train the drivers of these vehicles.

Arrogant

For instance in Sandton a taxi driver, apparently on his way to the Reef, overtook on a curve and over a barrier line in the face of oncoming traffic.

When he realised that he would not make it, he drove the taxi off the road and into the gravel patch on the opposite side of the road.

Many drivers are arrogant when dealing with passengers.

For instance, a driver in an East Rand township was called to order by passengers for riding on a barrier line while there were vehicles approaching from the opposite direction.

The driver said that if anybody felt like taking over, he was free to do so.

An Eldorado Park taxi driver, who was speeding dangerously through traffic on the M1 South forever, was shouted at by passengers and told to stop smoking them as though they were a bag of cobblages.

Some taxi drivers play blaring music to weary day-end passengers, despite objections. Other passengers have complained that drivers are under the influence of alcohol or other drugs while on duty. Although many taxis have no smoking signs, some drivers ignore this ruling and smoke.

Crashed

Some taxi drivers also engage in dangerous practices while handling fares for passengers.

A taxi crashed into The Star building in Johannesburg because the driver was sorting out change while driving. He climbed the pavement and hit a news vendor into a glass window at First National Bank.

Taxis have also been seen travelling parallel to each other and a driver exchanging money with a passenger in the other vehicle.

It would seem some taximen have become more concerned with profit-making than the safety of their passengers.

But by continually ignoring the golden rule that the customer is king, they are biting the hand that feeds them and are likely to lose tough times ahead if they do not change.

Most commuters of these taxis are black and one wonders how much they would have changed had they been transporting white passengers.

Some of the blame for taxi-drivers’ bad behaviour falls squarely on the shoulders of traffic departments who are well aware of the problem, but do little to curb it.

One can only hope that this situation will be addressed urgently.
Mighty SAA could ground newcomers

By Roger Makings

The Government's plans to set up effective competition in the aviation industry will not get off the ground unless it makes far-reaching concessions to SAA's potential competitors.

One of the options being considered in Government circles is the sale of a portion of SAA's domestic fleet to the private sector.

SAA, opposed to the fragmentation of its domestic fleet, will not comment.

The major stumbling block facing competitors are the huge amounts of capital required to buy aircraft and to establish an infrastructure to match SAA's.

If travellers think deregulation will bring cheaper air travel, they are in for a shock - fares will have to increase for the private sector to make profits.

Stacked

Jackie Walters, of the Department of Transport Economics at Rand Afrikaans University, says effective competition will not be seen in the aviation industry for many years.

Professor Walters says the costs are stacked against competitors. SAA has a superb infrastructure, a

PIET VAN ASWEGEN... woes stuck against them fleet of fairly modern aircraft and all the expertise it needs.

"To be competitive private airlines will have to buy comparable jets, establish a reservation system and maintenance department as well as foreign looking offices to attract tourists. 

Airline profit margins are slim and any company with cash to spare could easily find a more profitable investment than an airline.

For these reasons, the Government will have to make concessions to SAA's competitors. This will almost certainly mean making SAA facilities available to them. 

The acquisition of aircraft is a sensitive issue. SAA will have to buy its fleet from the..."

PIETER VAN HOVEN... barriers are too high competition, such as limiting SAA's growth and reserving part of the market for the opposition. This means new regulations in what should be a deregulated market.

"For effective competition, the private sector should have between 35% and 40% of the market.

Share

"The only way the three main competitors - Satelair, Comair and Pro Air - can become reality is by splitting up the domestic fleet and sharing existing facilities.

Professor Walters says there are other ways to spur..."

Barriers

Comair managing director Pieter van Boven agrees with Professor Walters, saying competing airlines have no chance against SAA.

"SAA holds 95% of the market, has aircraft bought at high costs and favourable exchange rates, controls the national computer reservation system and has the only high maintenance and training facilities in SA.

"How are we supposed to compete with that? It would be impossible for any new entrant to start against these barriers.

"Comair will review its position once the legislative framework under which operations will take place has been decided by Parliament and SAA's attitude towards facilitating the introduction of competitive services is known."

Fragmentation

Public Enterprises Minister Theo de Vleure says the State, with SAA, will evaluate the most practical ways of encouraging competition - for instance by fragmenting SAA into different parts to create a suitable regulatory environment for the aviation industry if fragmentation is not considered the best option.

"Experience elsewhere shows that fragmenting any particular business to create competition is not necessarily conducive to technical and commercial efficiency."

Safaair Holdings chief executive Pieter van Aswegen says: "It's good to hear that incentives are being considered in the passenger market - but we need to know more about the details."

Dr Van Aswegen says Safair is prepared to expand its freight activities without any incentives - "all we need are the licences."
THE MINISTER OF TRANSPORT

29th December 1967

The Minister for Transport

To the Minister for Transport

Sir,

I have the honour to report that the following cases of public interest have come to my notice:

1. The case of [Details of case]

2. The case of [Details of case]

I am, Sir, your obedient servant,

[Signature]

[Name]

Minister for Transport
New taxi war in Katlehong

A FRESH taxi "war" between two factions in Katlehong erupted at the weekend, leaving hundreds of commuters stranded, writes MOEKESTI MFHARI.

The taxi associations involved are Germiston and District Taxi Association (GDTA) and the Katlehong Taxi Association (Kat).

GDTA general secretary Mr Schloji Malepe said Kat members were seen forcing out passengers from their taxis at the weekend.

"To avoid unnecessary bloodshed our members decided to withdraw their taxis, leaving commuters stranded," he said.

Malepe said GDTA taxis were being prevented from operating in certain routes, especially the Khumalo-Valley routes and Schoeman Road.

Comment could not be obtained from Kat, as they do not have an office.

THE president of Nafooc, Dr Sam Motualyane, yesterday said the chamber will hold talks with political organisations, including meeting with released ANC leader, Mr Nelson Mandela, with the aim to "seek peace and unity in South Africa."

At a Press conference to introduce the newly formed National African

New transport body formed

BY JOSHUA RABOROKO

Federated Transport Organisation (Nafo) he said the chamber had forged links with... and international business communities for black economic empowerment.

The new body, which has affiliated to Nafooc, was a significant move to ensure black people enjoyed substantial participation and have a stake in the core economy of South Africa, through the transport industry.

Nafo is an amalgamation of independent transport associations operating in South Africa and covering... and independent African states.

Nafo was to meet the Minister of Transport, Mr George Barillett, to discuss various issues including having a share in the buying of SARS through the government's policy of deregulation and privatisation.

Nafo would have to come out with best answers concerning the proposed nationalisation of banks, mines and certain sectors of the economy as espoused by many leaders."
Six die in taxi war

Six people have been killed and more than 50 others injured since the violence between two rival taxi organisations in Katlehong on the East Rand started on Saturday.

Scores of taxis and private cars have also been damaged during the fighting.

One of the dead has been identified as Mr Zakhosini 'Ryder' Sibanyoni, of 111 Credt Section, Katlehong, a member of the Katlehong Taxi Organisation.

Sibanyoni was allegedly attacked by members of the rival Germiston and District Taxi Association near his home.

His cousin, Mr Bie Radebe, said he was hacked with pangas and iron bars.

He was taken to the Natalspruit Hospital where he died hours later. He will be buried in the township on Saturday.

The situation was still tense in the township yesterday with thousands of commuters left stranded without transport.

The fight between members of the GDTA and Kato is over routes in the township. The taxis operate between Katlehong, Vosloorus and Germiston.

East Rand police are still investigating the cause of the fight and no arrests have been made.
Imperial Holdings goes into top gear

ROBERT GENTLE

IMPERIAL Holdings, whose operations cover transport, vehicle rental, motor trading and financial services, has ended the half-year to December 25 in impressive form. Operating profits jumped 49% to R22.2m (R14.9m) on turnover that rose only 26% to R380m (R222m), reflecting a solid increase in operating margins (3.9% to 4.0%).

Despite a higher interest bill and tax rate, and a reduced share of associated companies' retained profits, the bottom line showed attributable profits up 29% to R3.20m (R2.57m).

This yielded an equivalent increase in earnings per share to 14.6c (11.6c), while the interim dividend per share rose 28% to 5.75c (4.50c).

Joint MD Bill Lynch called the results pleasing and praised the tight asset management of the group.

He said Imperial Car Rental had prospered with the buoyant tourist and business travel conditions and expansion had been undertaken. The outlook was encouraging.

However, Auto Pedigree, which disposes of the division's rental cars, found conditions in the used car market difficult while the motor trading division experienced tight trading in the new car market.

Imperial Group Limited, which has as its sole investment a 75% stake in Imperial Holdings, reported attributable profits of R6.1m over the same period, equivalent to earnings per share of 43.8c (34.1c).
Black transport on the move

THE National African Federated Transport Organisation (Nafto) would promote black economic empowerment through transport, Naftoc president Sam Motsuenyane said yesterday.

Nafto is a new umbrella organisation to be launched formally early next month. It will cover all transport aspects from taxis to long-distance transport companies. It is an amalgamation of independent transport associations operating in SA and neighbouring countries. It is affiliated to Naftoc and operates as its independent transport wing.

Nafto has 40,000 members and chief executive Peter Rabali says its formation should be seen as the imagination and innovation of black people.

Motsuenyane, speaking at a meeting in Johannesburg yesterday at which Nafto was introduced to the public, said Nafto would encourage entrepreneurs to enter the transport business; lend assistance to welfare and other non-profit-making organisations; foster and develop sound business skills among its members; regulate the conduct of members; and campaign against the high rate of road accidents by providing training for members.
Alexandra residents to march on Putco HQ

By Drew Forrest

Alexandra residents are to march on Putco's Gallo Manor headquarters to present a petition in solidarity with striking workers at the company's Wynberg depot.

This was resolved at a mass meeting in the township on Tuesday attended by a range of organisations, including the Alexandra Civic Organisation.

At the same time, the Transport and General Workers' Union has blamed the sudden upsurge of worker demands for the removal of Putco managers on the "inexperience and heavy-handedness" of middle management.

SPATE OF DEMANDS

"Area and divisional managers lack labour relations know-how, while making decisions on labour issues," she said.

Putco managing director Dr. Jack Visser said there was a spate of such demands, which threatened to make the company unmanageable.

At Wynberg, close to 400 workers, including drivers, have downed tools demanding the removal of the divisional manager. Some 800 000 commuters a day are currently without bus transport.

Dr. Visser said a top executive had investigated workers' complaints, and had "substantially cleared" the manager concerned.
Minibus protest halts traffic
levying high traffic fines.

The taxis, with hooters blaring, were at one stage driving bumper to bumper, preventing any flow of normal traffic. Traffic police blocked off roads and re-directed traffic.

A large crowd gathered, whistling and tooting when police armed with shotguns stood across the street.

There were tense moments when scores of people joined the chanting group which taunted police and blocked a bus which tried to drive through the crowd.

Many shopowners near the crowd closed their doors.

Drivers later agreed to move their vehicles and said they would hold a meeting this week to establish an association which the authorities would then talk to about grievances.

Taxis were driven off with hooters blaring.

Sapa
Katlehong taxi war hots up

By MATSHUBE MFOLOE

TWO homes belonging to members of the Katlehong Taxi Organisation were attacked and three mini-bus taxis registered with the organisation torched by unknown people on the East Rand.

The incidents are believed to be a sequel to an ongoing taxi war between the Germiston and District Taxi Association and the newly formed Katlehong Taxi Organisation.

Although no one was injured during Wednesday night’s attacks, the feud has already left six people dead and over 50 people injured since the war began last week.

Yesterday, thousands of commuters were left stranded while others were seen hiking to and from work.

Several members of the Katlehong Taxi Organisations were believed to be in hiding yesterday for fear of further attacks by a group seen driving in two mini-buses.

At house 432 Mangadi Section, according to Mr Isaac Kone, the men cut off the telephone line, smashed the windows and doused a mini-bus with petrol.

In Maphanga Section, the family of a Kato chairman, Mr Sunley Msimanga, narrowly escaped death when petrol was poured and ignited through the window.

The Katlehong Civic Association said that taxis belonging to the Germiston and District Taxi Association and Kato should be boycotted until the bloody violence comes to a halt.

The civic association said that attempts to reconcile the warring association had been ignored and as a result, “we feel the boycott of taxis is a necessary step.”

Putco has been asked to increase the number of buses to ferry commuters and employers have been asked to pardon workers who arrive late.
Great news for lovers of steam travel: an up-market, steam-drawn passenger train will soon be operating in the windlands of the beautiful Franschoek Valley, providing a further boost to tourism at the Cape. ROGER WILLIAMS reports.

AN up-market, steam-drawn passenger train to be called the Champagne Express will be operating soon on the little-used branch line between Paarl and Franschoek.

This exciting addition to the Cape tourist scene will make whistle-stop trips through the scenic Franschoek Valley in what is claimed will be the only steam-train service in the world operating through wineland country.

The train, aimed primarily at the top end of the tourist market, will offer a new attraction at a time when tourism is taking off in the region.

It could be to the Western Cape what the Rohan Veuve Clicquot train is to the Eastern Transvaal and what the George-to-Eyrenns Quinquevia Choo-choo is to the Southern Cape.

The train will be operated by a new company, the Crown Railroad Company, the partners in which are Franschoek wine farmer Michael Stander (22), who conceived the idea eight months ago, and Dr Giselle van Hoogstraten, daughter of the late MP for the Stellenbosch “Wooie” van Hoogstraten of Hout Bay.

Stander plans to market the Champagne Express overseas at international travel exhibitions as well as in South Africa. Foreign visitors will be able to book on the train through travel agents as part of their tour packages.

With the full support of Tramnet (formerly Suid-Afrika Railways) and major wine and fruit farmers along the route, Stander is planning to get the Champagne Express going in September, running five days a week with stop-overs at wine farms en route.

And when the Victoria and Alfred Waterfront redevelopment project is further advanced he hopes to run the steam train through to the Waterfront area from Paarl at weekends.

The train, initially carrying 40 passengers on each trip, will operate on the 30 km branch line between Paarl and Franschoek and, says Stander, stations along the way will be upgraded and landscaped. Franschoek station itself will be revamped and landscaped.

Restaurants

"The idea", he says, "is to operate on an alternating roster with a stop on each trip at one of the wine farms on the route. Passengers will be taken by luxury coach to Paarl station, where they will board the train, and at the stops made along the way they will be given the chance to visit wine farms such as Boschenhof, Durman, Bellingham and Eikenhof. Restaurants at Franschoek will take it in turn to serve lunches to the passengers and we intend setting up an up-market gift shop and information bureau at the station.

A dream coming true... Franschoek wine farmer Michael Stander with a Railway Museum calendar picture of a passenger train drawn by the type of steam locomotive, the 19-D, which will haul his Champagne Express through the Paarl and Franschoek winelands. The passenger coach, dining saloon and kitchen car will be royal blue.

"The passengers will also be taken to the Hugenot monument and museum and for those wishing to spend a night at Franschoek, a private guest-house will be available to them on the mountain, with magnificent views across the Franschoek Valley.

"On the way back to Paarl, the train will stop at Stellenbosch for tea and for passengers to visit a new art gallery being created there by the community of artists living in the area."

Maintenance

The royal blue passenger coach, vintage dining car "Nyanga" (once part of the Blue Train's predecessor, the Union Express) and kitchen car acquired by Stander have until now been a static restaurant at Franschoek station. They will be fully restored at Tramnet's maintenance works at Salt River and Stander then proposes refurbishing them in the elegant, old-world style of the Great Express.

Meanwhile two class 19-D locomotives are being brought to the Cape from the Transport Museum in Johannesburg, to take it in turns to draw the Champagne Express. They are to be operated by Tramnet staff and maintained at the railway depot at Delft.

Stander intends reinstating the locomotive turntable at Franschoek station and creating a museum-like "steam park" for steam enthusiasts visiting the area.
Taximen urged to stop ‘war’

By MOKGADI PELA

THOUSANDS of residents attended a meeting in Katlehong yesterday to resolve the ongoing taxi war that has claimed seven lives and left about 50 people injured in the past 10 days.

The meeting, held at Huntersfield stadium, followed demands by the community for the unification of the two warring bodies - the Katlehong Taxi Organisation (Kato) and the Germiston and District Taxi Association (GND).

The fight between the two associations is over the use of routes in the area.

Addressing the audience, the secretary of the Katlehong Civic Association, Mr Ike Motloung, said the taxi violence started after talks between the two taxi bodies were deadlocked.

A representative of the Congress of South African Trade Unions, Mr Solly Maseko, called on the two groups to end the violence.

He said: “We would not like to see the bloody Natal situation replayed in Katlehong.” Maseko said black-on-black violence was a shame that had to be discouraged. He urged the Katlehong Civic Association to convene a meeting between Kato and GND within 48 hours.
NTC rationalises road plans after funds reduction

CAPE TOWN — National Transport Commission (NTC) funds were reduced by half during the 1988/89 financial year as a result of the abolition of the National Road Fund (NRF) as a dedicated fund in April 1988.

The reduction, disclosed in the Transport Department's annual financial report for 1988/89, forced the NTC to re-evaluate plans for an extensive national road network with freeways linking major cities.

To rationalise the plans, it decided to declare provincial roads as national roads and incorporate them into the network.

The standard of roads in the network was adapted to meet future traffic requirements, according to the annual report tabled in Parliament this week.

As a result, many longer-term projects were postponed. Substantial work on the rehabilitation and improvement of newly declared road sections was reduced.

The report showed expenditure from the NRF exceeded total income of R801.9m by R138.2m.

Expenditure on new road construction and major maintenance work was R538.9m, while R21.5m was spent on toll roads.

The remainder was allocated to the Urban Transport Fund, the construction and maintenance of roads in national parks and transport and road research. Attempts at privatisation were helping to provide essential road sections earlier than expected.

While the Department of Transport as a whole spent about R12bn on national and provincial roads during the year under review, two private companies - Tolcon and Tollway - commissioned by the State to build toll roads, had financed about R400m of their projects between them.

They were expected to finance an additional R500m during the current year.

On March 31 last year, Tolcon's total capital expenditure amounted to R282m. Loans procured by Tollway amounted to R14m, including capitalised interest.

Tolcon's contribution would increase to more than R900m with the completion of the Villiers-Warden road section and the Reeversefontein-Warden section.

Tolcon's income from tolling certain sections of State roads amounted to R59m.
Inland Revenue finds R95m in unpaid taxes

PRETORIA — Inland Revenue inspectors ferreting out unpaid tax amounting to nearly R95m last year, according to the Finance Department.

Inland Revenue chief director Schalk Albertyn said each of the 125 inspectors were on average responsible for discovering unpaid taxes amounting to about R700,000 in special investigations.

GERALD REILLY

The total includes penalties imposed on tax dodgers.

Albertyn hesitated to put a figure on the amounts lost to the Treasury because of tax dodging.

But he said it would probably amount to several billions of rand.
Sabta suspends one of warring taxi rivals

THE Southern Africa Black Taxi Association yesterday acted against the two warring taxi associations in Katlehong in the wake of growing violence in the township.

Sabta has called on members of the Katlehong Taxi Organisation to disband and submit themselves to the authority and jurisdiction of the Transvaal Taxi Association appointed manager during the run-up to the election of a single association.

In a statement, Sabta's deputy managing director Mr Jabu Mabuzza also announced the immediate suspension of Germiston Taxi Association from their ranks.

The suspension will remain in force until conditions of peace and unity of taxi bodies in Katlehong have been achieved.

Sabta said it will announce the appointment of a one-man commission of inquiry, headed by a retired judge to probe the circumstances leading to the taxi war that has claimed eight lives and caused injury to more than 43 people as violence flared in the East Rand township.

Mabuzza said Sabta abhorred the wanton destruction of property and senseless killings that have taken place in Katlehong following the disputes among taxi opera-tors in the area.

It also expressed its deepest sorrow and sympathies for the families who lost their beloved ones.

"We reiterate our call for peace and calm to descend upon the township of Katlehong as well as other troubled communities elsewhere.

"For our part, we wish to contribute towards bringing about the cessation of hostilities and peace," Mabuzza said.

"Sabta recorded its grave concern that divisions of this sort are occurring in other parts of the country and calls for united action to stop this violence," he said.

Mabuzza said the decision was reached in consultation with Katlehong Civic Association, the United Democratic Front and Sabta, adding "if the strategy to liberate black in SA is not to be retarded, then closer cooperation between Sabta and progressive community organisation need to be cemented."
End the violence, pleas community

By PHANGISILE MTSHALI

THE South African Black Taxi Association, community and political leaders yesterday pleaded for an end to the violence in Katlehong on the East Rand.

"We, as the mother organisation, have made a call for the halt to all hostilities in the area," Mr Jabu Mabuza, Saba's public relations officer said yesterday.

"We appeal to our affiliate, the Germiston and District Taxi Association, and the Katlehong Taxi Organisation to stop this senseless killing and damage to property.

Mabuza said a meeting between their affiliate and civic leaders to discuss the situation was being arranged for today.

ARCHBISHOP DESMOND TUTU

Archbishop Desmond Tutu, head of the Anglican Church in southern Africa, also condemned the violence.

"Please stop the violence," he pleaded.

"We cannot afford to destroy ourselves just when we are on the threshold of victory.

"We call on our people to exercise discipline and restraint.

"We express our deepest sympathies to the bereaved families."

The public relations officer of the Southern Transvaal branch of the United Democratic Front also pleaded with warring factions "to stop this retrogressive violence, cease their actions and to address the problems through the only viable solution and that is the peaceful settlement."

"The differences between taxi owners and the community of Katlehong at large must be resolved amicably through democratic channels."

"Violence can never be the solution to such differences."

"There are more areas of agreement than differences and this is what must inform our approach to our differences."
Taxi operators go on the rampage

5 die in Katlehong clash

By Abel Mabelane,
East Rand Bureau

At least five people died and 15 were seriously injured when a group of taxi operators went on the rampage in Katlehong yesterday, attacking pupils at the school for allegedly petrol-bombing six of their minibuses.

Dr N Kernes, superintendent of the Nasalpruit Hospital said 15 people had been admitted with bullet, panga and knobbyrrie wounds and two of them were in a critical condition.

Police confirmed yesterday that the bodies of a man and three youths were found near the Khateng school in the Ngema section. One youth had been shot and the other three victims had apparently been hacked to death.

13 arrested

The body of a 15-year-old boy who had been shot dead was also found in the township. Thirteen suspects were arrested in connection with the killing after police stopped a minibus and seized two guns.

Two people may have been wounded after a mob attacked two special constables with sticks and knobbyries and tried to take their guns. The policemen opened fire but it is believed the wounded were dragged off by the mob.

Another 19 people were arrested after police searched a minibus and found three guns.

The General Secretary of the Germiston and District Taxi Association, Mr Sehotji Malepe, said six taxis were allegedly petrol-bombed by school pupils in different areas.

Mr Malepe said two drivers were shot in the leg during an argument with the police at the offices of the association.

Speaking from his hospital bed, a teacher from the Katlehong High School — who did not want to be identified — said he was admitted with head injuries and a fracture of the left arm. He said: “A house was burnt down by unknown youths in the vicinity of the school. Immediately after break, three minibuses carrying pupils entered the school premises. The passengers alighted and started attacking everybody on sight indiscriminately.

“I tried to run but was caught and viciously attacked with iron bars and knobbyries and was left lying helpless on the ground.”

A 15-year-old schoolboy, Simon Mpela, said he was attacked by men carrying panga and knobbyries when he returned home from school.

A house belonging to Mr Henry Ndlovu was gutted when a petrol bomb was tossed at it. Mr Ndlovu said the damage incurred amounted to more than R100 000.
Putco orders 400 workers to end strike

Putco yesterday served Industrial Court interdicts on close to 400 workers at its Wynberg depot, ordering them to end their week-long strike.

At the same time, the company said that managers who had been moved from the depot for safety reasons would return to supervise any return to work.

It could not be established if a march by Alexandra residents on Putco's headquarters, set for yesterday, took place.

The strike, which has cut off bus transport for an estimated 800,000 commuters daily, centres on demands for the removal of the depot manager.

Meanwhile, workers at AECI's Zonmieveld plant, in Welkom, have downed tools in solidarity with the group's Modderfontein factory, according to the SA Chemical Workers Union.

Sasewu general secretary Mr Humphrey Ndana said AECI workers in Newcastle and Klerksdorp had also offered support for the strikers, who are demanding the dismissal of a white fitter who assaulted a black assistant.

About 550 workers at Fedmis in Phalaborwa, jointly owned by AECI and Sasol, launched a legal wage strike last Friday, according to the Chemical Workers Industrial Union.

The union also said mediation last week had failed to settle the five-week strike over shifts and wages at Elda Ponds in Wadeville.
Liberty Airlines sets its sights on overseas shores

Liberty Airlines's battle for a licence to operate on international air routes is all set for next month, chairman Steven Ramatlo said in an interview yesterday.

No exact date has yet been set.

Liberty Airlines applied to the National Transport Commission for a licence to fly directly to the US last October and the application was gazetted on November 3.

Ramatlo said that if given the go-ahead, his company would maintain the current flight tariffs for at least the next six months.

Liberty Airlines is based in Umhlanga, north of Durban. It was founded two years ago, costing more than R1m to set up, and is headed by a consortium of businessmen.

Black businessmen, mostly from Sebenza, put up 65% of the capital and fill five of the nine board seats.

The members of the board are MD Bill Fourie, chairman Steven Ramatlo, Chris Kingdom, Walter Mogomela, Larry Latimer, Walter Dube, David Phasa, Trevor White and Msekukhune Makena.

According to Ramatlo, the white members were called in to give technical assistance.

There has been no direct flight to the US following the withdrawal of landing rights from SAA in 1986 by the US authorities.

He said the direct flights would be less time-consuming as it would no longer be necessary to have changeovers in Brazil or Europe.

Asked if his company would be granted US landing rights, Ramatlo said their lawyers were working on that.

"We have to get the licence from the SA authorities first," he said.
Steps to avert taxi prangs

Our sponsored advertising scheme, last week received support from a uniquely quarter’s faculty of Commerce and Administration.

Professor P. Jackson, who gave us a cheque for R250, said, “This is an excellent initiative.”

A senior, Mr. S. Jackson, said, “We will pay R250 for any ad that appears in this paper.”

According to him, the deadline is Friday, March 29. Ads will be featured in the section of the newspaper that will be most noticed by commuters.

Serfontein said the scheme is aimed at reducing the number of accidents in the taxi industry.

The project is being conducted in partnership with the University of North Carolina, USA.

Makhubu Mfoloe, head of the project, said, “We will advertise in the most seen section of the paper.”

A feature of the scheme is that major taxi ranks would have “spiral shelters” in which black businesses would be housed.

Mr. Henry Serfontein, regional manager for the project, said, “We are looking for a substantial contribution from the community.”

Serfontein spent six weeks investigating advanced driver training in the United States, two weeks in England, and became a driving instructor with IAM in 1982.

Certificate of competence

According to him, physical skill - the ability to manipulate the vehicle’s control - accounted for only 10 percent of driving and mental skills, the most essential and yet neglected, for 90 percent.

He said research, including that by the Centre for Scientific and Industrial Research (CSIR), showed that in 66 percent of South African road accidents, drivers failed to decide on how to avoid an accident.

Serfontein said the training of drivers would be divided into four courses. The first two would deal with perceptive driving, the third with advanced driving skills, and the fourth with professional driving.

A certificate of competence would be awarded on completion of the two-year course. A card and a sticker on the combo would tell passengers that the driver had “made an effort to improve his skills.” The first module, perceptive driving, costs R250.

Serfontein said training courses were also planned to help taxi owners manage their businesses.

“Because taxi owners do not understand their own concerns, they put pressure on the drivers to bring in more and more money.

“This causes tension between drivers and owners,” Serfontein said.

He hoped that by the end of the course, the taxi owner would see a better qualified driver while the driver would see an owner who understood the economics of his business.

For further information, call (011) 880-8026 or at 39 Sussex Road, Parkwood, Johannesburg.
Katlehong. — Twenty-eight people were injured when police used shotguns to disperse about 75 000 residents who marched yesterday to the Katlehong town council offices in the East Rand, police said.

The violence erupted after thousands of people left the Huntersfield stadium in Katlehong and began marching down several streets to present a petition demanding the dropping of high rents and electricity tariffs and demanding more intervention by the police to end a bitter taxi feud in the township.

Police said they intervened in the march soon after fighting broke out among demonstrators.

"Six people were reported injured. The mob dispersed. In follow-up investigations, it was established that 22 people had been admitted to Nata'spruit Hospital with injuries," the authorities said.

Meanwhile, the Gazankulu homeland authorities yesterday issued a contradictory statement on unrest in the region, saying the situation was calm, but revealing that nine huts had been burnt down in the past 24 hours.

At the same time, the homeland authorities conceded that a mass stayaway from work and school by thousands of people is continuing.

Meanwhile, police yesterday reported a number of gatherings and stone-throwings at Valspan, Jan Kempdorp, in the Northern Cape. A policeman was injured. Police used tearsmoke and rubber bullets to disperse the mob.

At Mpumalanga, Hammarsdale, police found the body of a man. He had a bullet wound in the head.

At Botshabelo, Bloemfontein, three men shot two security guards who were travelling in a bakkie after the trio asked the guards for a lift. Both guards were seriously wounded. — Sapa.
Putco strike moves nearer to settlement

Labour Reporter

The week-long Putco strike moved nearer to a settlement yesterday when the manager at the centre of the dispute decided not to return to his post at the Wynberg depot.

Putco managing director Dr Jack Visser stressed that it was a "purely personal" decision. Close to 400 strikers had demanded the manager's removal.

But the strike, which affects 800,000 commuters in Alexandra and Johannesburg's northern suburbs daily, appeared to be still on yesterday.

Dr Visser said workers had now made additional demands, which Putco was considering.

JCI's Rustenburg Platinum Mines was caught between angry unionists and the Bophuthatswana authorities on Monday when workers downed tools over the homeland's tax system.

About 3,000 strikers - 1,500, according to JCI - demanded an end to "high" Bophuthatswana tax and the recognition of the National Union of Mine-workers on shafts falling inside the homeland, Num said.

South African unions cannot operate lawfully in Bophuthatswana.

JCI's Mrs Anne Dones said the mine was sensitive to the tax problems of Bophuthatswana citizens and was investigating the issue with homeland authorities.
Taxi rivals to merge

In a bid to end the "taxi wars" in Alexandra township, two rival taxi associations will merge to form one united association. The two associations are the Alexandra United Taxi Association (Auta) and the Alexandra Randburg Midrand Sandton Taxi Association (Armsta). — Staff Reporter.
Katlehong hides its children

By Winnie Graham

In some areas men armed with pangas have been going from house to house searching for goodness knows what. People move silently and in fear.

And still the bitter taxi feud continues unabated.

More than 15 people have died in the past few days in the battle between the Katlehong Taxi Association and the Germiston and District Association.

It is believed the attack on schoolchildren was sparked by the pupils' decision not to go to school on Monday and for taking sides with one of the factions.

But for the people of Katlehong, the most painful part of the feud has been the massacre of the children, mostly hacked to death with pangas.

Sipho says the people feel unprotected. Only the occasional municipal police van can be seen.

"Anything can happen at any time," he says. "So we do not sleep.

But at least the children are safe.

The children of the East Rand township of Katlehong have gone.

Almost overnight, parents have spirited away their sons and daughters, moving them to neighbouring townships and even to the homelands.

Their absence, says Sipho, a Katlehong resident, is almost a relief. Since the massacre of the schoolchildren on Tuesday when four pupils and two teachers died and 43 children were seriously injured — some at school — the residents have expected the worst.

"We are terrified," he admits. "The atmosphere is more tense now than it was on Tuesday."

The residents, he says, believe taxi owners recruited thugs to fight their battles for them. Because they do not know when they will strike next, ordinary people in Katlehong no longer go to bed at night. They dare not.

Instead, they stay awake all night, protecting each other and their homes.
Running battles in Katlehong

Staff Reporters

Fighting between rival taxi groups in Katlehong township — less than 20 km from Johannesburg — has developed into running battles between youths and taximen supported by vigilante gangs.

Bitter fighting continued last night and police patrols have been stepped up as the East Rand township plunges into a state of near anarchy.

Eyewitness reports show that weekend clashes over taxi routes between members of the Katlehong Taxi Organisation and the Germiston and District Taxi Association grew into widespread fighting after youths and taximen clashed on Tuesday. The Katlehong Taxi Association has fled the area, according to residents.

Youths accused of burning taxis are now battling with vigilantes and taximen. House-to-house hunts by “vigilantes” for youths have been made since Wednesday night.

Many youngsters have fled the township, or sought refuge at the Nataalpruit Hospital. Last night vigilantes raided the hospital to attack youths. Security guards at the hospital gates were unable to stop them.

Riot squad police were later called to restore order.

Up to 15 people have been left dead and more than 70 treated at the hospital since the weekend. Ten were admitted in two hours alone last night. Five people were killed yesterday in a vicious panga fight, Sapa reports.

CALLS FOR CALM

Renewed violence last night came despite calls for calm from the ANC, the United Democratic Front (UDF), and the umbrella body, the SA Black Taxi Association (SABA).

Mr Walter Sisulu, chairman of the internal wing of the ANC, called for an end to the “senseless violence between bother and brother, sister and sister”.

Mr Murphy Morobe of the UDF said at a press conference yesterday that steps would be taken immediately to resolve the fighting.

Appealing again for peace, a police spokesman in Pretoria said several meetings between police, pupils and taxi owners had been held to date, but to no avail.

“We regard Katlehong as a very serious problem indeed. But we are getting no co-operation whatsoever from both factions,” the spokesman said.

He said the two taxi associations had internal problems, did not believe in free enterprise, had no code of conduct and no disciplinary committees.

Police patrols had been intensified in the area and the SAP regional inspector, Brigadier Gert May, who was highly experienced in unrest control, would visit the area today.

See Page 2.
violence close to worst levels of mid-1980s
Dear Executive,

The DiSC Carnegie Training Workshop is designed to transform your team into a high-performing, cohesive unit. A leadership development program, this workshop will help your executives understand the DiSC personality system and how it applies to interpersonal relationships. By the end of the day, participants will be equipped with the skills to build stronger teams, improve communication, and increase overall productivity. The day-long workshop will be held on [date] at [location].

If you have any questions or need further information, please don't hesitate to contact us. We look forward to working with you to create a more effective and engaged team.

Best regards,

[Your Name]
Putco fires striking workers

Putco yesterday fired about 400 Wynberg depot workers whose week-long strike has cut off bus transport for thousands of black commuters.

Warning it would take some time to relaunch the service, Putco managing director Dr. Jack Visser said workers asked to be dismissed when management refused to pay them for the strike period.

Comment could not be obtained from the Transport and General Workers Union.

This week, the strikers' demand for the removal of the Wynberg divisional manager was effectively met when the manager in question decided not to return to the depot.

Additional demands were then made, including a pledge that strikers would not be disciplined. Putco agreed to this.
to ply other trades. Some are now working as sales representatives; one is selling shoes.

Other consultants, who tried to be of all-round assistance to their clients, are still in business. They are concentrating on other aspects, such as labour relations and cost-effective vehicle use.

Some are learning the skills their clients will need when the permit system is scrapped completely and the Road Freight Quality System, the final step in freight transport's deregulation, is in position.

The large band of attorneys and advocates serving the transport industry are also making a major adjustment. Those who worked mainly for truckers and had few other sources of income will have to start virtually from scratch.

The deregulation of road freight has saved the transport industry hundreds of millions of rand. The cost of a permit ranged from R50 for a temporary permit to convey a load in one direction only, to as much as R30 000 for each of the litigants involved in a lengthy contested application that ended up in the Supreme Court.

Permitology grew at an astonishing rate. In 1985 Jack Webster, former executive director of the Public Carriers’ Association, now the Road Freight Association, estimated that truckers paid R20m to lawyers alone that year for permits. A survey taken for the White Paper on a National Transport Policy showed that truckers paid lawyers and consultants R60m in 1986 to obtain permits.

Since then the cost has doubled. The 171 597 applications in 1988 — up from the 134 485 in 1986 — probably cost truckers R100m in legal and consultancy fees.

Department of Transport official believes it cost applicants more than R120m last year to apply for permits, even though the process was simplified in September and applications could no longer be opposed.

So deregulation will mean a big cost savings for truckers but don’t expect them to pass it along to customers.

“They can’t,” says Ian Moss, executive director of the Road Freight Association. “Capital costs increased by 29% in 1989 and running costs by 32%.”

TRUCKING DEREGULATION

Services not needed

What is a permitologist do when permits are no longer needed? This is what the consultants and lawyers — who grew fat on the restrictive trucking regulations — are wondering now that deregulation has arrived.

A market for these specialist services was spawned by 50 years of overbearing regulation that protected the profitable rail goods traffic of the SA Transport Services, now Transnet, from private haulers.

The market crashed in September when the Department of Transport deregulated the carriage of freight by road. Now truckers don’t need consultants to prove a need for their services, nor lawyers to fend off objections from Transnet or other competitors.

Since September, truckers have been able to apply for permits themselves. All they have to show is that their vehicles have valid certificates of fitness and their drivers are qualified. One large transport company, which declined to be named, bid farewell to its consultant with a magnificent wall clock and a note expressing its gratitude for “25 years of excellent service.”

So several transport consultants, known in the trade as permitologists, have been forced...
High cost of fleet revamp

A bill of about R6m for refurbishing its fleet turned Supertrans's 139% improvement in turnover to R15.6m for the year to June (from R6.5m in the previous year) into a 64% drop in operating profits to R16 008 (R1.7m).

Increases in the depreciation bill and the interest payable also bit into profits. (33)

The company posted an attributable loss of R1.6m compared with a profit of R201 000 in 1988.

This translated into a loss of 9.2c a share from a profit of 6.4c previously, on a slightly higher number of shares in issue.

In the year under review the company acquired Medwood Furniture Movers for about R3.5m financed by long-term borrowings.

Financial director Ryan Murphy said yesterday the publication of the final results had been delayed because of an auditor change.

Results for the six months to December would be released next month.
Lyntex in the driving seat

Charlotte Mathews

LYNTEX Transport Exchange has more than doubled earnings a share to 7.8c in the six months to December against 3.8c payable in the same period in 1989.

The company, which is a transport co-ordinating and consultancy service, actually showed a 24% drop in turnover to R11.9m from R15.3m but operating income came close to doubling to R1.5m from R7.9m.

Attributable income rose to R1m from R680 000 but the company does not pay an interim dividend.

Chairman Eugene Marais said yesterday the company's achievement had cost an extra R280 000 because of the price of funding but he believed the return was worth it. The interest bill was R374 000 (R127 000).

"For the six months we earned an extra R60 000," he said.
with net current assets of R2m. At December 31, net current assets stood at R50m and cash, though not disclosed, probably exceeded R500m.

Though not immediately apparent from the interim results, the group looks on target for another good year. With the local economic squeeze taking effect, the earnings advance is unlikely to be as high as last year but real growth should be achieved.

The unlisted subsidiaries, Safmarine and Rennies, have been adversely affected by the firmer rand and slower imports. Even so, group turnover for the first six months rose 23% to R2,05bn. Margins remained unchanged at 20.9%.

Interest earned on cash balances almost offset total financing costs on long-term borrowings and net interest payable fell from R12.4m to R2.1m.

However, a higher tax rate of 37% (34%), with a rise in deductions applicable to outside shareholders in subsidiaries and to preference shareholders, curbed attributable income, which rose 19%.

Chairman and CE Alistair Macmillan maintains that the divisions all performed well. Safmarine, in particular, is a cyclical operation that traditionally does better in the second half of the year. Macmillan reckons this will again be the case as fruit exports pick up.

The contribution from overseas subsidiaries and associate interests remains undis-
Alex taxi groups to unite

CONFRONTATION between two rival taxi associations in Alexandra has been averted by plans for one united association to serve the Witwatersrand township. (332)

Alexandra Civic Association president Mr Moses Mayekiso said in a statement yesterday that the Alexandra United Taxi Association and the Alexandra-Randburg Midrand-Sandton Taxi Association would merge.

This was a significant victory, he said, following previous unsuccessful attempts at unity after several shooting incidents last year. - Sapa.
Police seal off
Katlehong as
unrest continues

JOHANNESBURG. — Katlehong was
racked by continued violence yester-
day as police, many drafted in from
outside the area, sealed roads to the
township.
Burnt-out taxis and huge boulders
blocked roads.
Nurses in Ntatspruit Hospital ca-
sularly confirmed that at least 20
people, including children, had been
admitted from the township. Some
had birdshot wounds.
Witnesses said taxi owners went
from school to school ferreting out
pupils responsible for damaging their
vehicles. They allegedly beat children
suspected of the vandalism.
Among the casualties admitted to
Ntatspruit Hospital were youths
aged around 20 years old. Uncon-
firmed reports said two of the victims
were children under the age of eight.
Police would not confirm that tear-
gas and shotguns had been fired to
disperse rioters.
Police said 73 people had been ad-
mitted to hospital in the three days of
rioting. Violence and stone-throwing
was reported to have occurred yester-
day morning.
By evening the township was quiet-
er as police removed wrecks and rub-
bble from the streets.
The UDF and the SA Black Taxis
Association (SABA) have decided to
intervene as mediators in Katlehong
to end the violence.
Meanwhile, unrest continued. To
sweep the country, according to yest-
eryday's police unrest report:
At Ditlakane, Koffiefontein, a group
erected a road barricade and threw
stones at a police vehicle. The vehicle
was badly damaged.
In another incident in the area, ar-
sonists caused extensive damage to an
administration building. Tearsmoke,
rubber bullets and birdshot were used
to disperse the arsonists. No inj-
juries were reported.
At KwaKwatsi, Koppies, extensive
damage was caused to property when
the homes of three policemen were
stoned.
At Phomolong, Henneman, a private
house was damaged in a petrol-bomb
attack.
At Moekeng, Kroonstad, numerous
incidents involving stone-throwers
and petrol bombs were reported. A
number of police vehicles and private
houses were damaged as a result.
At Muizip, Middelburg in the Eastern
Transvaal, a bus and a private vehicle
were extensively damaged when they
were set on fire in separate incidents.
A police vehicle and a private vehicle
were also damaged when they were
stoned in separate incidents. No inj-
uries were reported.
At Agesindsay, Sanneshof, police
used tearsmoke to disperse a large
mob who had erected a road barri-
cade.
At Khutsong, Oberholzer, police
found the body of a man with a bullet
wound in the chest.
On Wednesday two handgrenades of
as yet unknown origin were thrown at
a private house in Mtutuzama, Durban.
A nine-year-old girl was seriously
injured by shrapnel.
Police are investigating the inci-
dent. — Own Correspondent and Sapa
KATLEHONG residents yesterday called for government intervention to stop widespread violence and terror which this week turned the East Rand township into a state of near anarchy.

"There is a great deal of tension and fear and most people are too frightened to go to sleep because they are worried about their lives, their properties and their families," one resident said when he telephoned the Saturday Star last night.

He described the situation as "real anarchy" and reported that hundreds of people were fleeing the troubled township in order to avoid death and injury.

"There is no police presence whatsoever and the only solution will be to send in the South African Defense Force," he said. "Nothing else will stop this violence."

"The troublemakers aren't Katlehong residents," he said, "and we want them removed from our township."

\section*{Slept at police station}

Another resident, who came into the Saturday Star's offices, also called for the SANDF's presence in the township.

"The situation is really bad," he said. "I slept at the Eden Park police station on Wednesday night and will make plans to sleep elsewhere until the havoc is quelled."

"Vigilantes armed with pangas, knobkerries and AK-47s are patrolling the streets at night and it is just too dangerous to set foot outside your door."

He also said the police were not visible in the township and the only solution was to "bring in the army."

"I have heard that residents from a men's hostel will go on the rampage this weekend and I've also heard that non-resident vigilantes from Natal are patrolling the streets."

At least 19 lives have been lost in the township situated just 20 km from Johannesburg and scores of people have been injured and left homeless in a wave of arson and terror. Hundreds of mothers and children have reportedly fled the township and many sought refuge on the grounds of the Natalpruit Hospital.

The superintendent of the hospital, Dr N Kernes, said four people died at the hospital yesterday, bringing the unofficial toll of deaths to 23. Dr Kernes said 11 people had died in the hospital since the fighting began.

By late yesterday afternoon, said Dr Kernes, some patients were being transferred to Baragwanath, Hillbrow and Lenontong hospitals because Natalpruit Hospital was under tremendous pressure.

Security at the Natalpruit Hospital was tightened yesterday after a mob of about 30 pangwielding men stormed the casualty section on Thursday night. Dr Kernes said nobody was injured during the incident but doctors, nurses and patients were forced to flee for their lives. Hospital security guards were yesterday reinforced with armed Katlehong municipal police.

One of those killed this week was a five-year-old boy who was hacked to death in a township street on Thursday night. Yesterday a man was fatally wounded when a resident fired shots at a mob who threw stones and petrol bombs at his home. Another man was fatally wounded yesterday when a round of banga was fired at him after he threw a petrol-bomb at a vehicle. The body of a black constable, who had been stabbed in the chest, was yesterday found in Khandalo Street and another policeman was wounded in the arm and shoulder after shots were fired at him from a moving vehicle.

Ten bodies, mostly hacked or stabbed to death, were found at various places in Katlehong yesterday morning.

Last weekend's clashes between rival members of the Katlehong Taxi Association and the Germiston and District Taxi Association turned into widespread fighting this week after youths and taxi men clashed on Tuesday. Residents claim that taxi men are being supported by vigilante gangs.

\section*{Families seek refuge}

About 700 families, including hundreds of small children, marched to the Katlehong police station yesterday to seek refuge from the ongoing unrest.

Sapa reports that Katlehong police told reporters they had picked up 25 bodies in various areas of the township.

Most of the bodies were picked up in the southern end of Katlehong, where the Kwezule hostel, which caters mainly for Zuils, is located.

Thursday night's violence came soon after a plea for peace by internal ANC leader Mr Walter Sisulu. A statement calling for peace was issued by the Congress of South African Trade Unions (Cosatu), the United Democratic Front (UDF), the South African Black Taxi Association (Saba), the South African Youth Congress (Sasco) and the Katlehong Civic Association.

Saba has announced the immediate and indefinite suspension of all its missions and District Taxi Association from its ranks.
Taxi body mediates

IT WAS vital that police did not intervene in the Katlehong violence, South African Black Taxi Association (Sahta) spokesman Jabu Mabuza said at a joint UDF and Katlehong Civic Association Press conference.

Sahta has suspended the Germiston and District Taxi Association from its ranks until peace and unity prevailed in Katlehong.

Sahta-affiliated Transvaal Taxi Association would appoint a manager to run taxi operations in the township until then.

Political content sub-edited by K. Shibya, headlines and sub-headlining by J. Bellon, trix of 204 News Serv. Ext.
Johannesburg.
Nafto to study transport overseas

WILSON ZWANE

CARTAGE and shipping form part of a National African Federated Transport Organisation (Nafto) action plan, the organisation said in a statement last week.

And opportunities to acquire and develop skills necessary in these fields have materialised:

"An executive of the organisation will study carriage and shipping in the UK on a grant from Associated British Ports," Nafto said.

According to Nafto, another nine placings had been secured with the Canadian Centre for the Development of Human Resources.

Nafto chairman Peter Raball said Nafto, with Nafesc and the mass democratic movement, gave positive logistical support to Swapo during the elections in Namibia.
Van Nimmeren Keeps Claims Record Low

Office and Domestic Remodels

8,000m Industry Includes

Grants and one-man bands

Cross-border is

Business Day
Fewer people moving out of the country

A DEFINITE decline in the number of people moving out of SA has become evident over the last couple of years, says members of the international removals business.

Stuttaford Van Lines director and former industry association president David Bradford says: “When you look at government figures for emigration you have to be careful how you read them.

“In this business, we have a gut feel for what is going on and we feel there are fewer people leaving the country and those leaving are not making a panic decision.”

“In 1986-1988 a lot of people left the country and the brain drain was at its peak. But they left without researching overseas conditions, even the job market, and a lot of them burnt their fingers.”

He says Stuttafords has handled quite a few South Africans returning to the country because the company is well-represented overseas.

Compensated

Elliott’s chairman Tom Ansley says there are probably less than half the number moving out of the country now than was the case two or three years ago.

Around one third of Elliotts’ business is international removals but he says the decline in emigration is to some extent compensated for by the number of people moving into the country.

This is confirmed by Van Nimwegen director and branch manager Louis le Roux, who says international removals form by far the greater part of the company’s business.

“More people are moving to SA than leaving at the moment and we have seen a dramatic improvement, especially in the last six months.”

“Not only that, but we are inundated by requests from people all over the world asking for information about moving to SA.

“They want to know about the cost of living, conditions here, the housing situation, work opportunities and schooling.”

He says inquiries are not only coming from Europe, traditionally the source of most immigration to SA, but from other countries, notably Hong Kong.

“We have also handled an enormous amount of interest from South America, especially Chile, Brazil and Argentina.”

“You also have the South African families who moved overseas to Australia, Canada and the US who are looking at coming back.

“Not many do move — we suspect they cannot afford to return.”

Riddelplus MD Peter Farmery says his company’s international business has swung in the last two years towards more imports than exports.

“With a move towards more people settling here we could have exports increasing as well as more companies getting involved.”
Talks focus on violence

A five-man delegation of taxi owners led by Nato chief executive Matsoe, this week held a meeting with the Minister of Transport, Mr George Bartlett, to discuss various issues, including the violence that has gripped the black taxi industry.

The meeting, which was held in Cape Town, also discussed strained relationships between local authorities and taxi owners, recognition of the newly formed National African Federated Transport Organisation (Nato), privatisation of Sat and deregulation by the government and road safety.

At a press conference in Johannesburg after the meeting, Nato's president Mr Peter Rabali said that the Minister had expressed great concern about the escalating violence in the taxi industry and carnage on the South African roads caused by minibuses.

He appealed to the delegation to work closely with other taxi organisation to help solve the problems that spark violence because "we cannot afford to lose more lives - enough is enough."

"We also indicated to the Minister how we are concerned about the infiltration of the black taxi industry by whites. These whites take advantage of blacks who do not have money to buy vehicles."

"This, we said, contribute to violence that is fast gripping townships," he said.

"The death toll caused by accidents on the roads also featured prominently during the talks. We promised to do everything we can to bring this to an end."

lives - enough is enough."
The SA Long Distance Taxi Association (SALDITA) had finally met government in its search for recognition, Saldita president Peter Rabali said yesterday.

Rabali said his delegation met Transport Minister George Bartlett in Cape Town last Friday and the minister agreed the organisation had a role to play in the transport arena.

Ministry spokesman Charles Edwards confirmed yesterday that Bartlett met a Saldita delegation and discussed the recognition issue. The minister had sent Saldita a copy of criteria it had to meet.

"Recognition is dependent on a number of factors," among others being Saldita being able to meet certain criteria as set out in the guidelines for the recognition of taxi associations, a code of ethics and the modus operandi of local taxi committees.

Rabali said yesterday his 14 300-member organisation, which has joined Nafeco's transport wing, the National African Federated Transport Organisation (NAFO), would meet government in future as NAFO.

Closer links between Saldita and government bodies would better enable the association to promote road safety and to discourage violence between rival operators.
MDM intervenes in PE taxi war

By JUSTICE SIGONYELA

THE Mass Democratic Movement has intervened to end growing conflict between rival taxi groups in Port Elizabeth.

There has been growing tension between the South African Black Taxi Association (Sabta) and the Uncedo Service Taxi Association, with the two groups competing for routes.

A committee of MDM activists from Uitenhage and Port Elizabeth will now mediate in the conflict.

A meeting between the rival taxi groups and the MDM is scheduled to take place this week.

The MDM hopes the meeting will draw up a working document similar to one signed in Uitenhage by the MDM and the Pan-Africanist Movement last month.

— PEN
April 30 the last day for IRP5s

The Bureau said employers should now understand the Standard Income Tax on Employees (SITE) provisions and be able to correct any problems. The closing date for the issuing by employers of IRP5 certificates and the submission of reconciliation returns for the 1990 tax year has been extended from March 14 to April 30 1990. The extension for the issuing of IRP5 certificates in respect of the 1989 year of assessment was granted by Inland Revenue as a result of the difficulties experienced by large employers making use of computer programmes. Employers will now have to ensure their systems have been adjusted to accommodate the SITE requirements in order to issue the IRP5 certificates in time.

IRP2 forms should be fully completed and updated to ensure that the correct amount of SITE is determined at the end of the tax period, the bureau said.
Boys dressed as girls to escape death.

had no intention of visiting

and he was seen there to say

We knew many of the boys

lead in the triumphal
tour of honor after being

and like no other.
The men of the association

with the association...
Petition for more buses

Putco dismissals hit commuters

By Helen Grange

About 800,000 bus commuters in Alexandra and Johannesburg's northern suburbs are suffering intense transport shortages following the dismissal last week of 400 Putco workers.

With Putco buses at a standstill in this area, Randburg municipality buses are heavily overloaded daily by residents of Alexandra and according to one commuter, these buses are breaking down as a result.

Overloaded taxis

A petition among residents in the northern suburbs has been started demanding more buses from the municipality and Johannesburg traffic department to cope with the crisis.

Meanwhile, the Alexandra community is pressuring Putco management to reinstate the Putco workers. The halt to the service has forced them to get up hours before work to catch overloaded taxis. There are lengthy queues for these taxis, fares are increasing and trips to and from work are dangerous.

The Putco workers were dismissed last week after a protracted strike over the continued employment of the divisional manager at the Wynberg depot.

When the manager decided to leave for "personal reasons," the jubilating workers then demanded that they be paid their normal wages for the duration of the strike, according to Putco managing director Dr Jack Visser.

A dangerous precedent

"We have tried to be reasonable, but we are definitely not prepared to pay out for this illegal strike and set a dangerous precedent," said Dr Visser.

Dr Visser said the company was not employing other workers because of the intimidation experienced in Durban when this strategy was used.

"We will not endanger people's lives," he said.
Tax system to be simplified

By John Spira

Minister of Finance Barend du Plessis has taken an important step towards simplifying a South African tax system, which has long been among the most complex in the world.

Indeed, the streamlining proposals contained in his Budget speech suggest that inland revenue offices throughout the country will, over time, be required to operate at lower personnel levels than they do at present.

Such a development underlines the Government's commitment to the reduction of spending right across the spectrum of its many and varied activities.

Great stress will be laid on self-assessment, with, as a first step, companies having been identified as leading the way.

Investigations into such a system have already reached what the Minister calls an advanced stage.

Additional streamlining will be achieved by pursing certain of the Margo Commission recommendations — in particular the elimination of tax concessions and rebates and the placing of more emphasis on indirect taxes and less on direct taxes.

In the process, Mr du Plessis recognises the need to broaden the existing tax base and the promotion of equal and fair treatment of all taxpayers and groups of taxpayers.

The possible introduction of a minimum tax on companies and individuals is under consideration with a view to limiting the abuse of existing tax concessions.

On value added tax (VAT), Mr du Plessis revealed that this new tax (to replace GST) would not be introduced before October 1991.
10-year-old JSE shares placed in 'safe haven'

Profits realised from shares listed on the Johannesburg Stock Exchange that have been kept for more than ten years would be exempted from income tax under certain conditions, the Minister of Finance, Mr Barend du Plessis, said in his Budget speech yesterday.

Uncertainties about the distinction between capital and income were an important reason for the low turnover on the JSE and the phenomenon that large financial investments were not released for application in other fields of investment.

The Tax Advisory Committee had consequently recommended the introduction of a so-called "safe haven" for shares listed on the JSE for more than 10 years. Profits from the realisation of such shares would be exempted from income tax.

These recommendations were acceptable to the Government under certain conditions and the adjustments would apply as from yesterday.

The conditions were that profits and losses made on the realisation of shares listed on the JSE would be deemed to be of a capital nature if it took place 10 years after their acquisition.

Listed shares that have been acquired by exchange and were subject to Section 24A of the Income Tax Act would not qualify for this concession. The onus would be on the taxpayer to prove he had held the shares for the required period.

The results would be monitored to determine whether a more efficient system could be developed.

The higher turnover of shares should lead to an increased revenue of about R15 million from the marketable securities tax.

It had also been decided in principle to phase out the present 1.5 percent tax on marketable securities over a period of three years. For revenue reasons this phasing out would commence only in the 1991/92 financial year. — Sapa.
Tax clampdown on taxi industry

The Receiver of Revenue is clamping down on the taxi industry - thousands of letters have been sent out to taxi owners throughout the country asking them to furnish details of their operations for tax purposes.

The letters were sent out on February 16. More than 100 000 throughout the country will be affected, most members of the South African Black Taxi Association (Saba) and the newly-formed National African Federation of Taxi Organisations (Nafto).

For most taxi owners the letters informing them that they are eligible to tax came as a shock, taxi associations said yesterday.

Taxi-owner Mr Sam Rachilo said he was surprised after he received a letter from the Receiver.

He has not paid income tax for his taxi business because his monthly income a month is low and does not expect to pay income tax.

Rachilo said blacks were not represented in the country's political structures taxing them was unfair.

"The tax black should be used to defend the country's borders. Blacks are expected to pay for the protection of a white minority," he said.

Unfair

Soweto tax consultant, Mr Matshule Matshuru, was critical of the move and said it was unfair of the Receiver to require such comprehensive information from taxi owners within 14 days.

He says that a lot of information regarding the income of taxi operators will still have to be researched before submitting the forms.

The Receiver of Revenue in Johannesburg, Mr P Jacobs, confirmed that letters had been sent to operators who had not been paying tax.

He said it was the duty of his office to see that people paid their tax.

He says it is difficult to estimate how many operators are not paying tax.

The letters have been posted to the people on available information and more are likely to be sent out.

He says the matter was treated confidentially and he declined to comment further on the implications of the new move.

Saba's deputy managing director, Mr Jaba Mabuza, said after being informed about this development they had made certain proposals to the Receiver of Revenue.

"We want to be given time to consider the implications of the new development and advise our members accordingly," he said.

Nafto's president Mr Peter Rabali said the Receiver of Revenue should deal with taxi associations instead of individual members.

"Our members are now knowledgeable on tax issues and as prosecutions could follow it was important that association, who had the trust of their members, be consulted," he said.

He blames the Receiver for not informing the taxi owners about tax properly and demand that a meeting be held between associations and the Department of Finance officials immediately to resolve this problem.
High revenue an ‘embarrassment’

By MAGNUS HEYSTEK

The Government suffered from an embarrassment of riches during the 1989/90 financial year as revenue collections, from individuals in particular, raced far ahead of estimates.

Total tax revenue for the 1989/90 financial year exceeded the budgeted estimate by no less than R6.3 billion, rising to R61.385 billion.

Tax collections from income tax on individuals are estimated to have exceeded the budgeted amount by R2.190 billion, or no less than 36.6 percent.

Several factors contributed to this flood of money.

**Higher salaries**

Salary adjustments in the private sector were higher than predicted, which, together with the effects of fiscal drag, resulted in an avalanche of revenue which surprised most commentators. More than R3 billion of this surplus will now be used to reduce the losses on forward cover transactions.

Another factor was that tax collections were much more effective as a result of the introduction of SMITE, which greatly improved cash flow to the Receiver of Revenue.

Good profit performance from companies in 1988 continued into 1989 and this, along with the third provisional tax payments for the 1989/90 year, resulted in an increase in the estimated revenue from non-mining companies of R1.5 billion over the budgeted amount.

The import surcharge, announced in August 1988 and revised in May last year, also boosted Government’s income. An original amount of R1.3 billion was estimated but the continued high levels of imports saw Government rake in an additional R1.3 billion.

Government also raised R240 million more than estimated as a result of higher fuel consumption, a result of the buoyant state of the economy.

Other noteworthy increases above the budgeted amounts are to be found in stamp duties and fees (R169 million), marketable securities tax (R120 million), departmental operations (R32 million) and interest and dividends.

Although described by officials of the Department of Finance as “exceptional circumstances”, which were unlikely to be repeated during the current financial year, it nevertheless increased the total tax burden.

Total tax collections during 1989/90 increased to 24.9 percent of gross domestic product (GDP). This is significantly higher than the average ratio of 18.8 percent in the 1970’s and the average of 21.4 percent in the 1980’s.

Another disquieting figure is the sharp rise in the relative contribution to overall Government revenue made by individual taxpayers and non-mining companies.

In the 1970’s the contribution to total tax was 23.1 percent and 23.4 percent respectively. This situation changed drastically in the 1980’s: individuals’ average contribution in those years was 27.2 percent against 17.6 percent by non-mining companies.

**Individuals taxed more**

Since 1983/84 income tax from individuals has invariably been over 20 percent of total tax revenue and for 1989/90 it is estimated at close to 31 percent.

In the case of non-mining companies the position is the reverse: since 1983/84 their income tax was always less than 17 percent of total tax revenue, although for 1989/90 it rose marginally to 18 percent.

For all companies the average contribution to total tax revenue in the 1970’s was 32.5 percent, as against 27.3 percent in the 1980’s. Since 1987/88 it has been below 25 percent and for 1990 it is estimated to be as low as 21.8 percent.
On this front, we certainly had expected more...

in terms of increased interest income above £600,000. The increase in the amount of interest income was mainly due to increased interest rates on deposits. It also reflects the trend of investors looking for higher returns on their investments. The higher interest rates on deposits led to increased interest income for financial institutions.

In addition, there were significant increases in other income categories such as fees and commissions. This was partly due to increased activity in financial markets and a rise in the number of transactions. The growth in fees and commissions was particularly pronounced in the banking sector.

The combination of increased interest income and other income led to a significant increase in total income for financial institutions. This growth was further enhanced by the expansion of their businesses.

In conclusion, the financial performance of the sector was strong, with increased interest income and other income contributing to a significant improvement in overall performance.
The origins of the conflict were sown with the creation of the Katlehong Taxi Organisation (Kato) after disagreements within the parent body, Germiston and District Taxi Organisation (G & D). Kato started a new route opposed by G & D.

Who struck the first blow is disputed but it made no difference to what followed. SA Black Taxi Association public affairs director Mike Nolutshungu says: "It seems to be a spillage of the Inkatha-UDF conflict in Natal, even though it did begin as a taxi war. Kato has the support of the youth because it apparently employed young people as drivers. G & D has close links with the predominantly Zulu hostel dwellers and so the conflict spread. There have even been four deaths in Witbank in a fight between hostel dwellers and residents."

Gang attacks

Witnesses spoke of being attacked by gangs — roving the township in taxis with ND (Durban) number-plates — wearing Inkatha colours and speaking Zulu. Residents assumed that the hostel inmates, mostly migrant Zulus, had entered the fray.

Yet a leader of one of the youth structures, who witnessed one of the "Inkatha" attacks, cast doubts on the validity of such claims: "It was an ND taxi, and the people were dressed as Inkatha members. But I recognised them — they are local people and not even Zulu. There is something funny going on."

Sinister would be closer to the truth. It appears prejudices are being manipulated to ignite a township notorious for violence.

By last Thursday the entire community was involved, willing or not. Pupils and teachers were taken from classrooms by thugs and hacked to death. A pitched battle between residents and hostel dwellers on Thursday night left 18 dead. Panga-wielding men burst into the Ntatsiprui hospital, where the injured and many residents were seeking refuge, despite armed municipal police at the entrance.

On Friday night there were five more deaths, including that of a man who was tied...
Tax on fringe benefit cars goes up sharply

By Derek Yemmey

Recipients of company "perks" will pay more tax. The Minister of Finance has sharply increased the amount which users of company cars and recipients of low interest or no-interest loans have to pay to the Treasury.

He has increased the determined value of a fringe-benefit car by 50 percent for tax purposes. But even at the new rates, most people will think a company car still worth having.

The determined value is the sum on which tax has to be paid. An individual in the maximum marginal tax bracket would have to pay the Receiver 44 percent of this figure.

The determined monthly value of a R25 000 two-litre car will be raised from May 1 from R228 to R357 and that of a R100 000 three-litre car will go up from R411 to R616. The determined monthly value of a R100 000 car bigger than three litres will increase from R75 to R1025.

Tax experts say that in spite of the latest increase in determined value the figures are well below the true value. However, the Government is following the Margen Commission's recommendation that these values be adjusted annually until "more realistic" values are achieved.

Mr Bert Wassel, chief executive officer of Toyota South Africa, said he was most disappointed by the move.

A major factor in the development of the South African car industry had been the demand for company cars.

The increase in the determined values was not welcome at a time when the industry was making heavy capital investments to meet the new local content requirements.

Mr du Plessis also increased the taxable benefit of low-interest or interest-free company loans from 15 to 19 percent.

This means that the taxable value of a R100 000 housing loan will be lifted from R14 050 to R19 000 and will raise the tax on an individual in the maximum bracket by about R1 200 a year.

Mr du Plessis announced two minor tax changes. The rebate for the over-65s is to be increased from R1 450 to R2 100, which should help pensions.

On the other hand, he is phasing out the R10 rebate for taxpayers between 60 and 64. The withdrawal of the rebate for people in this age group suggests that the official retiring age could be on the point of being lifted from 60 to 65.
the duty to provide a safe and healthy workplace. This includes providing adequate training, resources, and supervision to ensure that workers are equipped to carry out their tasks safely.

2. The management of the plant wants to reassure the workforce that the strike will not be pursued. Regardless of the outcome of the strike, the company will not make any changes to the workforce's working conditions or待遇.

3. The strike is a last resort in response to the company's failure to address the workers' demands. The company has not made any meaningful proposals to improve working conditions or address the workers' concerns. Therefore, the strike is justified.

4. The communication strategy must be clear and transparent. The company should provide accurate information about the strike and its reasons. The workers must be informed about the potential consequences of the strike, including the possibility of employer retaliation.

5. In order to prevent the strike, the company should engage in productive dialogue with the workers. The company should offer a formal meeting with workers to discuss the strike and its potential consequences. This will help to prevent the strike and ensure a fair resolution to the workers' demands.

6. The communication strategy must be consistent and coherent. The company should have a clear and consistent message about the strike and its reasons. This will help to prevent the strike and ensure a fair resolution to the workers' demands.

7. The strike is a last resort in response to the company's failure to address the workers' demands. The company has not made any meaningful proposals to improve working conditions or address the workers' concerns. Therefore, the strike is justified.

8. The company has made no substantive proposals to address the workers' concerns. The company has simply offered a token gesture of goodwill, which has proven to be ineffective in resolving the workers' grievances. Therefore, the strike is justified.
Container woes

The agreement covering container services between Europe and SA still has two years to run but for some time it's been clear the business has not lived up to expectations.

The original plan in the Seventies called for the construction of 17 ships; 16 were built and today only 10 ply the route.

The volume of cargo never reached the level predicted by feasibility studies. From the beginning independent carriers, not party to the agreement, siphoned off much of the most profitable cargo by undercutting rates.

Nine 50 000 t container ships, each with a capacity of 2 450 boxes, began service in 1977 between north-western Europe and SA but over the years, the two British vessels, together with West German and Belgian ships, withdrew to leave a Dutch ship and four Safmarine vessels to operate the service.

Three container ships, each carrying up to 1 300 boxes, started service between SA and the Mediterranean, but Safmarine eventually pulled out its vessel to leave only two Italian ships.

In addition, four roll-on, roll-off ships - two French and two Swedish - were built as a back-up. The Swedish ships have pulled out and been replaced by a Dutch ship.

Several shipping lines withdrew vessels but continue to use the service. In addition to Safmarine, the lines that are part of the agreement - Chargeur Reunis, Compagnie General Maritime, Deutsche Afrika Line, Lloyd Triestino, Nedlloyd and the two British concerns, P&OCL and Ellerman/Harrison - have pooled their resources. They continue to ship cargo on vessels covered by the agreement even if their own ships no longer serve the route.

The original idea was to form a cartel that would set the rates and dictate the frequency that each port was called on. But the companies that signed the agreement, called a conference, have been dogged by independent carriers that undercut rates.

Many of these rival carriers went to the wall when their low rates failed to cover expenses, but two well-established concerns, Switzerland-based Mediterranean Shipping and the West German-operated MACS, continue to skim the cream off the container trade. Last year Mediterranean Shipping captured the largest share of the SA-European traffic by carrying an estimated 40% of the cargo. Recently it bought a Durban site where it plans to build its SA headquarters.

Almost since the conference's inception, conference shipping interests in SA have lobbied government to penalise independent carriers that undercut rates. But government has always insisted that in order to foster competition a shipper should be able to choose its carrier. Government suggests that shippers should patronise conference lines but, nevertheless, reserves the right to move 12.5% of its cargo by non-conference ships.

While the agreement for the Nineties will not be finalised for two years, discussions on routes, rates and the type of ships needed are under way. By 1992 the existing vessels will be 15 years old and companies will need to think about replacements. They must estimate the prospect of bigger volumes and grapple with the impact of the rate-cutting, non-conference carriers that continue to embarrass the R14bn fleet of 10 conference vessels left on the SA trade.

The vessels are running at slower speeds than they were designed for because of the smaller-than-predicted flow of cargo. To maintain efficiency some ships have undergone mechanical work for slower speeds. Safmarine, for example, has installed modified propellers and raised other changes in the engine rooms of its quartet of US$70m French-built, 22-knot liners in order to run a more economical service. The ships now run at 18 knots.

When the time does come to commission replacements, the companies might decide that roll-on, roll-off ships are more suitable than container vessels. Just as the independent carriers carry bulk cargo from Durban for the northbound passage, the container ships must rely on fruit, in season; empty containers and general cargo. General cargo is not lucrative because government has controlled northbound rates. For as long as shipping people can remember, the high charges on the southbound cargo have had to offset the lower tariffs on northbound shipments.

One conference company, Italy-based Lloyd Triestino, is introducing second-generation container ships to the route. The company decided that its steam-driven Africa and Europa are no longer economic and is replacing them with diesel vessels. One made its first swing through Cape Town, Port Elizabeth and Durban last month. The other will begin service shortly.
CAPE taxi operators will be part of what is shaping up to be one of the country's biggest transport groupings.

On March 28 several transport bodies are to join forces under the banner of the National African Federated Transport Organisation (Nafto) at Johannesburg's Standard Bank Arena. Nafto is the transport wing of the National African Chamber of Commerce, Nafcoc.

It is seen as a direct challenge to the established South African Black Taxi Association, Sabta, which has become synonymous with minibus taxis.

The biggest Cape group at the launch will be the International Taxi Association, a 2,500-member group based in Elsies River.

The association recently held exploratory talks with one of Nafto's major affiliates, the SA Long Distance Transport Association.

Government recognition is on the cards.

The long-haulers' president, Mr Peter Rabali, said that his organisation had about 14,000 members.

"The government seems to approach only one taxi group when they have transport matters to discuss," he said, apparently referring to Sabta.

However, many taxi operators were joining his organisation, he said.

"Here in Cape Town alone there are 15 taxi associations that want to join us."

**Control discipline**

The organisation also has members in Botswana, Namibia, Zimbabwe, Swaziland and Lesotho and is helping to launch a taxi run from Bulawayo to Harare.

A bigger, stronger national organisation would be better able to control the lack of discipline in the industry, he said.

A spokesman for the International Taxi Association said its membership of 2,500 represented about 4,000 taxis. "We are looking to join up with Mr Rabali's organisation because we believe it will offer us the necessary muscle," he said.
Toll roads 'saving tax payer money'

SOUTH African taxpayers are paying less for their roads as privatised toll roads take over the country's arterial routes, says chief executive of Tolcon, Mr Ron McLennan.

Tolcon, the toll road company, now manages 450 km of roads. It has a capital commitment of in excess of R1.5 billion. By the time the Keesersfontein/Warden section is completed, Tolcon will have spent more than R800 million of its R1.5-billion budget.

This month, Parliament was told that Tolcon's income from tolls amounted to only R22 million.

The use of private money to fund South Africa's roads has enabled the Government to cut in half the amount of taxpayers' money given to the National Transport Commission.

**Roads built earlier**

The department of Transport's annual financial report tabled in Parliament last week said that privatisation was helping to provide essential road sections earlier than expected.

The Department of Transport as a whole spent about R2 billion on national and provincial roads during 1988/1989, but the toll road companies had spent about R400 million and are expected to spend another R500 million this year.

"Quite simply, we are building roads the country could otherwise not afford," says Mr McLennan. "We are saving the public money." — Sapa.
Katlehong taxi men hope for war's end

JOVIAL RANTAO

The Southern African Black Taxi Association (Saba) has instigated a one-man commission of inquiry to probe into the violence in Katlehong.

They hope to find ways to prevent similar incidents occurring in other townships.

More than 30 people were killed, scores injured when what started as a taxi war ended as a civil war.

Mr Jabu Mabaza, communications manager at Saba, also announced that both the Katlehong Taxi Organisation (Kato) and the Germiston and District Taxi Association (GDTA) have been dissolved and will be replaced by a single body.

"We have, in conjunction with the local civic association and the United Democratic Front (UDF), decided to dissolve the warring factions and replace them with a working committee of 13," Mr Mabaza said.

He said the committee would comprise four members each from Kato and the GDTA, four from the Katlehong Civic Association and one representative from Saba.

Mass funeral

The new committee will be functional until a unitary body is formed. It is our wish, and that of the Katlehong community, to see one united taxi organisation in the township," Mr Mabaza said, acknowledging the help Saba had received from the local UDF affiliate.

The committee's recommendation from the commission, headed by a retired judge, whom Mr Mabaza could not name, would be considered during the formation of a new taxi association in Katlehong.

He said taxis in the township would start running normally sometime after the mass funeral of the victims of the violence.

Officials of the UDF believed the dispute among taxi men had been caused by the poverty in which they lived.

"The present economy has failed. It has only given birth to squatter camps, inferior education and the hostels system," said Mr Mosco Mayekiso, secretary-general of the National Union of Metalworkers.
Barometers of economic mood

By David Carter

LASER Transport is one company that benefits when the mood in SA swings between euphoria and despair.

The biggest household removal firm in SA coins it when panicky people pack for Perth via Pickfords. And it makes a pile when the emigrés get tired of doing their own ironing and head back home, poorer by at least R2 000 per move.

When I spoke to Denis Kaye, managing director of Laser two weeks ago, Mr Mandela had just been released and the mood about SA was buoyant. The traffic appeared to be heading back this way.

Judging by recent turmoil in the townships and homelands, not to mention the radical pronouncements of the ANC, the next tide could be outwards. Either way, Laser scores.

Compete

"About 30 percent of our turnover comes from international removals," says Mr Kaye.

Laser is the lesser-known holding company of three of the best-known removals lines — Stuttafords, Pickfords and Frasers. Also in a stable built up by acquisition are JL Van Niewegen, which specialises in international removals and in shipping line Art, and Jack Welllined.

There are several property and transport packaging companies. A new subsidiary, TransPlant, specialises in moving pot plants.

"The companies have different boards, different managements and business strategies. They are run independently and compete against each other head on — but administration is centralised at head office. There are 30 branches in all the main centres."

HIGH Flier... Denis Kaye, MD of Laser removals

In a fragmented removal market, Laser estimates it has 15-20 percent of the R100 million-a-year market.

Laser companies last year handled 87 000 moves. The average household's effects are worth R50 000, so the company handled goods worth R35-billion.

Evidently it pays to shop around when moving, for price variances, even within the Laser stable, can be as high as 50 percent, depending largely on whether the remover can fill a truck on the return journey.

Pickfords aims at the uppie market and consequently advertises aggressively, and sponsors sports events. Stuttafords, targeting on the more mature A-income bracket, advertises only on the radio.

Laser companies have one thing in common. They use only Mercedes-Benz trucks and pantechs. There are 900 trucks and trailers.

They are bought outright for cash and written off to 15 percent of original value over four years. Most trucks last seven years before being sold. The implication is that they are massively undervalued in Laser's balance sheet.

Downturn

Warehousing is an important activity. Not only does it yield handsome revenues, but this division has valuable assets — 16 000 containers worth R100 000 per unit — and assets worth R8-million.

Mr Kaye says removal firms are highly cyclical. With order books that stretch only four to five weeks into the future, they are good early indicators on the economy, as well as the political mood.

"We felt the present downturn as long ago as September. When companies think the economy is contracting, they are more hesitant about transferring or promoting people. About 30 percent of our business is corporate."

Laser did well out of Umtali in Namibia and out of the closure of SADF bases in Namibia and other regions.

With his Poesche and his Falcon jet, Mr Kaye, like his close friend, Aaron Searl of Searl, has all the status symbols. He received much publicity for personally flying Nelson Mandela from Cape Town to Johannesburg. He defends the plane, owned by a charter company, which he shares with Mr Searl, as "a necessary business tool".

Mr Kaye has been involved in removal for 20 years. His association with Laser started when Unisec bought Pickfords, the Kaye family business, back in 1980.

After Unisec was absorbed into Standard Bank and its operating subsidiaries were hived off, Mr Kaye and fellow directors bought control. They have 58 percent, Sanlam 10 percent and UAL 3 percent.

Laser performed well until the preliminary result released in January. In the year to December, the company reported earnings down 6 percent. At the interim, earnings were up by 25 percent.

Mr Kaye was indicating that all was well.

In the event, second half earnings were down by a shock 40 percent and the company glossed over the fact. Higher tax and interest, both more predictable, were the reasons given.

The market punished Laser harshly. Now the share stands at 50c, only a third of its real net asset value. The dividend yield is 12.5 percent and the PE is just over three.

These numbers make Laser an intriguing recovery stock — but the prospects and the reassuring outlook could still a comeback for some time.
Mandela offers tribute

Mandela watched in appreciation from the stage of a free public concert in Johannesburg. African musicians jointly performed as a tribute to the long-suffering leader, his wife, his peoples’ and the country. In addition to the invited musicians, some 15.000 of the people nearby turned up to show their support.

Nelson Mandela...given a musical tribute

Addressing a press conference on his return from Sweden, where he met the visiting ANC President Oliver Tambo, Mandela said the Harare Declaration had stated what preconditions still needed to be met by the government.

Having unbanned the ANC, there were still other preconditions which needed to be met before negotiation could begin.

Katlehong mourns taxi-war victims

By SOPHIE TEMA

KATLEHONG buried its dead yesterday – and blamed apartheid for the bloody taxi war last week.

According to Katlehong Civic Association about 45 people were killed during the fighting and 14 were given a mass burial yesterday.

A tent was pitched in the centre of the stadium to shelter the bereaved families while 14 coffins containing the bodies of those killed were placed in front of them.

Those buried yesterday were: Simon Sibande, Lucky Malungoane, Lucky Kasa, Jan Khabeka, Jabulani Mohango, Isaac Thage, Gabriel Mangele, Mdudzi Ntlomo, Mabuyu Buti, Trichard Nkanini, Patrick Tabane, Shadrack Motloung, David Skosana and Thembinkosi Muvundula.

No solemn hymns were sung – youths chanted freedom songs and danced to toy-toy.

More than 10 000 mourners – some of them wearing ANC colours – heard representatives of various organisations condemn the wave of violence.

They blamed structures such as the local authorities for furthering the “divide and rule” policy introduced by Hendrik Verwoerd.
5,000 attend funeral of taxi war victims

KATLEHONG. — The sprawling East Rand township of Katlehong came to a standstill on Saturday when about 5,000 people attended a rally at the Hunter Field Stadium to bury 14 victims of last week's taxi war here.

As many as 30 people were reported killed since late February when what started as a dispute between two rival taxi associations culminated in a civil war in the township.

Speakers called for reconciliation between taxi operators and the community.

Emotions ran high when a group of mourners ordered police out of the way of the funeral procession. — Sapa

70,000 go to Venda funeral

THOHOTHOANDOU. — About 70,000 people gathered on Saturday at the peaceful funeral service of one of the students who was shot dead at the gate of the police station here on Monday.

People chanted freedom songs and carried placards saying "Rest in peace, Comrade Elsies Nephahama Makuya."

A UDF representative, Mr. Joe Mnguni, said he felt disheartened that such things should happen at a time when everyone was talking of reform and the end of apartheid.

He called for the reincorporation of Venda into South Africa and dissolving the Venda parliament. — Sapa
After the taxi war – an uneasy truce

Organisations battle for peace and unity

By SOPHIE TEMEA

AN uneasy truce is hanging over Katlehong following the week of fighting and killing that swept through the township.

What began as a series of battles between rival taxi organisations developed into factional violence that enveloped the entire community.

Charred minibuses and houses still bear testimony to the township’s week of horror.

According to reports at least 20 people died and scores of injured filled the Natalepruit Hospital.

But Paul Maseko, publicity secretary of the Katlehong Civic Association, believes between 45 and 50 people lost their lives in the savage war.

Almost overnight, parents spirited their children away to neighbouring areas.

Residents said they believed taxi owners recruited thugs or vigilantes from other areas to fight their battles.

Throughout the week there were gunshots at night and the houses of several taxi owners were burnt.

But, the most painful part of the violence was the massacre of four schoolchildren and two teachers – hacked to death with pangas and shot in revenge for the alleged petrol-bombing of six minibuses.

A headless body, a leg and an arm found next to a railway line were among the gruesome signs of the fierce clashes.

In a strange turn of events, UDF “comrades” manned roadblocks along with heavily armed uniformed police and searched for weapons, including guns.

For several nights scores of families with young children slept in the township’s graveyard, while hundreds sought refuge at the Natalepruit Hospital, the military base and the Katlehong police station.

Even the injured were not safe. A 30-strong vigilante group believed to be members of one of the warring factions entered the Natalepruit Hospital’s casualty ward and sent doctors and nurses running for safety.

Hospital superintendent NP Kernes said: “The incident has prompted hospital authorities to look into the security in order to continue providing patients with a decent service.”

Kernes said more than 200 people were treated for injuries – most of them young males with gunshot wounds.

Angry residents also claimed that a group of children from a croche in Nhalopo Section were jambokked by supporters of one of the feuding groups.

Roadblocks and barricades were set up throughout the township and youths armed themselves with sticks and iron-rods against the rival group which wore white bands around their heads and was armed with pangas, axes, assagi and guns.

Besieged Katlehong residents openly called for the return of the South African Defence Force, claiming they feared a “Natal situation”.

To end the senseless killing, the UDF, Cosatu, Katlehong Civic Association and Sayeza representatives set up a peace plan.

They appealed to residents to support the peace plan and strive for unity in the community.

KCA’s Oupa Obed Thibile said at a meeting on February 11 between taxi groups it was agreed to provide four names from each group to sit on a committee to resolve their differences.

Before the committee could meet, fighting broke out on February 24 and the war spread to the community.

Soon after his return to South Africa the ANC’s Walter Sisulu sent this message: “This is a critical time in our lives. We are appealing for unity throughout this country and naturally we are concerned with local disturbances and killings.”

Head of the Anglican Church, Archbishop Desmond Tutu, appealed to the Katlehong community with these words: “Please stop the violence. We cannot afford to destroy ourselves just when we are on the threshold of victory. Our people must exercise discipline and restraint.”

The Southern African Black Taxi Association (Satta) also stepped in to mediate and announced the suspension of the Germiston and District Taxi
Katlehong residents claim thugs and vigilantes were brought in from other areas by taxi owners to fight their battles.

Association from its ranks until peace and unity was restored between taxi bodies in Katlehong.

Sabta public relations officer JA Mabuza said the organisation has appointed a retired judge to head a Commission of Inquiry into the taxi war.

Sabta will also adopt the following measures:

- The Transvaal Taxi Association (TTA) will appoint a manager to run taxi operations in Katlehong until a single association for the area emerges; and

- Members of the Katlehong Taxi Organisation have been called on to disband and submit themselves to the authority of the TTA manager while a single association is formed.

Mabuza said: "Sabta abhors the wanton destruction of property and the senseless killings. Sabta expresses its deepest sympathies for families who have lost loved ones. "We wish to contribute towards bringing an end to all hostilities."

The desire for peace was also expressed by residents and the warring taxi groups at a meeting held near the Mazibuko Hostel in Katlehong on Friday.
Putco urges return of 400 fired strikers

Labour Reporter 332

Putco has distributed 30,000 leaflets urging black residents to persuade fired Wynberg depot workers to reapply for their jobs.

However, the pamphlets — and newspaper advertisements — stress that Putco will not meet workers' demands for payment during the strike.

The pamphlets had been distributed in Alexandra, Johannesburg and the Soweto area, said Putco managing director Dr. Jack Visser.

Putco's Wynberg operation remains suspended after the dismissal of 400 strikers. Some 800,000 Alexandra and northern Johannesburg commuters have been without Putco transport since the strike began a month ago.
Katlehong settles down, licks wounds

AS Katlehong settled down to lick its wounds and gear itself for peace between the warring factions, a postmortem of past weeks' carnage points fingers at rumour-mongering and "apartheid structures" as the underlying causes of the carnage.

Mr Gibson Makusha, Witwatersrand Council of Churches (WCC) organizing secretary, said the upsurge of violence in the East Rand township could have been "to buy time for local authorities" as it came about the time when Katlehong was "challenging them and calling for their resignation," he said.

"Bloodshed is used as an excuse for the authorities to prolong their stay in power," he said.

"Rumour-mongers" moved between hotels and the township with warnings of impending attacks were identified by many as the main cause of the violence.

"Communities must resist to create a better relationship between the hostel dwellers and families in the township. We believe we must try to turn them into family units," said Makusha.

An announcement by chairman of the members of the South African and District Taxi Association, Mr Ted Ncube, that a body was formed to help the victims of violence was "big news" for the residents.

Inquiry

Africa: South Africa Congress, Numsa, Luthuli Centre, Movement for the Christianization and the Abolition of Slavery, and the Katlehong Civic Association, the East Rand Daily News, have called for an inquiry into the killings and "looting" of properties in the township.

"We need answers," said Ncube, "to what really happened and why.

"We know we have been able to bring the violence to a standstill," he said.

"We are committed to bringing the violence to a halt and to ensuring that the community is safe."
Awaiting the bill

The Department of Transport and the two companies operating SA’s privatised toll roads are holding thumbs that the reworked National Road Amendment Bill will be tabled in parliament this session — ending a two-year delay that has cost the companies millions in lost tolls. (M 2313) 10

However, neither the department, the Toll Highway Development Company (Tollway) or Telcon are optimistic. It’s likely the Bill will have to wait its turn behind the mountain of legislation generated by President F W de Klerk’s reform programme.

The Bill was passed by the House of Assembly in 1988 but rejected by the other two Houses — largely because the affected communities weren’t consulted. As a result, the toll companies are now operating fewer toll roads than they expected.

Ron McLennon, CE of Telcon, says he will be unhappy if there are further delays. “We have already waited three and a half years for the legislation.”

The Bill is needed to legalise the privatisation of national roads and to allow for the charging of tolls. Until it’s passed by all three chambers, the contracts between government and the two companies cannot be enforced. The problem has been overcome by drawing up interim contracts that enable them to act as government’s agents on toll roads.

Though the system is legal and appears to be working well, it is complicated and time-consuming. The companies collect the money and pay it to the department, which then returns it to them.

Because they are only agents, neither company can take any major decisions or award any roadbuilding contracts without the department’s authority. It is estimated that if the companies could act unfettered, by now they would have constructed or rehabilitated 30% more roads and be charging tolls.

This arrangement “is frustrating and costs us money,” says Tollways MD Ian Madden. “Had we not been obliged to get approval for all decisions of any magnitude we would have been busy building the M4 section, south of Johannesburg.”

That work is due to start soon. However, Madden doesn’t expect the section — between Elands Interchange east of Johannesburg and New Canada near Soweto — to open until the mid-Nineties. It could have been finished much sooner.

The original Bill was thrown out by the House of Representatives in 1988 largely because Ennerdale residents would not be allowed to pass through the Grassmere toll plaza without paying. They argued that though it had been upgraded, it was an existing road that they had used before for free. Furthermore, they noted that they were residents of Ennerdale as a result of the Group Areas Act, not out of choice. Another objection was that the views of the affected communities had not been adequately canvassed.

In the revised version, the process of consultation is expanded greatly. All interested parties within 20 km of a toll plaza on a new road and 20 km on either side of an existing road that is proposed as a toll road, will be canvassed before construction starts.

Though the Bill is not yet in force, the Department scheduled a public meeting this week to gather comment on the proposal for a short extension of the N17 between Springs and Krugersdorp, which would become a toll road. Says Petzer: “We think it’s wise to keep everyone informed.”

Legislative delay takes its toll

The reworked Bill addresses these problems, says Ed Petzer, the Department’s Chief Director, National Roads. He says the tolls on all existing roads that were tolled, such as the Mool River road and the Ennerdale road, both operated by Telcon, have been reduced to just cover rehabilitation, maintenance and operating costs. No profit is made. For Ennerdale residents, for example, the charge is 16c a trip.
Taxi groups to merge

The motto "Unity is Strength" will be put into practice in Tokoza this weekend with the merger of two rival taxi associations.

The Tokoza Taxi Organisation (Toto) and the Tokoza Taxi Association (Tota) have decided to form one organisation.

The new body's name will be announced at a meeting on Sunday, 29/11/20.

Toto spokesman Mr Lennox Magwaza congratulated members of both associations for "the giant leap in agreeing to merge."

"This shows that Tokoza people have faith in God and do love one another," Magwaza said.

He said members of the two taxi bodies met for the first time two weeks ago.

They then decided to merge.

Sunday's meeting will be held at the Khethekile Primary School in Tokoza at 8.30am.
Last victims of taxi war buried

By SANDILE MEMELA

KATLEHONG yesterday buried the last of the 45 victims of the taxi war that has raged over the past three weeks.

The burial service was held at Hunsfield stadium.

Speakers from the Katlehong Civic Association, Cosatu and UDF pleaded for peace in Katlehong.

"Let us not allow ourselves to be divided by the enemy into tribal groups in the black townships," said a speaker from UDF.

Fourteen other victims were buried together on Sunday last week, while others were buried separately or in the homelands.

The nine buried yesterday were Lawrence Nqokana, 34; Martin Matlabe, 27; Edmond Wattie, 23; Shadrack Malindisa, 42; James Malabla, 19; August Tembe, 24; Abel Mona, 33; Vuyi Zwane, 31; and Joshua Manana.

In an emotion-charged ceremony attended by about 10 000 people, the KCA appealed for peace in the area and committed itself to creating normal community relations in the area.

A tent was pitched in the centre of the stadium to shelter bereaved families.

A mass meeting planned for today to discuss the taxi war has been indefinitely postponed. Further details will be announced this week.

Katlehong Civic Association publicity secretary Paul Maslo appealed to all organisations interested in creating peaceful relations in the community to join hands with the KCA.

"The pain of the families has deeply affected the community and we want the bereaved to know that we are with them in their suffering.

"At the same time we appeal to students to return to school to arm themselves for a role in the new society," said Maslo.

East Area Committee chairman Cyril Jantjes said: "There are agents who want to exploit our political differences to cause violence in our communities."
Fears over attacks on taxis

RANDFONTEIN - Mohlakeng taxi operators and passengers are living in fear of their lives since unknown assailants started attacking them during early morning rides.

On Friday a passenger was seriously injured and had to be admitted to hospital when the assailants hit again.

The attacks have been going on since the beginning of the month. Three more taxis were shot at between Thursday night and Friday morning.

Soon after Friday's attack, taxi operators marched on the Randfontein Traffic Department to complain.
Tokoza taxi bodies merge

Sowetan Reporter

TOKOZA this weekend set a precedent when its two taxi associations, the Tokoza Taxi Association (TTA) and Tokoza Taxi Organisation (TTO), merged.

The bodies dissolved its executive committees and formed a single interim committee to run the affairs of the new organisation called "Tokoza Amalgamated Taxi Association."

Elections will be held "sooner than later," public relations officer for the now defunct TTA, Mr Paul Ngubeni said yesterday.

Ngubeni said the new body's first task would be to improve service in the area.
Britons pump millions into city firm

By AUDREY D'ANGELO
Financial Editor

FORMER SA businessman Mr Hugo Biermann and his partner Mr Julian Askin — both based in Britain but with international interests — are making a multi-million rand investment in the Cape Town-based Duros group.

Companies controlled by their family trusts have formed a new consortium to control Duros together with Mr Johan Claassen and Mr Biervyn Key, the two entrepreneurs who built Duros up from a small hosiery company with a market capitalisation of only R4 million in March 1987 into an industrial holding company with a market capitalisation of R150m.

Results published today show that Duros has been hit heavily by high interest rates and poor performances by food company Gants and hosiery company Arwa in the past six months.

Its earnings for the 18 months to December 31 have fallen to 7,6c a share compared with 69,5c in the year to June 30, 1988.

Last night it announced two rights offers by Duros and by Tollgate Holdings, holding company of the operating companies, to raise R45m each.

Mr Claassen said that the new controlling consortium would be following its rights, which would mean an injection of R45m in foreign exchange from Mr Askin and Mr Biermann.

He and Mr Key said that Mr Askin and Mr Biermann — who is the son of Admiral H Biermann, former chief of the Defence Force — both knew South Africa well.

"They know that Duros, catering for basic consumer needs, is poised to do well as the purchasing power of black people increases."

"They see South Africa as a better place to invest in than Eastern Europe, where economies are in ruins as a result of the way they have been run."

Tollgate Holdings has a listing on the London Stock Exchange and Mr Key said the consortium intended to make use of this to expand in Europe.

Mr Askin and Mr Biermann will look after that part of the business and Mr Claassen, who will replace Mr Henning Diedericks as chief executive of Tollgate Holdings, will run the South African operations.

Mr Diedericks has resigned from all his directorships in the group.

© Duros rights offer — Page 12
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Its earnings for the 18 months to December 31 have fallen to 7.6c a share compared with 60.5c in the year to June 30, 1988.

Last night it announced two rights offers by Duros and by Tollgate Holdings, holding company of the operating companies, to raise R45m each.

Mr Claassen said that the new controlling consortium would be following its rights, which would mean an injection of R45m in foreign exchange from Mr Ask is and Mr Biermann.

He and Mr Key said that Mr Ask is and Mr Biermann — who is the son of Admiral H Biermann, former chief of Defence Force — both knew South Africa well.

“They know that Duros, catering for basic consumer needs, is poised to do well as the purchasing power of black people increases.

“They see South Africa as a better place to invest in than Eastern Europe, where economies are in ruins as a result of the way they have been run.”

Tollgate Holdings has a listing on the London Stock Exchange and Mr Key said the consortium intended to make use of this to expand in Euro.$.

Mr Ask is and Mr Biermann will look after that part of the business and Mr Claassen, who will replace Mr Henning Biedericks as chief executive of Tollgate Holdings, will run the South African operations.

Mr Biedericks has resigned from all his directorships in the group.

© Duros rights offer — Page 12
Control of Duros Group changes hands

CONTROL OF the Duros Group has passed to a consortium consisting of companies controlled by Julian Askin and Hugo Riemann family trusts, and Mervyn Key and Lawrie Mackintosh.

At the same time Duros and Tollgate (TGH) are announcing a R90m rights offer to strengthen the capital base of the company and reduce borrowings.

An announcement today says the present controlling shareholder of Duros, Johan Claassen, has sold his 54.3% shareholding of 7 million shares to the consortium for R6.50 a share, valuing the deal at more than R45m. Duros closed at R7 on Friday.

CHARLOTTE MATHEWS

The consortium will make an offer to Duros shareholders of R6.50 a share for 54.3% of their shares.

TGH CE (SA operations) and Duros director Henke Diedericks has also sold his holding for this price and resigned all directorships. He will be replaced as TGH CE by Claassen, who retains a substantial shareholding in Duros.

Askin becomes TGH executive chairman and, with Key, joint executive chairman of Duros.

*See Page 7*
The South African Black Council (CANA) has expressed serious concern over the recent increase in accidents on the country’s roads. The council has called for immediate action to address the issue, stating that the recent figures show that 11,000 people were killed or hurt in accidents in 2019. The council has appealed to the government to take serious steps to prevent accidents and to ensure the safety of its citizens. The council has also urged all road users to exercise caution and follow road safety regulations. The council has also appealed to the Department of Transport to ensure that the measures they have implemented to reduce accidents are effective.
Transnet to launch Elfi bond issue ‘worth R200m’

TRANSNET (formerly Satel) is to launch a new Elfi bond issue soon — which the market estimates will be worth at least R200m — following the success of the previous one which expired at the recent futures close-out.

The news was confirmed by Transnet, and widely welcomed in the derivatives market as likely to boost trade in both futures and options.

The reason Elfi (Equity Linked Fixed Interest) paper stimulates trade in futures and options is because it links interest rates and ultimate redemption value to the performance of the All-Share index.

Elfi holders are therefore able to hedge their positions by buying or selling All-Share index futures, and can even write options against the actual paper.

Transnet chief dealer Money and Capital Markets Hercules Bloom said: “We will definitely be doing a new issue in early April. The last one was a great success.”

He said the new issue would be handled by Finansbank, which would also be retained as a consultant during the life of the issue.

Although Bloom was not in a position to release exact details, bond market sources said the issue was likely to be short-term (two to four years) and open-ended. (Supply would be tailored to meet demand.)

This would tend to mirror the last issue, which was launched in November 1988 at R200m and eventually reached R700m by the time of close-out.

Bond market sources said the interest rate structuring of that issue allowed Transnet to make “substantial” savings in the cost of its borrowings.

Futures traders said the new issue, like the previous one, would stimulate trade in the All-Share index future corresponding to the expiry month of the new Elfi.

“The liquidity in that Elfi-related contract should filter through the entire futures market and eventually allow arbitrage opportunities,” said a trader from National Futures & Options.
R45m nets R1,6bn in assets

THE four-man consortium that paid R45m for control of Duroos, the 65% holding company of Tailgate Holdings (TGH), has acquired effective control of R1,6bn of assets, it emerged in an interview yesterday.

And the members of the consortium — Julian Askin, 40, Mervyn Key, 41, Johan Claassen, 40, Hugo Berman, 45, and Lawrence Mackintosh, 48 — have put themselves on the line by agreeing to underwrite the R45m Duroos rights offer.

Most of the R45m TGH rights offer will be taken up by foreign institutions.

TGH gained on the JSE yesterday and Duroos was strongly bid, despite news of the rights offers. 

In an interview yesterday, Key, who becomes joint executive chairman of Duroos with Askin, said Askin had been in the country from the UK since early December evaluating the group (Duroos and TGH) assets.

He said Askin, new executive chairman of TGH, would have as his main concern foreign acquisitions from London, where TGH has been listed for 41 years.

TGH had assets with a "written down" value of R800m, but Key said the real value was at least double, or R1,6bn.

Key said the consortium would have outright control of Duroos. With Claassen's remaining shares, the five men would hold about 70% of Duroos's issued ordinary 18.3-million shares.

Claassen is a Duroos director and also new TGH CE, SA operations.

Claassen replaces Henkie Diedericks, TGH CE for 18 months and previously a senior GM at Volkskas. Diedericks's small interest in Duroos has been bought by the

To Page 2
Crossfire action continued into the night.

A WATER-CANNON was used in the attempt to quell the smoke, but the flames were too powerful.

The fire, which started in the early morning, continued to rage all day.

By the time the firefighters arrived, the damage was already immense.

The building, a landmark in the city, was reduced to rubble.

The cause of the fire is under investigation.
Govt accepts Sabta proposal on taxis

THEO RAWANA

GOVERNMENT has approved black taxi organisation Sabta's proposal that acceptance of new entrants into the industry should be shelved until pirate taxis had been legalised, Sabta public affairs spokesman Mike Ntatlaeng said yesterday.

Ntatlaeng said a delegation of the taxi association met Transport Minister George Bartlett in Cape Town early this month to discuss the taxi industry.

Sabta gained a say in the running of the taxi industry last June when former Transport Minister Eli Louw approved recommendations of a committee comprising Department of Transport and Sabta representatives.

Sabta's main recommendation opposed the White Paper on Transport Policy, which proposed complete deregulation of all taxis with capacities of up to 16 people, demanding only that vehicles be roadworthy and driven by qualified, insured drivers.

... Sabta, fearing that complete deregulation would legalise thousands of illegal taxis and that whites would muscle in on black business, proposed that deregulation be phased in over three years and with Sabta's input.

Ntatlaeng said yesterday: "Consensus was reached that the taxi industry is fast reaching saturation point and that a method should be considered to control the number of new entrants."

It was agreed the task of legalising existing "pirates" would be tackled first. This would be done by a national taxi association in conjunction with the department.
Putco may pull out of Soweto

PUTCO may be forced to move its business out of Soweto if a proposed bus boycott comes into force on Monday April 2, the company warned this week.

The demand for an 18 percent reduction in fares may "result in the company having no option but to pull out," a communiqué from Dr. Jack Visser, Putco's managing director, explained.

He was aware that such a pull-out would create "immediate hardship" for commuters and could lead "to the unemployment of a large number of people."

Visser yesterday admitted that there were deficiencies in the company's service and pledged himself to improve it as quickly as possible.

He said that Putco's Soweto service sustained heavy losses and it was not possible for the bus company to reduce fares by 18 percent.

"To meet all the Soweto Daily Passenger Committee (SDPC) demands involving the reduction will mean unacceptable severe losses."
Sabta acts on safety

By ALI MPHAKI

Sabta has announced the formation of an action group to look into the large number of taxis involved in accidents in South Africa.

Sabta Marketing joint manager Jabu Mabuza said the "Taxi Safety Action Group" was formed as a result of a Sabta symposium in late January that sought workable solutions to the problem.

Passengers

"The taxi industry is very aware of its responsibilities, in transporting millions of people daily," Mabuza said.

"Safety for our passengers is our prime concern, and this concern is shared by many organisations that are doing valuable work in this field," Mabuza said.

Membership is representative of a broad cross-section of concerned parties and includes the National Road Safety Council, the Automobile Association, the Southern African Long Distance Taxi Association and the SA Bureau of Standards.

Mabuza said the action group had already co-ordinated plans for immediate action in five areas.
‘Askin Factor’ stirs up speculation on the JSE

YESTERDAY Duros and its 65% subsidiary Tollgate Holdings (TGH) were marked up substantially on the JSE in reaction to the news that Julian Askin was to be executive chairman of TGH in London, mainly to mount acquisitions.

The news that each company was to make a R15m rights issue was turned from the normal share price discount into a premium. That Duros’s and TGH’s operating companies reported negative dividend covers — rare as hen’s teeth — in Monday’s results seemed irrelevant.

A stockbroker who watched the rise of Askin in London said: “Askin and Hugo Biermann (a new director of Duros and TGH) are highly respected as business partners in the City of London, among institutions, stockbrokers and investors. Their main motives have been to achieve greater long-term security, build up transferable assets and to escape SA’s relatively restricted corporate environment.”

The stockbroker said one of the key factors in the Askin-Biermann success was maturing relationships with institutional backers, “Askin and Biermann have often acted as intermediaries between SA entrepreneurs who want to launch operations abroad, and prospective City supporters. They have successfully launched a number of SA-based businesses in London.”

“In most cases, the method used has been a classical shell operation. The common starting point is a run-down company with low market capitalisation and deadwood management. Askin and Biermann have usually put in about R15m into buying shares in Duros; they must have been convinced that TGH’s performance can be substantially improved.”

In 1983-89 Askin and Biermann were conservatively valued at £1m each. Suffolk-born Askin, 40, and Biermann, 42, developed computer and reinsur-
Rennies sells security firm in MBO deal

BRENT MELVILLE

THE management team of Fidelity Guards (FG) has purchased the £160m-a-year "cash-in-transit" business from the Rennies group, MD and orchestrator of the MBO, Roy Macfarlane announced yesterday.

Speaking on behalf of the team, Macfarlane said that the group was "very excited" about the future of the security industry, especially in the prevailing current of deregulation and privatisation.

He was guarded on further details of the buyout, though Rennies Chief Operating Executive Pete Steyn said the cash purchase, made with merchant bankers Corbank Leveraged Investments, was closed to the satisfaction of both parties.

Steyn said the group had decided to sell FG, which has been part of the Rennies fold for 15 years, to concentrate on its core businesses of freight and cargo management, travel and related services.

"Although the security service industry is seen to have considerable growth potential, with FG in the forefront, it was not viewed as fitting in with the Rennies portfolio for the future," he said.

Macfarlane, who has headed FG for 24 years, said there were unlikely to be retrenchments and that none of the employment benefits would change.

FG has 6,000 employees, and a fleet of 1,000 vehicles including about 400 armoured trucks and a national network of more than 70 branches and depots.
Taxi groups agree to swop weapons for words

RIVAL taxi groups have promised Cape Town's traffic authorities to stop fighting among themselves pending talks to see if more space can be made available to them for taxi pick-up points.

Fighting broke out between Western Cape Black Taxi Association and Lagunya Taxi Association members at a rank near the Castle on Tuesday.

A meeting was held between the rivals and acting traffic manager Mr Jan Minnie yesterday morning.

Mr Minnie said the trouble was caused by a misunderstanding between the taxi operators over the taxi rank.

A compromise had now been reached and the original ruling that the rank belonged to no one in particular would again apply.

He said the groups were going to ask the council for more space. — Sapa
Putco to shut down 2 depots

Labour Reporter

Putco is to close its logistics making Springs and Alberton depots — which will mean a cut-down of more than 200 jobs.

The management has blamed the Springs closure on the six-week strike last year.

Some Alberton routes will be taken over by other divisions, but 225 jobs will be lost, Putco managing director Jack Visser said yesterday.

The Springs move is a severe setback for the Transport and General Workers Union.

Accusing Putco of bad faith, it said the company had given repeated assurances that closure was not on the cards, and had made no attempt to consult or negotiate.

Dr Visser said Springs had been approaching a breakeven point even before the strike, but was now losing R200 000 a month.

Putco could have saved on retrenchment pay-outs by dismissing strikers, but had chosen not to, it said. Further evidence of its good faith was the renewal of the depot lease after the strike.
New taxi organisation formed

SEVEN independent black taxi associations with a membership of more than 42,000 yesterday launched a new taxi organisation.

The aim of the new National African Federation of Transport Organisation (Nafto) is to protect taxi operators and commuters countrywide.
Outcry on taxis

Staff Reporters

CITY councillors yesterday launched a blistering attack on Cape Town's minibus taxis.

"Yesterday's dream of a golden transport system tomorrow has become today's nightmare," Mr Clive Keegan, town planning committee chairman, said at the council's monthly meeting.

"Mayhem!"

Some councillors suggested that the taxi industry be monitored from unmarked cars, while others wanted minibus accidents to be reported separately.

Mr Keegan said black taxis were responsible for "mayhem on the highways, deaths on the streets and gang warfare downtown".

Cape Town was paying too high a price in return for the benefits of a deregulated taxi industry.

The "unbridled indiscipline" of the black taxi industry had to be stopped, he said.

He said that while the city's transport system was integrated, it was now starting to collapse because of a "complete surrender of control over a major sector of our transport system". Despite this, restrictions over black taxis were increasingly being lifted.

"The taxi industry must begin to see itself as part of an integrated system."

While councillor Dr John Sonnenberg suggested that a special branch of the traffic police should "monitor" the taxi industry from unmarked cars — and in some instances without uniforms — Mr Clive Bilski wanted minibus accidents reported separately from other accidents.

Mrs Edith Stott said that many of the taxis were not usually. It was unfair to lump them all together.

Mrs Joan Kantey said it was inappropriate for the council to "eliminate" about what was going on when the people being talked about were not represented on the council.

The council resolved yesterday to expand the terms of reference of an existing taxi liaison committee which has thus far operated only as a grievance discussion forum. The extension now empowers the committee to deal with any issues related to the provision of a "safe and effective taxi service" run in accordance with municipal by-law.

Later Mr Jan Minnie, assistant traffic manager, said he saw the problem more as relating to the competition which existed between the drivers, power struggles between the controlling bodies and inadequate facilities.

He said ranking facilities were at a premium.

There was a problem in town with the "pick up and drop" system. The facility in town made provision for about 30 "combis" at present, but there were about 100 such taxis vying for those places, with the result that the area was very congested. "So there is a bit of a power struggle for possession of those pick up and drop places."

'Resolved'

Meetings between Sabra (SA Black Taxi Association), the Western Cape Black Taxi Association, the Western Province Black Taxi Association, police representatives and his department had taken place to try to resolve the issue. A compromise had been reached on Wednesday whereby "for the next couple of days" all parties involved would refrain from confrontation.

"Meantime negotiations will take place to see if the matter can be resolved," he said.

Rise in bread price today?

THERE was strong speculation last night that an increase in the bread price of between six and seven cents a loaf could be announced today.

No official confirmation could be obtained.

The increase has been expected since Finance Minister Mr Barend du Plessis presented his budget on February 16, when the bread price subsidy was lowered by R20 million.

Effectively, this meant a drop of R5.5 million on last year, as in 1989 Mr Du Plessis gave an additional R5 million on top of the subsidy to prevent an increase.

Government is opposed to subsidies as they benefit not only the poor. It is currently looking at other means to assist the underprivileged although no details are available at present.

Court outlaws widow's snores

LONDON — The unco-
Boycott of Putco suspended

THE planned boycott of the Putco bus service in Soweto which was to start on Sunday has been suspended for a week, the chairman of the Soweto Daily Passengers Committee, Mr Stephen Sangweni announced yesterday.

The decision was welcomed by the managing director of Putco, Dr JA Visser, who said his organisation preferred the use of language and communication over boycotts.

Visser, who said he contacted Sangweni soon after he heard the planned boycott would be postponed, said the two parties agreed to meet to discuss "where we go from here".
ing outside the formal sector, these categories provide work for more than 1.7m (965 000, 602 000, 161 000).

Because of the high income earned from transport, there is no correlation between the number of people involved and money earned.

In terms of numbers, the category which ranks third is home crafts with 326 866. It is followed by services 249 000, other jobs 237 000 and scavenging 164 000.

This research revives the debate on the contribution of the informal sector to GDP. It has been variously interpreted. Some see the results as supporting the argument that its value may be as high as 40%, others that it is more likely to be as low as 10%.

So it provides no conclusive evidence on whether the informal sector can be a meaningful substitute for jobs in commerce and industry, or only complement employment opportunities in the formal economy. What it does is give a useful insight into a world previously ignored in official statistics, except for the pilot project in 1988.

That related only to blacks in the PWV area, while the latest research extends to coloureds and Indians and nationally. Neither includes whites, or other population groups in white urban areas.

CSS estimates a total of 2.7m in the informal sector, in the following groups:

- Blacks 2.5m out of a total 21.3m;
- Coloureds 117 000 of 3.18m; and
- Indians 55 000 of 931 000.

More than 2m of them are self-employed.