PUBLIC SECTOR — TRANSPORT — GENERAL

1988

JANUARY — FEBRUARY

Helderberg: R2,8m payout

Own Correspondent

JOHANNESBURG. — Sanlam has paid out at least R2,8m to beneficiaries of the victims of the Helderberg plane crash, bringing the known total payout for the life industry to R13,17m.

Sanlam had previously declined to disclose these figures.

MD Pierre Steyn said the life assurer had paid out R1,3m in 16 individual life claims, while the group-life side payout amounted to R1,4m.

The largest single claim was for R1,2m.

5/1/82

Cape Times, Tuesday, J

Smokers losing war of the skies

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Own Correspondent

JOHANNESBURG. — Non-smokers look set to win the war of the skies as more and more airlines decide to ban smoking.

Thomas Cook Rennies Travel's publication, "Going Places Together", reports that German airline Lufthansa has discontinued its old 50-50 non-smoker/smoker seating ratio and now sets aside 70% of all its seats for non-smokers.

The airline explains that non-smoking passengers now average 70% world-wide.

Surveys

In the Lufthansa B737 and B727 fleet non-smokers are seated forward and smokers aft Aboard all B747 jumbos, the upper deck is exclusively for non-smokers.

Air Canada — after a recent three-month trial during which it conducted surveys among passengers — has decided to offer total non-smoking flights on its Toronto-New York, Toronto-Newark and Montreal-New York runs.

The airline says 96% of passengers surveyed said they would continue to choose Air Canada on these routes in the future

Non-smoking

Half of Air Canada's daily frequencies between Vancouver-Calgary and Vancouver-Edmonton are non-smoking flights, while all daily flights between Vancouver and Victoria are entirely non-smoking.

Non-smoking flights are also offered in 43 of the 73 daily frequencies on the Montreal-Ottawa Rapidair service.

The report says other airlines are entering the nonsmoker's act.

Travellers 'jittery' over SAA safety

Cape Times 5/1/88

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Staff Reporter

SOUTH African Airways passengers were "sceptical and jittery" about the safety of the airline's aircraft in the wake of the Helderberg disaster, an SAA spokesman disclosed yesterday.

This was said in response to a complaint about the technical checks conducted on an Airbus which had been grounded due to faulty navigational aids at Jan Smuts on Sunday.

The SAA spokesman said the airline was "tremendously concerned about safety and would rather ground an aircraft than take unnecessary risks".

A passenger, who did not wish to be identified, said the aircraft had turned back after about twenty minutes. A second attempt at taking off had been cancelled.

The passenger said the pilot had announced a "problem" with the brakes. The spokesman could not confirm this "problem".

After a seven-hour delay, the passenger had caught a replacement flight to Cape Town

8/11/88 FM

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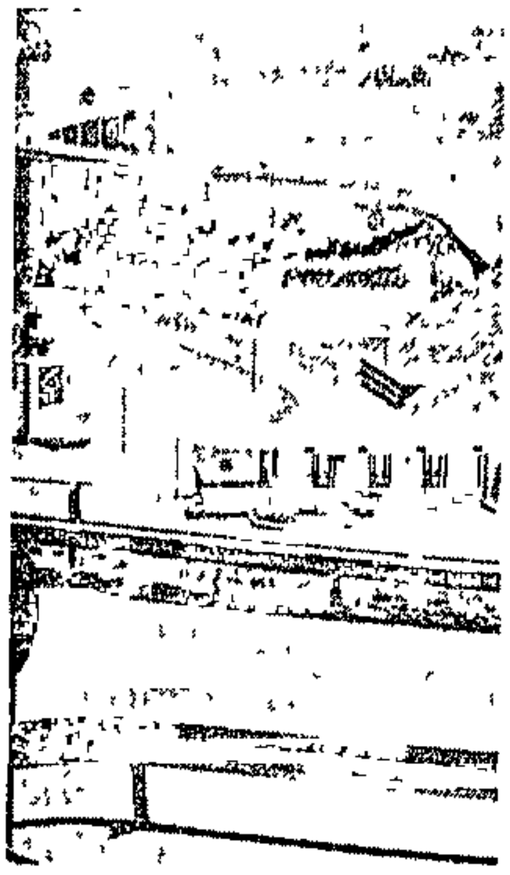
TOLL ROADS

Rough ride ahead

Government's plans to privatise the N3 highway between the Transvaal and Hilton in Natal remain a mystery (see *Current affairs* November 20). The concession was provisionally awarded, almost a year ago, to a consortium called TolCon — but it's not been confirmed Apparently the Cabinet must approve the project.

In the meantime, dissenting voices have been raised. Assocom has sent a memo to the Director General of Transport, outlining objections to the privatisation of roads The arguments are.

☐ The privatisation of roads would probably only be viable if sections of existing roads were incorporated into the privatised roads However, Assocom would find it difficult to support the tolling of (existing) roads which have already been paid for;



Toll roads ...

☐ The previous Minister of Transport said that tolls would be abolished once the cost of building the road had been recovered;

☐ A study of road funding concluded that the best method is a user-pays principle — contributions are made to a fund through a levy on fuel, and by adjusting licence fees; and

☐ As these levy and fee calculations were based on Department of Transport figures, it must be assumed that the department will get enough money for road projects

Assocom concluded that, while concessionnaires and the department would benefit from privatisation, it was not always clear that users would benefit Assocom will only support privatisation where it involves a new road which would not otherwise be built, where there is a viable alternative route; and where the toll is levied only until building costs are paid

A spokesman for the department notes that the National Road Act allows a portion of a road to be declared a toll road, but the spirit is that money collected should go to new projects In reply to criticism about the tolling of existing roads, the spokesman says this was done to assist consortiums with their bridging finance problems. It is common practice internationally for the government to provide assistance, to ensure that the investor makes some return This can happen in various ways, including the provision of a piece of existing road, adjacent to a proposed road, which can be tolled in order to provide the necessary finance with which to build the new road In answer to Assocom's point that the user may not benefit from privatisation, mention is made of the American experience where user benefits are offered by the consortium to help market the product Examples include the provision of a breakdown service and SOS telephones on the tolled road

S/Times 10/1/88

To reach for the sky, SAA will have to go off the rails

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JOHN MALCOMESS

the Progressive Federal Party's chief spokesman on transport, argues that South African Airways's problems are not up in the air but down on the ground

IT would be grossly unfair to start any article on SAA without praising it.

As a flying operation it is superb. Its pilots are first-rate; indeed, South Africans seem to make outstanding pilots, as many who fought in the Second World War or Korea will tell you.

There are, of course, some problems in the air The most notable is the amount of time taken to reach European destinations (European in the sense of Europe and not in the sense of being white). That fault is, of course, to be laid at the door of politicians and not of pilots

As good as it is in the air, however, SAA is just the opposite on the ground There are many complaints both from paying customers and, as we now know, even from the pilots themselves.

Broadly speaking, the complaints have to do with the attitude of the staff on the ground and the "take it or leave it" approach generally, the delays, the lack (The Rotunda closes at 6pm.)

So what do we do about it? A long list of complaints is only valuable if it enables us to make positive changes to improve the position

In my view, the very first step is to totally and completely sever SAA from Sats. I can see no justification in continuing with a system where the overall that route to Olympic Air?

But, no, we have to see the SAA orange tail in as many European capitals as possible.

Their accounts should be drawn up on a normal business basis and the excessive depreciation currently deducted from all SAA assets should be discontinued. SAA should then be taxed on their profits.

If the Government then wishes to allow special tax adjustments for the replacement of SAA assets such as aircraft, they could do so and make the same concessions to other commercial airline operations in South Africa

Deregulation should be the next priority. This holds both great advantages and certain dangers, but by and large it appears to work. The USA has deregulated almost totally and the airline passenger has scored as a result.

The EEC is also deregulating, again with a measure of success. As deregulation is a stated objective of our Government, surely we can apply it to our air passenger services? The British have not gone as far as the USA on this issue.

Their system seems to be one of controlled competition. Our system on the other hand is one of total state monopoly on all the major routes. This is supposed to be the most economic for the passenger, but of course it is not To quote Blake Flemington again "The airline is fat. We have more people per aircraft than any other national airline. We are carrying too much dead wood."

The Margo Commission (not the one on tax) recommended some time ago that, as a start, a policy should be introduced to allow controlled competition on all domestic scheduled services and on non-scheduled operations This was accepted by Government, but has not been implemented

Finally a start must be made on privatisation of SAA. This should be done initially by contracting certain services out, as has been done in certain areas

Catering, for example, is now handled by the private sector, as are bus services between terminals and airports There is much more scope for this.

The ultimate objective should, in my view, be the sell-off of SAA by Government. Perhaps it could start with the flotation of a company with the State as the only shareholder. Shares should then be sold over a period of years both to the public at large and to the staff of SAA.

The airline is currently profitable. Exceptionally so if one adds back the excessive depreciation deducted as an expense

I have not been able to quantify this for SAA, but for Sats as a whole in 1986-7, the amount deducted from profits for additional depreciation was R547 000 000, taking the total in the fund to R3 306 000 000! So there should be buyers, as there were for Sasol shares.

If shares are sold, we can only hope the Government will do something sensible with the money raised!

Sunday Times

10/1/88

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of information insufficient flights and the overflying problem, particularly in Port Elizabeth

In Parliament a year or two ago I summed it up by saying that the airways are run with a railways mentality, much to the anger of National Party MPs The present general manager of SAA started with Sats in 1959 and moved to SAA only in 1983, his promotion was swift.

Let me quote some examples

Blake Flemington, president of the SAA Pilots Association "It is the never-ending bureaucracy that is ruining our country. I am quite convinced that the top management of Sats does not know what a pilot does for a living."

Danie van Zyl, NP leader of the Johannesburg city council management committee, speaking of SAA's Lisbon representatives: "They were pathetic. Somehow the crew conjured up taxis from nowhere to take us to hotels."

The Association of SA Travel Agents says that SAA is dragging its feet over the problems of the safety of bus passengers stranded after hours at the Rotunda (in Johannesburg) A newspaper headline says of that same Rotunda: "Step off a plane, get on a bus and arrive at nothing."

head of Sats has never served with SAA and he is supported by three commissioners whose prime qualification is their membership of the National Party.

We need a totally separate organisation with its own chairman, board of directors and general manager. The chairman and vice-chairman should be appointed from the public and private sector, i.e if the chairman is a State employee the vice-chairman must be from the private sector and vice versa.

The rest of the board should be appointed on the same basis. A good long look at Escom from the time a private sector man was appointed to head it would probably be educational for that board.

The main function would of course be to ensure the efficient operation of SAA, always bearing in mind the Government's verbal commitment to privatisation and deregulation

SAA should be operated on a business basis and not on some sort of waving the flag exercise. When I look at the fact that we fly all the way around the bulge of Africa to destinations such as Athens and only charge for the distance of the direct flight, then surely it would be better to leave

Mainline travel at virtual standstill

Train services slashed as loss hits R1 billion

By Sven Forssman

South African Transport Services (Sats) lost nearly R1 000 million last year on running mainline passenger trains, suburban trains and the Blue Train. It now runs only 100 mainline trains a week countrywide, the assistant general manager of Sats's road and passenger services, Mr Barry Lessing, has disclosed.

"Mainline trains were responsible for a loss of about R314 million, suburban trains for R600 million, and the Blue Train for about R3,5 million," he told The Star.

He added that rail passenger transport (mainline trains) in South Africa has come virtually to a standstill.

"Two years ago we ran 1 100 trains every week," he said, "but we've had to rationalise drastically. I believe mainline transport as a product has come to the end of its life-cycle.

"There has been a drastic drop in passengers since 1983, and many of the mainline trains are now carrying fresh air.

"Black taxis and buses have taken a great deal of our traffic away, and other factors such as population density and distances are against us

"Also, South Africans prefer to travel by car."

Mr Lessing said people did not realise the costs involved in running a mainline train.

"The coach costs R50 000, and it needs a locomotive worth a couple of million rands to pull it So it is difficult to compete with a R200 000 luxury bus that can seat about 40 passengers and is much faster.

"Though our tariffs appear quite expensive, they don't cover our costs."

Mr Lessing said there was no intention of shutting down suburban trains, even if they were run at such a high loss. "We regard suburban trains as a social service, and we're compensated by the Government.

Take responsibility

"At the moment we're given a lump-sum by the Treasury as compensation for all our services, but it is planned that the Regional Services Councils will take over the responsibility of paying us.

"We never expect the tariffs received on suburban trains to cover costs. We would have to increase the tariffs by more than 33 percent to cover our costs, but our passengers don't have that sort of money."

It was estimated in the 1987/8 budget that the Government would spend R785 million on transport.

Mr Lessing noted that the Blue Train was running at a loss even though its occupancy is about 98 percent.

Billion-rand loss

Sats pay for passenger trains run at huge loss

The Argus Correspondent

JOHANNESBURG. — South African Transport Services lost nearly R1-billion on mainline passenger trains, suburban trains and the Blue Train last year, according to Mr Barry Lessing, assistant general manager of road and passenger services.

He said Sats was now running only 100 mainline trains a week countrywide, compared with 1 100 a week two years ago.

Mr Lessing said "Mainline trains were responsible for a loss of about R314-million, suburban trains a loss of R600-million and the Blue Train a loss of about R3½-million."

He said rail passenger transport in South Africa had virtually come to a standstill.

"Two years ago we used to run 1 100 trains every week but we've had to rationalise drastically. I believe mainline transport as a product has come to the end of its lifecycle.

Taxis, buses

"There has been a drastic drop in passengers since 1983 and many of the trains are now carrying fresh air.

"Black taxis and buses have taken a great deal of our traffic away and other factors like population density and distances are against us.

"Also, South Africans prefer to travel by car."

Mr Lessing said people did not realise the costs involved in running a mainline train.

He said: "The coach costs half a million and it needs a locomotive worth a couple of million to pull it. It is difficult to compete with a R200 000 luxury bus that can seat about 40 and is much faster."

Mr Lessing said there was no question of shutting down suburban trains, even though they were run at such a huge loss.

Cover costs

"We regard the suburban trains as a social service and we're compensated by the Government.

"At the moment we are given a lump sum by the Treasury as compensation for all our services but it is planned for the regional services councils to take over the responsibility of paying us.

"We never expect the tariffs received on suburban trains to cover costs. We would have to increase the tariffs by more than 33 percent to cover our costs but our passengers don't have that sort of money."

Mr Lessing said the Blue Train was running at a loss even though it normally ran about 98 percent full.

He said: "Everything in the Blue Train is in tip-top shape and we don't compromise on quality. That is why it is so expensive to run. But we're happy to have it that way."

Bay pool with an ice

ARGUS 12/1/88

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R250 000 fraud — fined R25 000

The Argus Correspondent

PRETORIA. — A former senior South African Transport Services official has been convicted in the Regional Court here of defrauding Sats of more than R250 000.

At least three other former railway officials will appear in court on January 25 on related charges.

Petrus Philippus Lerm, 37, of 103 Queenswood Gardens, Queenswood, Pretoria, was convicted of 37 counts of fraud involving more than R330 000.

He was sentenced to five years' imprisonment and fined R25 000.

The prison sentence was suspended for five years on condition that he is not found guilty of theft or fraud during that period.

Lerm, previously a technical supervisor at Sats, was responsible for supervising contracts awarded by Sats to private contractors.

Lerm and the other accused officials formed a company, Lervisco, which submitted tenders to Sats to buy materials and equipment.

In their capacity as railway employees Lerm and his alleged associates then awarded the contracts to Lervisco.

They submitted invoices to Sats and were paid for the goods, which they did not always deliver.

Between February 1985 and February 1986 Lervisco entered into contracts with Sats for R331 149,03.

Sats lost R250 349,13.

The court accepted that Lerm was subordinate to the others and was led by them into committing the crime.

Lerm had paid back the R70 130.

Applause for arrest of two SAA smokers

CAPE TIMES 14/1/88 269

JOHANNESBURG — Fellow passengers applauded when police boarded a jetliner and arrested two women for defying an inflight smoking ban, a Johannesburg newspaper reported yesterday

The arrests, ordered on Sunday by cabin crew, delayed a Johannesburg-to-Cape Town flight by 20 minutes, South African Airways officials said

At least three police officers boarded the jet and arrested two young women smoking in the toilet

An official said they could face charges under a smoking ban ordered by the airline late last year, and also under air security laws.

Police on the East Rand yesterday said the matter was still being investigated

Miss Zelda Roux, an SAA public relations officer, said the women are expected to be charged with contravening international civil aviation regulations The incident had nothing to do with an SAA ban on smoking on domestic flights.

"Nowhere in the world are people permitted to smoke while an aircraft is on the ground preparing for take-off," Miss Roux said. — Sapa

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CITY/NATIONAL

Fear of congestion at Jan Smuts Airport

The Argus Correspondent

JOHANNESBURG. — The resignation of at least 12 air traffic controllers at Jan Smuts Airport in the past six months has led to fears of congestion, delays and an overload of work on remaining controllers.

Two air traffic controllers said that because of a lack of staff the new parallel runway and a radio frequency named "clearance delivery" would be closed from January 21 and the "approach west sector" from January 25

This has been confirmed in an official Aeronautical Information Service bulletin.

But the chief director of the Department of Civil Aviation, Mr Japie Smit, has denied there is a serious staff shortage.

"I can't tell you offhand how many resignations there have been in the past six months but I know we've had six in the past three months, four of whom were contract workers," Mr Smit said

"Not serious"

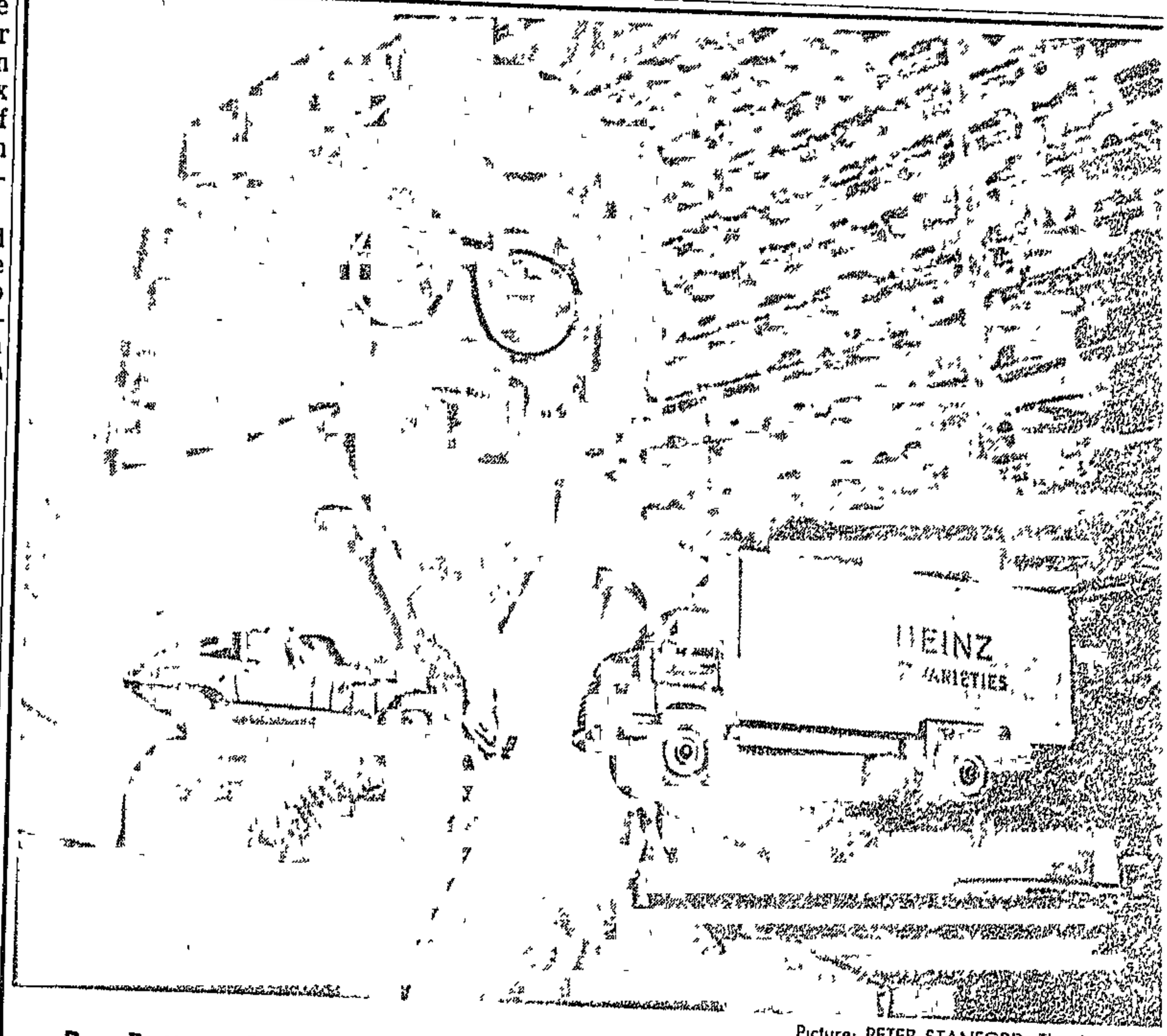
"This is not a serious situation. We're always recruiting new people and training them over a period of two years Some of them will start working within a couple of months."

Mr Smit said the new parallel runway was not yet fully operational because the new control tower was still under construction. But he was unaware of the information service bulletin which said the runway would be closed on January 21 "due to shortage of staff".

He also dismissed fears expressed by air traffic controllers who told the Star, sister newspaper to The Argus, that the closure of the west approach sector and the spate of resignations could be a threat to safety

"We sometimes close down certain control areas in off-peak times, but traffic safety is of the utmost importance We'll leave no stone unturned in a bid to ensure full air safety," he said.

Captain Blake Flemington, chairman of the South African Airways Pilots' Association, said "I know there have been some resignations and that air traffic controllers are disgruntled with pay and service conditions"



Picture: PETER STANFORD, The Argus

Ray Butters, 39, with some of the 500 Dinky Cars in his toy-cupboard.

Back to the Dinky days, dads?

By VERNON BRENT
Staff Reporter

A GENERATION of '50s schoolboys may soon be urging its sons to take up healthy pursuits like toy-car collecting now that the classic Dinky range is to be reintroduced

It may be an uphill battle as today's children, dragged snarling from the video screens, are unlikely to be thrilled watching dad re-enact his grubby-kneed childhood with cars you have to *push* to get going

But one man who has no hang-ups about his Dinky fixation is Ray Butters, former Hell Driver and collector of vintage and veteran vehicles

"I'm just crazy about my Dinky cars," said Mr Butters, who was given his first by his parents in 1952 and now has a collection of more than 500

"They're exact replicas of the latest model cars of the time They are made of solid metal and their tyres are of real rubber

"You could tread on them and drop them — them and the only damage would be chipped paint Not like some of the plastic trash you get today"

Mr Butters, chairman of the Cape Dinky Club, said toy-car collecting was "very much an adult hobby nowadays as schoolboys grow up with videos and electronics and aren't interested"

But he had initial reservations about the new range

The original Dinkys, he explained, were made in Britain by Meccano, while the new line would be made in Macao in the Far East by a company which bought the Dinky name

"If they are well-finished and remain faithful to the Dinky tradition, I'll be collecting," he said

The new series is kicking off with a replica of the legendary E-type Jaguar sports car

Those who think Ray's enthusiasm is a bit bizarre might be interested to know his collection is "conservatively" valued at R25 000

De Villiers probe leads to action

Sats to be split into five sections

17/1/88 · BIDay

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LYNN CARLISLE

SA Transport Services (Sats) is to be split into five independent businesses in a major efficiency drive.

This follows massive losses by the R10bn-a-year state corporation, including an accumulated deficit of nearly R4bn on forex dealings as well as a R1bn loss on the rail services in the last year alone

The move arises from the appointment of the one-man Wim de Villiers commission of enquiry, which is continuing to look into the functions of Sats, as well as into the losses

The split will come into effect on April 1. Sats sources say the five divisions will be: SA Railways; SA Harbours (including technical services), SA Airways (including data processing); SA Road Motor Transport (including financial services); and SA Pipelines (including manpower services)

The changes have been authorised by the Minister of Transport. Parliamentary approval is not necessary, as they do not clash with the provisions of the SA Transport Services Act No 65 of 1981.

Observers say the move should force each sector to seek profitibility rather than depend heavily on cross-subsidisation from profitable divisions, such as SAA.

However, Sats sources say cross-subsidisation can only be phased out when the National Transport Policy Study for deregulation of transport has been met.

A certain amount of cross-subsidisation is inevitable, but the intention is that cross-subsidisation from one major service to another should be eliminated as far as possible.

As a prelude, Sats has already appointed five new deputy-general managers from January 1 to head the five divisions. They are to be known as chief executives.

A source says: "The reorganisation is based on a group-management structure with the primary structure to be founded on business undertakings and business units." Functional structures will be set up in each business

These business undertakings, or units, will be managed by autonomous chief executives within broad policies and guidelines as determined by a Sats management council, headed by Sats GM Anton Moolman, who succeeded Bart Grové this month.

Moolman could not be reached for comment, but Mike Myburgh, chief executive of SA Harbours, in sketching in his new organisation, says this means that to operate as an independent business certain staff functions such as personnel, manpower, financial as well as technical departments — previously part of the larger Sats — have to be accommodated in the SA Harbours structure.

Myburgh says: "The process of reorganising will, in all probability, be completed by April"

In terms of the new business undertaking, SA Harbours will be further sub-

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P.T.O

Sats to be split up on April 1

divided into seven business centres — Richards Bay, Durban, East London, Port Elizabeth, Cape Town, Saldanha Bay and Walvis Bay

He says "A port director will head up five separate operations — cargo, marine, administrative services, equipment maintenance and infrastructure

"Each port will be a profit centre with its administrative services to be a cost centre Lighthouses, which were taken over by SA Harbours last year, are to be regarded as cost centres, but will be operated *in toto* from head office as a profit centre."

The dredging service will also be operated as an independent profit centre where even individual dredgers will be treated as profit centres in their own right.

Myburgh says. "Because decentralisation will form an essential part of the overall strategy, each port director will function autonomously, but within policy guidelines and financial goals as the yardstick of success"

Despite the delegated powers vested in the port directors, Sats head office will still fulfil a co-ordinating and consulting function with regard to resources.

Budgets will be prepared at port level and studied at head office to ensure that forecasts are realistic and the pre-agreed long-term goals for improvement have been included in the budgets

Myburgh says "Ports will be required to adhere to a basic-tariff structure, but port directors will be given a discretionary right to deviate from these under certain circumstances. Only two out of

● From Page 1

eight of our harbours are consistently profitable."

Asked whether the reorganisation of Sats would facilitate privatisation one day, Myburgh replied "In terms of the overall strategy to enhance private sector participation, the restructuring certainly plays a part."

Local private businesses servicing SA harbours could also benefit in that the reorganisation identifies and groups not only the main services but each of the supporting activities into profit functions, so that effectiveness and efficiency can be more easily seen and compared with possible private sector input.

Myburgh says "Private sector participation is, therefore, expected to be facilitated"

Dick Brass, chairman of the Durban Harbour Advisory Board and Association of Durban Stevedores, says the private sector will welcome the new business approach

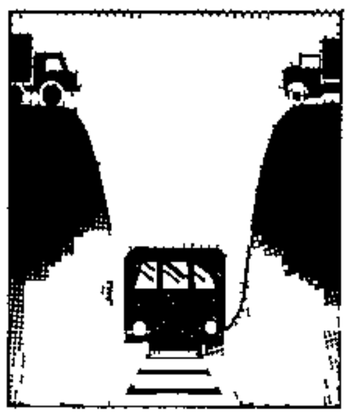
He says "We believe harbours to be a profitable portion of the Sats organisation and this approach can only benefit everyone. Having local control will make the ports more efficient"

Peter Barrett, chairman of the Association of Shipping Lines, says harbours have not reaped the benefit of profits accrued due to the Sats cross-subsidisation policy and hopes the new system will result in greater allocations of capital for future harbour development

Comment could not be obtained from either Assocom or the Federated Chamber of Industries.

ROAD TRANSPORT INDUSTRY

Never letting go



The road transport system — and of course its attendant beneficiaries — is teetering on a knife edge The slightest push from government could well plummet it deeper into over-regulation — and that's after years of lip-service to exactly the opposite

The pressure to maintain the *status quo* — or worse, regress — is, predictably, coming from SA Transport Services (Sats), reeling from losses, and various powerful vested interest lobbies. So much so that sources within the Department of Transport (DoT) say that continued dithering could result in either a delay or an indefinite postponement of *any* decision to deregulate

The only sure thing is that 1988 will decide the industry's future.

Regulated road transportation is a R26bn industry carting 6% of the country's total goods by volume around the national network It touches upon every aspect of daily economic life, and a high-cost road transportation infrastructure pushes up costs universally — it not only fuels inflation, but retards economic growth.

For years, South African road transportation has been the most over-regulated sector of the economy The interests of Sats and its monopolistic control of rail services, coupled with its massive subsidised involvement in road transport, have seen to that

These activities have been protected by government edict — essentially through the issue of permits — on the types of freight which can be moved by private-sector road transport operators and even the routes they may use This over-regulation reached the point where even the authorities agreed that something had to be done The result was the five-year National Transport Policy Study, followed by a White Paper setting out a programme of what government laughably defined as "deregulation"

Tentative steps were actually taken: last December 1 new "exempted areas" were introduced, where goods can be carried without permits The next stage is the imposition of the so-called Road Freight Quality System to replace a myriad of complex regulations with a system of enforceable standards, and the new National Road Traffic Bill

Famous steps in the right direction? Not at all, as a newly completed and authoritative study — sponsored by BP and Nissan and undertaken by industrial market researcher Ian Byers (author of a syndicated national truck study now in its 12th year) and

The deregulation of road transport is being more than impeded — there is a real risk that such progress as has been made will be reversed. And behind-the-scenes pressures, particularly from Sats, cloud the efficacy of the entire programme.

Max Braun (long-standing transport consultant and publisher) — shows The study — *Road Transportation in SA What is the Future?* — analyses months of work and more than 1 200 interviews

It states the issue baldly "The rule book relative to road transportation has not been thrown away but has merely been amended Government has not deregulated road transportation It has merely changed the rules."

In other words, deregulation in government's lexicon actually means re-regulation

Braun and Byers make the point that under the proposed new "deregulated" scenario, both private operators (who use transport to move their own goods) and public operators (who carry for reward) will be affected They note: "(Private operators) will progressively become subject to a greater degree of regulation relating to the Road Freight Quality System This means that while their activities will be less restricted than before, the circumstances under which they will operate are to become more stringent" And more expensive, of course

All transport operators have to start registering from July 1 this year, and enforcement of the new regulations is scheduled to begin on July 1 1989 Which is why, Braun and Byers say, "most public carriers are, and have for some time, been developing a set of strategies designed to circumvent the (new) regulations Vested interests in the industry see the change in regulations as threatening, in that it opens the door for a number of new competitors who, because of lower infrastucture costs and overheads, may well start carving the market with extremely competitive rate quotations and a lack of appreciation of transport operating costs.

"The government's tendency to pander to vested interest lobbies suggests it is unlikely deregulation will be quick or easy"



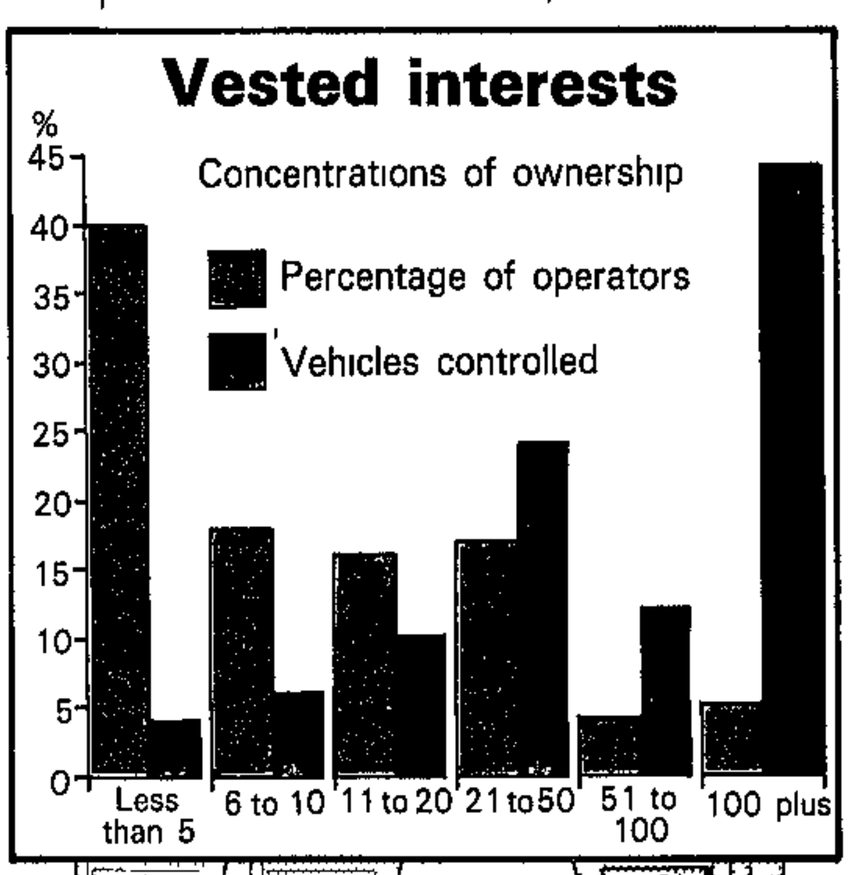
Cargo's Roy Marcus.

Those "vested interests" are certainly strong enough to make a difference; only 5% of operators control 44% of the heavy vehicles in the country Known within the industry as "The Club," the big five — Cargo Carriers, TTI (Tanker Services), Unitrans, Hultrans and Mainline — wield enormous clout.

This is obvious from the comment by Roy Marcus, MD of Cargo, who said recently. "Cargo Carriers is of the firm belief that deregulation cannot come about without a well-structured quality system. A frightening realisation from the American experience has been the deterioration in standards and the grave concern which is now being expressed in the US about lack of safety. This makes Cargo more adamant than ever that the Road Freight Quality System is a non-negotiable item in the deregulation process"

The Braun-Byers study says deregulation should add up to 10% more vehicles to the long haul public sector, and the short haul arena could expect "a significant increase in competition from small individual operators" Existing operators believe most of this competition will be "unfair," and are therefore — as Marcus has underscored — anxious for implementation and enforcement of the mooted Road Freight Quality System regu-

Vested interests



Source Braun & Byers study on Road Transportation in SA- What is the Future?

lations.

Everyone accepts that road safety is essential, but the inherent danger is that the system will be used as an excuse for the replacement of one set of regulations by another — equally overwritten — set

The attitude of Sats is paramount

According to Braun and Byers, there are "various lobbies" within Sats' management structure The rail lobby is in favour of deregulating road transport, while the road lobby is concerned that Sats will lose market share in traditionally profitable areas

Since the White Paper effectively gives Sats control over the timing of deregulation (because of the stipulation that it will have to be compensated for the loss of more than R1,5bn in subsidies), the eventual outcome of this internal struggle is vital to the future of transport

Braun and Byers underline this in their discussion of the possible privatisation of Sats, which is interpreting the concept as a chance to sub-contract or put out to tender much of its work: "There is a strategic implication to the whole exercise that could result in the government adopting the same stance it has with deregulation — and that is to do whatever it does against a background of not actually relinquishing control

"It is a pity the DoT is seen by many to effectively be the controlling mechanism of Sats operations rather than paying attention to the entire transport requirement of SA.

"This perception has been generated by the actions of the department over the years If the current incumbents of the key transport portfolios can move away from this image, the way will be clear for looking at more innovative transport solutions for SA in the future"

The way should also be clear for an urgent and intensive investigation into the management and future of Sats Last year it admitted forex losses in excess of R1bn and it has also just announced losses on its train services of close on another R1bn (an unacceptable figure — even allowing for the principle of operating high-loss suburban and "homeland" trains as a service to society and apartheid)

Assistant GM of Sats' road and passenger services, Barry Lessing, says tariffs would have to be increased by "more than 33%" to cover costs Whether via Treasury, or the RSCs, Sats is heavily subsidised by the taxpayer

This goes on while it calls the tune on transport deregulation, and manifestly constitutes mismanagement by government (The black transport situation is the direct result of geographic apartheid)

One of the problems — as described by a senior member of the DoT — is that senior government officials tend to listen to the last special pleader There is no single firm policy line -- departmental policy swings like a pendulum, now supporting and now doubting the wisdom of deregulation and privatisation

Nowhere is this clearer than in the DoT's attitude to the setting up of two bodies essential to any deregulatory progress in the sector the Transport Advisory Council (TAC) and the Transport Tribunal (TT)

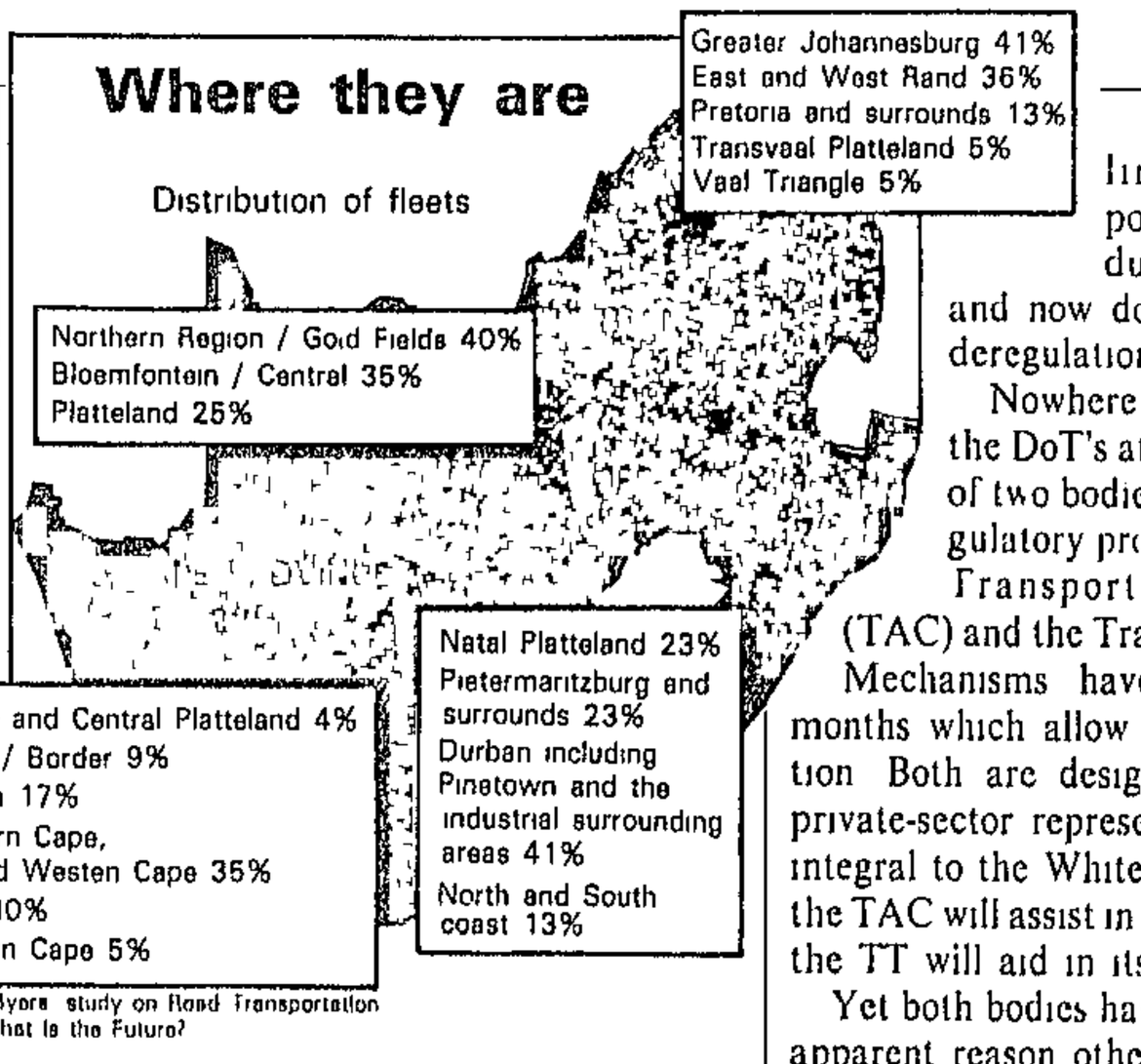
Mechanisms have been in place for months which allow for their implementation Both are designed to have majority private-sector representation, and both are integral to the White Paper programme — the TAC will assist in preparing policy, while the TT will aid in its enforcement

Yet both bodies have been delayed, for no apparent reason other than tremors within the DoT That attitude could destroy the progress expected by everyone in road transport in 1988

Government actions have not been encouraging even the introduction of the exempted areas was mishandled, with operators given insufficient time to register and testing stations insufficient time to prepare for the heavily increased demand on services Public carriers are still waiting for the hundreds of millions in fuel levy rebates owed to them by the Department of Customs and Excise So it goes on

If SA is to have an efficient transport sector, government will have to choose its policy and follow through with rigour Right now it is merely adding chaos to inefficiency

Clearly, too, a prerequisite for an efficient transport system is for new management at Sats It needs urgently to be reduced radically, as Eskom has done, to workable proportions as a prelude to meeting the real needs of customers — and ultimately privatisation



Source Braun & Byers study on Road Transportation In SA What Is the Future?

CORPORATE PROFITS

The tough keep going

Slack economic conditions and the JSE crash of October have obscured the sound base of many listed companies, and their consistent earnings' growth patterns. This year looks to be as good as last.

Corporate profits have now been firmly in a rising trend for more than 18 months Despite the tepid performance of the economy during 1987, most industrial companies not only maintained the momentum but in many cases also quickened the pace during the second half

Estimates of the average pace of growth in earnings per share run at 30%-35%, with dividends rising at a somewhat slower pace But it is no exaggeration to say that dozens of companies — well over 50 of those listed in the accompanying table — have shown significantly faster growth rates, far outstripping inflation The table summarises a selection of results published over the past six months Those whose figures are not comparable with the previous year have been omitted, as have many of the new listings, pyramid companies, and all of the DCM All but about seven of those listed increased their earnings, even though many are still rising off a low base

Industrial companies are continuing to enjoy benefits from improved efficiencies, even though the benefits from lower interest rates or debt repayments have largely run their course This means that business activity will have to be the main force behind profits during coming months But, with the economy presently on line for a better performance than that achieved in 1987, there is a lot of potential for the average 1988 profit growth rates to exceed many of the forecasts made six to 12 months ago

As always, forecasts on the economy's performance for the current year vary widely and the gold price — which at present is particularly difficult to call — will dictate the vigour of growth Still, gold currently stands above US$480/oz (its low point for last year was $390,25), the firmer rand against the dollar is helping to lessen the costs of imports, consumer spending is looking encouraging, and fixed investment is rising All these should contribute to a perkier economy, with varying effects on the different companies quoted in the industrial sector

Continued on P31

Black taxis running Sats off the road

C/Press 17/1/88.

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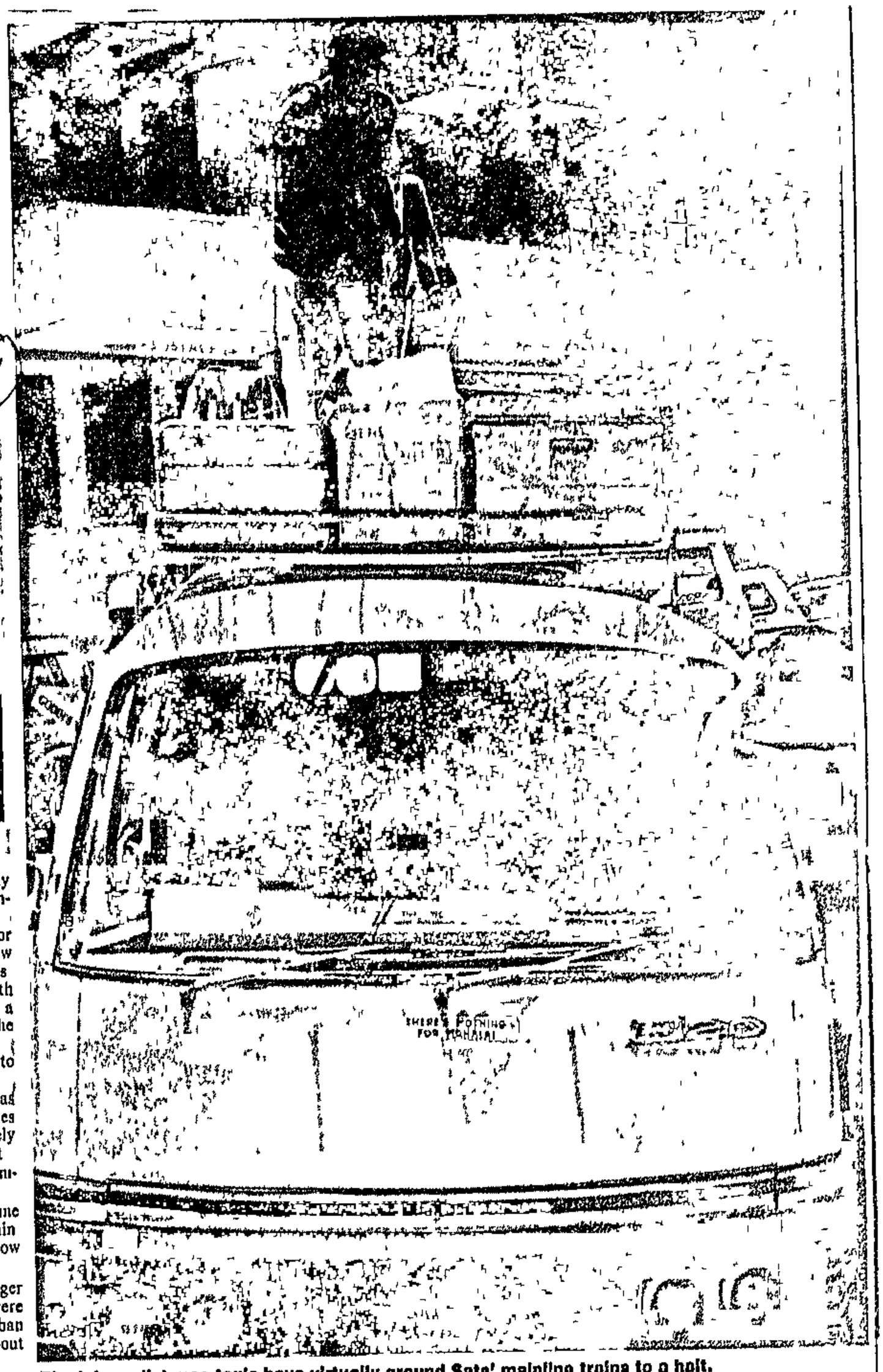


Black long-distance taxis have virtually ground Sats' mainline trains to a halt.

By REVELATION NTOULA

TAXIS, a vital commuter service responsible for the daily transportation of black workers, now seems firmly entrenched in the hands of black entrepreneurs

This is despite fears that it would be impossible for blacks to take over the giant Putco bus company in view of the present political climate of boycotts and stayaways

Hardest hit by the new trend has been the South African Transport Services, which for years has had a lion's share of the transport market, mainly due to the government's protective policies

The passenger service of Sats has virtually grounded to a halt, a Sats official has admitted

Also feeling the pinch is Putco, which for years has enjoyed the same protection through huge State subsidies and bureaucratic procedures which made it extremely difficult for competitors to enter the transport market

In both Sats and Putco's cases, the emergence of minibuses has been the cause of the trouble

Last year Sats lost nearly R1 000-million on mainline passenger trians, suburban trains and the Blue Train Sats, which falls under the Ministry of Transport, now runs only 100 mainline trains a week countrywide

Barry Lessing, manager of Sats' road and passenger services, was quoted as saying mainline trains were responsible for a loss of about R314 million, suburban trains for R600 million, and the Blue Train for about R3,5 million

About two years ago Sats operated 1 100 trains every week but was forced to review the situation because of huge losses

"I believe mainline transport as a product has come to the end of its lifecycle. There has been a drastic drop in passengers since 1985 and many of the mainline trains are now carrying fresh air," said Lessing

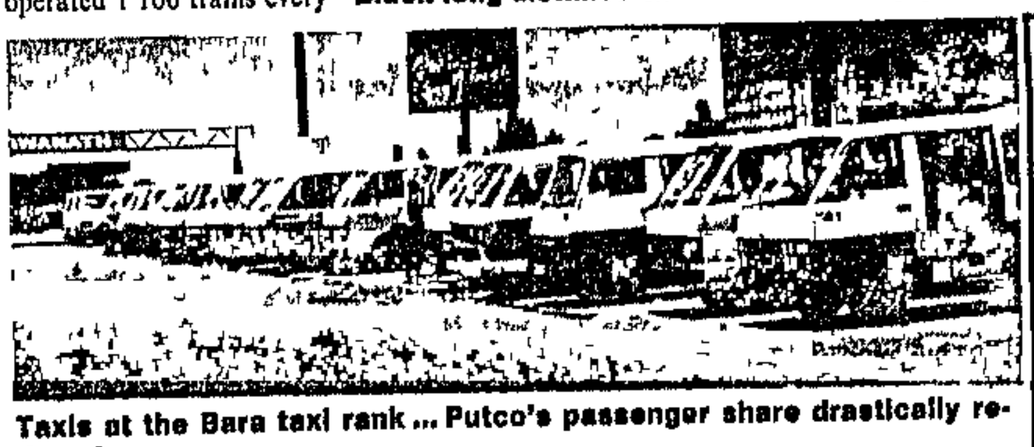
Attributing the drop in passengers to the emergence of black taxis, Lessing said "Black taxis and buses have taken a great deal of traffic away"

Although a similar situation had developed in the urban areas, said Lessing, there was no intention of shutting down the trains service there

"We regard the suburban trains as a social service and we are compensated by the government At the moment we are given a lump sum by the Treasury as compensation for all our services, but it is planned that the Regional Services Council will take over the responsibility of paying us," said Lessing

While Sats is reeling under the current change of transport trends and inherent cash problems, Putco has fallen victim to the same set of circumstances.

During the last three years the bus fleet has declined from 3 348 buses daily in 1985 to 3 137 in 1986 and finally to 3 034 last year in June



Taxis at the Bara taxi rank ... Putco's passenger share drastically reducod.

The total number of Putco employees has also decreased from 10 917 in 1985 to 9 396 in 1986 and to only 7 928 in June last year Bus operating costs per kilometer have more than doubled since the increase to 82c in 1982, to R1,95 last June

In both Sats and Putco's situations, there does not seem to be any solution in sight despite the fact that both are heavily subsidised by the government as opposed to their black rivals who do not enjoy any financial assistance

Meanwhile, the number of mini buses owned by blacks is definitely growing in leaps and bounds

It is estimated that there are at least 8 000 licenced taxis and perhaps an equal number of pirates Pirate taxis, though, largely operate on long-distance routes

From main centres such as Johannesburg, commuters can travel to almost any major city or town throughout South Africa and the neighbouring black states by using a mini bus. The advantage is that less time is spent on the road that fares are lower

For instance, mini-buses take about three-and half hours to Pietersburg, whereas it takes about 10 hours to reach the same destination by passenger train.

Ironically though, taxis, particularly long-distance taxis, are usually viewed by black commuters as a risk because of the high number of accidents involving such taxis

Almost the same goes for local taxis, whose drivers have earned themselves the dubious reputation of being among the country's worst drivers

Another new development in the industry is that more and more whites, particularly in areas like Cape Town, now prefer to use black taxis White commuters feel that black taxis are just as good as those owned by whites and that they are much cheaper.

The South African Bus and Taxi Association has welcomed the news that a growing number of whites were now using black taxis

Sabta's national executive advisor, James Chapman, said the move was a great breakthrough for the black taximan He added that it had always been the wiew of his association to provide a colour blind service

Also, the introduction of luxury buses, which boast television, videos, music, toilets, music and serve refreshments, have also delivered a devastating blow to Sats and Putco

ARGUS 18/1/88 269

SAA calls for stricter safety checks on 747s

The Argus Correspondent

JOHANNESBURG. — South African Airways has introduced stricter safety measures on Boeing 747s, but not as a result of the Helderberg air crash, an SAA spokesman said today.

A briefing notice issued to all cabin crew by the chief director of flight operations asks that particular attention be paid to areas which may be subjected to draughts of hot or cold air. This is in addition to the periodic walk around the passenger cabin by the flight engineer during flight

As an added precaution the aft deck cargo must be included and scrutinised during these visits, which ideally should be half-hourly, the notice says.

"The co-operation of the cabin crew in assisting the flight engineer in this regard would be of great value," it adds.

The spokesman said "There is nothing sinister about these safety measures. They are normal as far as I know."

● Air-traffic controllers are in line for a better deal, Mr Japie Smit, chief director of the Directorate of Civil Aviation, said last night.

"We agree that their remuneration package is insufficient but we're trying to do something for them as soon as possible, hopefully this week, until a proper investigation can be made by the commission for administration."

Mr Smit was answering allegations that controllers were overworked, underpaid and understaffed.

Although there was a shortage of controllers, Mr Smit denied the situation was critical. "We certainly have vacancies but the situation is not serious," he said.

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Freight shipping still firm

THE overall freight shipping market has continued on a strong basis with a large volume of business being reported during the past week, especially on timecharter basis, Afromar reports.

A bulker of 152 000 tons was taken for 12 months' timecharter at $12 000 a day with delivery on the Continent in February, and a combination vessel of 124 000 tons for three to five months' at $16 500 a day with delivery Japan in January.

The Russians appear still to have a very strong demand for tonnage, being rumoured to have taken 13 vessels in one day, mainly Panamax-sized tonnage at around $13 000 a day for either trans-Atlantic round voyages or trips from the Atlantic to Russian Pacific ports, in both instances to cover grain out of the US Gulf.

Otherwise Atlantic voyage rates have moved along with $22 000 paid for 52 000 tons of grain from the US Gulf to Japan. Pacific levels had the grain rate for Panamax-sized vessels up to the $19,50 level

The SA market has had to compete with the other areas, which has meant that rates are fully firm. In fact, however, some Panamax-sized vessels have had difficulty finding employment so far out of SA for the end of January position.

The influence of other areas is very much felt, with, for example, a good liner-type of just over 17 000 tons being taken by a grain house at $6 250 per day with delivery SA on a spot positon to ballast to Brazil to load a cargo of grain from there to Japan, and a Mark II freedom-type was fixed at $7 500 a day for a trip via Brazil with redelivery Vancouver. There has been a fair amount of coal inquiry, although in many cases it appears to have been of an exploratory nature.

Little fixing was reported during the week. However, a 60 000 ton cargo was arranged at the slightly better rate of $10,80 per ton from Richards Bay to a Spanish Mediterranean port. Rates for the Cape sizes are getting even closer to the levels of the Panamax-sized tonnage There was a fixture on timecharter basis to cover a combination cargo from Hampton Roads completing Richards Bay to Japan at $13 200 daily for a vessel of 123 000 tons, giving delivery Lisbon in February. This shows the strength of the market as previously this was covered on voyage basis.

There was an interest for 20 000 to 30 000 tons to be lifted from Durban to Iskenderun during the second half of February, for which charterers had been indicating a rate of $15,50 American charterers were wanting to ship about 7 800 tons of beans in bags from the US Gulf to Angola on an early position. Sugar charterers had an interest for a cargo of 8 000 to 12 000 tons from Maputo to Colombo for loading during the early part of February.

Air traffic controllers supported

The South African Airways Pilots Association (Saapa) has thrown its weight behind air traffic controllers who are fighting for better working conditions.

Says Saapa president Captain Blake Flemington: "Air traffic controllers are not being paid, they are being exploited.

"Saapa sympathises with the air traffic controllers. I, personally, would never work under their conditions."

Captain Flemington said that when America fired half of their controllers, the accident rate doubled.

Another Saapa official said pilots would refuse "to fly" if safety conditions were badly eroded.

"We rely a lot on controllers in bad weather conditions because we don't know what is out there. A mistake on their part can result in a mid-air collision," he said.

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Rail system for city 'by year 2000'

Johannesburg underground plans unveiled

REINIE BOOYSEN

PRELIMINARY plans for an underground rail system for Johannesburg were unveiled to some of the city's top businessmen yesterday.

The pre-feasibility study for a rail-based mass transit service for the city — to be completed by about the year 2000 — was presented for comment

Businessmen were told the existing transport systems operating in the city — private cars, municipal buses and rail services — would be able to cope with the transportation of passengers to the city centre only up to the year 2000

This is the conclusion of a study commissioned by the Cabinet and completed by the Mass Transit Committee for Johannesburg in 1985.

The committee's conclusions were spelt out in detail to members of the Witwatersrand Chamber of Commerce and Industry (WCCI) and the Johannesburg CBD Association (JCBDA) at a meeting chaired by WCCI and JCBDA chairman Nigel Mandy, an urban affairs consultant

In 1985, the committee calculated the cost of a complete rail-based mass transportation system would be about R1,6bn — at an 80% local content and an exchange rate of $0,60.

It found an average of 451 400 people crossed the so-called Cordon 2, an imaginary line surrounding the Johannesburg CBD, daily in 1985.

It is estimated 598 200 people will cross the Cordon 2 daily by the year 2000

The committee says the large-scale expansion of the bus service and related facilities required to cope with this huge volume of traffic "will undoubtedly have a negative effect on the quality of life".

The committee proposes that a single starter line be constructed from Rosettenville in the south-east to Louis Botha Avenue in the north-east — at a cost of about R500m (1985) — to test the viability of a more complete system to cope with the whole city's needs

Comments made at the meeting will now be referred to the Cabinet, which will then decide whether to commission a fully fledged feasibility study, said Mandy.

FM 22/11/88

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AIRWAYS DISPUTE

Flying their way

When the South African Airline Pilots' Association (SAAPA) meet Transport Minister Eli Louw later this month, there is one major item on the agenda It is the normalisation of labour relations between the pilots and Sats management. Right now there is an impasse· the pilots may not talk to Sats management since they (SAAPA) are not recognised, Sats will not speak to them, insisting that any representations must come through the Sats salaried staff association, Salstaff

The pilots have never accepted that Salstaff speaks for them and they use the association (in SAAPA president Blake Flemington's words) only as a postbox. Until recently, however, it was possible to claim that Salstaff was at least nominally representative of the pilots, since 90% or so of the pilots belonged to Salstaff. This is no longer the case "Most pilots have resigned from Salstaff

The pilots want to work directly with SAA management One of their major grievances is that they are lumped together with other Sats employees



Flemington

If Louw gives the pilots special status, independent from Sats, is there not the possibility that he'll be creating a precedent which could lead to a proliferation of splinter trade unions? The answer, for two reasons, is no

The pilots are a special case. Pilots can do almost any of the other airline support jobs; the reverse is not the case. To become an SAA pilot requires a minimum of five years' training (normally in commercial flying or in the Air Force) Even specialist technical ground staff can be replaced more easily Secondly, SAAPA, in seeking negotiating rights, is not trying to become a trade union Pilots are an essentially proud and loyal group There is not, in the traditional sense, a confrontational relationship between management and workers

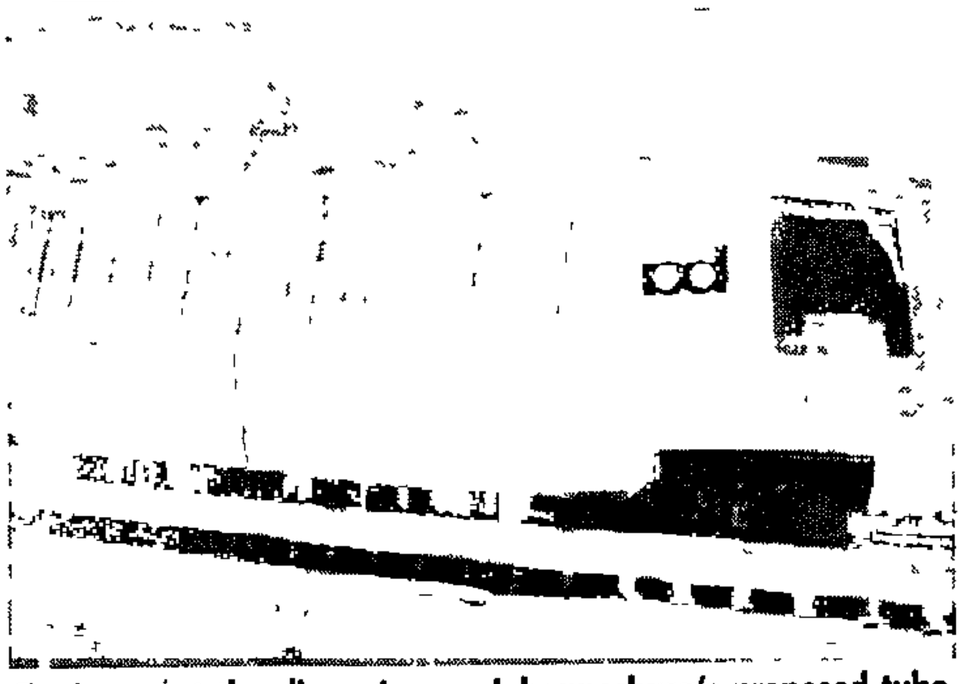
In assessing the pilots' claims, Louw cannot fail to take into account their powerful position Approximately 40 SAA pilots have already applied to join Singapore Airlines, who require 170 pilots in all In the US alone, there is a shortage of over 8 000 civilian pilots Pilots are in demand and are not trapped into present employment Most would prefer to stay with SAA — but, given the number who have already left, their requests will have to be given a careful hearing

As Blake Flemington has made clear (*Current affairs* December 25) the pilots have some serious grievances which must be addressed

But that is not a matter for the minister His task now is to break the impasse and give the pilots the kind of formal status enjoyed by their foreign colleagues

If the meeting results in the formation of a sound negotiating structure between SAAPA and SAA management, it will be judged a success The price of a setback, coming on top of SAA's other recent difficulties and bad publicity, would be heavy indeed.

Starter line mooted for Yeoville, Houghton and Alex



Engineers at the discussion on Johannesburg's proposed tube train system this week favoured the more elegant, lighter and shorter trains, such as this one in San Francisco.

Plans for new metro rail link discussed

By James Clarke

Johannesburg's proposed underground railway could begin — at the earliest in 1995 — with a "starter line" providing a fast rail service under the city centre to Houghton, Yeoville and Alexandra.

This proposal, put forward by the Masstran consortium this week, would have a double purpose: to prove that a rail system can work and therefore persuade the public to go for a metropolitan-wide system and to show that the proposed Masstran concept for greater Johannesburg's rail network will indeed stimulate the metropolitan economy by attracting higher density living and offices around stations.

Clogged by traffic

It will also demonstrate, say the engineers, how to stop Johannesburg being chewed up by highways and clogged by traffic. Buses and taxis would play the role of feeder transport.

The "starter line" idea was introduced this week to businessmen and professionals at the Johannesburg Chamber of Commerce by Mr Ed Petzer, director of planning for the Department of Transport.

Mr Petzer and Mr Bob Stanway — a civil engineer with the design consortium and a former Johannesburg municipal planner and London Transport planner — were there to discuss the Masstran idea. The Central Business District Association (CBDA) organised the meeting and Mr Nigel Mandy of the CBDA chaired it.

The enthusiasm of most engineers and some planners at the meeting was matched only by the pessimism of many businessmen.

The cost clearly troubled many, but Professor Dirk Samsom of Wits said (quoting former municipal engineer Mr Ron Jackson): "You pay for a good transport system whether you have one or not."

The cost of the starter line would be (at 1985 values) R448 million. It would cost R14 million annually to run and bring in R10 million. Annual instalment capital and interest would be R30 million.

The cost of the full system, with arms extending out as far as Craighall Park and Alex and into the South Rand (as published in The Star last month) would be R1,6 billion (in 1985 rands)

It would cost R45 million a year to run, but should bring in R48 million. Repayments on capital and interest would be R61 million a year. It would be 80 percent locally made.

Somebody pointed out that the cost would be R2,1 billion in 1988 values and predicted massive overruns. Mr Bernard Snoodyk of Sage wondered where the money would come from.

Mr Peltzer said there were various possible schemes: "Value capture", for instance. A rail network would obviously attract denser developments (flats, shops and offces) and those who benefited could be taxed.

Even a quarter of one percent added to GST in the metropolitan area would generate R30 million a year.

City councillor Mrs Rae Graham said whites would not use the system and suggested the system go around the city's periphery. That idea was left in the air.

Several felt the black kombi taxi service had shown how rubber tyres on tar could solve the transport problem, but Councillor Molly Kopel said Johannesurg licensed 36 000 kombi taxis last year. Mr Nigel Mandy suggested saturation point with kombi taxis was not far off in the city centre.

Engineer Mr Ken Witthaus of the consortium said if Johannesurg stuck to the car option then "city perimeter parking garages alone would cost R600 million — and then you have to add more highways and so on".

He felt too much emphasis was placed on the profitability of rapid transit systems instead of their other economic values. "Does anybody seriously suggest that the lifts in the Carlton Centre be self-supporting?"

Two businessmen suggested staggering working hours to reduce peak traffic, but this was countered by an engineer who said: "Our peaks are already 2½ hours long".



Engineers producing a draft design for a rapid rail system for Johannesburg suggest a R448 million "starter line" between the CBD and Alexandra via Yeoville. It will enable the public to judge whether it wants a city-wide system. This layout is one of the suggested designs.

HARBOURS (269) F/M 22/1/88

Tempo speeding up

The quickening pace of the economy has led to a distinct improvement in port activity — more so than most at Richards Bay (RB), SA's main bulk export harbour

Sats assistant GM (Harbours) Mike Myburgh says the port is so busy that it might soon become necessary to divert ships to other harbours

A strong seasonal upswing in bulk cargo handlings, together with an accumulated backlog caused by last September's Natal floods, has aggravated the situation

The port normally experiences a seasonal upturn from about the middle of December to March, but this year's upturn has been dramatic The volume of export ore shipped through the port is straining capacities to the limit Even sanctions-hit coal exports are holding their own

The harbour handles few imports, other than aluminium



Richards Bay ... busier than ever

Port officials say coal exports usually increase during December "because of the European winter" On Friday four ships were at outer anchorage waiting to be loaded with coal and nine to be loaded with other bulk cargoes and ores

A Sats spokesman in RB says it is now handling all the coal trains the Richards Bay Coal Terminal (RBCT) requests, but is having to cope with a backlog of other traffic caused by the Natal floods

Sats is obviously planning to increase bulk exports through the harbour It recently commissioned a "clean cargo" facility which will be used for most commodities, but not coal

Monster trains

And it does not intend to delay the introduction of 200-truck coal trains — even though all the undulations in the gradient of the coal line will not be "flattened" until September 1989

Sats should start running these monster trains — each truck weighs 104 t gross when fully laden — towards the end of 1988 or early in 1989 Until the line is flattened, extra locomotives will be required to help haul them

Meanwhile Walvis Bay is also experiencing an upswing due largely to increased exports of ores and salt

Durban has been kept busy as a result of an increase in imports, while on the outward leg it is handling more general cargo exports and small parcels of export coal than in the past

Myburgh says although Cape Town, Port Elizabeth and East London are not operating at capacity, they are, because of careful cost control, showing reasonable financial returns.

Saldanha Bay remains "a problem." It is not performing at all well because of the fall-off in the export of iron ore But the development of the Mossel Bay gasfield (Mosgas) will boost activity at Saldanha, as well as at Port Elizabeth.

Contracts for the equipment needed to recover and process the gas have already been awarded to contractors based at the ports

W/C Argus 23/1/88

Helderberg silence sends victim 'crazy'

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Weekend Argus Correspondent

JOHANNESBURG — The trauma of not knowing facts about the Helderberg air disaster is driving a victim's husband "crazy".

Mr Robert McNeill of Riverclub has begged authorities to release all available data on the crash, if not to the Press, at least to victims' families.

The death of his travel-agent wife Heather left him to care for their two-year-old son Kiernan and Mr McNeill said every time the little blue-eyed blond child saw an aircraft he asked about his mother.

"He is too young to understand what has happened but I believe that I, as well as the families of other crash victims, have a right to know exactly what is known by the SAA and the authorities.

"How can they be so callous as to not tell us, no matter what this information contains? If they share with us what they know, then at least they have compassion."

Mr McNeill said he did not care whether the information gathered so far was incomplete and unclear.

"Let us be the judge of what is on that tape. We are suffering because we hear so many rumours. It's driving me crazy.

"Not knowing creates more pain for us. I don't want revenge. If any of the crew on the Helderberg made a mistake, they died for it. I just want to know as much as the authorities know.

"What do we have to do to get these guys to talk to us? We are hurting."

A Johannesburg psychologist has warned that contrary to the belief that keeping information like the taped conversation between the pilot and the Mauritian air-traffic controller afforded protection from further pain, it was much better for relatives to know as much about the circumstances as quickly as possible.

"Relatives have no way of knowing whether the disaster was man-made or natural. They do not know where to direct their anger or how to address their grief. Not knowing aggravates their suffering," the psychologist said.

Safety award for Sats EL

Daily Dispatch Reporter

EAST LONDON — The stores department of the South African Transport Services (Sats) here was awarded the National Occupational Safety Association (Nosa) five-star certificate yesterday

The managing director of Nosa, Mr H. J Matthysen, handed the certificate to the superintendent of the stores department, Mr G. P J. Diedericks, at a function in Cambridge.

It is the first Sats department in the Eastern Cape to receive the award.

Mr Matthysen said only 180 of the 38 000 factories, industries and mines in South Africa had received the five star certificates.

The stores department of East London was only the third stores department to receive the award.

"Nosa conducts a safety audit, awarding points in categories such as housekeeping, accident investigation, mechanical, electrical fire and personal protection," he explained

"Tested on 73 elements of safety, the stores department of Sats obtained 91 per cent," he said

The deputy general manager (technical services), Mr B. J Groenewald, said that industrial accidents cost South Africa 2 000 deaths and 24 000 permanent disabilities annually.

Rehabilitation and medical costs resulting from these accidents was in the region of R85-million, he said

Safety ranks high in importance on Sats' list, he said, and the results were visible

"In Sats, the number of disabling injuries per million working hours is 7,9, while the figure for South Africa as a whole is 8,1. In Canada the figure is 9,5 and in the United States of America it is 11,6," he said.

Mr Diedericks said earning the award had been hard work and he could not have done it without the co-operation of everyone in his department.

Mr Diedericks was congratulated by the regional manager of Sats, Mr Louis du Toit, and the chief stores superintendant, Mr J H. Muller.

Holomisa tells Sats to protect passengers

UMTATA — The theft of wages from Transkei migrants travelling to Transkei on board South African Transport Services buses (Sats), has disturbed the military government of Transkei.

In a statement yesterday, the chairman of the military council, Major-General Bantu Holomisa, said: "Sats must take immediate steps to protect our citizens from the ruthless thugs who seem to operate with impunity on Sats buses".

The military government's statement follows a report this week that police were searching for a gang of thieves, who drugged passengers on a bus travelling between the Reef and Transkei, and robbed them of more than R5 000.

"Besides the threat to the lives of these Transkeians due to the actions of these thugs, the robberies cause devastating misery to the families of the victims.

"It is now time that Sats and all other bus operators from the Reef and other areas to Transkei took effective steps to protect our people and other passengers from these criminal and inhuman acts committed on their buses," he said. — DDR

Khayelitsha rail link to city opens on Monday

Staff Reporter

THE Khayelitsha rail connection with Cape Town to serve the township's 200 000 residents will open on Monday.

Season tickets will be available from the four stations on the line from Friday.

During the morning and evening peak periods trains will run directly to and from Cape Town.

In off-peak periods there will be a shuttle service between Khayelitsha and Philippi, connecting with trains on the Mitchell's Plain line

A South African Transport Services spokesman said train times on the shuttle service had been arranged to ensure minimum delays.

The Khayelitsha-Cape Town trip will take about 50 minutes.

TARIFFS

First-class weekly tariffs are from Mandalay R18,50; from Nolungile R19,50; from Nonkqubela R20 and from Khayelitsha R21.

Third-class weekly from Mandalay R5,20; from Nolungile R5,30; from Nonkqubela R5,40 and from Khayelitsha R5,60

First-class monthly from Mandalay R69, from Nolungile R72; from Nonkqubela R75 and from Khayelitsha R78.

Third-class monthly from Mandalay R20; from Nolungile R20,50; from Nonkqubela R21 and from Khayelitsha R22.

● During the link-up of the line on Sunday trains will not run beyond Langa between 6am and 6pm on the Mitchell's Plain route and the route via Belhar to Bellville

Trains between Cape Town and Langa will run normally.

City Tramways will run a service beyond Langa, but train tickets cannot be used on the buses

for the Western Cape.

Officials argue over reason for air delays

Political Staff

GOVERNMENT officials are contradicting each other over whether or not delays at Jan Smuts Airport have been caused by a shortage of air traffic controllers.

At least 12 have resigned over the past six months. But while the Department of Transport yesterday admitted in a statement that the shortage of air traffic controllers would continue to delay flights during peak periods, the chief of the Directorate of Civil Aviation, Mr Japie Smit, has denied that the delays are being caused by staffing problems.

Air traffic controllers expect the delays to start snowballing from today.

One said: "By the end of this week the Directorate of Civil Aviation should start receiving a few telexes from airlines, especially South African Airways, complaining the delays."

Mr Smit said 15 minutes was the longest delay monitored yesterday.

He discounted reports that resignations were affecting the situation. He said: "The 12 resignations happened over a year. Some left at the end of December, others will be leaving at the end of March."

But the Department of Transport said yesterday that the resignation or transfer of 10 air traffic controllers had led to the closure of the new parallel runway because six air traffic control cadets were on a course and night operation equipment was being installed, and to a rearrangement of appraoch and clearance frequencies

EIGHT SHORT

The statement said these factors should not have a significant impact except during peak periods between 7am and 10am and between 4pm and 6pm. Delays should not exceed half an hour.

According to the statement 10 air traffic controllers had resigned or been transferred while two had been recruited, leaving the staff eight short at 30

The six cadets would qualify by mid-April and another two controllers would be recruited.

The statement confirmed that the controllers had resigned over pay.

The department said safety would not be compromised.

SBDC in talks with Sats over land deal

Daily Dispatch Reporter

EAST LONDON — The Small Business Development Corporation (SBDC) here has held talks with Sats with a view to leasing part of 40 hectares of Sats land adjacent to the central business district

The manager of the East London office of the SBDC, Mr J J Hamman, said nothing was final as they were not sure how successful the talks would be

He could not say how much land would be involved in the project.

"Should the lease be finalised, we intend to develop the land on the hive of industries concept as used throughout the country," he said.

Work has already been started on the SBDC hive project at the Lock Street jail which is expected to cost R1,2 million

The six staff members of the SBDC will be moving from their offices in the Sanlam building into the new offices at the Lock Street jail on Friday.

● The future of the Sats training facilities at Cambridge is still in the balance due to the small number of apprentices using the facility.

The regional manager of Sats, Mr Louis du Toit, said in November that unless it could be shown that the facility was both needed and well used by the city, it would be closed down

Mr Du Toit appealed to employers in the Border area to make use of the facility, but only a few apprentice electricians from the private sector were making use of it.

The facility was still in danger of being closed he said yesterday

Mr Du Toit was optimistic that there would be a greater intake in this new year

There are facilities for training apprentices in the electrical, building and mechanical fields, he said

from 198 to 285 out of a reporting panel of 317 (and a nominal full panel of 500). It has

set to clean up in the local photographic film market — as are grey market importers of sanctioned films

um on Japanese brands "

Owners of the French-built KIS machines, market leaders in photographic processing

The Sats factor



Government's SA Transport Services (Sats) has a key role in the hotly debated issues of deregulation and privatisation confronting the road transport industry this year. Cargo Carriers MD Roy Marcus gives his opinion.

The private sector's concept of deregulation is the elimination of all restrictive legislation to enable a transport operator to move all classes of goods anywhere in the country

Problems caused by our existing permit system must be eliminated, but at the same time no transport industry can run without some regulation, particularly with regard to safety of vehicles

Government must relinquish some of its traditional hold. What is needed is a strategy to enable the private sector to become involved where it can provide an effective service — for example, long distance road transport

Fundamental to deregulation is that it cannot occur without privatisation

At the moment, Sats is privileged, it purchases vehicles at a special price, gets special fuel rebates, pays no GST and has special licensing arrangements

If privatisation does not occur simultaneously with deregulation, Sats will take over the private sector because of this unfair advantage

We have it on good authority that Sats recently applied for a licence to set itself up as a clearing and forwarding agent — distinctly in the private sector realm We are all gravely concerned, as it appears Sats is going to be granted these rights

The private sector needs to co-operate with Sats, combine resources to provide a cost effective transport network But at the moment, Sats' road transport activity is a major obstacle to co-operation.

Another major issue is road safety. Deregulation and the Road Freight Quality System (RFQS) must be implemented simultaneously, even though many small operators will find it difficult to meet requirements because of inadequate workshop facilities.

Operators in general will have to upgrade their staff. The private road transport industry will have to produce the manpower required to monitor its own operations

We can compare SA's road transport industry with the US, where some interesting scenarios came out of deregulation Larger companies initially suffered most because the floodgates were opened to small operators who undercut. After about four years, the small operator started losing out; unreliable service as result of frequent breakdowns in outdated trucks put him at a disadvantage

The US did not implement an adequate RFQS and today unsafe vehicles pose a grave danger to the public.

In SA, the private sector initially welcomed government's deregulation of certain zones In reality, the legislation is carefully designed to guarantee Sats' long-term survival because, for instance, it prohibits operators from going straight from Johannesburg to Durban or Cape Town.

It also opened the floodgates to illegal operators who will push their luck and leapfrog from one 300 km zone to another There are too few law enforcement officers to ensure these operators are prosecuted

By virtue of vested interests in a political sense, one remains sceptical about total deregulation Take the Sats budget, for example a deficit in operating activities can be justified as providing an essential service, without indicating what operations are not essential and should therefore operate profitably It has an almost secret budget without real commercial constraints.

The other problem is law enforcement. The calibre of law enforcement officers has to change towards a high skills profile. What is needed is training and adequate pay But will government change its basic philosophy now that requirement exists?

Compromise is, however, acceptable to the private sector; total deregulation coupled to RFQS And Sats off the road

One hopes that eventually sanity will prevail

Salvors face major problems in raising wreckage

From DEON LAMPRECHT
The Argus Correspondent

PRETORIA. — The locating of the Helderberg's wreckage was a technological triumph — but the searchers face major problems in trying to raise it.

Early in the new year, the unequal race against time to find the "black box" which could provide valuable information on the crash was officially called off.

But the Directorate of Civil Aviation acquired the services of the Omega 1, a ship slow enough to traverse the search area towing a 9km cable with a side-scan sonar at a depth of 20m — and found the wreck.

The original search area that covered 1000 sq km was narrowed down to three areas of high probability.

"IMAGE"

The Omega's side-scan which provided an "image" of the seabed found the wreck in the original "search area number one," roughly 130 nautical miles north-east of Mauritius.

But the location of the wreck was only the first obstacle in the quest to unravel the mystery of the doomed aircraft.

The next major operation is to find and lift the aircraft's "black boxes".

But at a depth of nearly 4,5km the wreckage is sited at the edge of the equipment's technical capabilities.

Experts predict the scope of the operation will be similar to that of the Air India disaster, when it took several months to recover the "black boxes" from a depth of 2 600 metres with the help of an unmanned robot, "Scarab".

But nobody has ever recovered a black box from a depth of more than 4km.

And the danger exists that the wreck could break up while being lifted and the "black boxes" could sink to the ocean bed again.

The search for the wreck was not without setbacks.

OBSTACLE

The biggest obstacle was the hostile nature of the seabed in the search area.

During the highly emotional first days following the disaster, the lack of deep submersible equipment effectively defeated all efforts to locate the flight and voice recorders.

By plotting winds and currents, drifting debris was "backtracked" to narrow the search down to a 240 sq nautical mile "mean point of impact", about 130 nautical miles north-east of Mauritius.

While the tugs Wolraad Woltemade and John Ross awaited the arrival and installation of sophisticated submersible detection gear, the German research ship Sonne tackled the vital task of charting the mountainous ocean bed of the search area.

It was December 13 before the Sonne completed the charting of the search area and before the Wolraad Woltemade could make her first sweep with newly installed underwater sensors suspended from a 4km cable — only 17 days before the guaranteed 30-day lifespan of the "black box" bleeper died.

At this stage the John Ross was still calibrating her United States Navy acoustic detection and sonar gear, suspended from a 7km cable and operated by an American team.

But for the two tugs to deploy their detection equipment effectively, they had to be able to pinpoint their positions at all times. Three manned navigation beacons were set up.

Helderberg wreck site found

ARGUS 29/1/88

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By TOS WENTZEL, Political Correspondent

WRECKAGE, believed to be that of the South African Airways airliner Helderberg, has been found off Mauritius.

The wreckage, described by the Department of Transport today as a "debris field", covered an area at least 100m long and was found in water 4,4km deep. It is the first major wreckage find since the Helderberg crashed in November last year, killing all 159 passengers and crew.

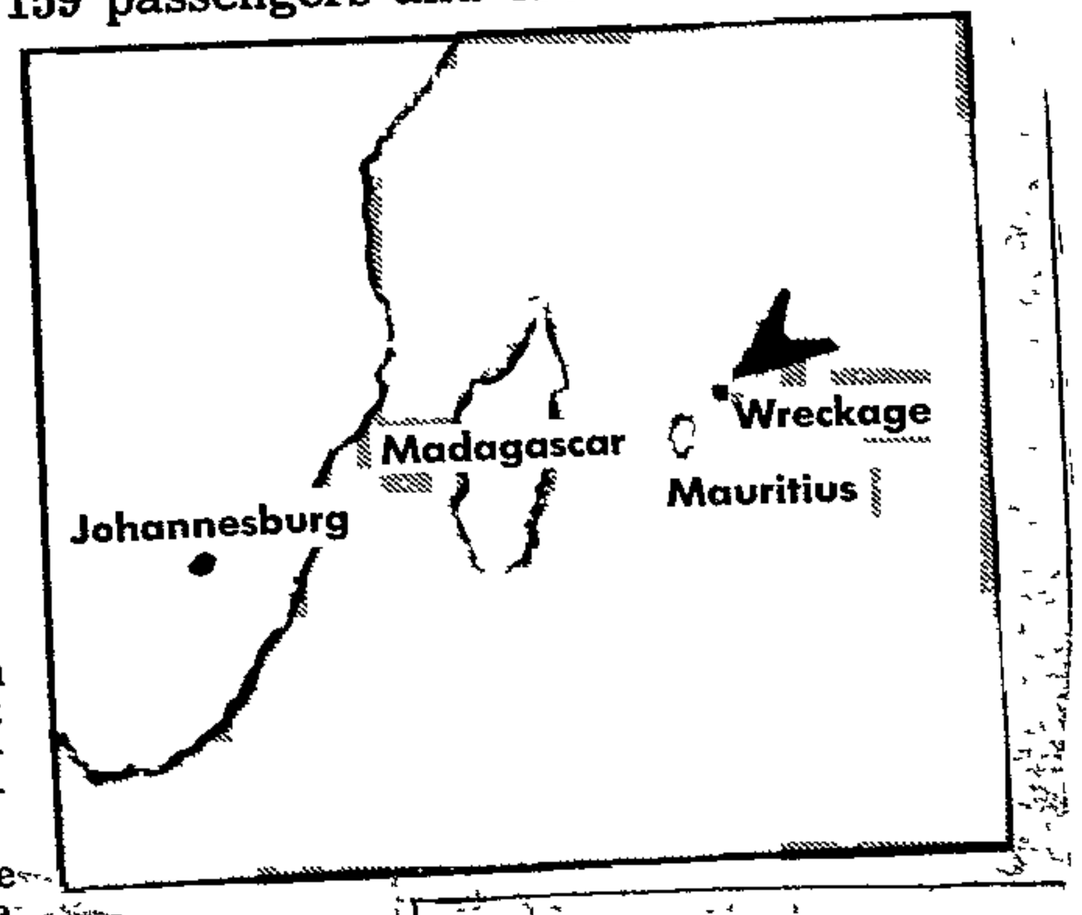
It is not yet known if the aircraft's flight recorders are in the debris.

The wreckage was found early yesterday with the help of side-scan sonar equipment provided by the United States Navy and contractors

The Department of Transport said the debris field was "considered to be wreckage from the crashed SAA Boeing 747 that operated as flight SA295"

"This debris field at position 19 10,09 S and 59 37,95 E is at least 100m long and approximately 4,4km beneath the surface of the sea.

"It cannot be stated that the recorders are within this area as yet. It should also be noted that this may not be



the only debris field to be found. This will depend on the extent at which the aircraft broke on impact with the sea surface. The search will therefore continue.

"The public will be kept advised by means of further Press releases. The search operation centre is manned by SAA personnel seconded to the Directorate of Civil Aviation to assist in this search.

"The location will now make it possible to proceed with the planning of Phase 3, which will involve the recovery of selected items from the seabed. This is not expected to take place before May or June," the statement said.

Latest

PORT LOUIS — Unites States embassy spokesman confirmed the wreckage of the SAA aircraft that crashed off Mauritius had been found at a depth of 4300 m.

The spokesman said the US crew on board the ship had told the embassy that the wreckage had been located. — Argus Africa News Service.

● The Minister of Transport, Mr Eli Louw, has announced the names of the board of inquiry to be chaired by Mr Justice C S Margo.

The members are: Mr George N Tompkins, a New York attorney who was an "outstanding legal expert" on airline accident investigations,

Mr Geoffrey Wilkinson of Winchester, England, who served as a member of the board which investigated the Machel aircraft accident and is an internationally acknowledged aircraft expert,

Mr J J S Germishuys, retired deputy director-general of the Department of Transport and a former commissioner for civil aviation,

Dr J Gilliland, former deputy-director of national health;

Mr Y Funatfu, executive vice-president of All Nippon Airways of Japan (ANA) and chairman of the ANA safety advancement committee;

Mr Liang Lung, head of the branch for aviation safety of the Civil Aviation Administration of the Republic of China; and

Mr Justice Hurrylall Goburdhun, a judge of the Supreme Court of Mauritius and an appeal judge.

Mr Louw said the board would convene at the earliest possible date.

3.

CMC Times 29/1/88

49 flights delayed, worse delays likely

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JOHANNESBURG. — Forty-nine flights from Jan Smuts Airport have been delayed because of a shortage of air traffic controllers, and a spokesman for the controllers predicted yesterday that matters would become worse from today.

He said 27 flights were delayed on Wednesday, 10 late flights were reported on Monday and 12 on Tuesday

Congestion and possible "holding stacks" of aircraft over the airport are expected as the number of flights at Jan Smuts increases before the weekend

On Wednesday morning delays of between 20 and 25 minutes were experienced in outbound SAA flights

A spokesman for the Departmen of Transport, Mr Leon Els, yesterday said flights from Jan Smuts Airport were delayed by the temporary closure of two radio frequencies and a runway to facilitate the training of controller cadets

"Delays will only be experienced during our peak times from 7am to 10am and from 4pm to 6pm. The delays will not exceed 30 minutes"

Commenting on calls from controllers for more pay, he said "the matter is being followed up with the Department of Transport and is being given urgent attention"

The controllers' spokesman denied they were working to rule as a means of winning a pay dispute

"There is nothing bloody-minded behind the delays being experienced," he said. "It's merely a case of what the individual controller thinks he can safely handle"

The delays did not extend to privately-owned small aircraft

"On the surface," he said, "it may look as though we are discriminating against SAA, but we're not The reason why they are most affected is simply because they cannot leave controlled airspace"

He doubted a claim by the Director-General of Transport, Mr Ronnie Meyer, that the six air control cadets could alleviate the shortage in April

An ATC said yesterday was "quieter than Wednesday, but passengers can expect delays to become a daily thing"

A total of 49 flights had been reported delayed for periods up to 30 minutes for the first three days of this week.

ATCs said passengers can expect the delays to lengthen considerably by next month as traffic volume increases and after several facilities are shut down at the end of January — Sapa

NEWS

Khayelitsha goes on line in style

w/c Argus 30/11/88

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by TYRONE SEALE
Weekend Argus Reporter

AFTER R57-million and 26 months Khayelitsha residents will get a new rail link with Cape Town on Monday

The line, which has been under construction since November 1985, will also serve residents of Mandalay, the area surrounded by Mitchell's Plain, Crossroads and Khayelitsha

The line was due for completion only in August and the early finish has saved South African Transport Services R5-million, said an official

The new stations along the 21km stretch between Bonteheuwel and Khayelitsha are Mandalay, Nolungile, Nonkqubela and Khayelitsha, all 2km apart

Ticket prices

Nolungile is expected to be the busiest of the four as the areas around the other stations are not heavily populated

The trip to Cape Town will take about 50 minutes and cost R21 (first class) and R5,60 (third class) a week from Khayelitsha, the last station on the line Monthlies from Khayelitsha cost R78 (first class) and R22 (third class)

The Khayelitsha line features overhead station buildings, an innovation most recently employed on the Mitchell's Plain service.

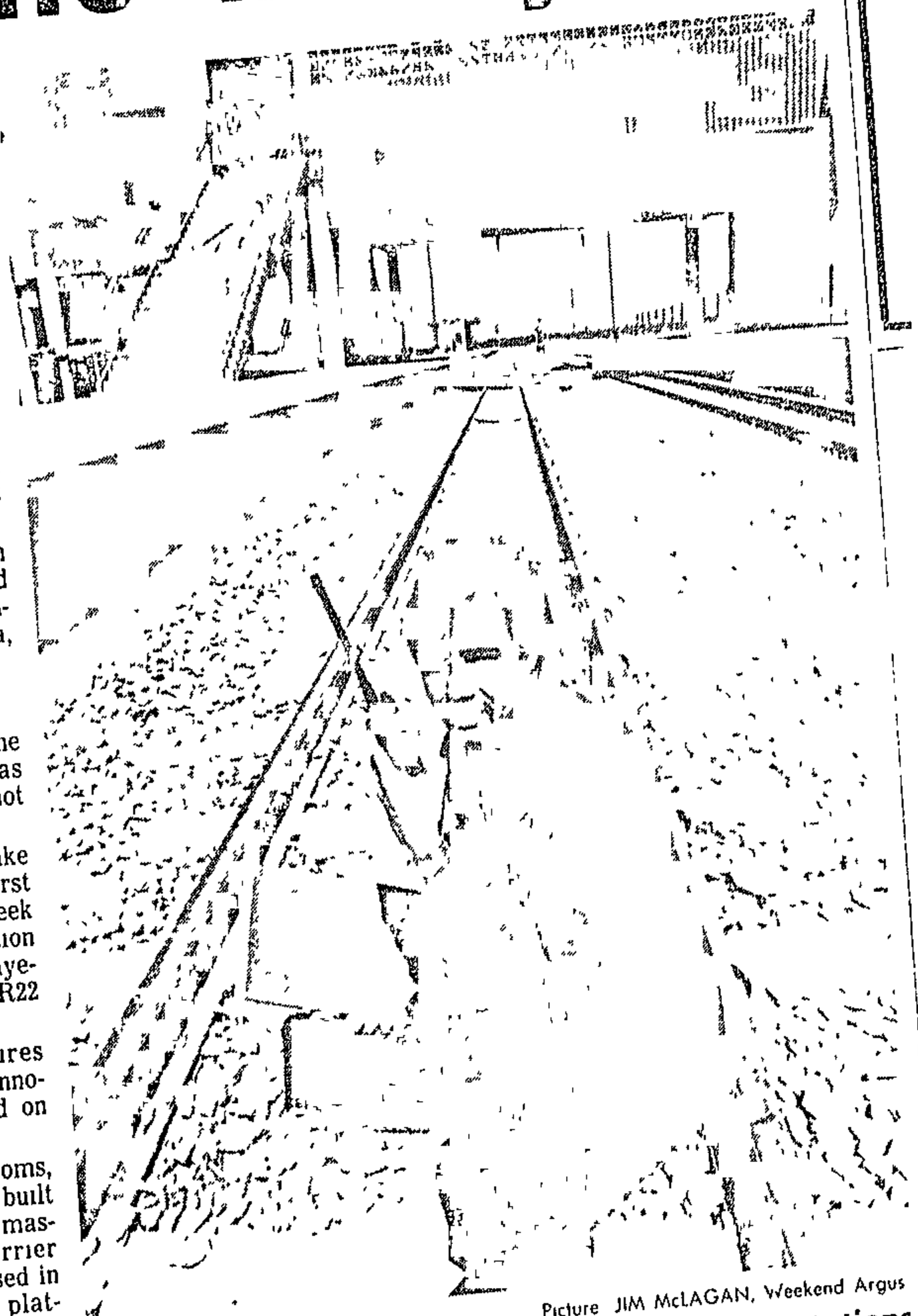
Apart from a few waiting-rooms, no other structures have been built at platform level The station master's office, ticket office, barrier guards and toilets are all housed in a structure overlooking the platforms

A network of staircases and ramps — for the elderly and those in wheelchairs — takes commuters through the station building in a smooth movement

Subways out

As commuters have to pass through the overhead station building to get from one side of the line to another, subways and their related dangers have been eliminated

Inspector Jimmy Green, who will supervise passenger services, said "We also have better security arrangements which will make it difficult for people to break into the offices and damage property"



Picture JIM McLAGAN, Weekend Argus

Mr André le Roux, conductor in charge of stations and barrier guards, at Mandalay station.

Also, Sats have come up with new ideas to inject life into the complexes

Instead of grey, light green or brown décor, the designers have opted for panels and doors in bright yellows, reds, blues and greens at Mandalay, Nolungile, Nonkqubela and Khayelitsha respectively

Tall lamp standards have been installed on the platforms to cut back on vandalism

For early-shift workers, Sats have laid on a service which will start from Khayelitsha at 3.23am daily

During the morning and evening peak periods trains will run directly to and from Cape Town

In off-peak periods there will be a shuttle service between Khayelitsha and Philippi, connecting with trains on the Mitchell's Plain line

Tomorrow the new stations will be open for ticket sales between 8am and 5pm

SAA jumbos are the latest anti-apartheid taggers' target

Own Correspondent

DURBAN — Anti apartheid protesters in London are geared to strike at South African Airways' jumbo jets at Heathrow Airport.

To make their point, however, they will not use explosive devices but ordinary aerosal cans of paint.

"Taggers", as graffiti writers are known, are bent on gaining entry into hangars where SAA aircraft are parked and daubing them with slogans to make a political protest.

But police at the airport have warned that airline passengers' lives could be endangered by the their activities.

The warning, in the airport police newsletter, Eyes In The Sky, follows a plea in an American cult magazine, *Spraycan Artists*, for graffiti writers to start hitting 747s.

Graffiti artists are believed to be already planning for accomplices to distract police at Heathrow while aircraft are defaced.

According to the newsletter, one tagger said there was no point in hitting buildings any more. All they got was a slap on the hand.

"Everyone knows a 747 jumbo jet is the ultimate target. There is a danger, but it won't stop me trying."

SA pilots to conduct probe into new planes

Star 1/2/88

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By Sven Forssman

The South African Airways Pilots Association (Saapa) is to conduct an in-depth investigation into the new Airbus (A320) aircraft, which SAA has purchased for its domestic fleet, following worldwide dissatisfaction with the aircraft.

When French airline pilots went on strike recently, one reason was that the aircraft's computers could override the pilot in emergency situations. Now, British Airways has declared that it is not happy with tests conducted on the aircraft.

British Airways, which takes delivery of its first A320 in a month's time, is demanding compensation from the manufacturers because of fuel efficiency problems.

Saapa technical director Mr Nick Vallentgoed said last night: "If we're not satisfied with the A320 after our investigations, we won't accept them.

"For starters, we're not happy with the fact that the pilot can't override the computers in emergencies, because in the event of an electrical failure, we will want to take full control.

NOT UP TO DATE

"Although we know basically how the A320 operates, we're not up to date with it because SAA did not warn us in advance that they planned to purchase two such aircraft."

Captain Alain Duclon, president of the French Airlines Pilots Association (SMPL), said recently the A320 was built from a "non-flying point of view".

British Airways chairman Lord King wrote in an article recently that the company was concerned about the fuel efficiency of the aircraft from the manufacturers' design specifications.

He said the overweight airframe, greater drag and a less efficient performance by CFM engines meant the A320 was using 9 percent more fuel than expected.

SAA has bought two A320s — at a cost of R96 million each — and has taken delivery options on another five. The aircraft are due for delivery in 1992.

the decision to disband.

SAA firm on deal to buy craft

B/dow 1/2/88 269

UK is to sue over 'faulty' Airbus fleet

Own Correspondent

LONDON — With only a month to go before British Airways is due to take delivery of its first Airbus A320 jets — the same aircraft SAA has just signed a R100m deal to buy — BA has declared it is not satisfied with the tests and is demanding compensation from the manufacturers because of a serious performance shortfall.

BA inherited the order for 10 A320, considered the world's most modern commercial airliners, as part of the deal when it took over British Caledonian.

The dispute over perfomance may well add fuel to the already heated debate over the Airbus project's structure and projected losses.

BA chairman Lord King is demanding compensation from Airbus's European consortium — comprising Britain's Aerospace, Deustche Airbus, France's Aerospatiale and Spain's Casa — because of fuel efficiency problems.

Airbus is understood to have agreed in principle to pay an undisclosed compensation as the jets are burning 9% more fuel than expected because of a variety of design factors.

Last week, on his visit to SA, Bavarian Prime Minister Franz Josef Strauss helped clinch a deal enabling SAA to buy two A320s for about R100m.

He was involved in negotiating the sale of the jets, due for delivery in 1992.

LISE BOSMAN and HELENA PATTEN report that an SAA spokesman yesterday defended the decision to buy the aircraft.

"BA is talking about long flights and we are going to use the A320s domestically. SAA studies an aircraft in its complete construction and performance.

"The needs of an aircraft differ from airline to airline and therefore the performance differs An aircraft used at its extremity is different from an aircraft used in the middle of its spectrum.

"SAA is very fuel sensitive and takes the total fuel picture into perspective. We will monitor the situation very carefully. Fortunately the delivery date is still a long time away and we have full confidence that the manufacturers will have sorted out all their problems by then," the spokesman said.

● See Page 3

The industrial director of the SAA Pilots Association (SAAPA) Colin Jordaan said yesterday the reservation SAAPA and the International Federation of Airline Pilots had about the Airbus A320 model was Airbus's refusal to certify an override function of the computer system that controlled the aircraft.

He said pilots internationally were worried about this factor, because if

● To Page 2

Faulty Airbus: UK to sue

there were ever a situation where the computers failed, the pilot would have no control

"French pilots went on strike for a day last year to show how strongly they felt about it," he said.

However, apart from some other operational hassles in adjusting to a new model, he said SAA had probably made a very good decision in purchasing the two aircraft. "It certainly needs more aircraft, and this model will handle nicely."

Talks are currently underway between BA and the Toulouse-based aircraft manufacturer over the 148-seater aircraft's test performance results

As part of its recent £250m acquisition of BCal, BA inherited the order for 10 A320s, worth $340m They will be the first Airbus equipment to join BA's largely American-built fleet

● From Page 1

BA chairman's complaints about the aircraft were aired privately last month when he replied to a letter from Deeside Labour MP Barry Jones, who had asked whether BA would be honouring BCal's Airbus commitment.

King wrote that BA would, but that it was concerned about the shortfall from the manufacturer's design specifications.

"Due to a combination of factors — an overweight airframe, greater drag and a less efficient performance by CFM engines — the A320 is using approximately 9% more fuel for a given journey than was expected," he wrote.

According to aviation experts, that is a remarkably high variation from specifications

Airbus in dispute

CAPT Tuyis 1/2/88

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Own Correspondent

LONDON. — With only a month to go before British Airways is due to take delivery of its first Airbus A320 jets — the same aircraft SAA has just signed a R100-million deal to buy — BA has declared it is not satisfied with the tests and is demanding compensation from the manufacturers because of a serious performance shortfall.

BA inherited the order for ten A320s — considered the world's most modern commerical airliner — as part of the deal when it took over British Caledonian

Late last night an SAA spokesman said the SAA airbus would use the CFM 56-5 engine and it could be assumed that the engines would be the same as those tested by British Airways

BA chairman Lord King is demanding compensation from Airbus's European consortium — comprising Britain's Aerospace, Deustche Airbus, France's Aerospatiale and Spain's Casa — because of fuel-efficiency problems.

Airbus is understood to have agreed in principal to pay an undisclosed compensation as the jets are burning 9% more fuel than expected because of a variety of design factors

Last week, on his visit to South Africa, the Bavarian premier, Mr Franz Josef Strauss, helped clinch a deal with SAA to buy two A320s for about R100 million to be delivered in 1992

As part of its recent £250-million acquisition of British Caledonian, BA inherited the order for 10 A320s, worth $340-million

Lord King's complaint's about the aircraft were aired in a letter to Mr Barry Jones, Labour Party MP for Deeside

Lord King wrote that BA was concerned about the shortfall from the manufacturer's design specifications

The A320 is reported to be overweight by as much as a ton. The manufacturer hopes this defect will be corrected after the first 20 or so deliveries

By the end of last year, before the SAA deal was made, Airbus had received 300 firm orders from 18 airlines throughout the world for A320s.

Earlier yesterday another SAA spokesman said he did not know if the engine on the airbuses purchased by SAA would be the same

But, he said, even if it were the same engine, in four years' time, when SAA took delivery of its aircraft, it would most likely be comparable to the present engines due to modifications along the way in that time

ARGUS 1/2/88

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Airbus row — SAA pilots 'not too happy'

The Argus Correspondent

JOHANNESBURG. — The South African Airways Pilots' Association is to conduct an investigation into the new Airbuses which SAA has bought for its domestic fleet after worldwide dissatisfaction with the aircraft.

French airline pilots went on strike recently and one reason was because the aircraft's computers can override the pilot in emergencies. And now British Airways has declared it is not happy with tests on the aircraft.

British Airways, which takes delivery of its first A320 in a month, is demanding compensation from the manufacturers because of fuel efficiency problems.

Saapa is also not "too happy" with the A320.

EMERGENCIES

The technical director, Mr Nick Vallentgoed, said last night "If we're not satisfied with the A320 after our investigations, we won't accept them

"For starters, we're not happy with the fact that the pilot can't override the computers in emergencies, because in the event of an electrical failure we will want to take full control of the aircraft.

"Although we know basically how the A320 operates, we're not up to date with it because SAA did not warn us in advance that they planned to purchase two such aircraft. The first we knew about the A320 was when the media were told."

Mr Vallentgoed said Saapa would probably press for a switch to override the computers.

Captain Alain Duclon, president of the French Airlines Pilots' Association, said recently that the A320 was built from a "non-flying point of view"

FUEL EFFICIENCY

British Airways chairman Lord King wrote in an article recently that the company was concerned about the fuel efficiency of the aircraft.

He said the overweight airframe, greater drag and a less-efficient performance by CFM engines meant that the A320 was using nine percent more fuel than expected.

SAA has bought two A320s, costing R96-million each, and has taken delivery options on another five. The aircraft are due for delivery in 1992

Board to probe SAA disaster announced

1/2/88

(269 Blaauw

CAPE TOWN — Minister of Transport Affairs Eli Louw last week announced the board of inquiry to investigate the crash of the SAA Helderberg. Members include:

- Chairman Mr Justice C S Margo;
- Legal expert George N Tompkins of Condon Forsyth, New York;
- Aircraft expert Geoffrey Wilkinson of Winchester, Hampshire, England;
- J J S Germishuys, former Department of Transport Deputy Director-General and Commissioner for Civil Aviation;
- J Gilliland, former Department of National Health and Population Development Deputy Director-General and chairman of the Aero Club of SA;
- Y Funatfu, All Nippon Airways of Japan Executive Vice-President;
- Liang Lung, Civil Aviation Administration of the Republic of China Aviation Safety Branch head;
- Mr Justice Hurryall Goburdhun of the Mauritius Supreme Court.

Meanwhile, it is reported from Pretoria that wreckage believed to be from the aircraft has been located.

A Department of Transport statement said: "The position of this debris field, position 19 10,09S and 59 37,95E, is at least 400m long and approximately 4,4km beneath the surface of the sea.

"It should also be noted that this may not be the only debris field to be found. This will depend on the extent of which the aircraft broke up on impact with the sea surface. The search will therefore still continue."

The statement continued: "The above locations will now make it possible to proceed with the planning of phase III, which will involve the recovery of selected items from the seabed. This is not expected to take place before May or June this year." — Sapa.



ALL STATIONS . . . Commuters rushing to catch their trains at Khayelitsha station on the new Khayelitsha-Cape Town line which opened yesterday. Picture OBED ZILWA

269 CAT Trains 2/2/88

Khayelitsha line now open

Staff Reporter

THE new R57m Khayelitsha railway line opened early yesterday morning, with thousands of commuters making use of a new opportunity to get to work on time and adding a few sorely needed extra sleeping hours to their daily routines.

Four new stations — Mandalay, Nolungile, Nonkqubela and Khayelitsha — have come into operation through the opening of the new line.

With 17 trains running in the morning and afternoon peaks — 4.55am to 7.32am, and 4.04pm to 5.22pm — many of the 220 000 citizens of the township are expected to use the Philippi-Khayelitsha service as well as the off-peak service between Kapteinsklip and Mitchells Plain.

The peak-hour trains run directly to the city.

About 45 000 daily commuters are expected to use the new line during peak hours, the spokesman, Mr Luther Diedericks, said yesterday.

Reports were that trains were not crowded yesterday and only between 30 and 70% full.

D/P 02/2/88 (269)

Probe into new SAA jets to be conducted

JOHANNESBURG — The South African Airways Pilots Association (Saapa) is to conduct an in-depth investigation into the new Airbus (A320) aircraft, which South African Airways has purchased for its domestic fleet, following worldwide dissatisfaction with the jet.

When French airline pilots went on strike recently, one reason was that the aircraft's computers could override the pilot in emergency situations.

British Airways has now declared that it is not happy with tests conducted on the aircraft

British Airways, which takes delivery of its first A320 in a month's time, is demanding compensation from the manufacturers because of fuel efficiency problems.

The technical director of Saapa, Mr Nick Vallentgoed, said: "If we're not satisfied with the A320 after our investigations, we won't accept them.

"For starters, we're not happy with the fact that the pilot can't override the computers in emergencies, because in the event of an electrical failure, we will want to take full control

"Although we know basically how the A320 operates, we're not up to date with it because SAA did not warn us in advance that they planned to purchase two such aircraft."

The chairman of British Airways, Lord King, wrote in an article recently that the company was concerned about the fuel efficiency of the aircraft from the manufacturers' design specifications.

He said the overweight airframe, greater drag and a less efficient performance by CFM engines meant the A320 was using nine per cent more fuel than expected.

SAA has bought two A320s — at a cost of R96 million each — and has taken delivery options on another five.

The aircraft are due for delivery in 1992. — Sapa

SAP uncover new

SA pilots to probe Airbus

JOHANNESBURG — The South African Airways Pilots' Association is to investigate the new Airbus (A320) aircraft, which SAA has ordered following disatisfaction with the aircraft

When French airline pilots went on strike recently, one reason was that the aircraft's computers could override the pilot in emergency situations Now, British Airways has said it is not happy with the results of tests on the aircraft.

BA, which takes delivery of its first A320 in a month's time, is demanding compensation from the manufacturers because of fuel-efficiency problems

Saapa technical director Mr Nick Vallentgoed said last night: "If we're not satisfied with the A320 after our investigations, we won't accept them.

"For starters, we're not happy with the fact that the pilot can't override the computers in emergencies, because in the event of an electrical failure, we will want to take full control.

"Although we know basically how the A320 operates, we're not up to date with it because SAA did not warn us in advance that they planned to purchase two such aircraft." — Sapa

New timetables 'have led to better service'

Fewer trains, more efficiency — Sats

Star 2/2/88 (269)

By Sven Forssman

South African Transport Services has rationalised its mainline train service drastically after a R314 million loss last year, but the new timetable provides a better service than before, says a Sats spokesman.

"We now run only 100 trains every week countrywide, compared with 1 100 two years ago but, by and large, this basic timetable provides a better service than before because trains are more regularly spaced and travel times are more convenient," the spokesman says

SUPPLY AND DEMAND

"Passenger services were rationalised in all areas to bring supply and demand together — Sats lost nearly R1 000 million on mainline trains, suburban trains and the Blue Train last year.

"In the case of suburban trains, this rationalisation was largely a case of altering timetables and changing train compositions

"In the case of mainline transport — that is, intercity trains and regional or rural trains — underpatronised trains have been withdrawn and only a basic service has been retained."

The spokesman says the present service consists of regular trains between Johannesburg and Cape Town, Durban, East London, Louis Trichardt and Komatipoort.

The Cape Town, Port Elizabeth and East London trains run via Kimberley, he says.

There is also a train between Cape Town and Durban that goes via Bloemfontein and Kimberley.

The spokesman says Sats is in the process of sorting the fleet of coaches into categories, based on age and condition, in order to identify the ones that Sats wishes to retain

"A portion of the mainline fleet is now redundant. Many of these vehicles are old, corroded and generally worn on Surplus vehicles will be disposed of to best advantage — by selling them to other railways or to the public."

BEING RUN AT A LOSS

A committee is investigating what means of disposal will be most advantageous It will also address the possibility of moth-balling and the level of operating reserve

Mr Barry Lessing, Sats' assistant general manager of road and passengers services, says there is no question of shutting down suburban trains, even though they are being run at such a massive loss.

"Mainline transport as a product has come to the end of its lifecycle — many of the trains are carrying fresh air — but we regard the suburban trains as a social service and we're compensated by the Government," says Mr Lessing

Harbour control handed over

DD 4/2/88

269

Daily Dispatch Reporter

EAST LONDON — A function for the official hand over of control of the East London harbour from the regional manager of the South African Transport Services, Mr Louis Du Toit, to the newly-appointed port director, Mr Hermie Visser, was held here yesterday

The move follows the restructuring of Sats in which control of the harbour has been placed under a port director

Previously, Mr Du Toit was responsible for the railways and harbour portfolios, and will now be responsible for the railways portfolio only.

At the function, Mr Visser paid tribute to Mr Du Toit for his dedication to duty and his work for the harbours.

He said Mr Du Toit had been an inspiration and that "his dedication to duty ensured stability and progress in the harbour".

Mr Visser said that "with the restructuring of Sats we face new challenges and goals

"It is essential that we all pull together to meet these challenges We are on the brink of a new era and we must rise to the new goals."

"We will do our best to meet the challenges and I feel that with dedication and commitment we will achieve what is asked of us."

8 500 tons of wheat being offloaded at EL harbour

DD 4/02/88

269

Daily Dispatch Reporter

EAST LONDON — More than 8,5 thousand tons of wheat was being offloaded in the harbour here, the port manager, Mr Sarel Broodryk, said yesterday.

He said the wheat, which was bound for Lesotho, would be bulk railed from the harbour.

He said that the offloading operation involved using cranes and grabs and putting the wheat into hoppers from where it was gravity fed into bulk railway truck for railage to Lesotho.

"This is a trial shipment and if everything goes according to plan we could get many more shipments through East London harbour.

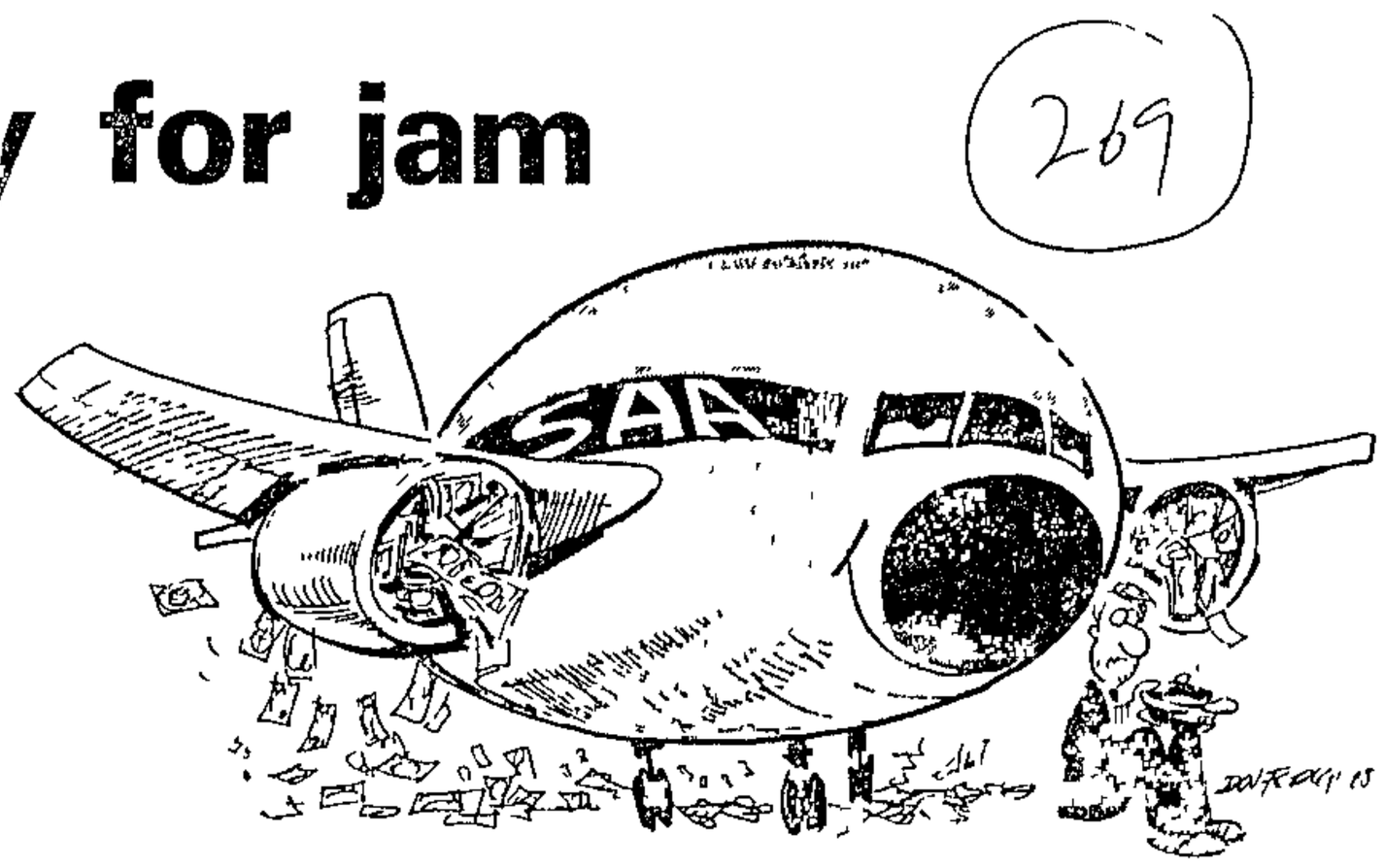
"This ship usually goes to Durban harbour to off laod but we are giving it better service here with a result East London is being used," Mr Broodryk said.



The offloading operation involves using cranes and grabs and putting the wheat into hoppers from where it is fed into railway trucks.

SAA

Money for jam



South African Airways (SAA) is currently experiencing a huge income surge which could more than double the State-owned airline's operating surplus for the year to end-March 1988 to R134,5m on an annualised basis

But while SAA's coffers are bursting, there appears to be no resolution in sight for the simmering dispute between the SAA Pilots' Association (SAAPA) and SAA on the issue of pilots' remuneration (*FM* January 22)

According to information given to the *FM* by SAA CE Gert van der Veer, SAA's operating income for the first nine months of the current financial year (till end-December 1987) amounted to R101m

On an annualised basis, this would approximate R134,5m for the year The declared surplus of R108,6m for the year to end-March 1987 included a R43,1m "profit on the disposal of aircraft," which left an operating income of R65,5m for the year

The huge jump in the airline's net income has been brought about by the combination of a boom in local business and tourist travel and the return of foreign tourists to SA's shores

Indicative of the increased demand for its services is the announcement this week of 14 new weekly midnight flights — SAA's most popular domestic service — the purchase of two new A320 Airbuses at R96m each for delivery in 1992 with an option on a further five

As an interim measure, SAA is chartering an Airbus A300 from Luxavia to meet the burgeoning demand for seats

Meanwhile, SAAPA president Blake Flemington says discontent is simmering and 43 SAA pilots have resigned this year

"With 101 experienced pilots reaching pensionable age in August and many junior pilots upset by the way their grievances are being treated, it is not impossible that SAA will see a mass exodus unless the disquiet is removed by the Minister," says Flemington

Pilots in the employ of SAA earn only about a quarter of what US pilots with similar qualifications and experience take home in pay and fringe benefits Flemington says SAAPA is still waiting for Transport Minister Eli Louw to give a final date for an official grievance meeting to sort out the question of the status and recognition of SAAPA as the representative body for SAA's 497 pilots

Currently, SAAPA has no official status and pilots are expected to make their representations through Salstaff, the SA Transport Services' salaried staff association But, says Flemington, the SAAPA member pilots have resigned from Salstaff — and they still have no official status to negotiate with Van der Veer on the salary and representation issues

"While SAA has launched a major recruiting drive, experienced pilots might be induced to take up the immensely lucrative offers available overseas And experience, together with pilot satisfaction, are important parts of running a good airline," says Flemington

Flight delays

Other unresolved issues that bug SAA include costly flight delays caused by the shortage of air traffic controllers — employees of the Department of Civil Aviation who are also in the midst of a salary dispute — and pilot dissatisfaction with the "fly-by-wire" computerised system of the new Airbus A320s

While SAA attempts to deal with its many-faceted problems, the airline is reaping the fruits of the cyclical upturn

During the period April to September 1987, domestic passenger traffic increased by 15,8% on the previous year while the comparative jump in December was 16%

"On the international routes we currently ply, we see a 30% passenger traffic increase above last year, while the comparative increase with the *inclusion* of the cancelled US route is some 14%," says Van der Veer

However, until SA's national airline can sort out its administrative problems, its reputation as one of the world's safest and most reliable airlines could come under increased pressure

FINANCIAL MAIL FEBRUARY 5 1988

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DiSatsisfaction

Government's multimodal transport arm, SA Transport Services (Sats), has confirmed that it is going ahead with its application for a clearing and forwarding licence

This will bring it into head-on competition with existing private sector clearing and forwarding agents, who already have to contend with State-regulated monopolies like SA Container Depots

Sats maintains it does not intend competing aggressively with the private sector. An official spokesman says the idea behind the application is to "offer a one-stop service in the transport field" and that the impetus came from customers of the rail service

"Sats would prefer to have the service performed by the private sector But we have been requested by some of our clients to perform this function. This will be an additional service to clients, who could then come to us for everything, instead of going to various organisations"

The licence has yet to be granted, but Sats is hopeful that it will get the go-ahead soon

The SA Association of Freight Forwarders (SAAFF) is appalled by the development. Says president Pat Henegan. "The first intimation we had of this latest effort was a letter sent to us from the Sats Stores Department telling us of their intention to apply for a licence

"One would imagine that an important matter like Sats going into the clearing and forwarding field would be dealt with by the GM But Stores said that because Sats does the clearing and forwarding of its own imports and those of various other State departments, it has decided 'in an endeavour to gain more rail traffic' to do clearing for the private sector.

"We are totally opposed to this and actually do not understand how it could work. Would Sats give credit? If so, what would they use to do so? Taxpayers' money?"

Many road transporters are equally horrified at the prospect, which they interpret as yet another example of a protected and privileged State organisation being allowed to muscle in on the private sector. The concept is certainly not appealing. Sats is not, like private sector companies, accountable under the Companies Act. It is exempt from duties, levies and licences demanded from private sector competitors, who are therefore placed at distinct economic disadvantage

It also has a reputation — and a record — of inefficiency in the rail transit of cargo. And it does not have the necessary clearing expertise, having dealt so far only with goods coming into the country on a public service bill of entry. Were it a private operation applying for a clearing licence under those circumstances, it would be refused. ■

FM 5/2/88

BUS INDUSTRY

Official problems

A major row is brewing between the Southern African Bus Operators' Association (Saboa) and the Department of Transport (DoT) At issue is the DoT's reluctance to let Saboa see its version of interim contracts to be signed by bus companies

Interim contracts are scheduled to become operative on April 1 and are, the DoT claims, intended to simplify the subsidy system. They will remain in force until the transport industry is deregulated.

"We had understood that this would be a product of negotiation," says Saboa executive director Wessel Pienaar. "Six months ago, we advised the DoT of our contract requirements and understood that we would soon see a draft Later, we were given a target date of January 31, but that was not met either"

Pienaar fears that the Dot has unilaterally drawn up a contract which it will expect Saboa members to sign. His concern is that if it is not acceptable, there won't be enough time to renegotiate it before April 1. He says this is typical of the high-handed manner in which the DoT has been treating the bus industry He claims there is "thickness in the air", because the people who regulate passenger transport in SA are insensitive to the needs of bus operators.

The debate over combi taxis is a case in point. Buses are route-bound and area-bound "All that is needed to start a combi taxi operation is the deposit and if one area fails it's easy to move to another. But the DoT has little sympathy with that."

At the same time, Pienaar says the existing legislation outlining shedules and routes for bus operators is "good" and Saboa does not want it changed. And, while Saboa wants bus routes to be protected against competition from combi taxis, it has suggested that uneconomic routes should be handed over to combi taxis. Its major complaint is against the DoT's failure to properly administer existing legislation.

"Legal and illegal combi taxis have been allowed to erode the bus market. Nothing is being done to stop them," says Pienaar. He claims the lack of regulation is costing taxpayers millions in subsidies paid unnecessarily to keep bus services viable. In the current financial year, the DoT will pay bus companies R395m, plus a further R20m collected as levies from employers. In the next financial year, this will jump to an estimated R470m in subsidies plus R10m collected as levies.

Worse, he says these excessive subsidies are used "to create the illusion and to prove to government that buses are clumsy, inefficient and uneconomic. And because it is the conduit for those subsidies, the DoT expects bus operators to jump whenever it says so."

Director General of Transport Ron Meyer claims Pienaar is "still very new to the position and does not know the background." No bus operator has suffered because of the delay with the contracts. And they must accept the competition of combi-taxis. "Especially over long distances, they can be competitive if they provide a service that is cheaper and as comfortable," adds Meyer.

Meanwhile, the permit system is still in force. Interim contracts will only change the way subsidies will be paid — and operators will not have to negotiate these on an *ad hoc* basis, as they do now.

The DoT he says rejected Saboa's draft contract "as it was trying to negotiate one that will oblige government to guarantee bus operators a fixed minimum return on every route" This was unacceptable, says Meyer. "But I can assure Saboa that we'll have one ready before the end of March. Our target date for the enforcement of the interim contracts is still April 1." ■

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WESTERN CAPE APARTHEID

The trains are running

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The railway line between Khayelitsha and Cape Town was opened this week, marking yet another milestone in the strange and tortuous history of apartheid in the western Cape. Khayelitsha — situated on the bleak, windy dunes beyond Mitchells Plain — is to house some 500 000 blacks finally accepted as permanent in the region

The cost of it all has been astronomical, and there is no end in sight, for the township will not do what it was meant to do — channel squatters, mainly families from Transkei and Ciskei, away from their uncomfortable proximity to white suburbs and places of work The squatters continue to come; over the years they built Crossroads, KTC and other settlements which became household names

The Cape Peninsula has historically been regarded as a *de facto* homeland for whites and coloureds — a last redoubt if all else failed To bolster the myth, blacks were admitted to the western Cape on only the most stringent conditions — only as single migrants, only temporarily, only if they were prepared to do work unwanted by whites and coloureds. Their continual influx meant — finally — the acceptance of controlled squatting, enormous land hunger and violence in the camps, the erosion of the pass laws, and, of course Khayelitsha.

The violence continues — KTC was burnt this week and there were killings People fled — some perhaps to Khayelitsha, most probably into the bush. A camp like KTC is repeatedly "cleared" only to spring up again The notorious winter night raids by Peninsula police are currently in abeyance — but perhaps only for the moment, since the strong allegation is that the authorities co-operate with compliant local leaders who receive various favours, particularly preferential housing, in exchange for rooting out the less fortunate, or politically unacceptable, people.

The Khayelitsha railway line is, of course, subsidised, with the apartheid legacy, there is no other option As people continue to stream in from poverty-striken homelands, the township will grow and spill outwards In one sense this is inevitable and nobody's fault — the birthrate sees to that In another, it represents the folly and the cost of leaving matters to the police until population pressures break the system.

The refusal to build new housing for blacks in the Peninsula for so many years — outside Langa, Nyanga and Guguletu — meant in the end social explosions, enormous capital and recurrent costs Within a decade, Khayelitsha could be the size of Soweto, the rail link will be further strained It is far from the city centre Its cost — past, present, future — is utterly unquantifiable.

D.D. 5/4/88

Shipping service to be improved

(29)

Daily Dispatch Reporter

EAST LONDON — Two new ships have joined the Safmarine fleet, the managing director of Safmarine, Mr Mike Findlay, has announced

He said that with the merger of Safmarine and the Bank Line in November 1987, "it was in our interests for the United States trade to improve our service to customers in terms of regular and frequent sailing schedules to rationalise our operation for the two companies"

"These ships are multi purpose and can carry up to 1 100 containers"

The branch manager of Safmarine in East London, Mr Graehme Clemiston, said one of the new ships, the Infanta "would arrive in East London on February 8, 1988"

Sats sued for R1,8-m

A MAN who says he fell from a moving train is suing South African Transport Services (Sats) for R1,8-million

It is believed to be the first case of its kind in the country and is regarded in some circles as a test case

Mr Otto Malusi Ngubane, of Meadowlands, Soweto, claims that the railways were negligent

He says the doors of the train were open when he fell from it near or at Grosvenor station on July 23, 1985

But Sats denies that such an incident took place

Mr Ngubane's case is being heard in the Rand Supreme Court by Mr Justice P A Hattingh

Mr Ngubane said in papers before the court that he suffered serious spinal injuries and his bladder, bowl and sexual functions were seriously affected

SH 269 7/2/88

About-turns in great toll road muddle

THE planned privatisation of SA's road system, which will take on increased importance in the Government's new economic direction, is coming under heavy flak.

It is estimated that at least R60-billion will be needed to upgrade and maintain the road network

The Government's insistence that the construction and maintenance of roads be handed over to private enterprise by introducing tolls has been attacked by the Association of Chambers of Commerce (Assocom)

The authorities insist that they will not set aside a dedicated road fund for the maintenance and construction of roads, but will privatise major routes

Change of tune

Even if the current annual budget of R2,4-billion were doubled, it would take 10 years before the road system met requirements caused by abolition of the permit system, say industry sources

The Automobile Association has changed its attitude to toll roads After opposing them, it now accepts them in certain circumstances

By Don Robertson

The South African Federation of Civil Engineering Contractors, a member of Assocom, has dissociated itself from Assocom's Transport Consultative Committee's (TCC) stand against toll roads

In July last year, Assocom asked the chairman of the National Transport Commission (NTC) to reconsider tolling of the N3 between Alberton and Hilton Road in Natal.

In a follow-up letter to the Director-General of Transport in October, Assocom said it had studied the proposals for the tolling of the N3 and expressed its opposition to privatisation of roads

The NTC's intention was to invite a group called Tollcon — it consists of construction companies — to build toll plazas on the N3 to finance maintenance and possible new lanes

Assocom said the principle of including existing roads could not be supported as construction costs had been paid.

Assocom said the National Transport Policy Study had investigated road funding and concluded that the best method was to have a user pays principle in which motorists contributed to a fuel levy and paid higher licence fees

The Department of Transport assisted studies into the the road funding needs in relation to fuel levies and licence fees and, said Assocom, it must be assumed it would have sufficient funds for projects

Assocom said an undertaking was given that once the costs of road construction had been amortised, the toll would fall away

However, it now appeared that the toll would be used for maintenance and was intended to last for possibly 50 years

"It is the considered view of this association that maintenance for this important route (the N3) should be provided from the road fund"

Because of this, Assocom would support tolls only if they were levied on roads which would not otherwise be built, as long as there was an alternative route and that the levy be charged only until the cost of construction had been paid.

Assocom said the alternative route on the N3 had not been used by commerce and industry for the past 20 years and would not be able to cope with the heavy traffic on the N3

The envisaged toll of more than R25 a vehicle from Alberton to Hilton Road was prohibitive and would add to passenger and freight transport tariffs, aggravating inflation

The increased danger on the roads through towns on the old route had to be considered

Assocom said that as the increase in the fuel levy had been implemented and it must be assumed that sufficient funds were being raised, particularly for the upgrading of roads

Assocom's TCC fears that if the N3 is privatised, a precedent may be set which could result in applications from the private sector for the tolling of other arterial roads

Because the tolls do not appear to need ministerial approval, tariffs could be open to abuse, says the TCC It says that privatisation of toll roads could result in large increases in tariffs because private operators require a profit on capital

In its about-face, the AA says that in present circumstances, tolling of certain routes may be necessary to provide money for the construction of roads But it admits that within the next 10 years the N3 will have five toll plazas and at present prices will cost motorists about R60 for a return trip

and tempered steels used

269

R250m D F Malan plan

Special Correspondent

A PLAN to rebuild and redevelop D F Malan Airport at a current cost of about R250 million has been released by the Chief Directorate of Civil Aviation of the Department of Transport.

Once completed to full long-term specifications with two runways in operation, the facilities at the airport will be able to provide for up to 30 million passengers a year.

Mr Jeremy Wood, a director of the firm of consulting engineers who designed the plan, said D F Malan was already running to capacity and would not be able to cope should another airbus be scheduled to land during peak hours

Mr Wood, who released the plan on behalf of the department, said the total cost of the project could easily be triple that of current cost when completed

The chief director of civil aviation, Mr J J Smit, emphasized yesterday that the plan provided for and had been based on future projections No date had been set for the start of the development.

According to Mr Wood, the plan provided for a new parallel runway operation. The existing runway would eventually become obsolete and be demolished

The existing runway could not be included in the parallel runway operation because the Tygerberg mountain is in the descending and ascending approach pathway. In addition, about 80m of the Tierberg protrudes into the approach surface of the existing runway

Retaining the existing runway as part of the parallel operation was undesirable because the runway would then have a V-shape, eliminating the advantage of simultaneous landing and take-off of aircraft

Mr Wood said that according to projections done on increased traffic and passenger capacity, development of the airport should start about 1997.

The number of passengers passing through D F Malan increased to 1,6 million last year after growth had been stabilized at 1,5 million for several years

Once the "justifiable capacity" had been reached the airport would be developed in phases, starting with the new terminal building.

Mr Wood said it would cost about R25 million to erect such a building today.

The new terminal building would be situated between the two new runways. The existing runway would be used till the first new runway and its two taxi-ways had been completed

The second runway and the connecting secondary runway and additional taxi-ways would be built when required by increased demand, he said

Ban on student pilots is lifted

A DECISION to ban the training of student pilots by flying clubs at D F Malan Airport has been reversed by civil aviation authorities

This emerged yesterday when a plan for the redevelopment of D F Malan was released

Mr J J Smit, chief director of civil aviation of the Department of Transport, said permission to continue training at D F Malan was now being granted annually to flying clubs

Referring to Fisantekraal Airport between Durbanville and Paarl, he said the Western Cape would in the long run need an airport similar to Lanseria and the Rand Airport on the Reef.

"We are very keen to see the Fisantekraal Airport developed, which will enable the move of recreational and unscheduled flights there All Peninsula air traffic control will still be done from D F Malan"

D/D 10/2/88

New ship in port

269

Daily Dispatch Reporter

EAST LONDON — One of the six new ships on charter to Safbank, the Infanta, registered in Panama, docked here yesterday to load cargo bound for the United States

The sales manager of Safmarine and agents for the Infanta, Mr Graeme Clemitson, said that one of the six ship fleet would call into East London every two weeks

"This means that each ship in the fleet will have called into East London within a 12 week cycle subject to cargo

"The Infanta's sister ship, the Recife, will call in the next few days."

He said that "two of our other ships, the Vergo and Venta, are in Japan undergoing refurbishing and redesigning programmes and will arrive in East London within the next three weeks These vessels are being tailored to meet our clients' requirements for the import/export market to the Far East"

"The Vergo and the Venta will call into East London on a regular basis

"As an example of tailoring our ships to meet client needs, the ship Infanta is specifically designed to carry 1 100 containers and her hold configuration is ideally suited to carry thousands of tons of paper and other products from South Africa for export to the United States

He said that the "big European container vessels carry 13 containers across the deck, the Infanta because of her design and wide beam can carry 12

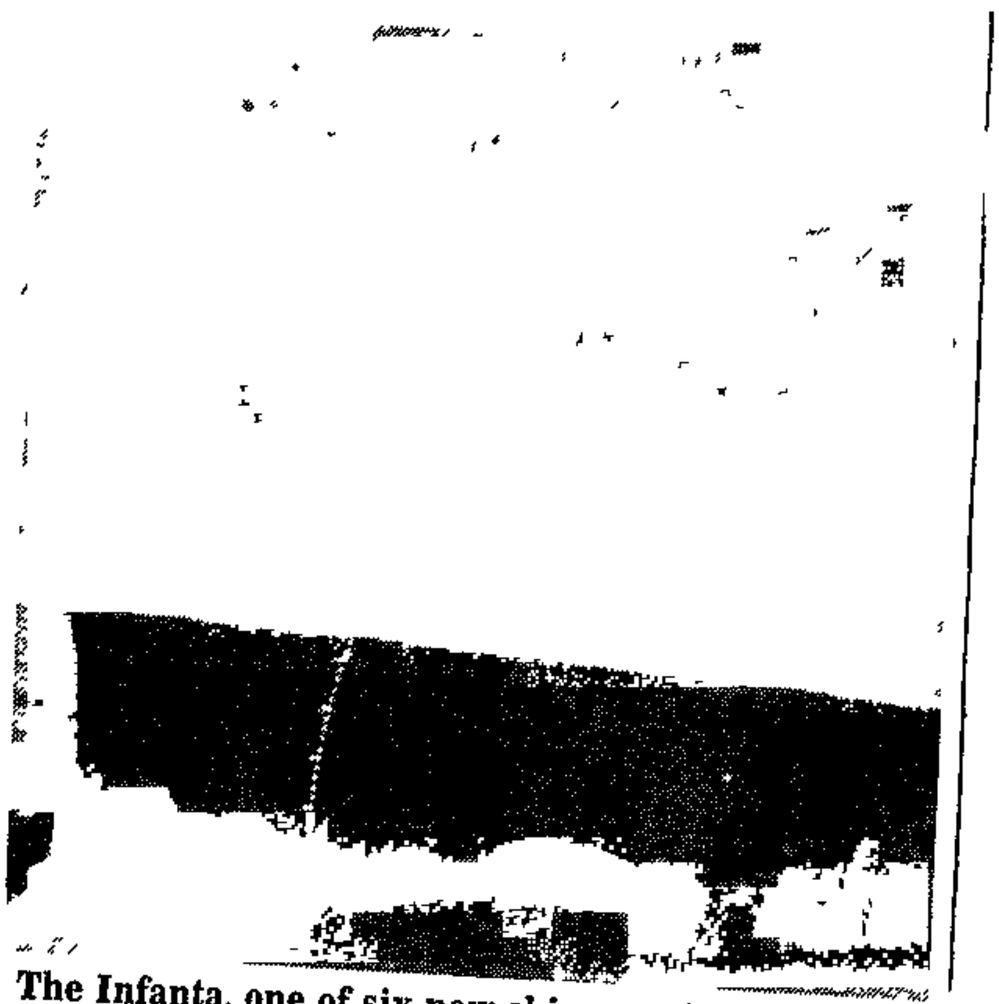
"Each crane on board this vessel is capable of lifting 25 tons of cargo on a single lift or 50 tons in tandem.

"The Infanta and her sister ship, the Recife, are fully self-contained," Mr Clemitson said.

The manager of the South African Stevedores, Mr Tony Aylott, said that with "the new multi purpose cargo handling facilities at L shed, we will see new horizons in cargo handling methods".

"I want to see more ships like the Infanta coming into East London harbour, but not on a two weekly basis, or even weekly, but daily

"When we get to this stage in the growth of East London and the Border, Ciskei and Transkei areas we will be well on the way to one of the biggest economic booms seen in this region in history," Mr Aylott said



The Infanta, one of six new ships on charter to Safbank, loads cargo for the United States in East London yesterday.

ROAD TRANSPORT

Deregulation doubts

You can't please some people Road hauliers may claim to dislike the over-regulation which shackles their industry — but then they don't want deregulation either

The message from the first convention of the Public Carriers' Association (PCA) was that they would prefer maintenance of the status quo, as long as SA Transport Services (Sats) is removed from the scene.

They were direct last week about the level of protection they expect for established companies, should deregulation become a reality They favour the Road Freight Quality System (RFQS), which will ensure road safety and operating standards but also operates in favour of larger companies and could control entry into the industry, a block on unfettered price competition through the setting of minimum rates; and "Sats off the road," to quote PCA chairman Phil Erasmus

Delegates to the three-day convention in Swaziland heard four speakers Glyn Samuel (national chairman of the Road Haulage Association in the UK), David Lowe (British transport consultant and author), Clifford Harveson (president of National Tank Truck Carriers in the US) and Wynand Pretorius (professor at the Rand Afrikaans University's Transport Department).

The overseas speakers stressed the pitfalls of deregulation Samuel said the British haulage industry, while in private hands, "is about the most regulated occupation there is, with the possible exception of the airlines."

Lowe said EEC licensing arrangements in the UK had been "debased by the sheer numbers qualifying" and lack of experience.

Harveson said deregulation was responsible for destroying US road safety and the profitability of the national haulage industry by allowing inexperienced "cowboys" to compete on the basis of price rather than professional ability or service He said steps to obviate this should be taken "before and as a part of legislated deregulation.

"Insist government have a meaningful and enforceable safety oversight programme in place before economic deregulation takes effect" ■

TOLL ROADS

Opposition mounts

Is it too late to halt government's plans to put major sections of the national road network in the hands of private toll operators?

The two roads initially affected by the Department of Transport's (DoT) proposals are the Hendrik Schoeman Highway between Springs and Krugersdorp, which Toll Highway Development Company has been invited to operate, and the Alberton-Hilton section of the N3 given to Tollroad Concessionaires. Both are comprised of consortiums

of major road builders

Opposition to the move, led by Assocom and the Transport Consultative Committee (TCC), is growing, especially since Transport Director-General Ron Meyer has admitted, at this stage, that the arrangement between the DoT and the consortiums is only an agreement in principle

He claims there are still a few points that need to be settled before the agreement becomes a binding contract However, it is generally accepted in government circles that there can be no turning back at this stage. The consortiums involved have already set up the necessary infrastructure to run the operation.

The SA Agricultural Union (SAAU) has now joined in the protests Chief economist Koos du Toit contends most agricultural produce carried by road is high-bulk, low-value. Toll payments could severely hit farmers' pockets.

Like Assocom and the TCC, who have fought the move since October, the SAAU argues that the roads were built with taxpayers' money, so should not be handed to private-sector monopolies, that the toll — an amount of R60 for a trip between Johannesburg and Durban has been suggested — will fuel inflation.

A major concern is that road users will not benefit from this form of privatisation The 7c road-building element built into the fuel price will remain and, in view of the government's intention to do away with dedicated funds, will not necessarily be used for roads.

Assocom considers the toll contracts "a contravention of the undertaking given by the DoT that tolls will only be levied in respect of roads which would not otherwise be built This road (the N3) already exists and, therefore, no toll should be levied. The addition of an extra lane and resurfacing does not constitute a new road."

Former Transport Affairs Minister Hendrik Schoeman also has reservations He says. "This alters the whole concept of what I stood for The old route to Durban can hardly be called a suitable alternative route. The Minister must also stipulate that he become part of the body that decides on the tariffs to ensure they don't become excessive."

But Meyer takes issue with the critics. He says tollroads will save users and taxpayers money. "They will get roads now that we (the government) would not have been able to build in five years with the money collected from the fuel levy "

(269) DD . 12/2/88

Sats warns of austerity cuts

JOHANNESBURG — South African Transport Services gave warning yesterday of impending austerity cuts which could lead to the closing of uneconomical commuter and branch line services.

Speaking at the opening of SA Harbours' new headquarters in Johannesburg, the Sats deputy general manager, Mr Bertie Groenewald, said Sats would have to divest itself gradually of the "burden of socio-economic services" carried at a great loss to Sats

"Uneconomical services will have to be withdrawn, or communities wanting them must pay highly increased tariffs or find some other means of compensation"

The opening of the new building in Braamfontein signalled what transport analysts described as the final severing of mother links between SA Harbours and Sats — DDC

[redacted] navy

Sats deficit hits R152m over budget

GERALD REILLY

PRETORIA — Sats have run up a huge deficit for the first nine months of the financial year, according to the latest revenue and expenditure figures.

It amounts to R164,3m, against Transport Minister Eli Louw's budget estimate of a deficit of R12,4m.

And PFP Transport spokesman John Malcomess says the figures make it likely tariffs will be raised in Louw's budget next month.

Total revenue for the April-December period amounted to R7 455,9m and expenditure R7 620,2m.

The Minister over-estimated revenue in his budget by R185,8m.

However expenditure was down by R33,9m.

Railways deficit for the nine months amounted to a massive R677,8m — revenue for R4 824,5m against expenditure of R50 5502,3m

This was reduced by surpluses on airways, harbours and pipeline operations.

Airways spent R1 225,9m and earned R1327,9m — a surplus of R102m, harbours earned R847,6m against expenditure of R585,3m — a surplus of R262,3m; and pipeline profits amounted to R172,1m — revenue of R226,9m and expenditure of R54,8m.

However, road motor services ran up a deficit of R22,9m — income of R229m and expenditure of R251,9m.

Malcomess said if Sats accounting methods followed the pattern in the private sector, there would be no need for the big annual deficits.

He added for Sats as a whole in the 1986/87 financial year, the amount deducted from profits for additional depreciation was R547m, taking the total in the special fund at that point to R3,306bn.

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CHANGE Salt River station, where many domestics who work in the southern suburbs have to change trains in their journeys from Khayelitsha

The soul-destroying Khayelitsha trek

By DIANE CASSERE

THE relief expressed at the opening of the much-vaunted Khayelitsha railway line on February 1 overlooked one crucial aspect — the distance that the residents have to travel from their place of work.

Perhaps the hardest-hit group among about 500 000 blacks who will be housed in this new township on the bleak, windy flats are the domestic servants, that hardy band of workers who cook, clean, scrub and childmind for about 10 hours a day, sometimes more, in our homes

If you add three hours travelling time to that, you have a scenario that takes us back to pre-World War I times when "tweenies" and housemaids toiled day in, day out for long hours and had only one weekend off a month to sample that elusive something called "leisure"

These are the women who make it possible for hundreds of thousands of white South African mothers to work, and their late or non-arrival at work has a ripple effect on not only our labour efficiency but on our economy

So while we talk about flexi-time and three-day weekends, the problems of city parking and the lateness of suburban trains, we should stop to consider how a domestic worker, a woman who is unlikely to own a car or have daily access to one, gets to work.

The most common areas they need to get to are the northern municipalities the Atlantic seaboard and the southern suburbs The Khayelitsha line, which links with the Mitchells Plain line, takes them on only one leg of the journey

The Cape Times spoke to two domestic workers, one of whom travels from Guguletu to Lansdowne to work, and the other who travels from Khayelitsha to Constantia One lives reasonably close to her job, the other, almost impossibly distant from the only work she was able get after her family was "transferred" late last year

Said Mrs Noami Namali "I like to take a taxi to work because then I can get up at 6 30am and take my child to creche on the way to the bus terminus where the taxis wait It takes me about 30 minutes to walk with my child, and then only 10 minutes if the taxis are running to get to my stop on Lansdowne Road Then it is only 15 minutes' walk to the house, and I start work at 8am

"But a lot of the time the taxis are not there because they have been in trouble and then I have to catch the bus That takes a long time, at least another half-an-hour Also, the taxis charge 70c and the bus costs me R1 if I haven't got a clipcard

"When I am late, my madam is always waiting at the door with the child, because she has to be at work at 9am She understands sometimes that my transport is difficult, but other times she is very, very cross "

Mrs Namali earns R300 a month, but her friend Mrs Primrose Zolani earns R200 a month She travels daily from Khayelitsha to Constantia, getting off the Khayelitsha train at Salt River, tranferring to the southern suburbs line until Wynberg where she catches the Constantia bus She does the reverse trip in the evening, except that her employer drives her to Wynberg station

"I get up at 4 30am and make the children's porridge, then I walk to the station at 5 30am and this takes me about 30 minutes A train usually comes by about 6 15am and I get to Salt River just before 7pm It takes another 25 minutes to Wynberg, then, depending on the traffic, another three-quarters of an hour to my work.

"My madam doesn't expect me much before 8 30am but if I miss one connection I can be up to an hour late If I am sick, I have no 'phone to tell her, because sometimes she comes to Wynberg to find me if I am not on the bus "

Consider also some of the costs involved in this travel A single third-class ticket from Khayelitsha to Salt River (32km) costs R1,10, weekly R5,30 and monthly R20,50 A first-class single is R2,60, weekly R19,50 and monthly R72 The single third-class trip from Salt River to Wynberg is 50c and the bus from Wynberg to Constantia is 60c on the clipcard, 77c cash

Many domestic workers travel from Khayelitsha to Bellville, a trip of 37km via Mutual station and 35km via Bonteheuwel A third-class single respectively is R1,30 and R1,20 (R22 and R21,50 monthly) In both cases, they change at Langa for Bellville and travelling time is roughly an hour

Other workers travel from Khayelitsha to town (36km) at a cost of R1,30 for a third-class single (R22 monthly) and then on to Sea Point by bus (58c clipcard and 70c cash) or Camps Bay (66c clipcard and 75c cash)

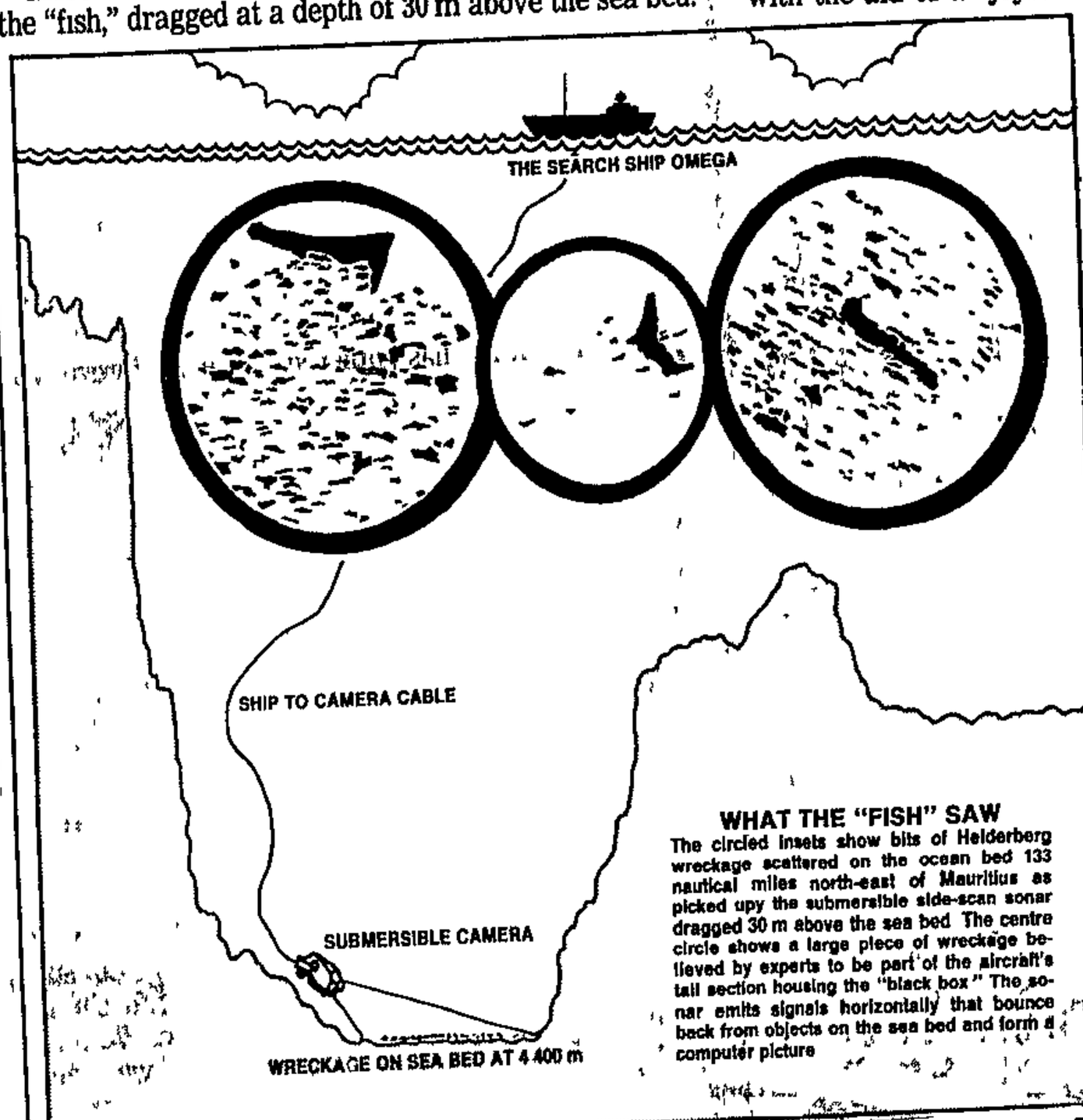
For the city's domestic workers, even those coming from Nyanga, Langa and Guguletu, getting to work is a costly, time-consuming business For those who are forced to live in Khayelitsha, it is a soul-destroying exercise

First evidence of Helderberg probe released

The Department of Transport this week released the first scientific evidence of the wreck of the Helderberg.

Side-scan sonar "pictures" of wreckage strewn across an area 1 300 m by 800 m appear to the untrained eye like smudges on paper. But experts extract a significance from each "smudge".

More than 1 200 pieces of wreckage were sighted by the "fish," dragged at a depth of 30 m above the sea bed.



WHAT THE "FISH" SAW
The circled insets show bits of Helderberg wreckage scattered on the ocean bed 133 nautical miles north-east of Mauritius as picked upy the submersible side-scan sonar dragged 30 m above the sea bed. The centre circle shows a large piece of wreckage believed by experts to be part of the aircraft's tail section housing the "black box." The sonar emits signals horizontally that bounce back from objects on the sea bed and form a computer picture

DEON LAMPRECHT and SAPA

Working almost like radar, horizontal side-scan sonar signals are bounced off objects on the sea bed, forming a picture that prints out on a computer.

The American operator onboard the Panama-registeredanchor supply vessel Omega had to "fly" the fish with the aid of a "joystick" over the mountainuous sea bed, alternatively lowering and lifting it to prevent it from getting snagged.

One particularly large section of wreckage is suspected to be part of the tail section which houses the black box.

Technical investigation into the cause of the accident was progressing as planned, the department said. Its investigators had already visited the Republic of China and Japan to gather information about the cargo carried.

"Each item is being checked for its position on the ill-fated aircraft, including the type of damage it has sustained. Certain elements are also subjected to forensic analysis," the department said.

Board meets

This was the first time a side-scan sonar had been used at a depth of 4,4 km, it said. This second stage of the salvage operation would be terminated today when the planning of third phase — the photographing of the debris field in an attempt to identify the flight data recorders — would begin.

The third phase, due to commence towards the end of May, is expected to be the most difficult and most expensive part of the operation because of the depth of the sea.

The chairman of the Board of Inquiry, Mr Justice Cecil Margo, has arranged for a preliminary meeting of the board in the first week of March to enable members to be fully briefed by the investigation team of the Department of Transport. It would not be a public hearing.

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By DIANE CASSERE

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CHANGE . . . Salt River station, where many domestics who work in the southern suburbs have to change trains in their journeys from Khayelitsha.

Disaster warnings for transport operators as deregulation looms

SA ROAD transport is about to be deregulated — amid warnings of possible disaster if the exercise is not handled properly.

By Ivan Philip

About 300 operators have been given a glimpse of what deregulation involves Theere were long faces after the first convention of the Public Carriers Association in Swaziland after delegates had heard what had happened in other countries which went through the deregulation hoop — particularly the US and Australia.

It was not exactly what the champions of free enterprise had in mind.

Sudden death

But much depends on what is meant by deregulation in SA If, as many suspect, it is to be a "sudden death" process it could have a disastrous impact on the transport industry

Disastrous was the word used by guest speaker Clifford Harveson, president of National Tank Truck Carriers of the US, to describe the effects of deregulation in his country.

Among the problems experienced in the US were a drastic drop in road safety, rampant tax evasion by "cowboys" who poured into the industry in search of a fast buck and the eventual concentration of 40% of the US trucking business in the hands of only four companies They were surrounded by a horde of small operators weaving their way in and out the law and discount structures in an effort to survive.

Mr Harveson forecast that the aftermath of deregulation would be draconian legislation adter a public outcry about road safety He referred to the "Henry VIII stage" that followed US legislation — bloodshed and head chopping

Discounting, he said, became rampant. Truckers did everything to try to keep money coming in, chiefly killing off the opposition and cutting back on maintenance and vehicle purchases The average age of tankers on US roads was 14 years

Bankruptcies

Between 1980 and 1984 more than 4 000 entries to the US trucking business had gone bankrupt and a third of the manufacturers of tank trailers had gone out of business Many truckers had to operate illegally to survive and trucks were on the roads for up to 20 hours a day

The result was a huge increase in accidents In three years, increases of 14%, 15% and 16% were recorded.

Mr Harveson said "The theory was that deregulation would improve prospects for well-managed companies It didn't work out like that, despite a rush for management expertise."

Fortunately, strong anti-trust legislation in the US had prevented collusion between the four surviving majors

But, as Professor Wynand Pretorius of Rand Afrikaans University says, SA's Competition Board has no such teeth

In Australia, four years after deregulation, 4% of trucking companies control 70% of the market

Monopoly

A big question for SA is Does it help to replace a State monopoly with a virtual private enterprise monopoly?

Mr Harveson said that after deregulation in the US employment in the trucking industry fell by 35%, volume of shipments by 36%, ton-mileage by 35% and truckload-tons by 63%

But the figures were not a true reflection of the state of business The rest of the business was going to new entrants who did not report to the Government.

With these bleak official industry figures US truckers were finding it hard to borrow money for equipment replacement, further jeopardising safety standards

Mr Harveson recommended that SA introduce a proper safety programme before deregulation. But this might not be possible within a short time, particularly as Professor Pretorius contends that there is a severe shortage of skilled people in law enforcement and in the industry

Mr Harveson said future regulations should prohibit what he described as predatory pricing

"You must not be victimised by the kind of discounting that has driven the US trucking industry to despair"

Indeed, before SA took the unfettered plunge, it would do well to note that the US Department of Transport was having second thoughts about deregulation

Professor Pretorius said. "We must have fair industry prices"

Fair competition

If SA follows a similar road to the US and Australia, the truck-building industry may find itself in severe difficulties, it is said Not only would sales of new vehicles drop as fierce competition led to expenditure cutbacks, but manufacturers would be faced with a market divided among a few giants and many fleas

The giants could force unrealistic discounts and many of the fleas would be poor credit risks in a cut-throat environment.

Another powerful reason to take deregulation in easy stages is the position of SA Transport Services It is impossible to define fair competition while Sats exists in its present form

Sats can claim with some justification that it is disadvantaged because it has had to build its own permanent way, its own signalling and traffic control systems while road transportation has benefited from taxpayers

investment in roads But Sats receives a variety of subsidies and, it is claimed, its balance sheet does not disclose its true extent or deployment.

Perhaps SA should consider West Germany's example before inviting a bloodbath that a key industry can ill afford There truckers may take what they like where they like But the number of trucks allowed on the roads is strictly controlled

Each year the industry consults the Goverment on prices, from which truckers may deviate by only 10% up or down — after they have sought permission

NO WARNINGS ON TRAINS - CLAIM

SCORES of people went to work by train every day despite the overcrowding, a paraplegic claiming R1,8-million from the South African Transport Services told the Rand Supreme Court on Friday.

By MANDLA NDLAZI

Mr Otto Malusi Ngubane (36) said he had travelled to work by train for 2½ years before he injured his head, spine and left leg when he fell from train No 27 at Grosvenor station on July 23, 1985

Mr Ngubane claims that Sats failed to ensure that the doors of the trains were properly closed before the trains moved

Hazard

He also alleges that Sats also failed to ensure that there would be guards or people in authority to control the passengers in the trains or to ensure that the overcrowding would not constitute a hazard to passengers.

Representing Sats, Advocate B W. Burman said his client would deny allegations of negligence and give evidence on the circumstances and difficulties of running such a service

Cross-examined by Mr Burman, Mr Ngubane, of Zone 4, Meadowlands, said he knew that trains had sliding doors that were automatically operated. But at times passengers pushed the doors to close them and often failed

Mr Ngubane said he did not know that some people tampered with the automatic mechanism of the doors He had never seen train conductors controlling or reprimanding passengers at the doors of the trains He did not know that such conductors were assaulted by passengers

Mr Ngubane said he had never seen a notice on trains warning passengers not to lean on the doors or open the doors while the train was moving

Pg 12 - "a closer scrutiny

SAA may get new Airbus early

(269)

Political Correspondent Star 16/2/88

CAPE TOWN — The two new Airbus A320 jetliners ordered by South African Airways could come into service this year if a shortage in passenger seats cannot be overcome with existing aircraft.

A Ministry of Transport spokesman said yesterday that if the Airbuses were ready before the scheduled delivery date in 1992, they might take delivery.

This could be as early as this year.

But SAA is trying to avoid the need for this by rearranging its timetable — and perhaps calling back aircraft hired to other airlines — to cope with the shortage of passenger seats.

The spokesman said that a Boeing 747 and a Boeing 737 hired to foreign countries could be recalled soon to help fill an expanded timetable.

EXTRA 6 000 SEATS

SAA chief executive, Mr Gert van der Veer, has also been quoted as saying that two SAA Airbus A300s are on lease to Wardair in Canada.

SAA was planning to add 6 000 passenger seats to the new timetable which would be introduced next month, the spokesman said.

The new timetable was needed to cope with a 16 percent upswing in domestic demand over the last few months.

Early morning flights — from 4 am — would be introduced from Johannesburg to Durban, Cape Town and Port Elizabeth.

The loss of the Helderberg, a Boeing 747, the resignation of air traffic controllers, and the increased demand caused serious delays in flights over the holiday season.

Govt appoints board to resolve clash with Sats

By Adele Baleta

The Government has appointed a conciliation board in an attempt to resolve its clash with representatives of 200 000 South African Transport Services (Sats) workers who are demanding a 17 percent salary increase from April 1.

And Minister of Transport Mr Eli Louw has announced plans for an immediate investigation by private sector experts into salaries of SAA pilots.

The chairman of the Federal Council of SA Transport Services Trade Unions, Mr Dudley Henn, told Mr Louw yesterday that Sats workers would not take no for an answer to their wage demand.

Mr Louw said it was "impossible" for him to give the 17 percent across-the-board increase, because of the wage freeze announced by the State President.

"The only recourse available to us was to go according to the law and apply for the appointment of a conciliation board," Mr Henn said after the meeting in Cape Town yesterday.

If conciliation was unsuccessful, the unions would declare a dispute and a one-man commission of inquiry would be appointed. "If that fails we will have to go back to our members," he said.

The council previously threatened industrial action as well as an interdict restraining the Government from implementing the wage freeze.

Last year transport workers, including all civil servants, received a 12,5 percent increase, after demanding a 15 percent raise.

Mr Henn said report-back meetings for members would be held in all major centres in the next two weeks. The first would be held in Cape Town tonight.

Mr Louw met the Pilots' Association yesterday. He announced that a task group of the Pilots' Association and SAA management would immediately begin negotiations on service conditions for SAA pilots.



February 16 1988

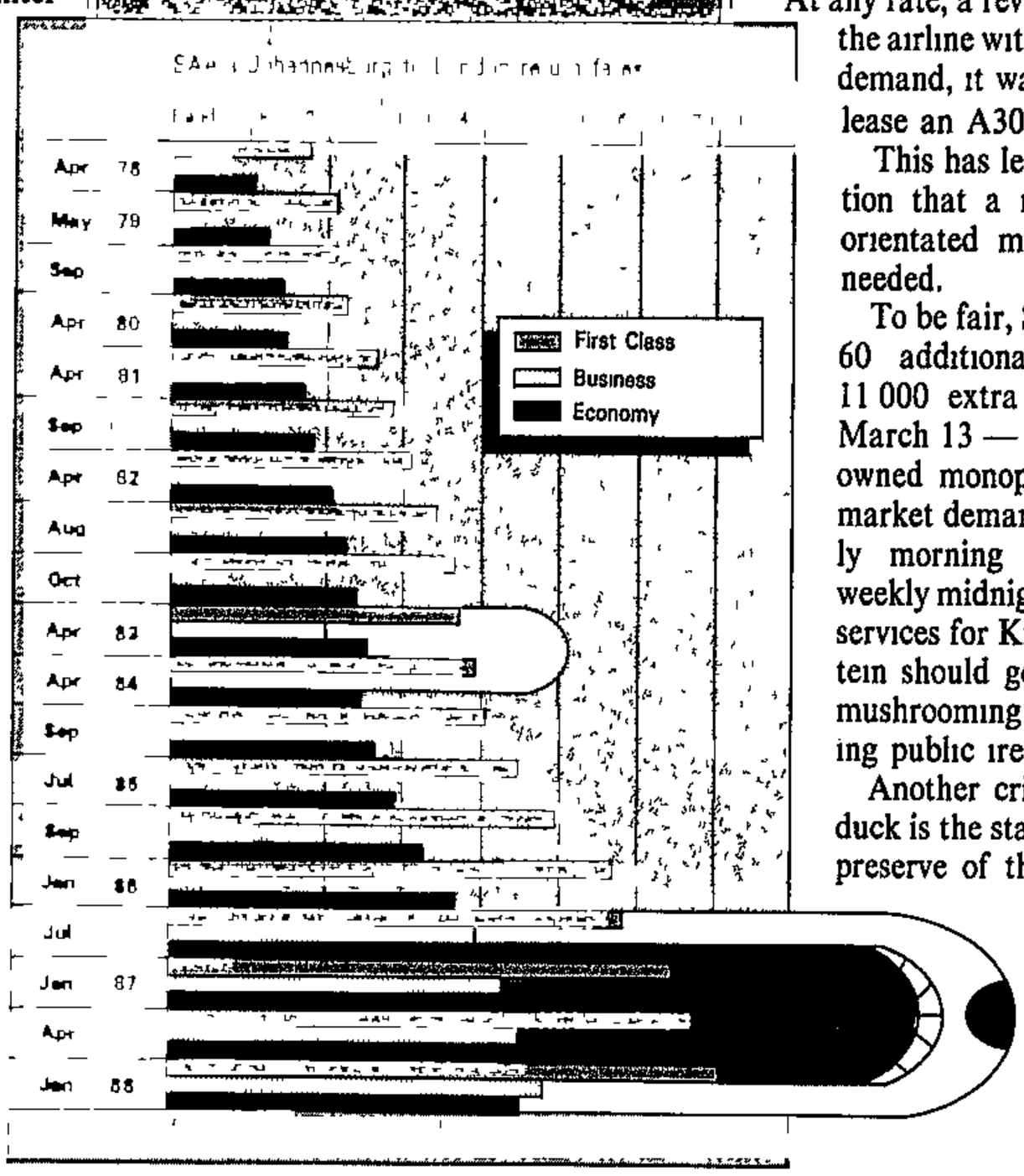
PRIVATISING THE AIRWAYS

The wings of profit



Because SAA falls under the umbrella of Sats, it's likely that government will balk at hiving off the public transport sector's most profitable component. But while there is a case for retaining the flag-carrying international wing under State control, the domestic routes are long overdue for deregulation.

See how they fare



There was a time when South African Airways (SAA) had an enviable international reputation for safety, reliability and good service. Even the tragic loss of the *Helderberg* last November would not have affected that. But as increasing numbers of travellers are finding, the airline is flying into serious administrative and service difficulties. While the international arm, the flag-carrier, retains its reputation for quality, efficiency and civility, the local routes are overcrowded, gremlin-ridden, and increasingly shoddy. There is surely a lesson in this — that international operations need to be distinguished from domestic ones for the purposes of deregulation.

Meanwhile, the difficulties are manifesting themselves in non-availability of seats, sudden cancellations of confirmed bookings, late arrivals or departures — and even flight cancellations Not to mention the ghastly food You can no longer count on getting a seat on the next flight to Cape Town, Durban, Port Elizabeth or East London — even Upington and Kimberley present problems As a State-owned monopoly, SAA is "expected" to provide for public demand — and, like Mussolini's trains, it must run on time. It is failing

What's to be done? The answer is simple, and in line with P W Botha's landmark speech on the economy — privatise *and* deregulate. The first would make little sense without the second

But as a preparation for that step, the root causes of the current malaise need to be addressed.

Essentially, they come down to a sudden 16% jump in domestic passenger traffic over the past year — the result of the economic upturn, a huge increase in local travel for business and holiday purposes, and a 14,3% jump in foreign tourism SAA simply cannot meet the demand.

Nobody — and this includes the motor, hotel, travel and car rental industries — foresaw the massive take-off in local travel. Savage recession coupled to international opprobrium and disinvestment led to a massive fall in incoming tourism; and the forced cancellation of the US and Australian routes led to a slump in flying. SAA's part-answer was to lease out an undisclosed number of its jets (it could be three, or as many as seven) over the past two years While this made good business sense at the time — and probably adds to the current income surge — hindsight, that perfect science, proves that SAA should have kept more of its craft in reserve. SAA's current high occupancy levels are far in excess of the international norm, some say.

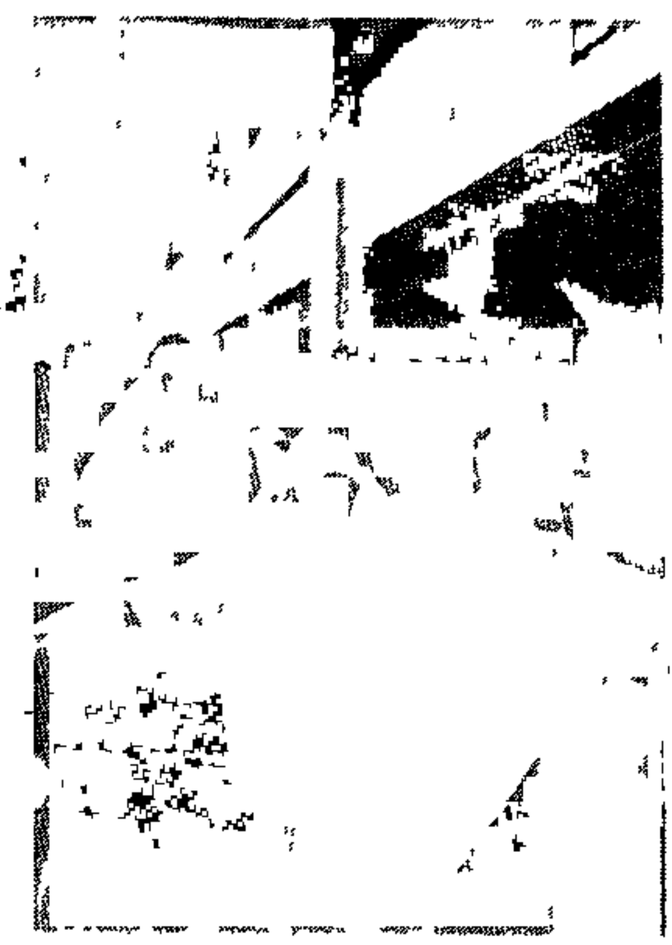
At any rate, a reversal of fortunes has left the airline with egg on its face: to meet demand, it was recently compelled to lease an A300 Airbus.

This has led directly to the suggestion that a more sensitive, market-orientated management structure is needed.

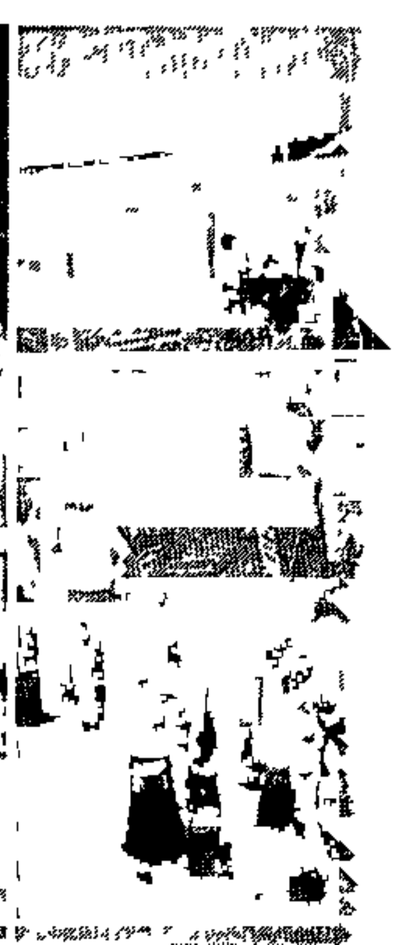
To be fair, SAA's announcement of 60 additional weekly flights and 11 000 extra weekly seats — from March 13 — show that even a State-owned monopoly can be sensitive to market demands New half-price early morning flights; 14 additional weekly midnight flights; and improved services for Kimberley and Bloemfontein should go some way to meeting mushrooming demand — and soothing public ire

Another criticism which SAA can duck is the state of the airports — the preserve of the Department of Civil Aviation together with about nine other government agencies. Still, the fact that Jan Smuts has been described as "a major disaster" and the worst possible advertisement for incoming tourists weighs in public perceptions of incompetence in the airline. And rather closer to home (since here it does have authority) there are the bizarre conditions at the Johannesburg Rotunda terminus, for a start. It closes at 17h30, often leaving travellers stranded in an ill-lit, crime-ridden area with no telephones, toilet









facilities or taxi ranks Yet another bad advertisement for SA's national carrier — and its major city.

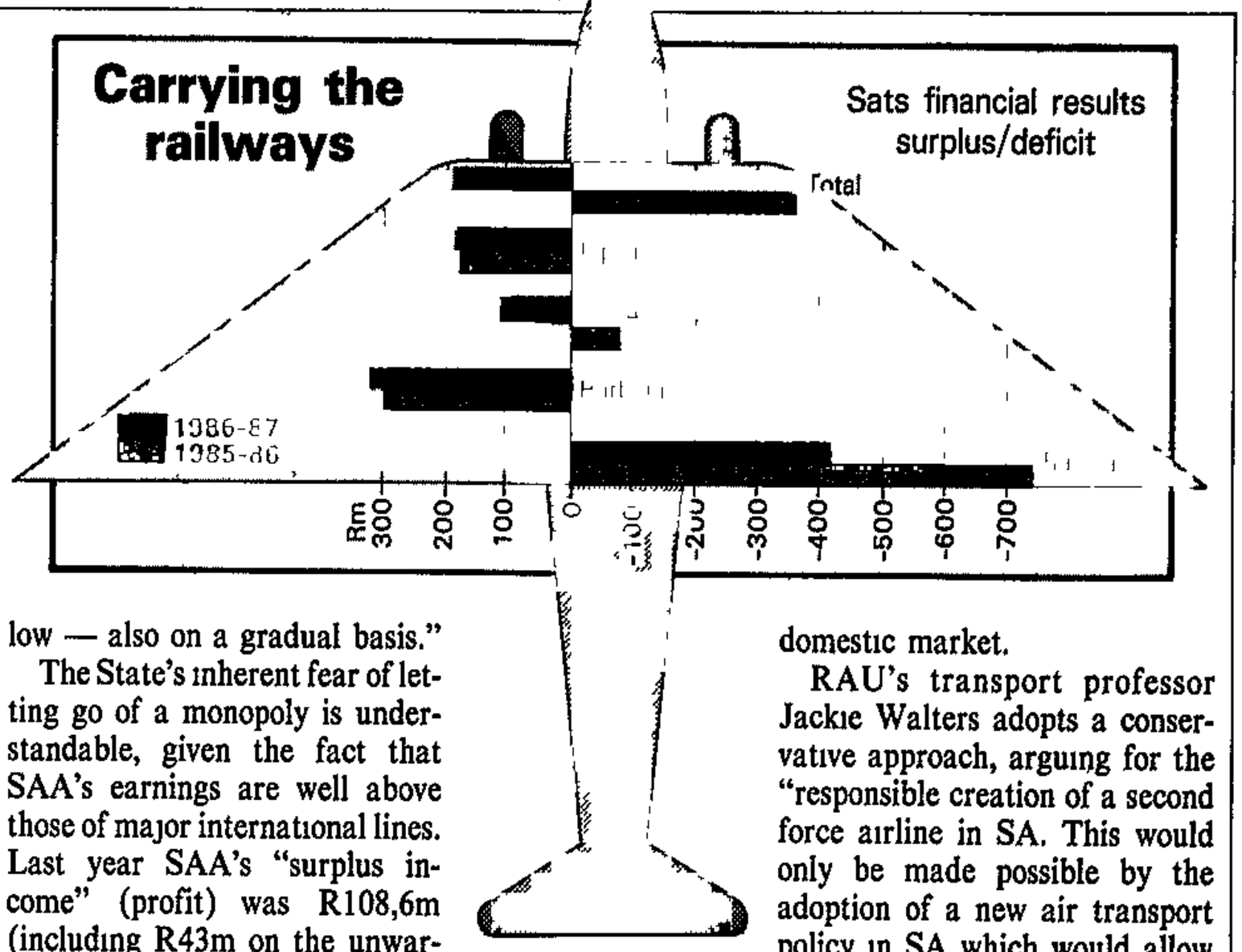
Further aggravating the airline's discomfort is its unresolved dispute with the 470-odd members of the SAA Pilots' Association (SAAPA) At issue is the association's status as the representative body in negotiations with SAA, as well as poor pay A major bone of contention is that SAAPA is the only representative pilot body in the world that is not officially recognised by its management The reason is that SAA falls firmly under the SA Transport Services' (Sats) bureaucracy and is (independently) managed as an extension of its railway services, of all things.

SAAPA members met Transport Minister Eli Louw last Monday to try to resolve their frustrations. They have threatened to resign *en masse* and to join foreign airlines or form their own company to negotiate pay and employment conditions. Again, what is the public to think of this? The dispute comes at a time when SAA is heading for an embarrassingly huge (for a problematic State outfit) R134m surplus income surge (*Business* February 5). The pilots fret; the public is on their side

Sats' announcement that it will be carved up into five major, independent profit centres — railways, airways, pipeline, freight and harbours — from April 1 could be a start on the road to sanity and recovery. But the Sats bureaucracy remains the major stumbling-block to genuine managerial independence for SAA — it naturally fears retrenchments and pruning on merit

This, however, should not deter a privatisation programme from being instituted as soon as possible. And this is where cross-subsidisaion comes under the spotlight (**see graph**)

SAA's profits help to pay the huge deficits on Sats' railways passenger services. Privatise the local routes at least, and that cross-subsidisation would be impaired — but why not? The major hurdle, as Free Market Foundation transport specialist Terry Markham points out, is that privatisation that precedes deregulation would merely create a private-sector monopoly. While this would ensure the best price for the State at privatisation, the flying public would suffer. Markham's answer is the obvious one: "I believe we must deregulate first to create the competitive element. Then privatisation can follow — also on a gradual basis."



The State's inherent fear of letting go of a monopoly is understandable, given the fact that SAA's earnings are well above those of major international lines. Last year SAA's "surplus income" (profit) was R108,6m (including R43m on the unwarranted disposal of aircraft) against turnover of R1,63bn. Compared with this, US major American Airlines last year turned a profit of only US$200m — on a $7bn turnover. SAA's annualised surplus income expectation of R134,5m for the current financial year must also be seen as oddly high for a State-owned monopoly beset by labour problems which the private sector would have sorted out by now or paid a market penalty.

At the very least, the remuneration of disgruntled pilots could be boosted and fares slashed. Take this comparison: while London's Teleport Travel agency offers return flights from London to Johannesburg at £515 (about R1 848), SAA's cheapest economy class return fare weighs in at R4 481, while a business class return ticket costs R4 800; and the luxury first class costs an inflated R7 054

The *FM* learns that the total cost to SAA of a 371-seater B743 return flight to London is R750 000, including agency commission of R120 000. At a theoretically full complement of 371 passengers, SAA would therefore need an average of R2 022 per passenger to recoup its costs — so the "cheap" economy class seat shows a profit of more than double the minimum.

SAA's London fares are jointly determined with route partner British Airways in terms of International Airline Transport Association (IATA) regulations — but many airlines have opted out of IATA regulations to bring down fares.

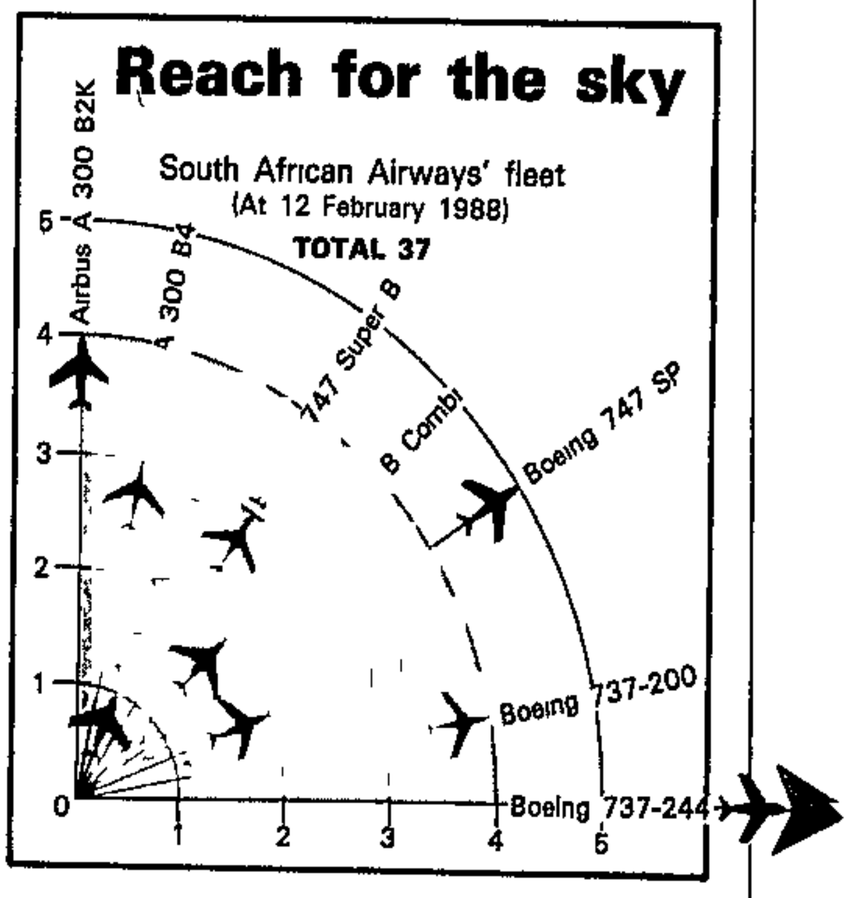
SAA's earnings simply confirm that it is being used as a cash cow under the Sats umbrella — that its profits are used to pay for uneconomic passenger train services, the ultimate result of geographic apartheid.

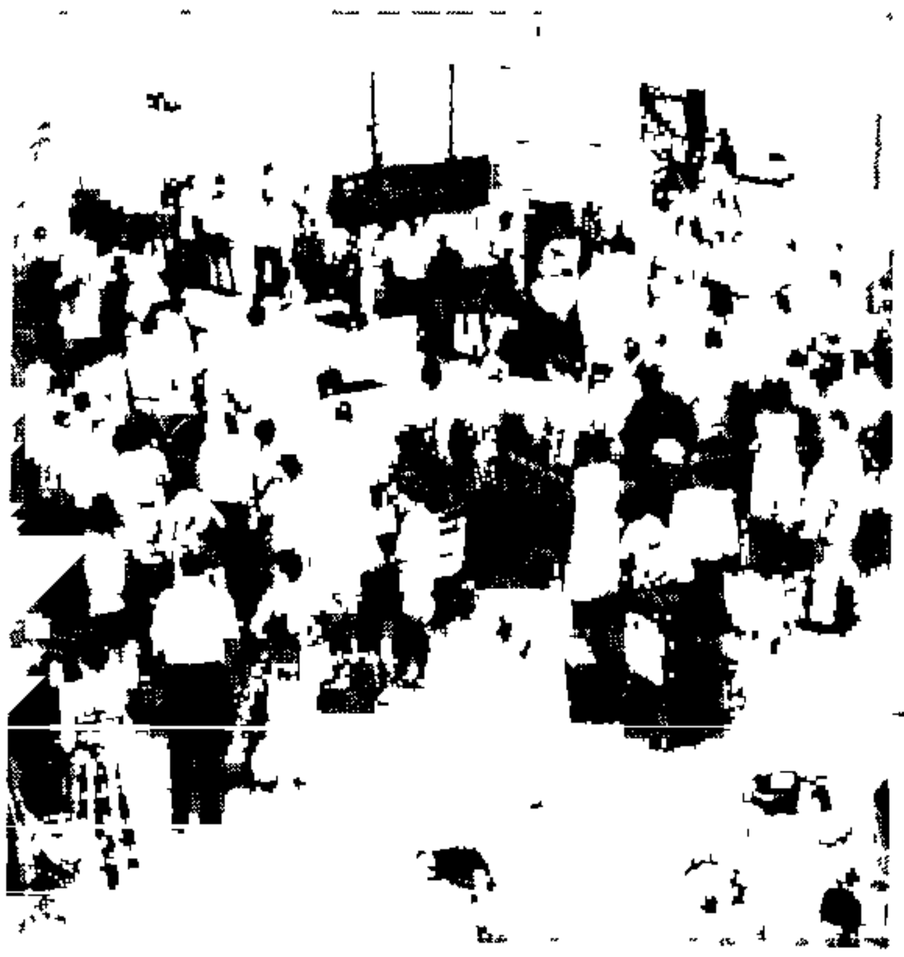
Deregulation means, firstly, changing the restrictive "anti-competitive" Air Services Act of 1949, which provides security of route to the carrier with the appropriate permit or licence from the Department of Civil Aviation (DCA) In most cases, that prerogative is SAA's. And SAA controls 95% of the domestic market.

RAU's transport professor Jackie Walters adopts a conservative approach, arguing for the "responsible creation of a second force airline in SA. This would only be made possible by the adoption of a new air transport policy in SA which would allow for the gradual increase in routing permits for alternative private-sector operators." He says that by initially turning over, say, 10% of the major routes to private-sector competitors, the necessary "investment security" would be established which would allow these operators to acquire the capital equipment necessary for an alternative airline. He posits a consortium

"What one needs is 'controlled' deregulation, with a gradual increase in the major routing for the private-sector competitors. This would allow organic growth and capital formation, so that the competitive element can be established in SA's skies. This was the route successfully followed in New Zealand. Alternatively, the private sector should concentrate on low-density routes with lower breakeven levels."

Meanwhile, at least one major private-sector carrier is prepared to take up the challenge "Should the DCA allow gradualistic route deregulation with investment security, we would definitely be interested in operating at least two narrow-bodied jets — DC9s or B737s — on a 10% route security in competition with SAA," says Comair MD





Pieter van Hoven.

The local market is growing quickly enough. But whatever the deregulation route, it is a prerequisite for privatisation, Van Hoven agrees. Privatisation without competition would, of course, be a recipe for disaster

Cash-strapped as it is, government has probably never been more willing to privatise — but it is realism, not cynicism, to feel that what it really wants to do is keep the profitable bits for itself, divesting itself of the lossmakers It needs to be repeatedly prodded on this — and a starting point is the division of SAA into its international and domestic units, the domestic routes being prime candidates for deregulation.

Simply because government is busily pondering the recommendations of its own White Papers on deregulation and privatisation — and because Transport Minister Eli Louw is expected to *return* to the debate in his Budget speech on February 24 — there should be no excuse for stalling on the issue. Deregulation should be the first priority. It can happen tomorrow; it can be done with the stroke of a pen. If no new airlines appear to take advantage of this, the market will have spoken. It's about time it was allowed to do so. ■

PROBLEMS OF PRIVATISATION

Back to the real market

With privatisation a buzzword in SA, it is worth examining the very successful British experiment in dismantling State utilities. There have been problems, but no future Labour government will be able to reverse the achievement.

Until the worldwide stock market crash of last October, the British government's main difficulty with its privatisation programme — which has seen the sale of 16 State-owned industries and other assets for £20bn since Margaret Thatcher came to power in 1979 — seemed to be getting the price right. The confluence of the bull market in equities and the political aim of widening share ownership to an extent that would make it electorally suicidal for any future Labour government to reverse the process, made for an embarrassing success. It tended to obscure some of the more far-reaching issues, such as how to balance free markets and monopolies.

Even after advice from some of the finest investment brains in the world, issue after issue (with the notable exception of Britoil) soared to huge premiums over the offer price as unsatisfied demand from institutions, largely frozen out by democratic preferences given to the small investor, hit the stock market. "Pitch it low, make it go" is an old City of London adage. But the notional 10% inducement discount was made to look silly in the event. British Airways' share price was based on a small discount to the market with its p:e ratio of 13.

But on day one of trading, the market priced it on a p.e of nearly 18, a premium of 36%, suggesting that even after allowing for some jam, the taxpayer had been deprived of £230m And as investors were only required to put up 65p of the 125p price on application, their immediate profit was 67% — in line with the five previous big privatisations.

The alternative of tendering has not been widely employed In the sale of British Airports Authority, bids were invited for 25% of the shares and the cutoff tender level struck was a modest 14,3% above the fixed price of the rest.

October 19 changed all that for the government, which had been accused of giving money for nothing to the underwriters by underpricing its shares. Four days before the collapse, the £7,2bn sale of British Petroleum (BP) shares was priced (£5,7bn being the residual government stake of 31,5% and the rest a rights issue) and underwritten. It turned out the coup of the century for BP and the Treasury. At BP's current level, the government's shares would have been worth £1,2bn less. Unhedged underwriting institutions carried the can and BP's £23m advertising campaign to persuade the small man to subscribe proved a waste of money.

But pricing has been only the top of a pyramid of problems which the Thatcher government has had to address, in a revolution which has so far been a resounding success; over a third of nationalised industry, employing close to 800 000 people, has been returned to the private sector with dramatic impact on profitability. And with 90% of eligible employees taking up preferential (or free) rights to shares, as well as millions of customers of British Telecom and British Gas, the number of private shareholders has trebled to 9,5m — equal to UK trade union membership.

Many of the industries were not commercially profitable, with huge accumulated debts to the Treasury ad the result of appalling performances. As a first step, the government severed the umbilical cord between the industry and its ruling department, by installing commercial managers free to take tough decisions The success stories are numerous, highlighted by British Steel, up for privatisation in November. From the bottom of the heap in an internationally depressed industry, British Steel has come to the top by slashing its work force by two-thirds and returning to profits which, on current market estimates, will see it floated off for £2bn.

At the same time, however, the Treasury has had to write off hundreds of millions of pounds of publ-ic money pumped in to save companies such as Rolls-Royce (aero-engines) and Leyland Trucks. IN the case of British Steel, the Accumulation amounts £6bn and that issue will arouse controversy when the Bill to transform the operation into as public company is debated next week.

Even so, the stickiest political question has been, and still is, that of how to make a hitherto State monopoly into a competitive private-sector business, un-



For whom the road tolls

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Having used funds that it should have earmarked for road maintenance and development for other purposes, government is committed to a policy of handing substantial portions of roads, built at taxpayers' expense, to private companies to run as toll roads.

Few can argue with the principle of a private company risking its own capital, building a road where there isn't one and tolling it. But the thought of government handing existing arterial roads to private companies to run for their own account — even if upgrading projects are part of the deal — is anathema to many.

A growing body of opinion believes that toll roads are not the answer to government's liquidity crunch They believe if the State needs money for road building, it should generate it by increasing vehicle licensing fees and the road building levy should be built into the fuel price

That has not dissuaded government from going ahead with expanding the toll road concept. It argues that by privatising roads, toll consortiums can mobilise the cash needed for improvements immediately, whereas government must work to a strict system of priorities

Toll companies, it seems, took the initiative in persuading government of the efficacy of the new policy. In September 1984, they suggested that they be allowed to operate roads in critical need of repair. Government called for a number of construction groups to submit suggestions. Many were turned down and the survivors formed two consortiums.

Toll Highway Development Company (Tollway) — consisting of LTA, Concor, Basil Read, Grinaker, Finansbank and Standard Merchant Bank — acquired the Hendrik Schoeman Highway between Springs and Krugersdorp.

The consortium is obliged to develop certain sections of the road and will have the option of developing a section through the south of Johannesburg. Judging by Tollway CE Horst Kohlberg's statements, it intends opening the highway in stages by 1995.

Tollroad Concessionaires (Tollcon) — made up of Group Five, Murray & Roberts, Grinaker, Keeve Steyn, Senbank and Sanlam — was presented with a section of the Johannesburg-Durban N3 from The Old Barn, near Alberton, to Cedara, near Hilton Road, as well as the N1 from Uncle Charlie's, south of Johannesburg, to Kroonstad.

It has taken two years of negotiations to work out details of the contracts. Final versions have been drawn up and will be signed soon, says Transport Director General Ron Meyer.

"There are no free lunches," insists Tollcon chairman and CE Ron McLennan, stung by press suggestions that his consortium and Tollway have been handed profits on a plate. He says Tollcon spent R3m on research before putting together a proposal to be put to the Cabinet for approval. There were weekly meetings with the Department of Transport "at which no stone was left unturned to ensure equity between the parties and between Tollcon and the public."

Capital investment and operating expenses will be heavy. Tollcon's members are looking at an equity commitment of R100m and borrowings of R1bn at today's values over the 25-year period of the concession. "After that, this company will have no assets. The existing and new roads will revert to the State We will have the right to bid for it again, but it will be like buying a company on a price:earnings ratio," says McLennan

The road between Koppies and Kroonstad on the N1 is being constructed at a cost of R80m. Tollcon has also begun upgrading a section of the N3 from Hilton Road to midway between Estcourt and Mooi River at a cost of R500 000/km and will start building a new, four-lane, undivided road later this year between Warden and Villiers at a cost of R160m-R170m. It is obliged to convert the new road into a double carriage highway when traffic reaches a certain intensity. The existing road will become the alternate road and be maintained by the State.

"Early in the Nineties, we'll build a straight road between Keeversfontein and Warden over the De Beers Pass. It will cut out Van Reenen's Pass, which will become the alternate road, and shorten the distance between Johannesburg and Durban by 65 km," says McLennan. "It will be possible to travel between those cities safely in five hours."

This 100 km section, passing through difficult terrain, was planned by the State some years ago According to Meyer, at today's prices it will cost R3m/km-R4m/km to build "and more over the pass."

The N3 construction will be completed by 1995. The company will then employ 350 people — 80 from Mooi River — which will make it the town's biggest employer.

The total anticipated toll from Johannesburg to Durban for a car will be R30. Trucks will pay more.

For example, a four-axle truck will pay R15, compared with R6,50 for a car at the Keeversfontein toll plaza.

McLennan says concessionaires cannot charge what they like. They may charge no more than 75% of the estimated saving in motoring costs of using the more direct toll route. They need permission from the Minister of Transport Affairs to alter rates.

Says Meyer: "We use a formula to determine the saving. It is based on the cost of using the toll road and comparing that with the higher cost of using the alternate road."

AA about-turn on toll roads

Public paying price for bad roads system

SATURDAY STAR
CORRESPONDENT

DURBAN — The Automobile Association has done an about-turn on its toll-road policy and has called on the Government to use revenue from a levy on fuel and licence fees to fund road-building

The AA director-general, Mr Peter Elliott, said yesterday that the AA had come to recognise that "South Africans will pay for good roads, whether or not we get them"

Reviewing its policy on road funding and management and in particular the issue of tolling roads, Mr Elliott said "The road network is a primary factor in the economy of the country, is vital to the development of all its peoples and is of strategic importance in its security

"We are indeed paying the price of inadequate and deteriorating quality of road infrastructure, which has resulted from rapidly increasing traffic volumes and the shift in transportation from rail to road, in terms of human life and suffering, high accident costs, soaring insurance rates and unproductive congestion," Mr Elliott said

Need for sustained funding

"Accordingly, in the interests of economics and road safety, the AA urges the Government to accept the need for adequate and sustained funding for both the provision and maintenance of roads.

"We believe we must be pragmatic in present day circumstances and therefore the AA has accepted that the tolling of certain routes may be necessary to provide the funds for construction of roads," Mr Elliott said.

Elaborating on the AA's policy Mrs Iona Reed, assistant general manager, public affairs, said that while the AA accepted the need for tolls it endorsed its long-standing policy for Government to ensure a dedicated National Road Fund (NRF), the primary sources of revenue being a levy on fuel and licence fees, and had set certain criteria for the implementation of tolls.

"The association urges the authorities to establish a central road authority to co-ordinate road planning, programming and funding activities for all national and provincial roads (as presently designated) and, where applicable, urban arterial routes"

Other recommendations include.

- The need to ensure the adequacy of the fund as determined by benefit-cost analysis of proposed projects
- The expansion of the National Road Fund (NRF) to provide funding for all levels of road
- The allocation of funds on the basis of priorities determined scientifically, primarily in terms of economic needs but also taking into account broad national objectives
- Central revenue should fund those projects required not purely on economic grounds but for strategic and socio-economic reasons.

"Concerning toll roads, the AA believes that as far as possible only new projects should be developed as toll roads However, the inclusion of a small section of an existing road which may be necessary to make a meaningful toll system may be considered in exception al circumstances

Scientific evaluation necessary

"Furthermore, the AA accepts that it may be necessary to consider the tolling of an existing road which has to be upgraded, but the association emphasises that such a project must have been subjected to the scientific evaluation which it believes all road projects, whether to be tolled or not, should undergo," Mrs Reed said

"The last two criteria are the requirement of a suitable alternative route, properly maintained and the adequacy of the level of services in terms of design, safety features, rest and service areas, emergency communications and assistance and maintenance of minimum surface standards"

The AA recommended that while the Government should be responsible for proclamation of the route, the construction and operation should be put out to tender



Heather's family heartache

PAT DEVEREAUX

The family of 20-year-old Heather Smith has experienced great heartache in the months since she shot dead her married lover, Mr Martin Cornish (40)

Speaking at the cosy Southern suburbs flat yesterday, her mother, Mrs Joy Smith, said she had prayed throughout her youngest daughter Heather's murder trial.

"It was a relief when Heather was finally convicted and sentenced to six years' jail this week because it ended the suspense," she said.

A tearful Mrs Smith said she was grateful that Heather could still be with the family pending the appeal.

On May 22 last year Heather, described by psychologists as "childishly naive", fired three shots at Mr Cornish, ending their 10-month relationship

Her trial was the climax of a traumatic period for the Smith family, said Mrs Smith She and her husband had objected to their daughter's relationship with "a married man twice her age, the father of six children from four different women and a Hell's Angels member" right from the start.

GENTLE PERSON

The young woman, from a middle class family, has already paid a high price for her relationship with Mr Cornish, said her mother

"She is a gentle person who loves nature and writes poetry," she said.

After going on trial for her life, Heath-

Publication "ANC. The Inside Story"

*10 Mr P G SOAL asked the Minister of Defence

(1) Whether, with reference to his reply to Question No 10, standing over, on 6 October 1987 the investigation into the involvement of the South African Defence in the publication 'ANC The Inside Story' has been completed, if not (a) why not (b) who is in charge of the investigation and (c) when is it anticipated that it will be completed if so,

(2) whether the Defence Force was involved in the compiling publishing, printing or distribution of this publication if so (a) what was the nature of its involvement in the publication (b) what was the purpose of producing it (c) what was the total cost to the Defence Force of this project, (d) how many copies of the publication were printed and (e) (i) where, (ii) when and (iii) to whom were they distributed if not

(3) whether an investigation has been held into the circumstances surrounding the interview concerning this publication published in the *Sunday Times* of 28 June 1987 if not, why not if so what were the findings,

(4) whether he will make a statement on the matter?

†The DEPUTY MINISTER OF DEFENCE:

(1) Yes

(2) Yes

(a) The publication was sub-edited

(b) To disseminate information on the true nature of the ANC and international terrorism

(c) R352 150 00

(d) 60 150

(e) (i) Outside the RSA

(ii) April to May 1987

(iii) Identified opinion-makers

(3) Yes A number of shortcomings and errors had come to light and the necessary corrections were made

(4) Complete media statements concerning the publication in question were made on 27 and 28 June 1987 Therein the involvement of the SA Defence Force was explained against the background of the ANC's strategy of terror against South Africa and the right of a country to defend itself against deeds of violence, terrorism and propaganda The hon member is also referred to what the hon Minister of Defence said in this House in this regard (Hansard, 1987, column 5943–5945)

Mr P G SOAL Mr Speaker may I ask the hon the Deputy Minister to explain why then the hon the Minister replied to my question on 6 October last year that he was not prepared to be led by reports in newspapers when I asked him in a supplementary question what his response to the article in the *Sunday Times* was, when he had issued press statements to the *Sunday Times* in June last year?

†The DEPUTY MINISTER Mr Speaker, the hon member s question is rather muddled If the hon member wishes to place it on the Question Paper I will reply to it next time

Agulhas. proclamation of nature area

*11 Mr R R HULLEY asked the Minister of Constitutional Development and Planning

Whether it is his intention to proclaim a nature area in the Cape Agulhas vicinity, if not, why not, if so, (a) what are the general boundaries of the proposed nature area, (b) what steps (i) have been taken to prepare for such proclamation and (ii) remain to be taken before proclamation can take place and (c) when is it intended to issue the relevant proclamation?

†The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

Since 1 November 1986 the reservation of land in the Cape Province as nature areas vests in the Administrator and not in the Minister of Constitutional Development and Planning

It is the intention not to reserve any further nature areas in the Cape Province as —

(a) the management of certain of the existing nature areas experiences problems which have to be resolved first,

(b) there is no definite information available in which *inter alia* the advantages and disadvantages as to the inclusion of properties in a proposed nature area are set out

to the property owners concerned Such information is regarded as essential in order to ensure the co-operation of the property owners concerned This information is to be compiled by the Department of Environment Affairs, and

(c) in clause 16 of the Draft Bill on Environment Conservation as published in Government Notice 353 of 1987, provision is made for the declaration of "Protected Natural Environments" which will probably replace nature areas Should this concept be accepted, it will result in a better dispensation for private landowners

Northern Transvaal: transport of train passengers by buses

*12 Mr D S PIENAAR asked the Minister of Transport Affairs †

(1) Whether the South African Transport Services make use of the services of outside bus companies to transport passengers in the Northern Transvaal when there are not sufficient seats on passenger trains, if so, (a) of which such bus companies, (b) between what points in each case, (c) how many buses are so hired and (d) what was the cost thereof during the latest specified 6-month period for which figures are available,

(2) whether there is a shortage of passenger coaches on the Rand which can be used for this purpose

(3) whether he will make a statement on the matter?

†The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) No
(a), (b), (c) and (d) Fall away

(2) No

(3) No

De Villiers report on the SATS

*13 Mr C B SCHOEMAN asked the Minister of Transport Affairs †

(1) Whether the consideration of the De Villiers report on the strategic planning, management practices and systems of the South African Transport Services has been completed, if not, what progress has been made in this connection;

(2) whether it is the intention to disclose the contents of this report, if not, why not, if so, (a) when, (b) in what manner and (c) to whom,

(3) whether he will make a statement on the matter?

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) No, but certain recommendations have already been implemented.

(2) and (3) The hon the Minister will cover the matter during my motion for the Second Reading of the South African Transport Services Appropriation Bill 1988.

Group Areas Act: instructions/directives issued by Attorneys-General

*14 Mr S S VAN DER MERWE asked the Minister of Justice

Whether any Attorneys-General issued any instructions or directives with regard to the Group Areas Act in 1987 or 1988 if so, (a) which Attorneys-General, (b) what is the nature of the instructions or directives, (c) (i) to whom and (ii) why were they issued and (d) in respect of what date is this information furnished?

The MINISTER OF JUSTICE

Yes

(a) and (b) The Attorneys-General, Cape Town, Pietermaritzburg, Kimberley, Pretoria and Bloemfontein issued instructions that the dockets concerning such prosecutions be referred to them for decision The Attorney-General, Grahamstown issued instructions in this regard during 1985 The Attorney-General, Johannesburg, issued instructions that statistics regarding such prosecutions be kept

(c) (i) and (ii) To the various prosecutors under their control in order to have statistics available and to enable them to exercise direct control over such prosecutions

(d) 1 January 1987 to 17 February 1988

†Mr J H VAN DER MERWE. Mr Speaker,

†Mr SPEAKER Order! The hon member must resume his seat

Group Areas Act, persons prosecuted/found guilty

*15 Mr S S VAN DER MERWE asked the Minister of Justice

How many persons were (a) prosecuted on charges and (b) found guilty, of contravening the provisions of the Group Areas Act in 1987?

†The MINISTER OF JUSTICE

(a) 3

(b) 2

As thus far in 1988 3 persons have been prosecuted One case has been finalized and 2 are still pending As far as can be ascertained there are about 100 police dockets awaiting the decision of Attorneys-General

I also refer the hon member to the reply to written question No 221 of 1987 (Hansard col 572 of 1987) where I have indicated that alternative steps are also taken against unlawful occupants, *inter alia* by means of negotiations and the issuing of summonses and written notices

New Questions

Non-Whites appointed as judges

*1 Mr D J DALLING asked the Minister of Justice

Whether any persons who are not White were appointed as (a) acting judges and (b) judges within the Republic during the past five years; if not why not if so, (i) who were so appointed and (ii) (aa) when and (bb) where was each such person appointed?

†The MINISTER OF JUSTICE

(a) Yes

(i) Advocate Hassen Ebrahim Mall SC

(ii) (aa) On 19 January 1987 for the period 1 February 1987 to 28 February 1987

(bb) Natal Provincial Division of the Supreme Court of South Africa

(b) No I have on various occasions clearly stated that the judges are appointed on merit only This was also the intention of the legislator when it was stated in the Supreme Court Act, 1959, that the only criterium for appointment as a judge is that he should be a fit and proper person Judges are mainly appointed from the ranks of Senior Advocates At present there are only two advocates outside the White group who have this status One of them has held an acting appointment.

Jan Smuts Airport: closure of runways/facilities

*2 Mr P G SOAL asked the Minister of Transport Affairs

Whether any (a) runways and/or (b) other facilities have been or are to be closed at Jan Smuts Airport in 1988, if so, (i) what specified facilities and (ii) (aa) on what dates, and (bb) why, in each case?

†The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(a) and (b) Yes

(i) Runway 03R/21L and certain aircraft parking bays on the main apron

(ii) (aa) Since 11 January 1988 and 8 February 1988 respectively

(bb) The reasons for the temporary closure of runway 03R/21L are the attendance of the Aerodrome Control Course by 6 Air Traffic Control Cadets and the commissioning of a standby diesel generator The aircraft parking bays are closed due to repair work on portions of the main apron

Emergency regulations: detainees

*3 Mrs H SUZMAN asked the Minister of Law and Order

Whether he will furnish information on the number of persons detained for up to 30 days under the emergency regulations if not why not, if so (a) how many persons were so detained from 12 June 1986 until the latest specified date for which figures are available and (b) how many of these persons were under the age of 18 years when they were in detention?

The MINISTER OF LAW AND ORDER

No because I do not consider it in the public interest to furnish this information With reference to the number of persons who are detained in terms of the emergency regulations, the requirements of section 3(4) of the Public Safety Act, 1953 (Act 3 of 1953), have been complied with In terms of these requirements a list of names of persons in detention for periods longer than 30 days was regularly tabled in Parliament during 1987 and was again tabled on 18 February 1988

(a) and (b) fall away

Emergency regulations: detainees

*4 Mrs H SUZMAN asked the Minister of Law and Order

(1) Whether any persons detained under emergency regulations in 1987 were under the age of 16 years at the time of being so detained if so how many

(2) whether charges have been or are to be laid against any persons under the age of 16 years, if so, (a) against how many persons and (b) what charges in each case?

†The MINISTER OF LAW AND ORDER

(1) 290 persons

The following persons were however in detention at 08h00 on 23 February 1988

15 years of age —4 persons in Natal
Under 15 years of age—none

(2) Yes

(a) 71 persons

(b) I refer the hon member to paragraph 2(b) of my reply to oral question No 10 of 16 February 1988

Daily average detainee population

*5 Mrs H SUZMAN asked the Minister of Law and Order

What was the daily average detainee population in police cells in the Republic as at the latest specified date for which information is available?

The MINISTER OF LAW AND ORDER

14 917 persons at 804 police stations calculated for the period 1 January to 31 December 1987

I wish to point out to the hon member that the majority of these persons were detained in terms of section 50 of the Criminal Procedure Act, 1977 (Act 51 of 1977) In terms of these provisions, persons may be detained for a period not exceeding 48 hours, unless they are brought before a lower court and their further detention for the purposes of trial, is ordered by the court on a charge of any offence

An accused person may also, within the prescribed 48 hours and before he appears before court, be released —

— in terms of section 54 of the said Act after a summons was served on him,

— in terms of section 55 of the said Act after a written notice to appear in court was served on him,

— in terms of section 57 of the said Act after he paid an admission of guilt fine,

— in terms of section 58 of the said Act after bail was deposited

— in terms of section 72(1)(a) of the said Act after he was warned to appear in court on a specific date,

— in terms of section 72(1)(b) of the said Act in the event of him being under the age of 18 years, and he is placed in the care of the person who has custody over him

If the further detention of a person, after he has appeared in court, is essential in the interests of the administration of justice, that person is referred to a prison for detention In very exceptional cases further detention in police cells is, however, authorized

Experiments on animals

*6 Mr D J DALLING asked the Minister of National Health and Population Development

(1) Whether any companies or business organizations in the Republic are conducting experiments on animals for research or other purposes, if so, (a) which companies or business organizations and (b) what is the nature of the experimentation,

(2) whether any control is exercised by the State in this connection if so, what control?

†The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(1) Yes

D/D 24/2/88 (269)

Refund for passengers

EAST LONDON — Passengers booked on East London-Johannesburg bound trains cancelled because of the floods in the Orange Free State would have their money refunded

However, they would have to make their own alternative arrangements, the public relations officer for the South African Transport Services (Sats), Mrs Sandra Gertenbach, said yesterday

All the train routes via Kimberley and Bloemfontein have been closed until further notice

If people wanted to fly, Sats would refund them the cost of their train ticket and they would have to pay in the difference for an airfare

Mrs Gertenbach said that if there was a real emergency people could contact the regional manager in the area who would try to help them

All railway lines in the Free State and Northern Cape are blocked and the Blue Train and Trans-Karoo have been cancelled

The Orange Express, which left Cape Town on Monday night for Durban had been stopped at De Aar and was on its way back to Cape Town

● The floods have left only one "very dangerous" road open to the north from Bloemfontein, while Kimberley is completely cut off, the Automobile Association said today

The R30 from Bloemfontein to Brandfort, the only available road to the north is "open but very dangerous," the AA said

The same applies to the R64 from Bloemfontein to Thaba Nchu

The route recommended for travellers to the Northern Cape is from Vryburg to Kuruman and Uppington

The AA has recommended the route to East London through Winburg, Clocolaan, Ladybrand, Wepener, Rouxville and Aliwal North

The roads from Bloemfontein to Winburg, Edenburg, Reddersburg, Kimberley, Jagersfontein, Kaffersfontein and Bultfontein are closed — DDR-Sapa

WITH the exception of the rail-commuter service, every other Sats activity could be operated profitably on business principles in a deregulated transport market, the De Villiers inquiry into its affairs found.

It also found that if such circumstances existed it could be possible to bring about lower tariff increases than generally the norm under Sats.

Making public some details of

269 B/day 25/2/88

Most Sats services can be run economically — inquiry

CHRIS CAIRNCROSS

the inquiry's recommendations for the first time, Transport Minister Eli Louw said the inquiry had found Sats should concentrate on those areas where it had a competitive advantage, and that profit and return on capital should serve as the norm for business decisions.

He said many of those principles were being put into practice.

As part of that new development, it was necessary to restructure Sats in terms of primary and secondary business enterprises — a process which may facilitate efforts leading to privatisation.

In the light of that, it was proposed that Sats be divided into six primary business enterprises: railways (goods and long-distance passengers); airways, harbours, road transport; pipelines, and rail-commuter services.

Louw said five modes of transport could be operated economically, with the rail-commuter service to be operated by Sats on an agency basis for the state and/or regional services councils.

He said he had also approved an extension of that restructuring to establish secondary business units. As with the primary units, those would also be operated autonomously.

The most important of those were: catering, travel bureau; transmed, workshops; telecommunication services, and data-processing services.

Louw said the financial implications involving commuter-rail services were still being investigated with Finance Minister Barend du Plessis.

● See Page 6

CITY/NATIONAL

ARGUS 25/2/88 269

Competition for SAA on internal routes?

Political Staff

THE Government is considering allowing competition with South African Airways on the country's major internal air routes as a first step towards privatising the State airline.

Transport Affairs Minister Mr Eli Louw yesterday gave the distinct impression that the Government was leaning towards privatising the R1,3-billion airline.

According to public opinion, he said, SAA was the most acceptable candidate for privatisation

"On the one hand, the airline has established a successful record with its own culture.

"On the other hand there are aspects of entanglement with SA Transport Services, State involvement and competition in the domestic market which would have to be addressed first

Monopoly

"I am giving attention to accomplishing a measure of competition in the domestic air transport market"

A spokesman for Mr Louw said today the Minister felt there would be no point in privatising a Government monopoly so that it could become a privately owned monopoly.

An essential part of privatisation was to ensure that there was an element of competition

Although the spokesman would not speculate further, it is believed the Minister is in fact keen to open the country's major air routes to competition with SAA

Increased

This means private carriers would be allowed to fly passengers and cargo on routes such as Johannesburg-Cape Town and Johannesburg-Durban.

The number of passengers carried on domestic services last year increased by 15,5 percent between April and December

● Mr Louw's spokesman said there would for the time being be no further details of the Government's plans to privatise Sats's R100-million bus passenger services.

Sats set to privatise all bus services and possibly SAA

B day 25/2/88.

CHRIS CAIRNCROSS

IN addition to introducing a general wage freeze, SA Transport Services (Sats) would not be introducing any general increases in tariffs and fares this year, Transport Minister Eli Louw said yesterday.

Tabling what amounted to a standstill Sats budget in Parliament, in which revenue for 1988/9 was pegged at R10,7bn (representing a 5% increase on the previous year's income), Louw said Sats' bus-passenger services were to be privatised and that SAA was also an "acceptable candidate for privatisation".

The Sats decision to peg tariffs and wages was welcomed as a bold initiative by the Transport Consultative Committee, the body representing major private-sector transport organisations.

The decision to privatise bus services and, possibly, SAA was also welcomed.

In declaring Sats' intentions to peg tariffs and fares, Louw confirmed it was in line with the anti-inflation package announced by President P W Botha on February 4.

He said, however, contract rates still had to be either renegotiated or adjusted during the year.

As well, the general wage freeze would not affect the usual incremental adjustments and increases due to Sats employees.

Outlining the restructuring of Sats into six separate, autonomous operating divisions, Louw said when that process was completed, a programme of privatising some or all of those divisions would be embarked upon.

Recalling that he had already indicated that Sats' Translux and Transcity services must be privatised, Louw said it was now also obvious to expand that concept to include all Sats' bus-passenger services.

That operation included 864 buses representing a capital investment of about R100m and an annual revenue of almost R100m.

Louw said he had issued instructions for those services to be developed as a separate business enterprise with a view to privatisation.

He said, according public opinion, SAA was "undoubtedly the most acceptable candidate for privatisation".

It was an airline with an established record — but its entanglement with Sats, state involvement and competition in the domestic market would have to be addressed first before privatisation could be contemplated.

● See Pages 3 and 6

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Sats unions defy freeze in salaries

GERALD REILLY

PRETORIA — The Federal Council of Sats trade unions will defy State President Botha's plea for an acceptance of the wage and salary freeze in the public sector

At his meeting with the Federal Council in Cape Town on Tuesday, Botha appealed to Sats workers to set an example to the rest of the country and adhere to the government's freeze decision

Council chairman Dudley Henn told Botha Sats workers could no longer carry on without increases to compensate for continually spiralling prices

The council is to go ahead with its intention of contesting the freeze

The conciliation board to be appointed to investigate the council's 17% claim is expected to meet early next month

A council spokesman said the names of the council's five members had been submitted

They included Henn, council secretary-general Abe Koekemoer and Artisan Staff Association secretary Willie van der Merwe

Sats management has not yet nominated its five members

The conciliation board's deliberations are not expected to last more than one or two days.

If the board's recommendation is unacceptable to the council, an arbitrator will be appointed

His finding will be final and has to be accepted by all sides

Meanwhile, the series of protest meetings will continue

Henn addressed a meeting of railwaymen in Port Elizabeth last night and will address a final meeting in Kimberly tomorrow night

'TRAIN DOORS OFTEN OPEN'

CROWDED passenger trains often moved with their doors open, a paraplegic claiming R1,8 million from the South African Transport Services told the Rand Supreme Court yesterday.

By MANDLA NDLAZI

Mr Otto Malusi Ngubane (36), of Zone 4, Meadowlands, told Mr Acting Justice P A Harttingh that he sustained a head injury, a fractured dislocation of his spine and injuries on his left leg when he fell from a crowded passenger train near Grosvenor station on July 23, 1985.

He said he was on his way to work in Cleveland when he fell from a crowded train on that day. He said he boarded the train at Grosvenor. It was crowded with passengers and he stood near the door and held on a strap above his head because there were no seats available

He said some passengers pushed their way in and the others forced their way out and when the train moved, the door opposite where he was standing was open.

He lost his grip of the strap because of the passengers who forced their way out. He fell on his back and found himself under the train, he said.

Mr Ngubane said he was later carried in a stretcher to an ambulance that took him to hospital. He was in great pain, he said.

Mr Ngubane is represented by Advocate B Ancer, instructed by Malcolm Lyons and Munro and Sats by Advocate B W Burman.

Mr Ngubane said he was in hospital for six months. During that time, he did not know whether it was day or night and could not walk because of pain in his spine and left leg.

He had never heard a railway official warn passengers to wait for the next train as the one they wished to get into was full.

(Proceeding)

(269) B/day 29/2/88

Sats forex losses to cost R577m: Louw



SATS'S provisions for foreign exchange losses for 1988/9 are up at R577m, representing more than 5% of the parastatal's projected expenditure of R10,8bn for the year, Transport Minister Eli Louw revealed during his Budget speech in Parliament yesterday.

CHRIS CAIRNCROSS

This compares with a provision for forex losses of R575m for the previous year, a figure which is R125m higher than originally projected, mainly due to an increase in financing costs, says Louw

This provision also represents a little more than 5% of Sats' operating expenditure of R10,5bn during 1987/8 These proportions underline the impact Sats' forex operations have on its working expenditure and reinforce the importance of the specialist investigation initiated last year by the Parliamentary Standing Committee into its entire currency risk management policies These have already led to combined forex losses of more than R4bn, according to estimates provided by the Auditor-General

Yesterday Louw did not provide any indication on progress made by the investigating committee, which was originally scheduled to report its findings by the end of January

In his Budget speech, Louw revealed that Sats' total revenue over the past year is estimated to be R10,4bn This is an improvement of 1% on the orginal estimates, mainly as a result of insurance compensation received in respect of the Helderberg air crash off Mauritius and an increase in air passenger revenue

With expenditure for the year up at about R10,5bn, Sats' provisional deficit for the past year is R126m, as against R40m

Working expenditure reflects an increase of R202m on the original estimate, says Louw This was largely due to an appropriation of R138m to the Revenue Reserve Account via the Appropritaion Account — the amount representing the difference between the insurance compensation for the Helderberg and the outstanding book value of the aircraft

In keeping with President P W Botha's promises about steps to put a brake on state expenditure, Louw revealed yesterday that Sats was budgeting for only a marginal increase in revenue of 3,7% to R10,7bn for 1988/9, compared to the R10,3bn estimated for last year

With estimated working expenditure projected to be R10,8bn for the year ahead, a deficit of R96m is therefore expected

A major influence slowing Sats revenue increases in the year ahead, said Louw, was a decision not to introduce a general increase in tariffs and fares, and to freeze any general increase in wages.

Louw stressed that this umbrella "freeze" did not mean that Sats would not renegotiate or adjust contract rates with its major clients in terms of the escalation formulae during the year, nor would the standstill on wages affect normal incremental adjustments and increases in salaries

"I am convinced that the sacrifices Transport Services employees and other employees of the state would have to make, coupled with the necessary support from the private sector, would bear fruit which would be benficial not only to our workers but also to the country as a whole," Louw said

"The expected economic growth will not coincide with a large increase in export volumes and Transport Services will have to do its utmost to find other ways and means to compensate for this"

IN BRIEF

186 Journalists denied SA visits

HOUSE OF ASSEMBLY — Home Affairs Minister Stoffel Botha said 186 applications by foreign journalists and members of the foreign media to visit SA had been refused during 1987

Servicemen — 28% with Std 8

TWENTY-EIGHT per cent of national servicemen in the August 1987 intake had a Std 8 certificate, Defence Minister Magnus Malan said yesterday Those with matrics accounted for 59% of the intake

AWB 'similar' to Nazi Party — NP

THE REASON so many responsible people in SA were becoming concerned about the Afrikaner Weerstandsbeweging was its remarkable similarity to Germany's Nazi Party — "a monster that shook the world to its foundations", Budget and Welfare Minister Dawie de Villiers said

REPORTS Sapa

Sats models its labour structure on private lines

PARLIAMENT — It was intended that labour structures within Sats would be brought into line as far as possible with the machinery applicable in the private sector, Transport Minister Eli Louw said

Introducing the Sats Budget, he said the Sats Conditions of Service Bill, considered by the standing committee on Transport at the beginning of this month, was an example of "essential change in order to adapt to circumstances"

The report of the Wiehahn Commission of Inquiry into the establishment of a negotiating body for Sats in connection with salaries and service conditions formed the basis of the Bill

It provided a new labour dispensation for Sats through the establishment of a labour council in which collective bargaining could take place

He believed conciliation and arbitration would make the meaningful handling of labour relations possible — Sapa

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Privatization for all bus services

ALL bus passenger services of South African Transport Services (SATS), including the Translux and Transcity services, are to be privatized, Mr Eli Louw, the Minister of Transport Affairs, announced yesterday

Delivering the SATS budget at a joint sitting, the minister said he had given the instruction for these services to be developed as a separate business enterprise with a view to privatization

Mr Louw said that 864 buses, involving capital investment of about R100 million, were used in the passenger service operation, which netted nearly R100 million a year in revenue.

The minister said that "according to public opinion", South African Airways was undoubtedly the most acceptable candidate for privatization.

He said the airline, as an undertaking, had established a successful record, but there were the aspects of "entanglement" with transport services, state involvement and competition in the domestic market which would have to be addressed before any action was taken

Mr Louw said he was currently addressing the issue of establishing a measure of competition in the domestic air transport market

He said it was not possible to attach a timetable for privatization at this stage.

Parliament and Politics

No increases in store for SATS users

Political Correspondent

IN addition to introducing a general wage freeze, SA Transport Services (SATS) would not be introducing any general increases in tariffs and fares this year, Transport Minister Mr Eli Louw announced yesterday

Tabling what amounts to a standstill SATS budget in Parliament, in which revenue for 1988/9 was pegged at R10,7 billion — representing only a marginal 5% increase on the previous year's income — Mr Louw also announced that SATS's entire bus passenger services were to be privatized

The operation includes 864 buses, representing a capital investment of about R100-million and an annual revenue of almost R100-million

Mr Louw added that, according to public opinion, SAA was "undoubtedly the most acceptable candidate for privatization."

It was an airline with an established record and had its own culture, he said, but cautioned that its entanglement with SATS, state involvement, and competition in the domestic market would have to be addressed first

"I am at present affording attention to accomplishing a measure of competition in the domestic air transport market," Mr Louw said

Both decisions were widely welcomed yesterday

Reacting to Mr Louw's announcements, Mr Donald Masson, chairman of the Transport Consultative Committee, representing such bodies like Assocom, the Motor Industries Federation and the Chamber of Mines welcomed the pegging of SATS tariffs

But he also expressed concern at SATS' large forex losses

The Association of Southern African Travel Agents (ASATA) also welcomed the announcements as a bold initiative, reflecting government's good intentions to combat inflation and privatize some of its operations

Outlining the major restructuring of SATS into six separate autonomous operating divisions, Mr Louw said that when this process was completed, a programme of privatizing some or all of these divisions would be embarked upon.

● Despite being asked by the State President to accept the government's decision to enforce a wage freeze in the public sector, the Federation of Trade Unions of SATS announced yesterday it had declared a dispute with Mr Louw and had decided to put the situation to a conciliation board

Rise in spending estimated at 5%

SATS's total expenditure is expected to increase by almost 5% or R496m to R10,8bn during the 1988/9 year, according the estimates tabled in Parliament yesterday.

Of this total some R927m has been allocated to projects of a capital nature, representing an increase of R177m on the previous year's capex programme

The remaining expenditure has been allocated as follows: Railways R6,7bn, an increase of R240m Commuter passenger services R1,0bn, an increase of R53m. Road transportation R350m, up R14m. Harbours R859m, up R61m Airways R1,8bn, up R127m. Pipelines R86m, up R1m

According to the estimates one of the main costs increases is labour (R57m increase), which includes a flow-through of last year's wage increases and improved medical benefits. This has been offset to some extent by a decrease of 8 400 in SATS's workforce over the past year

Energy costs, including fuel, are expected to rise by R117m and stores R162m Depreciation costs are also expected to be about R162m

Forex provisions

Political Correspondent

SATS provisions for foreign exchange losses for 1988/9 are up at R577m, representing more than 5% of the parastatal's projected expenditure of R10,8bn for the year, Transport Minister Eli Louw revealed during his Budget speech in Parliament yesterday

This compares with a provision for forex losses of R575m for the previous year, a figure which is R125m higher than originally projected, mainly as a consequence of an increase in financing costs, according to Mr Louw

This provision also represents a little more than 5% of SATS' operating expenditure of R10,5bn during 1987/8

These proportions underline the impact SATS' forex operations have on its working expenditure and reinforce the importance of the specialist investigation initiated last year by the Parliamentary Standing Committee into its entire currency risk management policies These have already led to combined forex losses of more than R4bn, according to estimates provided by the Auditor-General

Mr Louw yesterday failed to provide any indication on the progress made by this investigating committee, which was originally scheduled to report its findings by the end of January

Forex losses behind huge R126m deficit

THE Minister of Transport, Mr Eli Louw, yesterday delivered the SATS budget, stating that its deficit for the 1987/8 financial year would amount to R126 million

No tariff increases were announced

The main area of loss was in foreign exchange, where the total provision for the year amounted to R575 million

The biggest single problem was the loss on rail passenger services, estimated at R1 200 million for the 1987/8 financial year

Mr Louw said the SATS budget for 1988/9 envisaged an income of R10 752 million and working expenditure of R10 848 million — an amount of R577 million in forex losses is included here

The PFP spokesman on Transport Affairs, Mr John Malcomess, said the loss in 1987/8 was clearly due to poor decisions taken in the past

The forex loss of R575 million was "most significant" when viewed against an overall loss of R126 million

Without the forex losses, he said, there would have been good profits

He said that in addition, SATS had deducted some R500 million over and above normal depreciation for inflationary accounting purposes — "the private sector could not do this in the accounting to the tax man".

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25/2/85

pegged at R577m

In keeping with President P W Botha's promises earlier this month regarding steps to put a brake on state expenditure, Mr Louw revealed yesterday that SATS was budgeting for only a marginal increase in revenue of 3,7% to R10,7bn for 1988/9, compared to the R10,3bn estimated for last year

With estimated working expenditure projected to be R10,8bn for the year ahead, a deficit of R96m is therefore expected

A major influence slowing SATS revenue increases in the year ahead, according to Mr Louw, is a decision not to introduce a general increase in tariffs and fares, and to freeze any general increase in wages

Mr Louw stressed that this umbrella "freeze" did not mean that SATS would not be renegotiating or adjusting contract rates with its major clients in terms of the escalation formulae during the year

He said the standstill on wages would also not affect normal incremental adjustments

"The expected economic growth will not coincide with a large increase in export volumes and Transport Services will have to do its utmost to find other ways and means to compensate for this," Mr Louw concluded

SA TRANSPORT SERVICES

The secret service?

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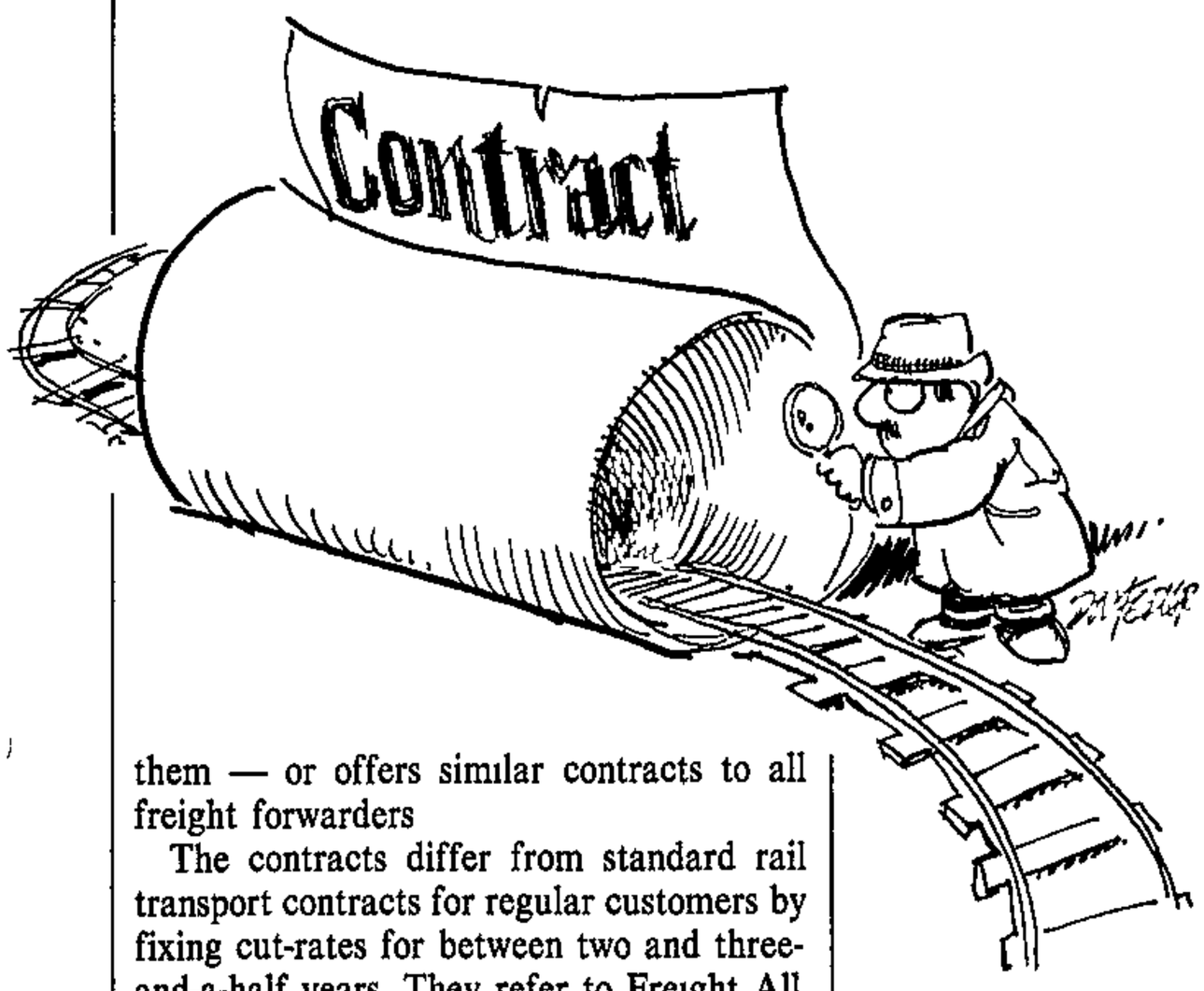
FM

Secret contracts guaranteeing fixed cut-rates for rail freight transport have been entered into by SA Transport Services (Sats) and selected companies around the country The rates undercut published Sats tariffs by up to 75% and suggest it is losing millions of rands on the deals.

The reason appears to be to protect rail's share of total freight traffic which is increasingly moving towards road, where there is a substantial private sector involvement.

The SA Association of Freight Forwarders (SAAFF) has threatened to apply for judicial interdicts to declare the contracts *ultra vires* unless Sats cancels or amends



them — or offers similar contracts to all freight forwarders

The contracts differ from standard rail transport contracts for regular customers by fixing cut-rates for between two and three-and-a-half years They refer to Freight All Kinds (FAK) and are virtually without restrictions regarding weight or quantity.

Says SAAFF president Pat Henegan: "Some of the companies involved in the secret contracts have been set up specifically for the purpose of utilising these contracts Although the contracts are legal in every way, they are not signed by the GM of Sats (Anton Moolman) but by regional managers. This means they contravene section 8(ii) of the SA Transport Services Act."

But a Sats spokesman says rates can be signed by regional managers on behalf of the GM "by virtue of their delegated authority"

Henegan says SAAFF has heard of "up to 19 secret contracts" with drastically cut rates and few or no conditions

The Sats spokesman confirms existence of "more than 300 so-called secret contracts which are below published rates. They are secret only in the sense that they are confidential between ourselves and our clients, but are available to everyone under the same conditions of carriage In order to compete with the private sector road hauliers, we are compelled to quote rates below the published level in certain instances"

Henegan says the spokesman is referring to standard volumetric contracts, not those objected to by SAAFF He says the association approached Transport Affairs Minister Eli Louw last year, but that an interview was refused and Louw "would do nothing"

The *FM* has seen one of the "secret" contracts, between Sats and a Durban-based company. It is a Memorandum of Agreement signed by the Sats regional manager in Durban on June 12 last year for the period from June 1, 1987, to May 31, 1990

It sets a rate of R52,60 a ton FAK for the full period, without any escalation clause or volumetric conditions (although Sats says this is impossible because "all FAK rates are coupled to a minimum load per truck.")

The contract allowed the company to freight any goods by rail for R52,60 a ton — including such things as motor kits (for which the published tariff rate is R212/t).

Says a freight forwarder of many years' experience "Such a contract is virtually a licence to print money just for filling in a form in triplicate. It means a company could offer heavily cut rates and make an enormous profit — and bear in mind we're talking about traffic that Sats would get anyway

"So Sats is losing a fortune I estimate that on a rate of R52,60/t for a three-year period, a company could make a profit of at least R3m. Sats would lose at least treble that"

Since the issue has come into the open, Sats marketing director Andre Heydenrych has tried to cancel or amend several of the secret contracts — including that with the Durban company, which has been renegotiated to apply only to completely knocked-down motor kits (CKDs) and which now expires on March 31 this year

The *FM* has the name of the particular Durban company concerned and the names of two others, but is withholding publication until it has the list of the 19 involved.

Sats is also under fire for trying to enter the clearing and forwarding industry in competition with the private sector.

On February 17, Sats withdrew its application for a clearing and forwarding licence, saying it had only been "looking at the possibility" This still leaves a loophole for Sats to appoint a clearing and forwarding agent as a sub-contractor and SAAFF wants an unequivocal undertaking this will not happen. ■

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HELDERBERG DISASTER

Where there's smoke

The comments of a high-ranking official of the Boeing aircraft company in Seattle have deepened the mystery of the SAA *Helderberg* disaster off Mauritius Dick Schleh, Boeing's Africa PR director, told the *FM* that he was not aware of any specific incidents in the history of Boeing where one of his company's carriers *ever* crashed because of a fire on board.

"If this had happened to the *Helderberg* it would be very unusual," Schleh said. "I haven't heard of anything like this before"

Schleh was commenting on inquiries by the *FM* about the ill-fated aircraft's manifest and the secrecy surrounding it Schleh says all Boeing aircraft are equipped with fire detectors and firefighting tools. (Initial reports soon after the crash stated that the pilot of the aircraft, Captain Dawie Uys, had reported smoke in the cockpit)

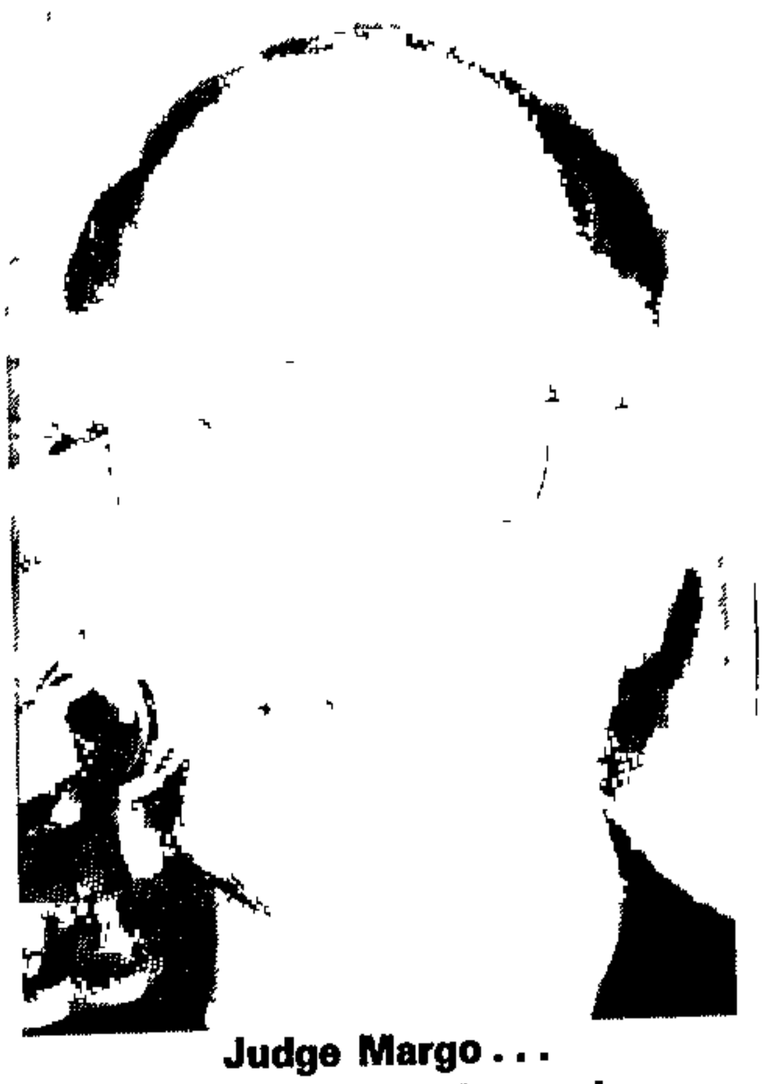
Schleh would not comment on unsubstantiated rumours — which circulate constantly — that the *Helderberg* had been carrying inflammable substances in its hold as part of the cargo loaded in Taiwan before take-off It has even been suggested in some circles that the *Helderberg* was carrying arms or ammunition

SAA sources told the *FM* this week that investigators are still trying to establish what exactly was in the containers. They claim that before the disaster the actual contents of each container were not checked before loading, although there were periodic spot-checks. This system has since been changed and all cargo is now screened

"We don't have any knowledge as to the *Helderberg*'s manifest," says Schleh "The investigation is in the hands of the South African authorities and this will take place in a painstaking and thorough manner, which is typical of investigations of this nature."

Johannesburg attorney Denis Jooste of the firm Bowman Gilfillan Hayman Godfrey Inc, representing Boeing's Seattle HQ, reiterates Schleh's viewpoint that it is highly unlikely that the aircraft would have crashed simply because there was a fire on board: "I can only repeat what Mr Schleh said — that theoretically a fire should not happen on board these aircraft," says Jooste He adds that he had not seen the manifest, but the investigation is still "at an early stage .. and I have no doubt that I will be advised on the manifest"

Schleh says Boeing is of course very interested to learn the origins of the fate of the *Helderberg*. His company would be willing, if its expertise is required, to produce technical evidence at the Board of Inquiry which will convene under the chairmanship of Judge Cecil Margo. Schleh says four Boeing



Judge Margo . . . board will be thorough

officials were in Johannesburg and Mauritius soon after the crash, but he doesn't know whether they have returned to the US.

Johannesburg advocate Fanie Cilliers SC has been instructed by Jooste to appear for Boeing, but declines to comment. Jooste says that interested parties — including Boeing — will be able to call expert witnesses with the permission of the Board of Inquiry As he is only representing Boeing's attorneys in Seattle, Jooste will await any decision on that issue from them, "but I expect to meet with Boeing officials when the time comes."

A spokesman for Transport Minister Eli Louw says the investigation into the crash is continuing and any information must come from the chairman of the board. Judge Margo was not available for comment.

The commissioners will meet next week to determine procedure ■

SAA fares to Europe rise

CAR. Times 26/2/88

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Own Correspondent

JOHANNESBURG — Air fares to Europe will increase by about 5% on April 1 despite Transport Affairs Minister Mr Eli Louw's announcement on Wednesday that there would be no general increase in tariffs and fares in this year's SATS budget.

Travel agents countrywide yesterday received SAA "tariff advices" — the usual means of communicating tariff increases.

An SAA spokesman said the increase was out of its control as it was laid down by the International Airline Transport Association.

However, one travel agent said Iata ceased to be a fare-setting body in 1984.

He said he found it hard to accept airfare increases when SAA recorded a R108,6m profit last year and expected to make a R134,5m profit this financial year.

The SAA spokesman said the increase was actually a currency adjustment.



MR ELI Louw . . . Minister.

No rise in train fares

NO general increase in tariffs and fares, and a firm commitment to privatisation, including more competition in the domestic air transport market, were the main features of the South African Transport Services budget for 1988/89 announced by the Minister of Transport, Mr Eli Louw.

Introducing the Sats budget at a joint sitting of Parliament on Wednesday, Mr Louw said that concerted action by the public and private sectors, as envisaged at President Botha's conference on Februry 4, would have an effect on the general economic climate

The decision not to introduce a general increase in tariffs and fares was "a courageous step", bearing testimony to optimism in the country's future

He said Sats was budgeting for a deficit of only R96 million for the 1988/89 financial year, despite an amount of R577 million being set aside for foreign exchange losses.

Anticipated income for the year was R10 752 million with estimated expenditure of R10 848 million

Mr Louw said Sats succeeded in curtailing the original capital budget for 1987/88 by more than 2 percent Funding of capital projects during 1988/89, for which appropriation was required, amounted to R927 million

Mr Louw said he believed that Sats was experiencing its biggest changes since 1910, and was gearing itself on the managerial, economic and labour fronts to face the challenges of the 1990s

These changes included the expansion of the privatisation concept to include all bus passenger services

Mr Louw said the biggest single problem Sats had to cope with was its losses on rail passenger services.

He said the loss on rail passenger services was estimated at R1 200 million for the 1987/88 financial year

"The compensation which is being received from the State amounts to only R632 million which implies that Transport Services is compelled to offset the remaining R568 million by cross-subsidisation"

SA Press Association

Airfares up by 5% on April 1

REINIE BOOYSEN

AIRFARES to Europe will increase by about 5% on April 1 in spite of Transport Affairs Minister Eli Louw's announcement on Wednesday that there will be no general increase in tariffs and fares in this year's Sats budget.

Travel agents yesterday received SAA's "tariff advice" — the usual way of communicating tariff increases to the public.

An SAA spokesman said the increase had been laid down by the International Airline Transport Association (Iata).

However, one travel agent reacted angrily to that claim, saying Iata ceased to be a fare-setting body in 1984.

The agent said: "The public is punch drunk with airfare increases — it has come to accept it as the norm."

He said travel agents found it hard to accept airfare increases when SAA recorded a R108,6m profit last year and expected to make a R134,5m profit this financial year.

As well, he said the latest figures for January indicated Iata-member airlines had experienced a 17,5% increase in ticket sales compared with the same time last year, resulting in higher turnover and profitability for the airlines.

The SAA spokesman said the increase was actually a currency adjustment necessitated by the devaluation of the rand against foreign currencies.

Usually SAA sets a cut-off date two to three weeks before the official date of the increase. Any tickets bought after the cut-off date are subject to the higher price.

But agents were surprised by the absence of such an instruction in this year's tariff advice and they are telling clients to buy their tickets before the cut-off date is given.

The SAA spokesman said the date would be announced "any day now".

A run on tickets is expected while the old tariff still applies

DIP 26/2/88 (269)

Airfares to Europe to go up by 5pc

JOHANNESBURG — Airfares to Europe will increase by about 5 per cent on April 1 despite an announcement by the Minister of Transport Affairs, Mr Eli Louw, that there would be no general increase in tariffs and fares in this year's South African Transport Services (Sats) budget.

An SAA spokesman said the increase was out of its control as it was laid down by the International Airline Transport Association (Iata).

However, one travel agent reacted angrily to this claim, saying Iata ceased to be a fare-setting body in 1984.

"The travelling public of South Africa is punch-drunk with air fare increases," he said.

"Travel agents find it hard to accept airfare increases when SAA recorded a R108,6m profit last year."

The SAA spokesman said the increase was actually a currency adjustment necessitated by the devaluation of the rand against foreign currencies.

Normally SAA sets a cut-off date two to three weeks before the official date of the increase, but agents were surprised by the absence of such an instruction this year.

A run on tickets is expected while the old tariff is available. — DDC

EWS

Govt moves on SAA monopoly

DAVID BRAUN
Political Correspondent

The Government is considering opening the country's major air routes to competition with South African Airways as a first step towards privatising the State airline

Transport Affairs Minister Mr Eli Louw this week gave the distinct impression that the Government was leaning towards privatising the R1,3 billion airline

According to public opinion, he said, SAA was undoubtedly the most acceptable candidate for privatisation

He said. "On the one hand, the airline, as an undertaking, has established a successful record with its own culture

"On the other hand, there are the aspects of entanglement with SA Transport Services, State involvement and competition in the domestic market which would have to be addressed first.

"I am at present affording attention to accomplishing a measure of competition in the domestic air transport market," he said



CHANGES IN THE AIR? Internal SAA aircraft like this Airbus may soon be flying against competition.

A spokesman for Mr Louw said no further details about the possible privatisation of SAA would be made available

He pointed out that the Minister felt strongly there would be no point in privatising a Government monopoly so that it became a privately-owned monopoly.

An essential part of privatisation was to ensure that there was an element of competition.

Although the spokesman would not speculate further, it is believed the Minister is in fact keen to open the country's major air routes to competition with SAA

● Mr Louw's spokesman said there would be no further details of the Government's plans to privatise Sats' R100 million bus passenger services for the time being.

The Minister was keen to privatise this service as soon as practicably possible, he said, and details were still being worked out

Soaring rail costs threaten coal exports

28/2/88 ST1

By Don Robertson

THE huge rise in transport costs on the Richards Bay coal railway line is threatening the R3-billion-a-year export market.

Since March last year, railage costs have risen from R12,90 a ton to a whopping R23 a ton.

SA Transport Services (Sats) stands to earn R900-million in tariff charges alone on this year's coal exports.

The price charged for carrying export coal from the Eastern Transvaal fields to Richards Bay is now more than the cost of digging it out of the ground

Profits tumble

The effect of the Sats tariffs was starkly emphasised this week in the interim report of a major coal exporter, Trans-Natal

In the six months to December, profits tumbled to R8,3-million from R52,7-million in the same time in 1986 Chairman Steve Ellis places the blame squarely on the higher rail tariffs. The company has been forced to pass its dividend

Mr Ellis says export railage costs for the six months rose by R17,3-million over the 1986 half-year and are now higher than total mine costs

They include mining, washing and loading aboard railway trucks. Trans-Natal made great efforts to keep production costs below the inflation rate

Mr Ellis suggests that because of the iniquitous rail charges, many coal mines may be forced to close with a resultant loss of thousands of jobs

"Certainly, there will be no additional funds to expand our operations"

The industry's progress has also been threatened by sanctions — last year they cut exports by about 8-million tons — lower international prices, a stronger rand-dollar rate and high internal inflation.

Mechanisation

The industry employed 100 000 black workers two years ago, but in 1987, 3 000 jobs were lost. Increasing mine mechanisation is expected to lower job numbers to about 87 000 this year

Since March last year, the industry has been in heated debate with Sats over the tariff increases and a Cabinet committee has been appointed to investigate them.

Industry sources say that Sats' efforts to recoup the cost of the doubling the Richards Bay line in the past two years in as short a time as possible is mainly responsible for the jump in tariffs.

Because of continuing discussions on rates, most coal exporters are reluctant to discuss developments and none can suggest when the matter will be resolved.

It is expected that rates will be rise next month, but the industry hopes that any increase will be related only to inflation.

Sensitive

The Transvaal Coal Owners Association (TCOA) says the matter is sensitive and is "unable to pre-empt" any findings Dave Rankin, managing director of Anglo-American Coal (Amcoal), is equally reluctant to discuss the problems facing the industry.

However, Allen Sealey, head of the Rand Mines coal division, said recently that some mines' exports were being made without profit.

He warned that if rates remained at present levels, some exports would become unprofitable and few producers would be able to cover costs.

Uncertainty about tariffs has made it more difficult for the industry to negotiate sales agreements and has added to the risk.

Mr Ellis says the current tariff places the coal industry in an invidious position He warns that if rates remain at present levels, the closure of mines will directly hit Sats as the income from export railage charges will fall sharply.

Although praising Sats for its operational ability, he says "their financial approach is killing the industry"

"In past years we made substantial profits from our exports and maybe Sats will say that we can ride with the burden now. But they have hit us at the worst possible time in view of the lower prices and recently rising rand exchange rate"

Australians

Aggravating the position is the fact that the Australians have been able to reduce the f o b price of their coal in the past year, and so reduce SA's competitive edge.

However, Mr Ellis hopes that some relief will arrive soon. Contract and spot prices are improving and he expects "a few dollars more this year"

28/2/88

Toll roads under new fire from big guns

THREE employer organisations have again attacked the decision to privatise the major road routes between Johannesburg, Durban and Cape Town.

By Don Robertson

The Association of Chambers of Commerce and Industry of SA (Assocom), the Federated Chamber of Industry (FCI) and the Afrikaans Handelsinstituut (AHI), all members of the joint Transport Consultative Committee, say the inclusion of existing roads in any toll project should not be allowed

Pragmatic

When the privatisation of some road systems was agreed to a few months ago, the three organisations objected to the projects, insisting that at least part of the route between Johannesburg and Durban and between Johannesburg and Cape Town had been paid for by users through the levy on fuel

The AA, which initially opposed the privatisation of roads, has changed its mind, having become more "pragmatic" in its approach because it believes insufficient funds will be made available by the Government for the maintenance and construction of roads

It accepts that toll roads may be necessary

But Assocom, the FCI and the AHI query the promise by Tolcon, the group of road constructors which has won the contract to manage and upgrade the two routes, that the toll cost of a trip between Johannesburg and Durban will be R15 a car by the end of the year.

They say the Tugela toll — from near Ladysmith to Frere and to be opened in the next few weeks — will be R6,50 a car. The existing Mariannhill section, for which the charge is 50c a car, makes the cost R7 for a one-way trip The opening later this year of the Mooi River-Hilton section will add R15 to the cost of a car journey, making the total R22 for a single trip

Tolcon, which has as members Murray & Roberts (36%), Group Five (36%), Grinaker (18%), Keeve Steyn (5%) and Sanlam (5%), says that when the road is completed in 1996, the toll charge will be R30 a car in today's money

Resurfacing

Ron McLennan, chief executive of Tolcon, says existing roads should be used to build up assets, and "this is what we are doing"

Under Tolcon's agreement with the State, the company is required to resurface the entire toll-road system every eight years

Mr McLennan says finance for the project could be as much as R1-billion, which will be raised in several ways, including short- and long-term loans and possibly debenture issues

"We have had considerable interest from financial institutions and banks and see no problem in raising the funds," he says

But the success of the project depends on the growth in traffic on the routes which, by world standards, is well below a profitable limit.

"The project is exposed to considerable risk on capital cost of construction in a country with endemic inlflation and subject to a variety of economic pressures from outside"

JSE listing

Tolcon is required to seek a JSE listing within 10 years and the State will have a 25% shareholding or option to buy it at the time of listing

The first section of the R800-million toll road between Alberton and Hilton Road north of Maritzburg will be open before the July holidays. The completed section will cover 303km, including a the new De Beer's pass through the Drakensburg, and 135km will be rehabilitated and upgraded

The first section of the existing road to be incorporated in the toll system is north of Maritzburg, from the Umgeni River near Cedara to Frere, north of Mooi River Work has started on the 90km project which will cost R62-million

A 53km stretch of road between Frere and Keeversfontein, below Van Reenen's pass, is nearing completion at a cost of R120-million.

To cover the estimated expenditure of R1-billion, Tolcon will have to charge sufficient levies on the various tolls to cover the interest rate on loans, redemption, maintenance, operation of the pool plazas and road improvements

Funding needs

On the Cape route, a 52km section of the N1 between Koppies and Kroonstad is scheduled for completion in June at a cost of R100-million.

The three employer organisations and the AA, however, say they are concerned that alternative routes which are required in any toll road project, will not be properly maintained

In discussions with the Department of Transport, the AA has been told that the maintenance of the alternative routes will be the responsibility of provincial and local authorities, which in turn will have to rely on funds from the National Road Fund

These allocations have been insufficient in the past and it is estimated that at least R60-million would have to be spent on upgrading the road system to meet current requirements.

A gathering of 'eagles' to probe Helderberg crash

AVIATION experts from five countries were scheduled to arrive in South Africa this weekend to help solve the mystery of the Helderberg disaster.

And, early next week, the commission of inquiry will meet for the first time to weigh the progress of the ground investigation so far and the implications of the sea search for the airliner's flight data recorders

They will also study the reports of all aviation accidents with at least three features common to the Helderberg crash — an indication that there is no cut-and-dried explanation for exactly what caused the Boeing 747 Combi to plunge into the Indian Ocean off Mauritius killing 160 people last November.

The commission is headed by Mr Justice Cecil Margo, one of South Africa's top "legal eagles" and a highly decorated Second World War bomber pilot.

"It's a vitally important air crash investigation," says Mr Justice Margo, 72. "We have to try to find out what happened, not only for the sake of all concerned, but because similar accidents must be avoided. The Helderberg crash affects aviation the world over"

Machel

Suggestions that the inquiry should be "steam-rollered" to a conclusion to spare the relatives of the crash victims from further anguish do not carry much weight with Judge Margo.

"No short cuts will be taken," he says.

Over the past 20 years, there have been Margo commissions into five South African air disasters Most recent was the probe into the Soviet-built Tupolev jetliner that ploughed into the Eastern Transvaal hills killing former Mozambican President Samora Machel and 16 others in October 1986.

His verdict to the Press after the inquiry "A below par crew."

And South Africa, which stood in the dock of international opinion for the alleged

By HAMISH McINDOE

luring of the presidential flight to disaster, was cleared of blame

Could the Helderberg inquiry also be hit by political lightning?

"Some pressure may be unavoidable, but I can assure you that it will be a thorough and fearless technical investigation," said the judge.

During the 1968 Windhoek aircrash inquiry, when an SAA Boeing 707 crashed shortly after takeoff, Mr Justice Margo took the controls of a similar airliner to familiarise himself with its flight characteristics.

He learnt to fly at 18 as a SAAF cadet while studying law at the University of the Witwatersrand "I was immediately infected with the flying bug and have suffered ever since — with joy, I might add."

Cecil Margo is brief about his five war years with two SAAF bomber squadrons in Africa and Europe.

"We had a bad time trying to blunt the German assault on Crete in 1941," he says. But the citation for his Distinguished Service Order bears all the hallmarks of the "press on" tradition of Bomber Command's war effort.

His first taste of probing air crashes was as the accidents investigation officer with the Empire Air Training Scheme in South Africa.

His war service ended flying B26 Marauders on raids into Austria and the Balkans.

Three years later, he was in Israel at the request of David Ben Gurion to advise on the formation of an air force during the state's war of independence.

One of his biggest disappointments was the lack of official response to the 1982 Margo Commission recommendations on civil aviation in South Africa.

"We foresaw, years ago that South Africa's foreign landing rights could be cut and we urged then that steps be taken," he said.

Airbus chief test pilot jets into SA to clear the air over crew protests

SAA has brought the chief test pilot of the Airbus A320 to South Africa following dissatisfaction among flight crews with the aircraft's revolutionary fly-by-wire controls

This week Captain Bernard Lespine of Toulouse lectured about 300 pilots, engineers and technical staff for several hours on the workings of the aircraft — of which SAA is buying seven

By ROGER MAKINGS

He explained that in fact the aircraft's computer logic system could be disconnected to give the pilot direct control — one of the major objections by flight crews to the Airbus during its development stages. Captain Lespine said the A320, dubbed the wonder jet, was continually being improved, incorporating suggestions from flight crews all over the world

After the presentation, crews said they were much happier having been given a complete picture of the aircraft, which "had been refined to a remarkable degree".

And in another development, several representatives from the South African Airways Pilots' Association will travel to France in the next few months to fly the A320.

Said one pilot: "After having been given an overall picture of the aircraft, we are most impressed with the advancements that have been made."

He said Airbus had adopted a policy that pilots needed to know exactly what was happening in the aircraft at all times — which was not the case in many other makes of airliners.

A spokesman for SAA, Miss Zelda Roux, said Captain Lespine had been brought to South Africa because of his vast knowledge of the A320 which would go a long way to allaying the misgivings of uninitiated crews.

Airlines keen to compete

Staff Reporter

PRIVATE airlines competing with SAA on major internal routes could have a negative effect on air fares and would have to be approached "responsibly" by the National Transport Commission and commuter airways, said the chairman of the Airlines Association of South Africa, Mr Trevor Conlyn.

The news that the Government was considering allowing competition on major internal routes as a first step towards privatising the State airline was "music to our ears", he said.

However, any moves in that direction would be difficult if caution was not exercised by the National Transport Commission

"If they are going to hand out some of the cake, then they have to say exactly how much," he said.

"Opening up air routes to commuter airways does not necessarily mean that SAA will relinquish its rights to those routes"

There was the danger that SAA could increase its flights on those routes to recoup passenger losses, which would be a death blow to a smaller airline.

The commuter airways would have to spend millions of rand on aircraft to fly longer routes, which would not be feasible without the guarantee that SAA would be limited on those routes.

DID 29/2/88 269

EL offered maize transport perk

EAST LONDON — South African Transport Services has offered to transport maize to East London from all maize producing areas at a cost lower than existing tariffs.

The MP for East London City, Mr Peet de Pontes, said Sats was waiting for the Maize Board to agree to the plan before it was implemented.

Mr De Pontes said Durban was being used as a port to export maize more than East London, because of shorter distances from the production area.

"Durban, however, is not a popular maize harbour and it is over-utilised in handling other products.

"East London has better maize facilities but transportation costs push the price up," Mr De Pontes said.

The Maize Board had wanted to use Richards Bay as the main maize port, but that would mean the board would have had to provide the facilities

"It has been estimated that to build maize facilities in Richards Bay comparable to that of East London would cost in the region of R350 million," he said.

The regional manager of Sats here, Mr Louis du Toit, could not be contacted for comment. — DDR

SOUTH AFRICAN LABOUR BULLETIN*

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PUBLIC SECTOR - TRANSPORT-GENERAL

1988

MARCH - MAY

Therefore action is being taken against the transgressors in the interests of the residents of the area and the law abiding persons who visit the beach

Mr D J N MALCOMESS Mr Chairman, arising out of the hon the Minister's reply, can he perhaps inform us how the police decided that the men who were flocking to the beach were of dubious character? [Interjections]

Mr C W EGLIN Mr Chairman arising out of the hon the Minister s reply, have there been any arrests or have the police acted in any way against these gentlemen of dubious character, or have they only acted against the topless sunbathers?

†The MINISTER Mr Chairman, the hon member is now after something that is not clear to me [Interjections] People flock to the beach and the local residents complain to us that there are unsavoury characters in the neighbourhood Therefore we act against those people who cause the influx of unsavoury characters Now the hon member is angry with us now he is at loggerheads with us I do not want to spoil the hon member s fun I do not think that the hon member will be seen in that light when he pays a visit there

Mr C W EGLIN Mr Chairman further arising from the hon the Minister s reply may I ask whether he is saying that although he has said across the floor of the House that the result of this is that a lot of insalubrious characters have arrived there the police have taken no action against those other people?

†The MINISTER Mr Chairman, if the people who flock there do not commit an offence why should we pick them up?

Topless bathing/sunbathing: directives to members of SAP

*12 Mr C W EGLIN asked the Minister of Law and Order

Whether any directive has been issued to members of the South African Police regarding topless bathing or sunbathing, if so (a) what is the content of the directive and (b) (i) by whom and (ii) when was it issued?

†The MINISTER OF LAW AND ORDER

No

(a) and (b) Fall away

Seating arrangements: non-Whites in back two rows of aircraft

*13 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) Whether, on flight SA 314 from Cape Town to Johannesburg on 10 February 1988, the back two rows of the aircraft were occupied by persons who are not White, if so,

(2) whether these persons requested to be allowed to sit in these rows, if not,

(3) whether this represents a change in the policy of the South African Airways in regard to seating arrangements for persons who are not White if so (a) why and (b) who took the decision in this regard if not what is the policy of the airways in regard to the seating of persons of different race groups in their aircraft?

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) Particulars of the race of air passengers are not recorded on passenger records

(2) Particulars of requests for specific seats are not kept.

(3) No, a uniform policy in respect of seating allocations in the economy class, *viz* a choice of seat during check-in or if such a choice is not made, at random by computer is applied

Ballot papers: security measures

*14 Mr C J DERBY-LEWIS asked the Minister of Home Affairs

Whether any security measures are taken to ensure that ballot papers are not tampered with after a general or by-election if not why not if so what security measures?

†The MINISTER OF HOME AFFAIRS

Yes The hon member s attention is invited to section 80 read with section 107 of the Electoral Act 1979 (Act 45 of 1979) Marked ballot papers and the countertoils of such ballot papers are sealed separately in the presence of representatives of political parties The marked ballot papers are kept in the sealed packets by the Returning Officer and the countertoils are kept in the sealed packets by the Chief Electoral Officer in Pretoria for a period

of twelve months before they are destroyed All these documents are kept in safe custody for the said period Access to such ballot papers may be granted only by an order of the Supreme Court

Government's economic policy: advertising campaign in Press

*15 Mr C J DERBY-LEWIS asked the Deputy Minister of Information

Whether the Bureau for Information is involved in the current advertising campaign in the Press aimed at presenting the Government s proposed economic policy for the Republic to the public at large, if so, (a) to what extent (b) what was the cost of this campaign as at the latest specified date for which information is available (c) which newspapers are involved (d) what is the combined circulation figure of these newspapers and (e) on whose (i) advice and (ii) authority were these advertisements placed?

The DEPUTY MINISTER OF INFORMATION

Yes

(a) The Bureau for Information was responsible for the preparation and placement of the advertisements

(b) R153 768 16 on 1 March 1988

(c) (i) *Newspapers*

Rapport
Sunday Times
Sunday Tribune
Beeld
Die Burger
The Star
The Argus
The Citizen
Sowetan
Business Day
Oosterlig
Die Volksblad
City Press
Ilanga
Imvo Zabantsundu
Eastern Province Herald

(ii) *Magazines*

Africa Business
Finansies en Tegniek
Finance Week
Financial Mail

(d) 2 123 718 (newspapers only)
2 197 818 (magazines included)

(e) (i) Bureau for Information

(ii) The Deputy Minister of Information

Mr C J DERBY-LEWIS Mr Chairman arising from the hon the Deputy Minister s reply, may I ask whether he would be prepared to give us an estimated figure as to how much of the new budget is going to be used to promote the image of the hon the State President and the NP?

The CHAIRMAN OF THE HOUSE Order! That is not a question arising from the hon the Deputy Minister s reply

Ellisras: new power station

*16 Mr R R HULLEY asked the Minister of Economic Affairs and Technology

Whether a new power station is being constructed in the Ellisras area, if so (a) what is its megawatt output, (b) what (i) is its capital cost and (ii) was its original budgeted cost, (c) when (i) did construction commence and (ii) was it completed or is it due to be completed and (d) on what date was this power station originally due to start operating?

†The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY

Yes, the Matimba power station

(a) 3 900 MW on completion

(b) (i) R3 927 million on forecast (in 1988 money values)

(ii) R3 880 million, excluding interest charges

(c) (i) 1981

(ii) September 1991

(d) Unit 1 of the power station should have started to operate in September 1986 but was only put into operation in September 1987 and the delay did not increase the estimated final cost of the project Unit 2 was completed in December 1987

*17 Mr D J N MALCOMESS—Transport Affairs [Withdrawn]

Old Potchefstroom road: toll road system

*18 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs.

(1) Whether it is the intention to introduce a toll road system on the old Potchefstroom road which is a major link between Johannesburg and Soweto, if not, why not, if so, what are the relevant particulars,

(2) whether any body falling under him or the Department of Transport is responsible for the maintenance and upgrading of this road, if so, what is the name of this body, if not, what body is responsible for these matters?

†The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) No In accordance with section 9(1)(a) of the National Roads Act 1971 (Act 54 of 1971), toll may only be levied on a national road As the relevant road is not a national road the operating authority is precluded from levying toll

(2) No The body responsible for the maintenance and upgrading of this road is the Soweto City Council The Urban Transport Fund, however, made a contribution of 60 percent of the cost

Foreign exchange activities of SATS, report on investigation

*19 Dr P J WELGEMOED asked the Minister of Transport Affairs †

Whether the committee of experts which investigated the foreign exchange activities of the South African Transport Services has completed its report on this matter if so when, if not, (a) why not and (b) when is the report expected to be completed?

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

No

(a) The Auditor-General had foreseen that the Committee would base its investigation on a random test covering the last three years 31 January 1988 was regarded as an attainable date The Committee was however of the opinion that an investigation of this nature necessitated that full particulars of all transactions over a period of five years should serve as basis for the investigation This view of the Committee has a substantial influence on the extent of the investigation, and consequent date of completion

(b) 31 May 1988

Seshego, Lebowa, erection of hospital

*20 Dr W J SNYMAN asked the Minister of Education and Development Aid †

Whether his Department is involved in providing assistance and advice in connection with the erection of a hospital in Seshego in Lebowa, if so, (a) what is the size of the proposed hospital, (b) what is the estimated cost of erecting the hospital and (c) when is the hospital expected to be in operation?

†The MINISTER OF EDUCATION AND DEVELOPMENT AID

The Department of Development Aid is erecting a community health centre in Seshego, Lebowa This centre is so designed that with the provision of certain clinical facilities, surgical facilities, nursing units and accompanying support services the centre can readily be upgraded into a community hospital

(a) The current contract makes provision for the first phase of the nurses' home outpatient and casualty facilities together with essential support services for an eventual 200 bed hospital The further development of the project is to be carried out at the discretion of the Lebowa Government in response to identified needs and the availability of finance Beds made available under the present contract comprise 24 for maternity cases and 16 for casualty cases

(b) The estimated cost of erecting the community health centre is R11 024 000

(c) It is anticipated that the building will be made available to the Lebowa Department of Health at the end of May 1988

Medical officer of health of Cape Divisional Council area report

*21 Dr W J SNYMAN asked the Minister of National Health and Population Development †

(1) Whether the report of the medical officer of health of the Cape Divisional Council area for 1986 has been brought to the attention of his Department if so

(2) whether his Department has taken any action as a result of this report, if so (a) what action and (b) when·

(3) (a) what is the present incidence per 100 000 of the population in respect of tuberculosis and (b) in respect of what date is this information furnished,

(4) how many cases of diphtheria occurred in the Cape Divisional Council area in the latest specified year under review for which figures are available?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(1) No The Department has not received a copy of the report as yet

(2) (a) and (b) Fall away

(3) (a) 145 per 100 000 of the population in the Republic of South Africa

(b) Information is for the year 1987 as available on 23 February 1988

(4) None

Prisoners: items of bedding

*22 Mr J VAN ECK asked the Minister of Justice

(1) What items of bedding are provided to prisoners

(2) whether all prisoners are provided with the same items of bedding if not (a) why not and (b) what are the points of difference in respect of (i) the various categories of prisoners and (ii) prisoners belonging to the various race groups?

The MINISTER OF JUSTICE [Reply laid upon the Table with leave of House]

(1) — Beds
— Mattresses
— Pillows
— Sheets
— Pillow-cases
— Blankets
— Bedspreads
— Sisal mats
— Felt mats

(2) Yes
The population group or category prisoner is not determining factors with regard to the type of bedding which is provided

It is policy that every prisoner shall be provided with adequate and clean bedding This is in line with the Standard Minimum Rules for the Treatment of Prisoners of which the Republic of South Africa is a signatory and in terms of which every prisoner shall, in accordance with local or national standards be provided with sufficient bedding

The provision of beds to all prisoners irrespective of race, sex or category has been accepted in principle and is being implemented gradually with due cognisance of funds- and accommodation realities

Where beds and mattresses are not provided, sisal mats and felt mats are issued instead The quantity of sisal and felt mats is adapted according to climatic conditions

(a) and (b) (i) and (ii) fall away

Detainees in prisons, tear-gas used

*23 Mr J VAN ECK asked the Minister of Justice †

Whether since his reply to Question No 23 on 10 February 1987 any tear-gas has been used against detainees in prisons; if so, (a) at which prisons (b) on what dates, (c) why, (d) what were the circumstances surrounding each of these incidents and (e) in respect of what date is this information furnished?

†The MINISTER OF JUSTICE

Yes

(a) (b) (c), (d) and (e)

In order to prevent situations from developing to the point where personnel and detainees may be seriously injured or even killed the SA Prisons Service staff is committed to and also trained in the use of the minimum force The use of tear-smoke is subject to strict rules and serves as an alternative when all other less drastic options to defuse a potentially dangerous situation have been exhausted and where it is obvious that violence aimed at fellow detainees or personnel has to be prevented property be protected from wanton and malicious damage and order be restored Tear-smoke which is used in such cases after requests to calm down have been ignored is an effective alternative to the application and deployment of more stringent means This is in line with the

discussed with the lecturers Some staff members have already been appointed to other posts,

(2) no, negotiations regarding the utilization of the buildings are still taking place,

(3) yes, but it was decided not to make the buildings and facilities available for this purpose,

(4) no

Black employees: promotion

*10 Mr M J ELLIS asked the Minister of Agriculture and Water Supply

(a) What is the policy of his Department with regard to the promotion of Black employees and (b) what is the highest level to which Black employees can be promoted?

†The DEPUTY MINISTER OF AGRICULTURE

(a) Promotion of Black employees in the Department is effected according to the approved rank structure for General Assistants Grades I to III in the Public Service Promotions are considered according to merit, proven work achievements and skills

(b) The highest rank is that of General Assistant Grade III

Schools: changes in financial assistance

*11 Mr K M ANDREW asked the Minister of Education and Culture

With reference to his reply to Question No 6 on 16 February 1988, when were the schools advised of specific changes in the financial assistance that they would receive in respect of (a) 1987 and (b) 1988?

The MINISTER OF EDUCATION AND CULTURE

(a) The maintenance of sports fields 14 April 1987
the requests to effect savings
textbooks 15 January 1987
consumable items 14 April 1987
water electricity and telephone 18 May 1987

(b) 100% on water and electricity in respect of sporting facilities and 10% on telephone calls 15 January 1988

Mr K M ANDREW Mr Chairman, arising out of the reply of the hon the Minister and particularly in respect of 1987, how could he reasonably expect the schools to make the cutbacks that were requested when they were advised at such a late stage in their own budgeting processes?

†The MINISTER Mr Chairman, the hon member's question is a reasonable one One would like to do that earlier as far as possible As far as 1987 is concerned, it was already stated by 1 April 1987 One must also understand that the budgeting process is such that it is only at a fairly late stage that finality is reached on the particular budgeted amounts that is allocated to the various Education Departments For that reason planning cannot take place far in advance As far as general savings is concerned, that is done in the time we find for it and also in the process of rationalization As far as particular items are concerned, it can really only be done after we have been notified of the budgeted amount

College/school posts, structural/financial revisions

*12 Mr R M BURROWS asked the Minister of Education and Culture

(1) Whether his Department has undertaken structural and/or financial revisions of college/school posts under its control, if so, (a) what was the total cost of these revisions and (b) when were they implemented,

(2) whether provision was made for the extension of salary parity to women in Post Level 1, if so, (a) in what qualification categories has parity been achieved, (b) what is the annualized cost of such parity and (c) when is it anticipated that parity will be extended to all qualification categories in Post Level 1

(3) whether, in the creation of new promotion posts for the college/school sector a date for the final introduction of such posts has been given, if so (a) what date and (b) for what reason,

(4) whether back-pay is to be paid in respect of newly created promotion posts if so (a) retrospectively to what date (b) for what reason and (c) on whose decision,

(5) whether an increase in salary was paid to

under-qualified teachers, if so, to which qualification categories,

(6) whether he will make a statement on the matter?

†The MINISTER OF EDUCATION AND CULTURE

(1) Yes, revised post level ratio norms have been approved,

(a) the implementation of revised post level ratio norms has not yet been finalized and, as a consequence the total expenditure is not yet available,

(b) the posts will be filled retrospectively as from 1 November 1987,

(2) yes,

(a) qualification categories E, F and G

(b) R12 5 million,

(c) it is the policy of the Department to extend parity to all qualification categories Implementation depends on the availability of funds,

(3) yes
(a) and (b) the posts were established on 1 November 1987 and the policy is to fill the posts with retrospective effect from that date,

(4) yes,

(a) 1 November 1987,

(b) and (c) in accordance with the abovementioned policy,

(5) no, no underqualified teachers for whom salary improvements have been announced are employed by the Department,

(6) no

For written reply

General Affairs

Jan Smuts Airport, improvement of terminal buildings

2 Mr P G SOAL asked the Minister of Transport Affairs

(1) Whether with reference to his reply to Question No 113 on 17 February 1987 funds have as yet been made available for the improvement of the existing terminal buildings at Jan Smuts Airport; if not, why not, if so,

(2) whether tenders have been called for to carry out these improvements, if not, (a) why not and (b) when will tenders be called for; if so, (i) when, (ii) from whom were tenders received and (iii) what was the amount of each tender;

(3) whether any tender has been accepted, if not, when is it anticipated that a decision will be taken in this regard, if so, (a) which tender and (b) when will work commence?

The MINISTER OF TRANSPORT AFFAIRS

(1) No, as the approval of the Treasury Committee for Building Norms and Cost Limits, to whom the matter has now been referred, is still being awaited

(2) and (3) Fall away

Jan Smuts Airport: new control tower

3 Mr P G SOAL asked the Minister of Transport Affairs

(1) Whether, with reference to his reply to Question No 984 on 5 June 1985, the new control tower for Jan Smuts Airport has as yet been completed, if not, (a) why not and (b) when is it due to be completed, if so, on what date,

(2) whether the mobile control tower is still in use at this airport; if not, (a) when was it closed and (b) what action has been taken in respect of the new runway;

(3) whether he will make a statement on the matter?

The MINISTER OF TRANSPORT AFFAIRS

(1) No

(a) The electrical systems must still be installed and

(b) During August 1988

(2) No

(a) 11 January 1988 and

(b) It is temporarily out of use

(3) No

been entered into in the Republic since the repeal of the Prohibition of Mixed Marriages Act, No 55 of 1949, and (b) in respect of what specified period is this information furnished?

The MINISTER OF HOME AFFAIRS

(a) (i) 28
(ii) 662
(iii) 160

(b) 19 June 1985 to 31 August 1987

Publications Act: items declared undesirable

262 Mr S S VAN DER MERWE asked the Minister of Home Affairs

(1) How many items were declared undesirable in 1987 in terms of section 47(2)(a), (b), (c), (d), (e) and (f), respectively, of the Publications Act, No 42 of 1974,

(2) whether any appeals have been lodged against decisions to declare any such items undesirable, if so, how many cases in respect of each of the categories referred to in section 47(2) of the said Act (a) had been (i) upheld and (ii) dismissed and (b) were still pending as at the latest specified date for which information is available?

The MINISTER OF HOME AFFAIRS

		Publications or Objects	Films	Public Entertainment
(1)	Section 47(2)(a)	301	50	1
	Section 47(2)(b)	10	2	—
	Section 47(2)(c)	12	—	—
	Section 47(2)(d)	31	1	—
	Section 47(2)(e)	485	6	—
	Section 47(2)(f)	—	—	—
(2)	Yes			
	(a) (i) Section 47(2)(a)	9	18	—
	Section 47(2)(b)	—	—	—
	Section 47(2)(c)	—	—	—
	Section 47(2)(d)	—	—	—
	Section 47(2)(e)	8	—	1
	(ii) Section 47(2)(a)	11	10	—
	(b) Section 47(2)(a)	5	2	—
	Section 47(2)(e)	13	—	—

Proclamation AG26/AG9: persons held in SWA

270 Mr S S VAN DER MERWE asked the State President

Whether any persons are being held in South West Africa under Proclamation (a) AG26 and (b) AG9, if so, (i) how many persons in each case and (ii) in respect of what date is this information furnished?

The STATE PRESIDENT

(a) (i) none
(ii) 15 February 1988

(b) (i) 29 persons
(ii) 15 February 1988

Proclamation AG9: persons in detention

271 Mr S S VAN DER MERWE asked the State President

(a) How many persons who are being held under Proclamation AG9 in South West Africa have been in detention for more than 30 days and (b) in respect of what date is this information furnished?

The STATE PRESIDENT

(a) none
(b) 15 February 1988

Customs Union Agreement: amounts paid over

284 Mr H H SCHWARZ asked the Minister of Finance

(1) What amounts were paid over to (a) each of the independent Black states and (b) (i) Botswana (ii) Lesotho and (iii) Swaziland in terms of the Customs Union Agreement in the 1987-88 financial year,

(2) what was the balance that accrued to the Republic of South Africa?

The MINISTER OF FINANCE

(1) (a)

Transkei	Bophuthatswana	Venda	Ciskei
R350 516 000	R411 569 000	R67 070 000	R156 117 000

(1) (b)
(i) Botswana R284 962 000
(ii) Lesotho R157 396 000
(iii) Swaziland R134 928 000

(2) The estimated balance in respect of customs duty, excise duty and surcharge amounts to R2 555 442 000

Milk-powder exported/imported

285 Mr H H SCHWARZ asked the Minister of Finance

What (a) total quantity of milk-powder was (i) exported and (ii) imported from 1 September 1986 to the latest specified date for which figures are available and (b) was the value of the milk-powder (i) exported and (ii) imported during that period?

The MINISTER OF FINANCE

The export and import statistics in respect of milk-powder for the period 1 September 1986 to 30 September 1987 are as follows

(a) (i) 800 964 kg
(ii) 14 222 924 kg

(b) (i) R2 744 717
(ii) R23 232 576

Gold made available for manufacturing purposes

286 Mr H H SCHWARZ asked the Minister of Finance

What quantity of gold was made available in the Republic in 1987 to (a) jewellers and (b) other concerns for manufacturing purposes?

The MINISTER OF FINANCE

(a) 2 218 694 500 gram (1 064 522 200 gram in 1986)

(b) 503 608 200 gram (858 388 100 gram in 1986)

Compulsory military service: conscientious objections

354 Prof N J J OLIVIER asked the Minister of Defence

(1) Whether any legislative changes are being considered to provide for conscientious objection to compulsory military service on the same basis as religious objection, if not, why not if so (a) what changes and (b) when will such legislation be introduced in Parliament

(2) whether any consideration is being given to reducing the period of alternative service for religious objectors, if so when is it anticipated that changes will be introduced?

The MINISTER OF DEFENCE

(1) No, the hon member is referred to Hansard 1983, column 3548 in this regard The situation is unchanged

(2) The hon member is referred to the Defence Amendment Act, 1987 (Act 45 of 1987), in which this power is in fact vested in the Minister of Defence

Mainline/commuter passengers

377 Mr D J N MALCOMESS asked the Minister of Transport Affairs

What was the total number of (a) first-class and (b) third-class (i) mainline and (ii) commuter passengers transported by the rail services of the South African Transport Services in the Republic in the 1986-87 financial year?

The MINISTER OF TRANSPORT AFFAIRS

(a) (i) 248 999
(ii) 75 918 186

(b) (i) 12 132 118
(ii) 522 686 438

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Own Affairs

Private schools subsidies

11 Mr D J DALLING asked the Minister of Education and Culture

(1) Whether any private schools in (a) the Transvaal (b) Natal, (c) the Cape Province and (d) the Orange Free State (i) have applied for and (ii) have been granted a subsidy for private schools in 1988 in terms of the Private Schools Act

DIP. 2/3/68

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Helderberg jigsaw shown

PRETORIA — Like a giant unfinished jigsaw puzzle, several hundred pieces of wreckage from the SAA Helderberg lie arranged across a hall at Jan Smuts Airport

Maybe one of the pieces holds the answer to what caused the airliner to crash into the Indian Ocean on November 28 last year, killing all 159 people aboard

However, Civil Aviation investigators shook their heads yesterday when asked if they had found any significant clues

Investigators have carefully laid out the wreckage according to their original positions on the airliner.

Civil Aviation investigator, Mr Piet de Klerk, said there had been no sign of fireworks

Only light materials which floated to the surface were recovered The bulk of the aircraft — and its black boxes, situated at the rear of the fuselage — are still underwater, hundreds of kilometres away

Accident investigators said there was very little evidence available as to what caused the crash, and that it would probably be essential to recover the flight recorders — a multi-million rand operation.

The Board of Inquiry chairman, Mr Justice Cecil Margo, said the board hoped to arrive at a finding by November, but investigators said yesterday that as the sea was rough at this time of year, it might take some time to recover the flight recorders

Mr de Klerk said there was simply not enough evidence on display to speculate on the possible causes of the crash

Meanwhile, the mangled green and grey debris lies carefully arranged and tagged in the hall, like exhibits at a modern art exhibition — Sapa

Plane explodes

CNA Times 2/3/88

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17 feared dead in mid-air crash on Reef

JOHANNESBURG. — A passenger plane exploded in mid-air and crashed into a Coca-Cola factory near here yesterday, killing all 17 people aboard.

"There were bodies lying all over the show It was a horrible sight," said transport worker Mr Frank Aurell, one of the first on the scene in Germiston

"It exploded in mid-air It was already in two pieces as it came down."

The twin-engined aircraft hit the roofed gateway of a Wadeville Coca-Cola bottling plant and burst into flames, Mr Aurell said.

The gateway is about 20 metres from the main factory building

Streets in the area were sealed off and fire brigade personnel from surrounding municipalities rushed to the scene, which is next to Jan Smuts Airport.

The wreckage was strewn over an 800m² area among factory buildings and a fire that broke out after the crash was extinguished promptly

Two women, 13 male passengers and two pilots were killed in the accident.

The Brazilian-made Bandeirante turboprop was approaching Jan Smuts Airport on a flight from the far north-eastern Transvaal mining town of Phalaborwa, airline officials said

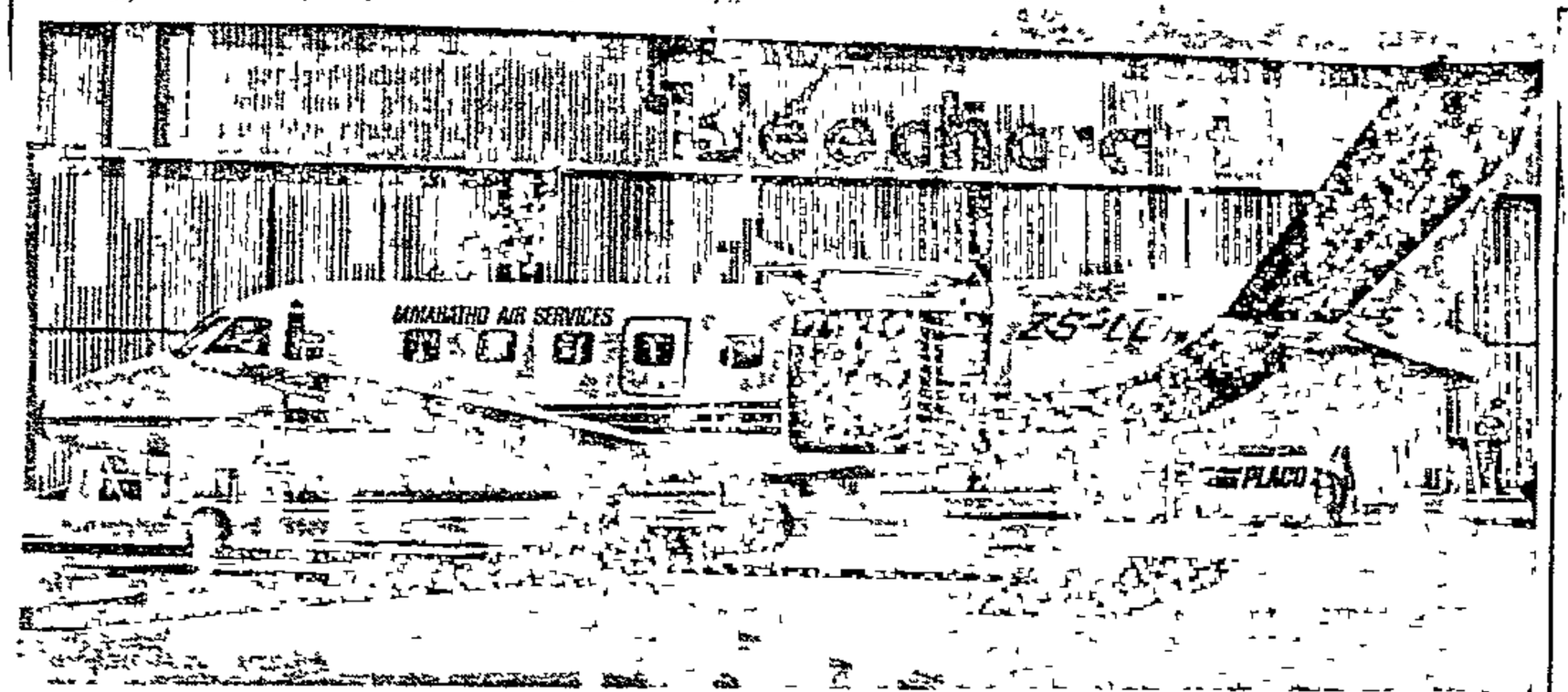
The passengers were businessmen and tourists. Their nationalities were not immediately disclosed

"I heard a hell of an explosion. I saw a ball of fire and saw pieces of the airplane falling to the ground," said another eyewitness, Mr Hennie Swartz.

Other witnesses said the plane appeared to break into two before exploding. One spoke of hearing "a hang of an explosion"

One witness told a reporter he heard loud bangs and saw wreckage falling He said rushed to his vehicle to alert authorities via a two-way radio By the time he arrived back at the crash site, police were at the scene and sealing off roads, he said

Officials said the airliner was owned by Bop Air, the airline of Bophuthatswana, but was operating a flight on behalf of the small South African domestic airline, Comair — Sapa-Reuter and UPI



DOWNED AIRCRAFT A Brazilian-built Embraer EMB-110 Bandeirante turboprop One of the only three in Southern Africa exploded in mid-air and crashed into a factory near Johannesburg yesterday

Picture LOUIS VOSLOO

CAPE Times 2/3/88

No clues in death jet wreckage

269

PRETORIA. — Several hundred pieces of wreckage from the SAA Helderberg Boeing 747 aircraft lie arranged across a hall at Jan Smuts Airport.

Journalists on Monday inspected the wreckage laid out for the Board of Inquiry into the airline crash.

It had been hoped that part of the wreckage holds the answer to what caused the plane to crash into the Indian Ocean on November 28 last year, killing all 159 people on board But Civil Aviation investigators said they had found no significant clues

They said it would probably be essential to recover the flight recorders — a multi-million rand operation

In the centre of the hall were the contents of the baggage hold, one of the prime suspect areas, carefully arranged Near the front was an Acer colour computer monitor, one of the view objects in one piece, which had somehow floated to the surface Also from the hold were tennis rackets, bits and pieces from an Altech facsimile transceiver, cosmetic bags, floppy discs, and a Yeting running shoe

From the passenger area were only pieces of attendants' seats, one with a intercom telephone still attached, and panelling and padding.

The only piece from the cockpit was a small piece of "cockpit window post padding".

Civil Aviation investigator Mr Piet de Klerk said there was no sign of fireworks.

Yet there were distinct traces of burn marks along the baggage compartment and soot dicolouration inside the passenger compartment, above the baggage hold

It appeared that the inside lower deck area of the fuselage had been on fire before the craft hit the sea.

But Mr de Klerk said there was simply not enough evidence in the wreckage on display to speculate on the possible causes of the crash.

Only light materials which floated to the surface were recovered.

The bulk of the plane — and its black boxes, situated at the rear of the fuselage — are still under water.

Board chairman, Mr Justice Cecil Margo, said the board hoped to arrive at a finding by November, but investigators said the sea at this time of year was too rough for further search operations and added it might be some time yet before the flight recorders could be recovered. — Sapa

ARGUS: 2/3/88

Death aircraft's final moments: 'Double blast'

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JOHANNESBURG. — The pilot of the chartered aircraft which exploded in flight and crashed near a factory in Wadeville gave the control tower at Jan Smuts Airport no sign that anything was amiss, according to an air traffic controller.

He said last night "The aircraft was seven nautical miles away on final approach when it suddenly disappeared from the screen, without a word from the pilot

"It was quite eerie The controller in charge realised at once that all was not well He told the rest of us that the plane had gone down"

The controller said there was panic in the tower

"At first we thought the aircraft had been involved in a midair collision We heard shortly afterwards that the aircraft had exploded in midair"

The controller added that the aircraft had left Phalaborwa at 4 20pm as scheduled and was due to land at Jan Smuts shortly after 5 30pm

"It crashed minutes before it was due to land," he said

Cockpit

All 17 on board the chartered aircraft were killed The aircraft was a Bophuthatswana Air Bandeirante chartered by Comair for a routine flight

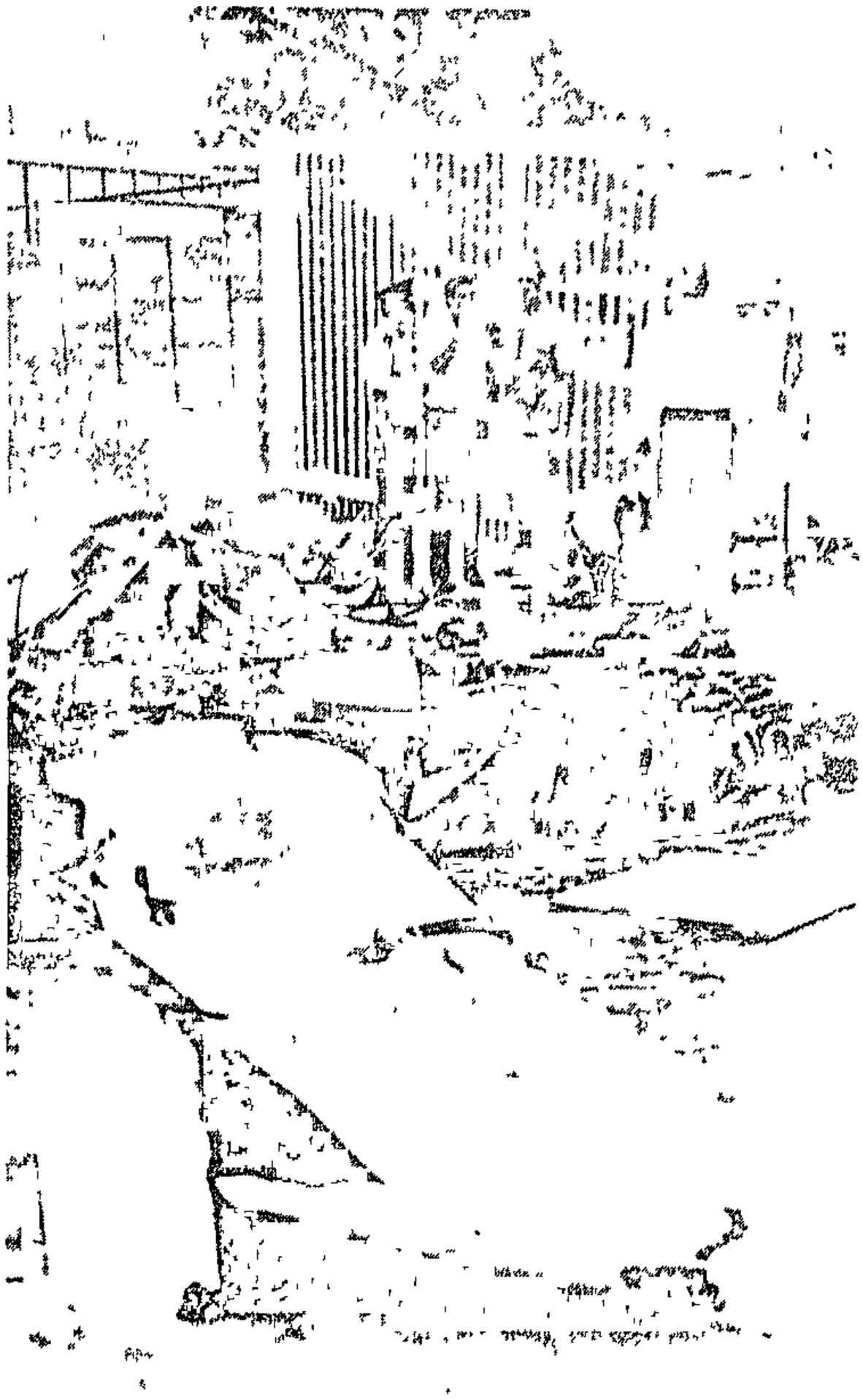
When it exploded the cockpit was blasted from the fuselage and the two sections plunged to the ground at the entrance of the Wadeville Coca-Cola factory

Mr Gerald Oosthuizen, who works at a factory nearby, said "It dropped out of the air like a stone after a loud bang"

Mr Des Swanepoel of Boksburg said he was driving when he heard a terrific noise "I looked up and saw the aircraft falling I drove as fast as I could to the scene As I got out of my car, there was another explosion"

Factory worker Mr Allan Fraser heard an explosion and looked up He said. "I saw the plane spiralling and crash into the ground It exploded about 300m up"

● Sapa reports that the dead are Captain Geoff Neill, chief pilot of Bop Air, First Officer Stan Wainer, Mr and Mrs Otto Mueller from Germany, Mr K Buchanan, Mr du Preez, Mr N Sitchett, Mr W McDonnick, Mr J Lambrecht, Mrs J Thomas, Mr E Schultz, Mr P Viljoen, Mr Wandracht, Mr E Faber of Zeerust, Mr D Spykerman of Johannesburg and Mr and Mrs F Pavandro of Austria



WRECKAGE: One wing of the aircraft lies in the grounds of factory where it crashed.

Zimbabwe 'bomber': Parents he

Argus Africa News Service

HARARE — The elderly parents of one of the five whites being held by the Zimbabwe police on sabotage charges have been taken into custody in Bulawayo

Legal sources said Mr Rory Loftus Maguire, 65, and his wife Bessie were arrested at their home last night

Their son Rory Maguire, 37, a Bulawayo businessman, is being held in the top security prison in Ha pending trial on charges of mu and sabotage

The State alleges that Rory guire, four other whites and a f former Rhodesian Special Branc ficer acted as South African agen attack ANC properties in Zimba

Mr and Mrs Maguire, senior, came to Zimbabwe from South A about 40 years ago They hold Zi bwe passports

Disputes/work stoppages/strikes

37 Mr P G SOAL asked the Minister of Manpower

(a) How many (i) disputes (ii) work stoppages and (iii) strikes were reported in 1987 in terms of the Labour Relations Act No 28 of 1956, to (aa) his Department and (bb) the Wage Board and (b) in what industries trades or occupations did (i) work stoppages and (ii) strikes occur?

The MINISTER OF MANPOWER

(a) (i) (aa) and (bb) The Labour Relations Act 1956 does not contain provisions in terms of which disputes must be reported to the Department of Manpower or the Wage Board

(ii) (aa) 123

(iii) (aa) 1025

(ii) (bb) and (iii) (bb) Work stoppages and strikes are not reportable to the Wage Board

(b) (i) and (ii)

Construction	84
Electricity	6
Finance and insurance	16
Government and services	54
Manufacturing	580
Mining	141
Trade and accommodation	220
Transport and communication	47
TOTAL	1148

NOTE The figures under (b) include strikes and work stoppages Separate figures for the different industries trades or occupations are not available

Farm/domestic workers: report on working conditions

88 Mr P G SOAL asked the Minister of Manpower

(1) Whether with reference to his reply to Question No 7 on 2 June 1987 consultations concerning the report of the National Manpower Commission on the working conditions of farm and domestic workers have now been completed if not (a) why not and (b) what remains to be done to complete this investigation if so, when,

(2) whether the report has been released, if so, when, if not (a) why not and (b) who took the decision in this regard,

(3) whether any action affecting the working conditions of farm and domestic workers is to be taken as a result of the findings of this commission if not why not, if so, (a) what action and (b) when

(4) (a) when was this commission established and (b) what was the total cost of the commission as at the latest specified date for which figures are available?

The MINISTER OF MANPOWER

(1) No

(a) Consultations with organized agriculture are still in progress as the agricultural sector is diverse comprising a great many interest groups at national, regional and district level

(b) The nature of the sectors involved and the geographical diversity prevailing in agriculture necessitate drawn-out discussions and further investigation It is consequently not possible to give a precise indication as to when finality will be reached

(2) No

(a) The Labour Relations Act 1956, provides for the National Manpower Commission to submit its reports and recommendations to the Minister of Manpower who decides on any actions to be taken thereanent It is however, not incumbent upon the Minister to release any report, with the exception of the annual report

(b) The Minister of Manpower

(3) Whether any action is to be taken will be considered once consultations with organized agriculture have been concluded

(a) Falls away

(b) Falls away

(4) (a) 1 October 1979

(b) The total cost of the Commission up to 31 March 1987 amounted to R5 03 million

Blacks in independent states: South African citizenship

95 Mr P G SOAL asked the Minister of Home Affairs

(1) How many Blacks in each independent Black state regained their South African citizenship in 1987 in terms of the National States Citizenship Amendment Act, No 13 of 1978

(2) whether any applications were refused, if so (a) how many from each state and (b) why in each case?

The MINISTER OF HOME AFFAIRS

(1) Owing to the provisions of the Restoration of South African Citizenship Act 1986 (Act 73 of 1986), which came into effect on 1 July 1986 no Black of any of the independent states applied in terms of section 3 of the National States Citizenship Act, 1970 (Act 26 of 1970) as amended by the National States Citizenship Amendment Act, 1978 (Act 13 of 1978) for South African citizenship during 1987

(2) (a) and (b) Fall away

Johannesburg: rapid rail transit system

106 Mr P G SOAL asked the Minister of Transport Affairs

Whether with reference to his reply to Question No 253 on 5 August 1987 a decision has been taken on the introduction of a rapid rail transit system for Johannesburg, if not, why not if so what decision?

The MINISTER OF TRANSPORT AFFAIRS

No The matter is still under consideration

Drivers' licences/identity documents

107 Mr P G SOAL asked the Minister of Transport Affairs

(1) Whether with reference to his reply to Question No 1 on 25 August 1987 the Commission for Administration has carried out a further investigation into the matter of whether drivers licences should be separate from identity documents if so

(2) whether the Commission has reported to the Cabinet Committee for Economic Affairs, if so

(3) whether this committee has reached a decision on the matter if so (a) what is the decision of this committee and (b) what decision has the Cabinet made in this regard?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes

(2) Yes

(3) Yes

(a) and (b) The Cabinet has decided not to separate the two documents

Members charged/convicted bounds of duty exceeded

192 Mr K M ANDREW asked the Minister of Defence

(1) Whether in 1987, any members of the South African Defence Force were (a) charged with and (b) convicted of exceeding the bounds of duty while serving in any Black townships if so, (i) how many and (ii) in respect of what offences in each case,

(2) whether, in that year, any civil actions were instituted against (a) him and/or (b) any members of the Defence Force for acts committed by members of the Defence Force while on duty in Black townships, if so (i) how many, (ii) what were the circumstances surrounding each claim and (iii) what was the nature of the claim in each case,

(3) whether any of these actions have been finalized, if so (a) how many as at the latest specified date for which information is available and (b) what was the outcome in each case?

The MINISTER OF DEFENCE

		(i)	(ii)
(1)	(a)	4	3 assault 1 assault and theft
	(b)	1	1 assault
(2)	(a)	Yes	
		(i)	As on 31 December 1987-97
		(ii)	To explain the circumstances surrounding all the actions would run to volumes and

Govt asked to take over more debt

Sats losses under fire in Parliament

269

B/deny 3/3/88

CAPE TOWN — Sats' financial management came under fire in Parliament yesterday in debate and through a critical report on its foreign exchange losses.

In debate on the Sats budget, PFP transport spokesman John Malcomess attacked the way the budget was drawn up and called for a committee of private-sector experts to investigate Sats' accounting system.

It was also disclosed that Sats was to ask government to take over the interest commitments on Saldanha Bay habour after losses of R22,3m were made on the port in 1986.

And, in a report on the parastatal's financial affairs, Auditor-General Joop de Loor said that had Sats, which suffered R2,7bn in forex losses, been a private organisation "it would have gone to the wall".

The standing committee on Sats' report

- ☐ Called for the appointment of a specialist committee to investigate Sats' "substantial" forex deficits;
- ☐ Criticised Sats for ignoring an instruction by Cabinet not to pay out leave for up to 30 days in cash;
- ☐ Said actuarial evaluations of the two Sats pension funds should take place as soonnasi possible as the last actuarial evaluations were done in 1978/9 for one fund and 1979/80 for the other;
- ☐ Concluded the expenditure of R22 697 for physical-training centres for senior officers and grants of R35 975 from the Institute Fund for the purchase of equipment of those centres was irregular;
- ☐ Urged greater effort be made to place engineering graduates in either Sats or the public sector after R648 510 for 54 bursary holders was written off because they could not be productively used after the completion of their studies.

Political Staff

De Loor said a privatised Sats would either have had to write down its assets by substantial amounts or it would have had to have asked its shareholders for more equity capital to bring the organisation back to a reasonably profitable basis.

His views were challenged by former Sats general manager Bart Grove, who said he did not agree that Sats almost landed in a bankrupt situation.

Grove said: "I think he put the case somewhat stronger than it really was."

De Loor denied that he said Sats was bankrupt but there were private firms who, as a result of the drastic decline in the rand, landed in trouble and had indeed become bankrupt.

The committee said De Loor had written in his report that deficits had arisen from "forward-cover contracts and, brought to account against individual loan accounts, amounted to R1,21bn at March 31, 1986.

The committee was "aware of the fact that, due mainly to the considerable fall in the exchange rate of the rand against foreign currencies in the last couple of

● To Page 2 ⇨

P.T.O.

PFP tells Govt that Sats pensions are too generous

Star 3/7/88

269 280

The "whole pension affair" was going to bedevil the privatisation of South African Transport Services (Sats) because the private sector would not be able to afford the sort of pension liability Sats had created with its overly generous pension fund, said **Progressive Federal Party Sats spokesman Mr John Malcomess**

Speaking in the House of Assembly yesterday during the second reading debate on the Sats Appropriation Bill, Mr Malcomess warned Transport Minister Mr Eli Louw that the sooner the pension fund was brought into line with private sector pensions, the better.

"The whole pension affair is going to bedevil the privatisation effort," said Mr Malcomess.

He said in 1987/1988 Sats staff would pay R194 million in pension contributions However, Sats would pay out R289 million to members and R292 million in social responsibility to past members

CURRENT REVENUE

"That means out of the current revenue in the current year, R581 million has to be found,' said Mr Malcomess.

Mr Louw was also "pulling the wool over the eyes of the public" in saying that Sats had an estimated loss of R126 million.

The R138 million profit from the Helderberg insurance had been transferred into a special account and not counted into the Sats profits, said Mr Malcomess.

He said foreign exchange losses of R575 million were written off during the year.

This amounted to the massive sum of R1 415 million, which Sats users had to pay in fares

Mr Malcomess suggested a small panel of financial experts investigate the "strange accounting methods" used by Sats.

He also suggested the appointment of an advisory board to oversee the privatisation of Sats.

The "sheer size" of a number of Sats operations severely limited potential markets.

"Sold in sections by tender or by public subscription it could be handled more effectively and faster," said Mr Malcomess

Official Opposition nominated member Mr Clive Derby Lewis said privatisation of a profitable organisation like SAA meant "giving to the money bags' in the private sector.

He said SAA had shown a profit over the last year of about 7 percent, which was remarkable when compared to the average of 3 perent achieved by airlines in the United States. — Sapa.

Search for jet's black box goes on

JOHANNESBURG. — The Helderberg crash inquiry was unanimous that every effort had to be made to recover the cockpit voice and flight data recorders, no matter what the cost, Mr Justice Cecil Margo, chairman of the board of inquiry, said yesterday.

He said the board had taken into account the nature of the wreckage so far recovered, the depth at which it was lying, and the prospects and cost of the recovery operations.

"The board is unanimous that every effort must be made to achieve recovery, and whatever costs are required should be met to accomplish this objective."

Lighter items of wreckage found had yielded valuable information and the cyclone season would wash other bits of wreckage ashore.

He said the board wanted to "remove certain misunderstandings about the tape recording made in the airport tower in Mauritius".

"It has not been possible to release an official transcript of the tape because portions of it are indistinct and differences have arisen between highly qualified experts on what was recorded." — Sapa

Cape Times 3/3/88

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SATS defied cabinet on cash

Political Staff

THE South African Transport Services (SATS) has been criticized by a standing committee of Parliament for defying a cabinet instruction to stop paying out cash to employees in the place of leave

The standing committee on SATS said in its report, which was tabled in Parliament, that it was "perturbed" that in spite of the instruction from the cabinet SATS applied to its board and received permission to pay out leave credits.

It said it was "of the opinion that as a state institution, the South African Transport Services must carry out requests and instructions conscientiously when the government directs such requests and instructions to it in the wider interest of the state, and that it should refrain from any actions which may neutralize or circumvent such requests or instructions".

The Auditor-General had mentioned that SATS paid out the cash value of leave to the credit of employees, up to a maximum of 30 days, to all employees who preferred it.

● **SATS under fire for policy moves — Page 4**

SATS BUDGET

Take it as red

SA Transport Services (Sats) continues to trundle into the red, despite efforts to comply with the State President's exhortations to reduce government spending

With an accumulated deficit to end-March of R437,2m (despite a working surplus for the 1987 financial year of R160,7m), Transport Affairs Minister Eli Louw has announced revised spending estimates for 1987-1988 of R10,5bn — only 2% up on the original estimate. Estimated 1988-1989 expenditure is 3,4% (R359m) higher at R10,9bn

But accounts published to support the figures are selective in their presentation. Nowhere do they mention the provision, highlighted by Louw in his Budget speech, of R577m for foreign exchange losses in 1988-1989 (up by R2m on the revised 1987-1988 provision of R575m, which was R125m higher than originally estimated because of "an increase in financing costs.")

Nowhere do they consolidate the Sats accounts other than in the broadest sectoral terms, neither do they define the terms used.

And there are some strange exercises in accounting The reasons for the R359m expenditure increase for 1988-1989 include an extra R162m for depreciation, explained as an "increase in asset values " They also include a *decrease* in financing costs of R24m, "mainly a decrease in interests payable on foreign loans "

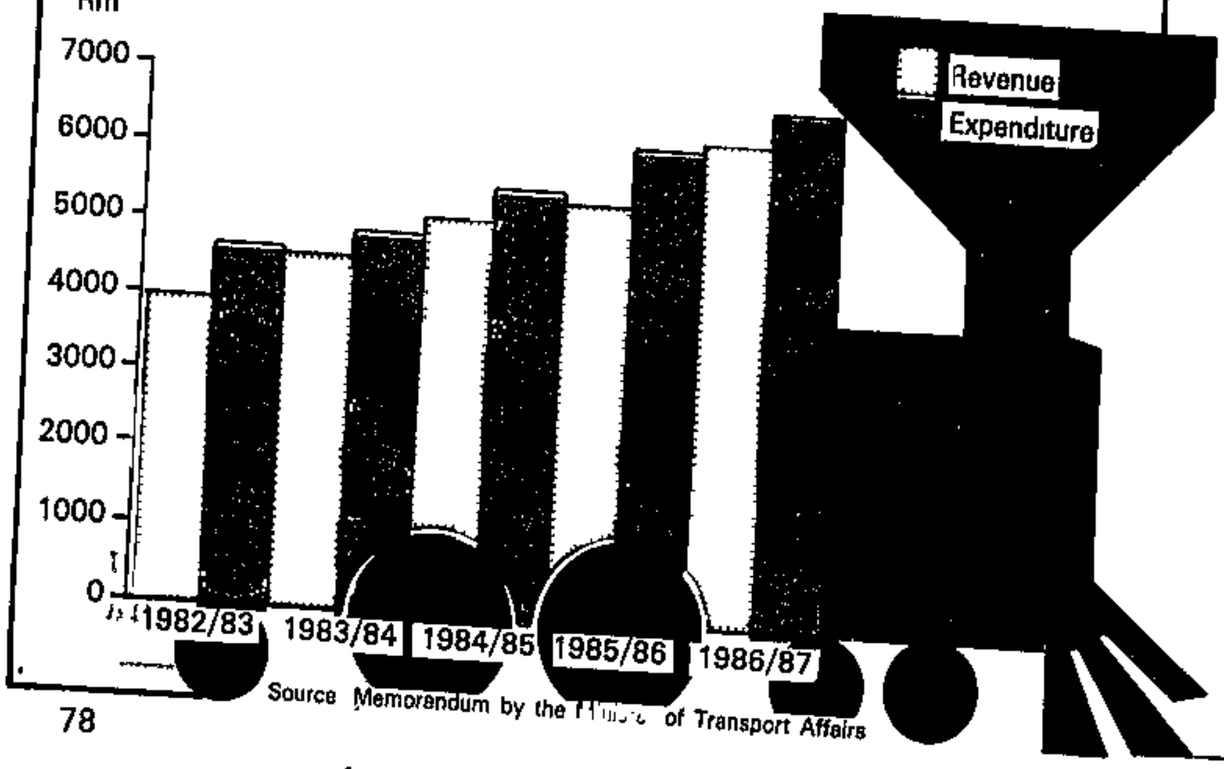
Estimated revenue for 1987-1988 has been revised upwards by 1,1% to R10,4bn and for 1988-1989 by 3,8% to R10,8bn

Trends established for years continue expenditure by railways and road transport still exceed revenue, revenue from airways, harbours and pipelines exceeds expenditure

A deficit of R96m is forecast for the current financial year (to end-March 1989). Louw said a major influence showing Sats revenue increases this year is the decision not to introduce a general increase in tariffs and fares and to freeze any general increase in wages

Trundling into the red

SA Railways - Revenue and Expenditure



Source Memorandum by the Minister of Transport Affairs

He was pessimistic about exports: "The expected economic growth will not coincide with a large increase in export volumes and Transport Services will have to do its utmost to find other ways and means to compensate for this " ■

SA RAILWAYS

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Called to account

The new computerised accounting system developed by the railways division of SA Transport Services (Sats) has caused financial chaos in the multi-million rand clearing and forwarding industry

Called Impac, the system was introduced on October 1 last year — six months later than the intended April 1. After only five months, it has proved so unworkable that Sats has agreed to rewrite the program.

Says Alan Cowell, executive director of the SA Association of Freight Forwarders (SAAFF): "Since October, companies who operate ledger accounts with Sats have been receiving statements that are totally unreconcilable They are a mass of figures without supporting references or documentation.

"Operators of ledger accounts sign a guarantee to pay first and argue afterwards, but the association discovered so many untraceable adjustments involving so much money that it recommended to its members to deduct anything they could not reconcile and only pay the balance. This has been going on for some time now and it has only compounded the situation because monthly statements have been arriving with an increasing balance brought forward plus interest charges."

SAAFF complained to Sats and, at a meeting last Friday, the railways division agreed to rewrite the main Impac program and provide several features which should assist forwarders in maintaining detailed accounts. It has promised an additional program, whereby the prime document in every transaction will be computerised, printed out and mailed separately within 48 hours of the statement.

The new systems are due to be introduced on April 1. Until then, the backlog will be handled by Sats staff seconded full-time for the purpose.

Says Cowell. "Nobody knows how much is involved in the backlog, but since it covers five months of rail freighting, the amount must be substantial There is also a problem about how much of these past adjustments can be recovered by freight forwarders from their clients, since the goods involved will long since have been costed and sold

"The important thing, however, is that Sats realises the urgency of the problem and is trying to solve it. We need Sats and the rail side is doing a good job. We just wish they had consulted us adequately before writing the Impac program so we could have worked out the bugs together before it reached this stage. They gave seminars explaining it, but nobody really understood how it was going to work until it started. Then it was too late." ■

4/3/86

TOLLROADS

Stand and deliver!

Motorists will have to start paying for the privilege of using national roads sooner than expected Tollway, the consortium building the Springs-Krugersdorp tollroad on the Reef, will collect its first tolls before the end of the year

The toll section is between Dalpark, south of Brakpan, and the new road's intersection with the N13 — a stretch of road built with taxpayers' funds and handed to Tollway as part of a toll contract The charge will be R1,20 a car

Tollway has begun construction of the first section of the 88 km Springs-Krugersdorp tollroad — to be known as the Hendrik Schoeman Highway — and expects it to be built by 1990, according to CE Horst Kohlberg The section, between Springs and Brakpan, will cost R150m

Tollway will build two more sections later — west of the N1 (near Uncle Charlies) at a cost of R170m and the M4 south of the Johannesburg CBD for R430m. Work on the M4 will start in 1990. Tollway may toll the existing N13 (the South Rand Freeway) until the M4 comes into operation.

When completed in 1996, the highway will have four toll plazas. But not all traffic on the road will have to pay tolls. There are several sections where traffic can join or leave without passing through toll plazas, and it is a condition of contract that there should be no tolling between Springs and Dalview or between Krugersdorp and Soweto.

Kohlberg expects the first operating profits in 1993 and a positive cashflow in 2010 He predicts an initial traffic flow of 23 000 vehicles a day, building to a peak of 42 000.

As with a second consortium, Tolcon, which has the right to toll most of the N3 and the N1 between Johannesburg and Kroonstad, the government has reserved certain rights for itself in Tollway. It has the right to eventually acquire 25% of the equity in both companies and pay for its shares, which will be marked down to a mix of par and asset value, with reinvested toll company income tax. It has also committed both to going public in 10 years.

At the end of their 25-year concessions both are obliged to give their roads back to government. They have the right to buy them back again at a price determined by a formula based on asset value and profits. If they do not, the government will keep them and operate them on its own behalf. ■

No excuse for price increases — Louw

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Star 4/3/88

Transport tariff hikes could not be used as an excuse to increase prices, said the Minister of Transport Services, Mr Eli Louw, yesterday.

Replying to the second-reading debate of the Transport budget in the House of Assembly, Mr Louw said transport increases had been used in the past as the reason for general price increases

With no transport tariff increases, there would be no excuse this year.

He said the Sats pension fund was being analysed by actuaries in the private sector and their evaluation would be available by the end of the year

Referring to the insurance payout after the Helderberg air disaster, Mr Louw said the aircraft would be replaced and it was "just logical" that the R138 million payout be earmarked to finance the replacement.

Replying to points raised by **Dr Willie Snyman (CP, Potgietersrus)**, he said the basic cause of Sats' inability to run train services at a profit was that farmers had been permitted to organise their own transport instead of being forced to use Sats. — Sapa

SUICIDE LINK IN VAAL AIR BLAST?

Weekend Argus Correspondent

JOHANNESBURG. — A bomb deliberately set off by a suicidal passenger is being investigated as one of the possible causes of the explosion which this week ripped apart a Bop Air aircraft in mid-air, killing all 17 people on board.

Police sources have said there are leads pointing to the theory that one of the passengers on the flight could have deliberately detonated a suitcase containing explosives two minutes before the aircraft was due to land at Jan Smuts Airport.

Explosives were placed under a seat in the passenger cabin of the Brazilian-made Bandeiranti turbo-prop airliner on a flight from the north-eastern Transvaal town of Phalaborwa to Johannesburg on Tuesday.

Police have discounted theories of sabotage or a missile being responsible for the explosion.

INSURANCE POLICY

One of the passengers, who has not been named, is understood to have taken out a R180 000 insurance policy recently.

The policy carried the normal two-year clause disqualifying pay-out if death resulted from suicide.

One theory is that the passenger tried to make the incident look like an aircraft accident to overcome the disqualifying clause.

The passenger was evidently having marital problems and lied to his wife about his whereabouts on Tuesday.

The same passenger had access to explosives.

Witnesses said the aircraft exploded in mid-air, breaking into two pieces before hitting the ground in the industrial area of Wadeville.

The authorities' immediate concern was that the aircraft had been sabotaged or shot down.

SUICIDE CLUES

But forensic experts quickly ruled out an attack from the ground.

Routine detective work into the circumstances and backgrounds of the passengers produced the clues which point to a suicide.

● Sapa reports that the Commissioner of Police, General H G de Witt, said today police were investigating possible criminal offences which may have led to the disaster.

He said it had been ascertained that there was an blast in the aircraft caused by commercial explosives. The possibility that a passenger took the explosives on board was being investigated.

"At this stage there is no reason whatsoever to consider sabotage a possibility," he said.

● South African Airways has imposed a 24-hour "cooling period" on cargo for its aircraft from any part of the world. The move is interpreted as a step to guard against another Helderberg disaster or against terror attacks.

The ban also indicates a new belief that sabotage or negligence could have played a role in the Boeing 747 tragedy off Mauritius.

Helderberg crash debris give few clues

LIKE a giant unfinished jigsaw puzzle, several hundred pieces of wreckage from the ill-fated SAA Helderberg Boeing 747 aircraft lie arranged across a hall at Jan Smuts Airport.

Newsmen yesterday inspected the pieces of wreckage during a visit to the hall.

Maybe one of them holds the answer to what caused the airliner to crash into the Indian Ocean on November 28 last year, killing all 159 people aboard.

But civil aviation investigators shook their heads this week when asked if they had found any significant clues.

Investigators have carefully laid out the pieces according to their original positions on the airliner.

Civil aviation investigator Piet de Klerk said there had been no sign of fireworks. It had been speculated that fireworks in the cargo hold had exploded and caused the crash.

Yet there were distinct traces of burns along the baggage compartment. Inside the passenger compartment, situated above the baggage hold, were signs of soot discolouration.

It appeared that the inside lower deck area of the fuselage had been on fire before the craft hit the sea.

Only light materials which floated to the surface were recovered. The bulk of the Helderberg – and its "black boxes", situated at the rear of the fuselage – are still under water, at the site of the crash, hundreds of kilometres away.

Accident investigators said there was very little evidence available as to what caused the crash, and that it would probably be essential to recover the flight recoders – an operation which would cost millions of rands.

The board of inquiry chairman, Judge Cecil Margo, said yesterday the board hoped to arrive at a finding by November, but investigators said the sea was rough this time of the year, and that it might take some time to recover the flight recorders.

Political comment by K Hibbin, Newshills

The MINISTER OF JUSTICE

(aa) FUNCTIONAL TRAINING

(a) Whites
(i) 93 (ii) 93

(b) Coloureds
(i) 5 (ii) 5

(c) Indians
(i) 0 (ii) 0

(d) Blacks
(i) 105 (ii) 105

(bb) LEGAL TRAINING

(a) Whites
(i) 425 (ii) 333

(b) Coloureds
(i) 5 (ii) 4

(c) Indians
(i) 7 (ii) 7

(d) Blacks
(i) 116 (ii) 113

Conditions imposed on universities: report of task group

364 Mr R M BURROWS asked the Minister of National Education

(1) Whether, with reference to his reply to Question No 27 on 15 September 1987, he will make available to the public the report of the task group appointed to assess and comment on submissions made by universities on certain draft conditions proposed to be imposed on universities, if not, why not, if so, (a) when and (b) in what manner,

(2) (a) what were the final decisions taken on these conditions and

(b) when will they be implimented?

The MINISTER OF NATIONAL EDUCATION

(1) No

The report is an internal and classified document

(a) and (b) fall away

(2) (a) The final decision to lay down these conditions in an amended form was taken by the Education Ministers after the matter had been discussed by Cabinet and the Ministers' Councils

(b) The conditions in the present case came into effect on 19 October 1987

Cabin attendants

368 Mr D J N MALCOMESS asked the Minister of Transport Affairs

How many applications to train as air hostesses were received in 1987 from (i) Whites, (ii) Coloureds, (iii) Asians and (iv) Blacks and (b) how many of these applications were successful in respect of each race group?

The MINISTER OF TRANSPORT AFFAIRS

(a) Statistics regarding the applications are not kept and it is not readily available It will take much time and expense to gather such information

(b) No cabin attendants irrespective of race, were employed during 1987

The designation of air hostess has been changed to cabin attendant

Blue Train: passengers

371 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) How many passengers travelled on the Blue Train in 1987,

(2) whether all such passengers paid the full fair if not, how many paid the full fare in that year?

The MINISTER OF TRANSPORT AFFAIRS

(1) 16 926

(2) No 16 772, i e 99 per cent

Weather conditions. flights diverted/delayed

373 Mr D J N MALCOMESS asked the Minister of Transport Affairs

How many scheduled South African Airways flights were (a) diverted and (b) delayed as a result of weather conditions at (i) Port Elizabeth, (ii) Cape Town, (iii) Durban and (iv) East London in 1987?

The MINISTER OF TRANSPORT AFFAIRS

	(i)	(ii)	(iii)	(iv)
(a)	46	2	3	16
(b)	10	13	17	7

Train journeys: Government-subsidized fares

374 Mr D J N MALCOMESS asked the Minister of Transport Affairs

What percentage of (a) first-class and (b) second-class long-distance rail passengers travelled at Government-subsidized fares in 1987?

The MINISTER OF TRANSPORT AFFAIRS

For the financial year 1986/87,

(a) 5,8 per cent
(b) 8,3 per cent

Information concerning train journeys undertaken by military personnel is not included as such information is classified Particulars of the number and class of journeys undertaken by Parliamentarians and other dignitaries are not readily available

Commuter services: total loss incurred

376 Mr D J N MALCOMESS asked the Minister of Transport Affairs

What was the total loss incurred by the South African Transport Services on commuter services in the (a) Johannesburg/Pretoria, (b) Cape Town/Peninsula, (c) Port Elizabeth/Uitenhage and (d) Durban/Pinetown areas in the 1987/88 financial year?

The MINISTER OF TRANSPORT AFFAIRS

The total estimated loss in respect of each of the areas is as follows

R-million

(a) 374

(b) 167

(c) 9

(d) 138

Artisans/apprentices employed by SATS

380 Mr D J N MALCOMESS asked the Minister of Transport Affairs

How many (a) White (b) Coloured, (c) Black and (d) Indian (i) artisans and (ii) apprentices were employed by the South African Transport Services as at the latest specified date for which information is available?

The MINISTER OF TRANSPORT AFFAIRS

As at 16 February 1988

(a) (i) 11 166
(ii) 1 885
(b) (i) 35
(ii) 21
(c) (i) 9
(ii) 5
(d) (i) 10
(ii) 11

Overseas countries' cost

383 Mr D J N MALCOMESS asked the Minister of Foreign Affairs

Whether any members of Parliament were invited by his Department in 1987 to visit any overseas countries, if so, (a) how many, (b) what are their names, (c) which countries did they visit in each case, (d) what was the purpose of each visit and (e) what was the total cost to the State including the cost of air travel, of these visits?

The MINISTER OF FOREIGN AFFAIRS

No, if by "overseas countries' the hon member means countries which are across the sea

(a), (b), (c), (d), (e) fall away

Abuse of air-ticket privileges at Jan Smuts Airport: police investigation

385 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) Whether, with reference to his reply to Question No 10 on 28 July 1987, the police investigation into the alleged abuse of air-ticket privileges at Jan Smuts Airport has been completed, if so, (a) what were the findings and (b) what action is to be taken as a result of these findings,

(2) whether any departmental action has been taken in connection with this matter, if not why not, if so, what action,

(3) whether he will make a statement on the matter?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes
(a), (b) and (2) The Senior State Prosecutor Kempton Park, refused to prosecute and recommended departmental action It is anticipated that the departmental investigation will be completed at the end of March 1988

(3) No

Black taxis between Johannesburg/Messina: loss of revenue to SATS

486 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

What is the estimated loss of revenue to the South African Transport Services as a result of competition experienced from Black taxis running between Johannesburg and Messina for each of the latest specified five financial years for which figures are available?

The MINISTER OF TRANSPORT AFFAIRS

Although there has been a decrease in the number of passengers conveyed it is not possible to determine what percentage of this decrease can be ascribed to competition from Black taxis

Passenger/goods rail traffic, maximum safe speed

487 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) (a) What is the maximum safe speed applicable to South Africa s rail system in terms of (i) passenger and (ii) goods rail traffic and (b) what speed is permitted by the Transport Services in each case,

(2) what time-saving could be effected through the application of maximum safety speeds in respect of a (a) passenger and (b) goods train journey between Johannesburg and Cape Town?

The MINISTER OF TRANSPORT AFFAIRS

(1) (a) (i) 90 kilometres per hour except in the case of the Blue Train which is 100 kilometres per hour

(ii) Vacuum braked trains and air braked trains on the coal line loaded to a maximum of 26 ton/axle — 60 kilometres per hour

Vacuum braked trains with selected rolling stock and air braked trains loaded to a maximum of 20 ton/axle — 75 kilometres per hour

Air braked trains with a limited train length and selected rolling stock — 100 kilometres per hour

(b) Maximum speeds as set out in part (1) (a) (i) and (ii) of the reply except where otherwise restricted for technical reasons, e g track curvature, down grades, yard/station layouts and for any other safety reasons

(2) (a) and (b) None All trains are operated at their optimal safety limit which is dependent on factors such as rolling stock, track stucture, signalling, etc

Erection of Mankweng hospital, Lebowa

491 Dr W J SNYMAN asked the Minister of Education and Development Aid †

Whether his Department is involved in the erection of the Mankweng hospital in Lebowa, if so, (a) in what respects, (b) what is the (i) tender price and (ii) final cost of erecting this hospital (c) when (i) was the hospital completed and (ii) is the hospital expected to be in operation and (d) for how many beds has provision been made?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

Yes

(a) The Department of Development Aid is involved in an advisory capacity

(b) (i) R35 271 648

(ii) R38 550 100

(c) (i) The end of March 1988

(ii) This date will be determined after consultation with Lebowa in whose judicial area the hospital is situated

(d) 415

Blacks removed from Black spots

502 Mr P G SOAL asked the Minister of Education and Development Aid

(a) How many Blacks were moved from Black spots to Black states in 1987 and (b) (i) from which Black spots, (ii) to which Black states, and (iii) why were they moved in each case?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

(a) None

(b) (i), (ii) and (iii) Fall away

Independent Black states size in hectares

504 Mr P G SOAL asked the Minister of Education and Development Aid

(1) What was the size in hectares of each of the four independent Black states as at the latest specified date for which figures are available,

(2) whether any land was added to any of these states in 1987, if so, how many hectares were added to each such state in that year?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

(1) Transkei 4 287 000 hectares
Ciskei 794 000 hectares
Bophuthatswana 4 187 813 hectares
Venda 707 513 hectares
(as at 1 February 1988)

(2) Yes
Transkei None
Ciskei 47 000 hectares
Bophuthatswana 17 hectares
Venda None

Training schemes offered for Whites

522 Mr C J DERBY-LEWIS asked the Minister of Manpower

(1) Whether his Department offers training schemes for Whites, if so,

(2) whether Whites being trained under such schemes received payment whilst being trained if not, why not, if so, what are the relevant particulars of (a) these schemes and (b) the payment so received?

The MINISTER OF MANPOWER

(1) Yes Two training schemes are at issue, namely the training of trainees and the training of unemployed persons Both training schemes provide for the training of all population groups

(2) Yes

(a) The training of trainees
This entails the training of adult persons who meet the admission requirements for training as artisans or as entry level computer programmers

The training of unemployed persons
This entails the training of unemployed persons who are keen to improve their job proficiency

(b) Trainees during their training receive an allowance which varies from R48 to R78 per week, depending on the trainee s number of dependants

Unemployed persons younger than 18 years receive a daily allowance of R1,80 and persons older than 18 years receive a daily allowance of R2,40 whilst they are in training

Note Particulars on training appear in paragraphs 4 16 to 4 18 and 4 49 to 4 54 of Chapter 4 in the 1986 Annual Report.

Strikes: amount lost

534 Mr C J DERBY-LEWIS asked the Minister of Manpower

What amount is it estimated was lost in terms of production as a result of strikes in each of the latest specified five financial years for which information is available?

The MINISTER OF MANPOWER

As the submission of particulars on amounts estimated to be lost in production owing to strikes, is not required by the Labour Relations Act, 1956, the Department of Manpower does not keep statistics thereanent and the requested particulars are therefore not available

Overseas visits

575 Mr P G SOAL asked the Minister of Manpower

(1) Whether he undertook any overseas visits in 1987, if so (a) which countries were visited and (b) what was the purpose of each visit,

(2) whether he was accompanied by any representatives of the media on these visits, if so, (a) what were the names of the journalists involved (b) which newspapers or radio or television networks did they represent, (c) to which countries did each of these persons accompany him and (d) why,

(3) whether any costs were incurred by his Department as a result, if so, what total amount in that year?

The MINISTER OF MANPOWER

(1) Yes

(a) Spain

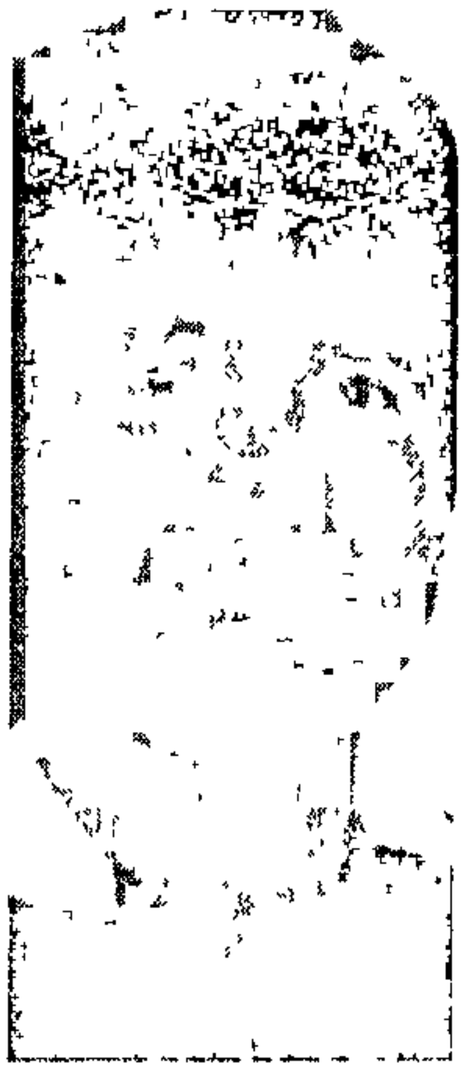
(b) Private

plus pamphlet with the Assumption which pioneers to council on the financial implications

DID 713188

Explosion: country airfields are to tighten up on security

269



MR SCHULTZ

JOHANNESBURG — Security arrangements at country airports are to be beefed up following last week's air disaster when commercial explosives, carried on board by a passenger, killed 17 people

A transport ministry spokesman, Mr Leon Els, yesterday appealed to the public not to panic following disclosures at the weekend that a mine shift boss had detonated explosives on board a Comair Bandeirante

Mr Els said he wanted to assure the public that civil aviation authorities had taken note of the incident and were studying the security arrangements for all airfields and would make adjustments where necessary

He said there was absolutely no cause for a "security scare"

This follows disclosures that a mine shift boss, Mr Emil Schultz, 33, apparently had suicidal tendencies and was named by Sunday newspapers as a prime suspect for causing last week's disaster

Mr Els said "People are obviously scared by what happened and I just want to assure them that there is no crisis"

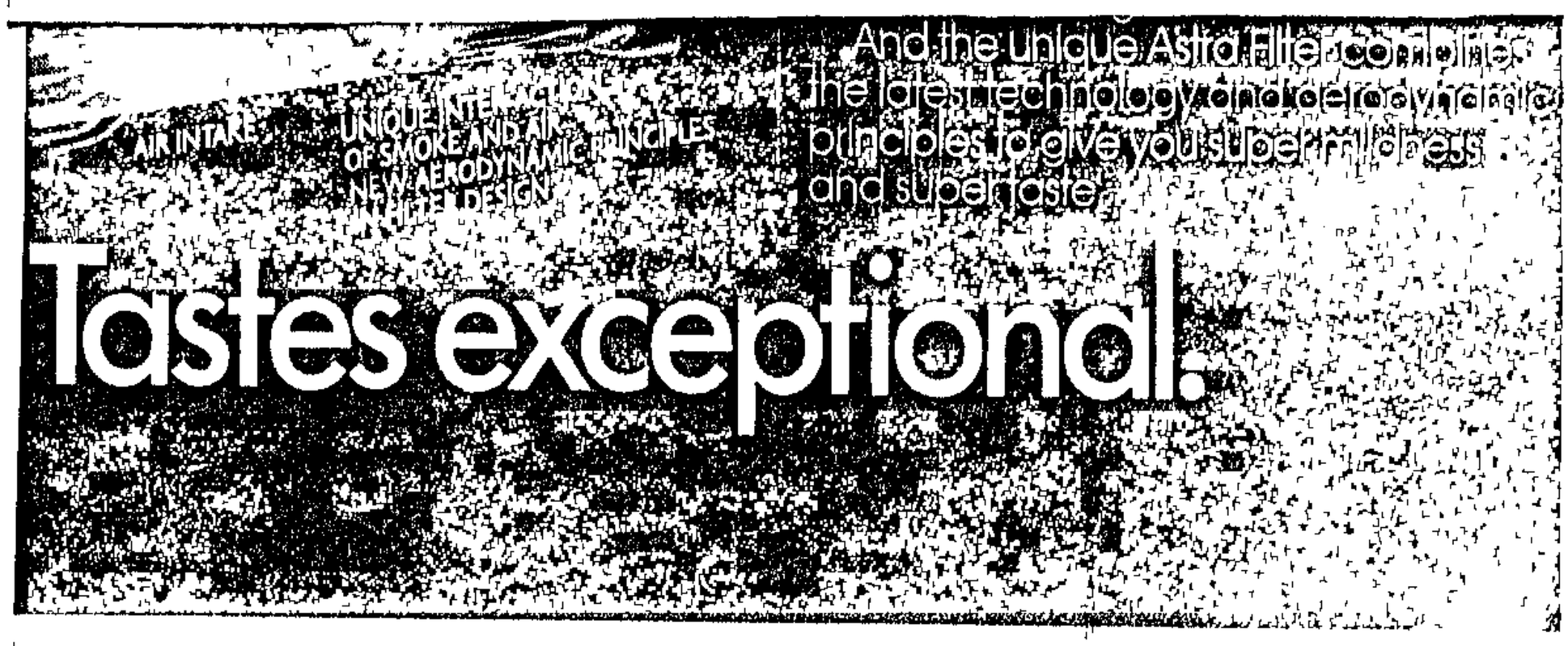
He said thousands of airfields did not fall under the jurisdiction of the Department of Civil Aviation but operated on guidelines set down by civil aviation

"Thousands of airfields belong to municipalities or third parties

"Civil aviation just lay down the standards and guidelines under which they must operate"

He said there were thousands of planes leaving thousands of airstrips every day and it was wrong to jump to conclusions that there was a security crisis at airstrips throughout the country

"In view of the situation in the country at present, many small airstrips have already stepped up their vigilance with regards to security" — DDC



assessed in the 1986-87 tax year and (b) what percentage of each group of taxpayers is Black?

The MINISTER OF FINANCE

(a) (i) and (ii) The statistics are not complete because ±25 per cent of individual taxpayers have not yet been assessed
(b)

Income category	Number of individual taxpayers in income category	Percentage black taxpayers in income category	Tax assessed in income category as percentage of total tax assessed
Loss	12 690	0,00	0,00
0— 5 000	208 828	1 87	0,07
5 001— 10 000	337 133	4,59	1,53
10 001— 15 000	332 798	3,36	5,00
15 001— 20 000	233 474	1,02	7,70
20 001— 25 000	194 152	0,34	10,67
25 001— 30 000	152 601	0,13	12,24
30 001— 35 000	113 588	0,05	12,42
35 001— 40 000	75 443	0,02	10 67
40 001— 45 000	47 397	0,01	8,30
45 001— 50 000	29 149	0,01	6 13
50 001— 60 000	29 582	0,01	7,67
60 001— 70 000	12 237	0,00	4 07
70 001— 80 000	5 965	0,00	2,43
80 001— 90 000	3 629	0 00	1,76
90 001— 100 000	12 285	0 00	1,28
100 001— 150 000	4 662	0 00	3,54
150 001— 200 000	1 317	0 00	1 47
200 001— 250 000	481	0 00	0,72
250 001+	689	0 00	2,33
TOTAL	1 808 100	11 41	100 00

NOTE The above statistics do not include taxpayers under the Final Deduction System

GST: irregularities

293 Mr H H SCHWARZ asked the Minister of Finance

(a) How many cases of irregularities in respect of general sales tax have been discovered since 1 January 1987 (b) what is the amount of tax involved and (c) in respect of what date is this information furnished?

The MINISTER OF FINANCE

(a) 9 791
(b) R113 343 849
(c) Period 1 January 1987 — 31 December 1987

Concessions granted: amount of tax lost

294 Mr H H SCHWARZ asked the Minister of Finance

What is the total amount of tax lost or expected to be lost as a result of tax concessions granted to decentralized or deconcentrated industries in respect of the year ended 31 March 1987?

The MINISTER OF FINANCE

Because many taxpayers (especially companies) have not yet put in their 1987 returns, it is not possible to give a final figure but on the basis of assessments already raised, the income tax concessions granted to decentralized or deconcentrated industries in respect of the year ending 31 March 1987 will amount to approximately R28 million

Burglaries

297 Mr H H SCHWARZ asked the Minister of Law and Order

How many burglaries were reported to the South African Police during the period 1 July 1986 to 30 June 1987?

The MINISTER OF LAW AND ORDER

194 286 burglaries

NOTE I wish to point out to the hon member that for the sake of efficiency, statistics were furnished for the period 1 January to 31 December 1987 All statistical reports will in future be furnished in calender year periods

This figure represents a decrease of nearly 2% in comparison with the previous year

Motor vehicles reported stolen

299 Mr H H SCHWARZ asked the Minister of Law and Order

(1) (a) How many motor vehicles were reported stolen during the period 1 January to 31 December 1987 and (b) what is the value of the motor vehicles stolen during that period

(2) how many such vehicles were recovered in (a) an undamaged, (b) a damaged and (c) a cannibalized condition?

The MINISTER OF LAW AND ORDER

(1) (a) 59 936 motor vehicles
(b) An estimated value of R899 040 000

(2) (a) 33 177 motor vehicles with an estimated value of R497 655 000
(b) 7 112 motor vehicles
(c) 2 040 motor vehicles

Air traffic controllers shortage/vacancies

369 Mr D J N MALCOMESS asked the Minister of Transport Affairs

Whether there is a shortage of air traffic controllers in his Department at present, if so, (a) how many vacancies are there, (b) at which airports do these vacancies exist in each case and (c) in respect of what date is this information furnished?

The MINISTER OF TRANSPORT AFFAIRS

Yes

(a) 11
(b) 8 at Jan Smuts Airport,
1 at Louis Botha Airport and
2 at D F Malan Airport
(c) 24 February 1988

Lorries impounded

372 Mr D J N MALCOMESS asked the Minister of Transport Affairs

Whether any lorries were impounded in 1987 by officials of the Department of Transport if so, (a) how many in each month and (b) for what reason in each case?

The MINISTER OF TRANSPORT AFFAIRS

Yes

(a) *Month*	*Number*	(b) *Reason*
January	0	Not applicable
February	1	Unauthorized road transportation
March	0	Not applicable
April	0	Not applicable
May	0	Not applicable
June	0	Not applicable
July	0	Not applicable
August	0	Not applicable
September	0	Not applicable
October	0	Not applicable
November	0	Not applicable
December	0	Not applicable

Bus companies: subsidies

375 Mr D J N MALCOMESS asked the Minister of Transport Affairs

What total amount was paid to bus companies in respect of subsidies for the transport of passengers in the (a) Johannesburt/Pretoria (b) Cape Town/Peninsula (c) Port Elizabeth Uitenhage and (d) Durban Pinetown areas in the 1987/88 financial year?

The MINISTER OF TRANSPORT AFFAIRS

Particulars are not yet available in view of the fact that the 1987/88 financial year only terminates on 31 March 1988

Black Transport Services Act contributions from employers

378 Mr D J N MALCOMESS asked the Minister of Transport Affairs

What was the total amount collected in terms of the provisions of the Black Transport Services Act No 53 of 1957 in contributions from employers in the 1986-87 financial year?

The MINISTER OF TRANSPORT AFFAIRS

R41 131 194 85

Tsitsikamma toll road: total amount collected

379 Mr D J N MALCOMESS asked the Minister of Transport Affairs

What is the total amount (a) collected by the concessionaires and (b) paid to the State by them after retaining the amount due to them for their expenses and or commission in respect of the Tsitsikamma toll road in 1987?

The MINISTER OF TRANSPORT AFFAIRS

(a) R1 653 471 36
(b) R1 456 967 55

(1) Whether the South African Transport Services recently applied for a licence to act as a clearing and forwarding agent, if so, when,

(2) whether this licence has been granted if so, when

(3) whether the Transport Services intend to operate as a clearing and forwarding agent, if so why?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes, 8 January 1988

(2) No, the application has been withdrawn

(3) No

Mr D J N MALCOMESS Mr Speaker, arising out of the hon the Minister's reply does he not believe that the original application demonstrated in the SATS a state of mind opposed to privatisation, which is extremely worrying and is his direct concern?

The MINISTER Mr Speaker the final results are the indication

Passenger coaches/trains reservation for Whites/non-Whites

*13 Mr D S PIENAAR asked the Minister of Transport Affairs †

(1) Whether it is the policy of the South African Transport Services to reserve passenger (a) coaches and (b) trains for Whites and non-Whites respectively, if so

(2) whether it is also the policy to make (a) passenger coaches and (b) compartments available for use by all population groups, if so (i) which and (ii) how many compartments in such a passenger coach may be used by all population groups if not

(3) whether the Transport Services are considering making passenger coaches and compartments available in this way, if so (a) when is it expected to be done and (b) why?

†The MINISTER OF TRANSPORT AFFAIRS

(1) (a) Yes in the case of Whites

(b) No

(2) (a) and (b) Yes

(i) First second and third class

(ii) All compartments

(3) It is already the practice

(a) and (b) Fall away

Passenger trains opening to all population groups

*14 Mr D S PIENAAR asked the Minister of Transport Affairs †

(1) Whether consideration is being given to opening passenger trains or categories of passenger trains throughout the country to all population groups, if not why not, if so

(2) whether a decision has been arrived at in this connection if so, what is the purport of the decision if not (a) why not and (b) when is it expected that a decision will be taken about this matter?

The MINISTER OF TRANSPORT AFFAIRS

(1) and (2) The utilization of amenities by all population groups is being addressed in the Report of the President s Council on the Report of the Technical Committee 1983 and Related Matters which has already been Tabled

The Government will take a stand in this matter after all the implications have been considered

Pamphlets dropped from helicopter: pilot identified

*15 Mr P G SOAL asked the Minister of Law and Order

(1) Whether, with reference to his reply to Question No 6 on 16 February 1988 the Police have as yet identified the pilot of the helicopter which dropped certain pamphlets on 23 May 1987, if not why not if so what is the name of this pilot

(2) whether any charges are being or have been investigated against this pilot, if not why not if so what charges

(3) whether any action has been taken against this pilot, if not why not, if so, what action

(4) whether this pilot has been questioned about the persons responsible for producing and distributing these pamphlets, if not why not if so (a) who was responsible for producing and distributing these pamphlets and (b) what action has been taken against them?

†The MINISTER OF LAW AND ORDER

(1) No I refer the hon member to my reply in paragraph (3) of oral question No 6 on 16 February 1988

(2) to (4) Fall away

Mr D J N MALCOMESS Mr Speaker, arising out of the hon the Minister's reply, is it not compulsory for pilots intending to fly in an area such as Cape Town to file a flight plan which includes the pilot's name? If that is so, can the hon the Minister explain why the police have not been able to trace the pilot of the aircraft concerned

The MINISTER Mr Speaker I refer the hon member to my reply to Question No 6 on 16 February 1988 [Interjections]

Certain person known to South African embassies/consulates in Europe

*16 Mr R R HULLEY asked the Minister of Foreign Affairs

(1) Whether a certain person, whose name has been furnished to the Minister's Department for the purpose of his reply is known to any South African embassies or consulates in Europe, if so, (a) to which embassies or consulates and (b) what is the name of this person,

(2) whether he will furnish information on whether any South African citizen made enquiries about this person from or via any such embassies or consulates, if not, why not, if so, (a) what was the nature of these enquiries and (b) which embassies or consulates were involved,

(3) whether any information was furnished in response to these enquiries if so, (a) to whom and (b) what was the nature of the information furnished,

(4) whether any travel and/or entry documents were provided to the person referred to in paragraph (1) of this question, if so, (a) what was the nature of these documents, (b)(i) on what dates and (ii) to whom were they issued and (c) in what manner were these documents applied for?

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

In the light of the reply given to question No 27 of 1 March 1988 it would be inappropriate to comment on this matter at this stage

Certain person permitted to enter RSA

*17 Mr R R HULLEY asked the Minister of Home Affairs

(1) (a)(i) On what dates, (ii) at what points of entry and (iii) on production of what travel documents was a certain person, whose name has been furnished to the Minister's Department for the purpose of his reply permitted to enter South Africa and (b) what is the name of this person,

(2) in terms of what authority did this person (a) take up residence and (b) take up employment and/or engage in business activities in South Africa

(3) whether this person has applied to his Department to change his name, if so, (a) when and (b) with what result?

†The MINISTER OF HOME AFFAIRS

(1) and (2) The hon member is referred to my reply to oral question No 25 of 1 March 1988 I have nothing to add to that reply at this stage

(3) No

(a) and (b) Fall away

SAA manager in Rome

*18 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) (a) What are the qualifications of the present South African Airways manager in Rome, (b) how long had this person been employed in the Airways prior to his appointment as manager in Rome and (c) who was responsible for appointing him to this position,

(2) whether the said manager had any previous experience with any other airlines, if so, with which airlines, if not, what previous experience did he have?

The MINISTER OF TRANSPORT AFFAIRS

(1) (a) He is fluent in Italian and has extensive marketing and sales knowledge

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ATC training officers resign

JOHANNESBURG. — Five of the 12 air traffic control (ATC) training officers at Jan Smuts Airport have resigned as training officers but will continue to work as ATCs.

Training officers are responsible for supervising, training and assisting ATC cadets in their practical training in the control tower.

ATCs said yesterday the continued failure of the Department of Transport to give recognition, either financially or otherwise, to training officers was the main reason for the latest resignations.

Delays at Jan Smuts Airport have been blamed on a shortage of ATCs.

D/D 1013188

Flight delays setback for busy businessmen

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Daily Dispatch Correspondent

JOHANNESBURG — Travelling executives are having their schedules thrown into disarray by departure delays for SAA flights and private aircraft of up to two hours — and these could go on for at least two more weeks.

Broken radar equipment at Jan Smuts Airport has been cited by the chief of the Civil Aviation Department, Mr Japie Smit, as the reason for the long delays at smaller airports whose flight instructions are cleared by Jan Smuts radar.

One charter operator said "This is causing us some concern because this is our livelihood Our business depends on us being able to get passengers to destinations quickly and at their convenience"

The aviation manager of Gencor, Mr Danny Svoboda, said the disruptions were causing a lot of disquiet "People just could not afford to be late for meetings

"For one thing, arriving two hours late at an important business meeting does not create a very good impression, especially if it is the first time."

An Anglo American spokesman said its business flights had been delayed up to 90 minutes in the past two days.

Meetings were having to be postponed and cancelled, and time was being wasted. "The consequences are that staff travelling on these flights to attend to business have had to contend with postponed and cancelled meetings and this is a waste of their productive time."

The managing director of Comair, Mr Pieter van Hoven, said about 80 per cent of the company's flights had been affected in the past 48 hours. Comair's flights had been subject to delays during the past 48 hours

● Five of the 12 air traffic control (ATC) training officers at Jan Smuts Airport have resigned as training officers, but will continue to work as ATCs.

Training officers are training and assisting ATC cadets in their practical training in the control tower.

Delays at Jan Smuts Airport before the recent radar problems were blamed on a shortage of ATCs, several of whom resigned over dissatisfaction with their pay

Controller walkout 'no surprise'

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10/3/88 · SPM

A senior air traffic controller said today he was not surprised that five controllers had resigned as training officers.

"There is no incentive to work as instructors We have received no formal training as instructors, nor do we receive an allowance for it.

"Besides, it is a lousy job being an instructor."

● Mrs Elize Botha, wife of the State President, Mr P W Botha, was "furious" and complained after her flight to Cape Town was delayed for more than an hour at Jan Smuts on Tuesday, an air traffic controller told The Star last night

"As a result, an official from the Department of Transport was sent to the control tower the same day to make sure that air traffic controllers were not causing unnecessary delays," he said

Repairs to radar installations at Jan Smuts have caused domestic flight delays since Monday

EXPORTS

Manganese boost

South African Transport Services (Sats) has yielded to pressure and no longer insists that manganese ore be exported only through Port Elizabeth.

In a move that will please the two major exporters, SA Manganese Corporation (Samancor) and Ore and Metal Company (OMC), it now also allows shipments through Saldanha Bay.

But there are provisos, says Assistant-GM Harbours Mike Myburgh: the manganese ore must be shipped *with* substantial amounts of iron ore from Sishen and this can only be done when there is spare capacity in the harbour.

Samancor became the first company to take advantage of the new dispensation with a recent 20 000 t consignment from its northern Cape mines.

Myburgh says Sats cannot allow all manganese ore to be shipped through Saldanha. If it did, Port Elizabeth harbour, which has a dedicated facility and, through manganese exports is only just making ends meet, would lose R4,5m/year or about 5% of its annual revenue

Although the Saldanha harbour, built to handle 18 Mt/year of iron ore, is operating at half capacity, storage is sometimes filled to capacity. Myburgh contends that "it would cost millions to build the additional stacking space and to buy and install the additional recovery equipment that would be needed and to modify rolling stock so that it can be handled by the tippler at Saldanha."

Nevertheless, Sats should welcome the additional use of the port and railway line to Sishen that feeds it. Both were built by Iscor in the Seventies, but the high international demand for iron ore that it was intended to satisfy petered out soon after completion and the project started losing millions.

In 1976, the Treasury bailed Iscor out by taking over the capital cost. Sats was given the task of operating both the line and the harbour — and repaying the Treasury with operating profits.

In fiscal 1987, it made a modest operating profit, but had fallen R22,3m behind in its capital repayment schedule, says Myburgh. It now wants the Treasury to pick up its interest bill.

Samancor and OMC have been trying for more than a decade to persuade Sats to allow manganese to be exported through Saldanha.

They say that by limiting them to Port Elizabeth, which can handle ships of up to 60 000 t, SA is handing business on a plate to its competitors, Gabon, Australia and Brazil. If allowed to ship through Saldanha, where cost-effective 300 000 t ships can be berthed, they can satisfy the demands of steelmakers that iron ore and manganese be shipped in one super vessel. The benefit to SA would be manganese earnings in excess of the current R180m-R200m/year.

Steel producers often specify a mix of Brazilian iron ore and South African manganese. But, because super vessels cannot put into Port Elizabeth, they invariably get the manganese component of their cargoes from the other producing countries.

With Sats's new dispensation, steel producers will be able to do one-stop shopping

AIR TRAFFIC

Flying into a storm

Aviation problems in SA are fast coming to a head. One can only hope that solutions will be found before a major air catastrophe forces the authorities concerned to take drastic corrective action.

Latest illustration of gross mismanagement in SA's aviation sector was the breakdown this week of one of two antiquated radar systems controlling air traffic at SA's major international airport, Jan Smuts, and nearby Lanseria — the busiest airport in SA.

The Jan Smuts system will reputedly be out of commission for the next two weeks, creating major problems in air traffic control and adding to the miseries of the remaining air traffic controllers (ATCs) Control towers are already understaffed as 10 ATCs have resigned over the past six months.

"By using out of date radar equipment and trying to fuse Italian, French and Canadian systems, the Directorate of Civil Aviation (DCA) is asking for trouble. This is the second major breakdown in recent years," says a source

With the radar system down, ATCs now have to communicate by radio and allow for greater distances between consecutive aircraft landing or taking off, leading to annoying delays for passengers and airline companies alike While safety is apparently not yet at risk — provided the weather holds — the breakdown points to the chaotic state of aviation management in SA

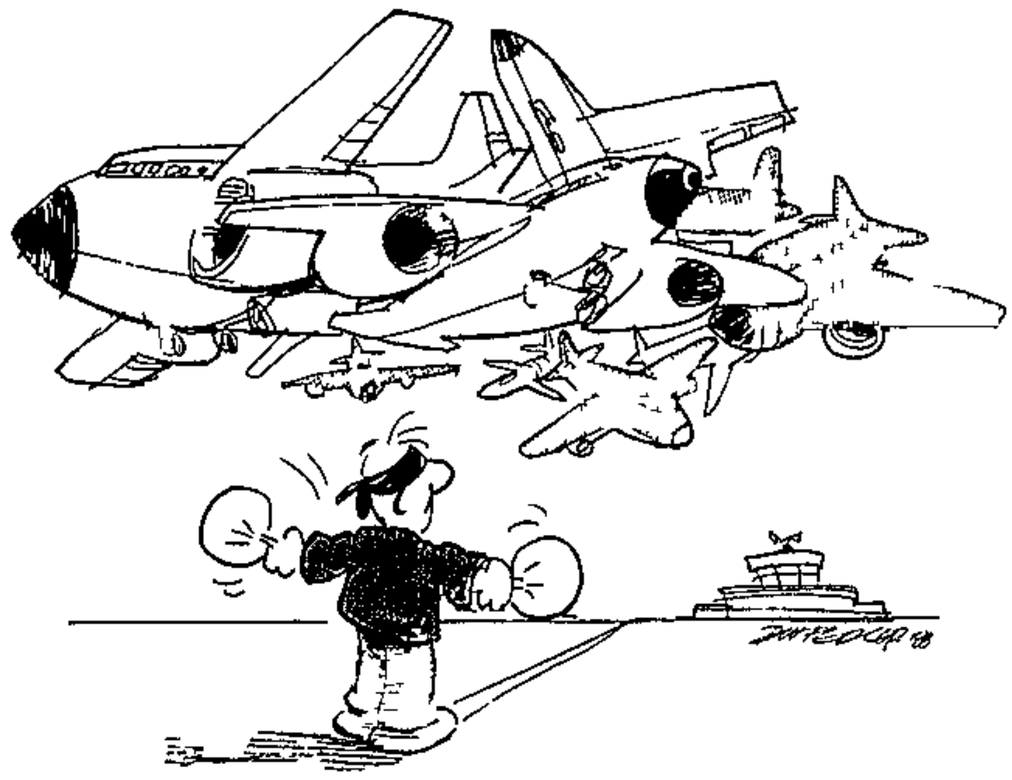
"Crisis management" is blamed for both the radar and ATC situations The suggestion is DCA bureaucrats put off updating costly equipment and allowed the ATC crisis to fester without taking timely action. The same official inertia apparently led to the problems SAA faced when its pilots threatened mass resignation unless their salary grievances were addressed (*FM* February 19).

On Tuesday morning, private sector air charter flights at Lanseria were delayed for up to two hours on take-off. The result was urgent out-of-town meetings had to be delayed and businessmen missed appointments

Certainly, the possibility of a major accident occuring cannot be discounted.

Lanseria's ATC system closes down at 20h00 and an aircraft landing after that does so on its own responsibility. "The lights are switched on and pilots are left to fly in at their own risk," says a source

One unconfirmed story has it that the company aircraft of a leading Johannesburg group recently suffered a burst tyre landing on the strip after hours Pilots, passengers and technicians then had to struggle to move the aircraft out the way of possible incoming planes as there was no way of warning them of the hazard



"Fortunately there was no accident, but the potential is always there," says an official.

The reason for this sorry state of affairs appears to be the same as that plaguing Jan Smuts and, for that matter, SAA — a cranky bureaucracy that underpays its key staff, has no effective grievance addressing system and a poor record for acting to forestall impending crises.

Bureaucratic mismanagement is said to be behind the resignation of SAA pilots, the leasing of too many of the national carrier's aircraft, the ATC crisis and the resignation of other key personnel.

Insiders say ATCs are treated as ordinary clerks in the Department of Transport Affairs (DTA) bureaucracy and receive "pathetic" civil service salaries for the responsibilities they carry

"Some of these guys, with 10 years' experience, earn in the region of R2 000 a month, for which they have to control the approaches to SA's major airports and oversee the landing and takeoff of R100m 747's carrying 300-odd passengers," says one disgruntled controller

"There is a global shortage of pilots and skilled air traffic personnel and high salaries are being paid overseas SAA and DCA were forewarned years ago, but they put off action until a crisis hits. The situation cannot be allowed to continue."

The DTA and DCA should face their problems squarely

To prevent a major air disaster, Transport Minister Eli Louw should grant ATCs the same specialist category treatment he has allowed SAA's pilots

By focusing on the conditions at airports and urgently updating antiquated equipment, government will be acting in the national interest.

The flying public, airline operators and all who use the country's airports have a right to have their safety guaranteed ■

which would be in direct competition with the railway line "Studies in the US and UK ncluded that no country could justify building a railway for coal transport on economic grounds, only on strategic grounds

"The cost of laying a pipeline is far less than that of laying a railway line and, as manpower requirements are minimal, running costs are far lower. The proposed Etsi coal pipeline in the US would have consumed far less steel than a comparable railway line."

Coal pipelines can come in two forms In a slurry line, coal is carried by water or methanol, but Marcus prefers a pneumo-capsule line in which coal is carried in capsules propelled by compressed air. He says this would have the advantage that other commodities could also be transported.

Marcus is convinced that, if legislation was changed to allow the private sector to develop pipelines, the capital could easily be found. "Rail tariffs have become such an immense burden that I'm sure the coal owners would join a consortium to get an alternative."

Meanwhile, there is also some good news on the export front J D Anderson coal analyst Dave Russell predicts that spot prices will stay at around $30/t FOB, some way up on last year when they averaged $24/t

Contract prices have not suffered too much — Amcoal has settled at $24,90/t FOB for its exports to Taiwan, an increase of $1,90/t — even though the Taiwanese were originally looking for price cuts

Says Russell. "Hong Kong, South Korea, Taiwan and Japan are expected to increase imports by 1 Mt each for power station consumption. This is good news for South African producers who already have close ties with these countries"

COAL EXPORTS

Sats in the dock

Sats' rail tariffs have been put squarely back in the spotlight by two recent developments — ongoing talks with the coal industry to reduce heavy increases and the new focus on privatisation

Trans-Natal chairman Steve Ellis recently put the blame squarely on increased rail tariffs, when he announced the group's disappointing results; in the six months to end December, profits fell to R8,3m, compared with R52,7m in the same period in 1986.

Sats could be shooting itself in the foot. Ellis argues that if rates remain at present levels, the forced closure of mines will directly hit Sats as the income from railage charges will fall sharply

The highly confidential talks between Sats and the coal industry go on But the coal industry is seeking nothing less than the reduction of tariffs to their old average level of R12,90/t — from the current R23/t — if local exporters are to stay internationally competitive

The State President's renewed commitment to privatisation will inevitably raise demands to sell the Richards Bay line to the private sector, ideally to a consortium of coal owners, rather than allow profits to be used to subsidise other Sats laggards.

Says Cargo Carriers MD Roy Marcus: "Sats should be unshackled from responsibility for commercial operations and the private sector should take these over"

Marcus favours the creation of a coal pipeline from Witbank to Richards Bay,

11/3/88

Parties clash in postal debate

The Conservative Party was once more trying to score political points over the Government in its contributions to the Post Office budget debate, the Minister of Posts and Telecommunications, Mr Stoffel Botha, told the House of Assembly yesterday.

Replying to Second Reading debate on the Post Office's 1988/89 budget, Mr Botha referred to the strike action last year, and said he knew very well — more so than the CP — how those postal workers who had not gone on strike had made the necessary sacrifices and "rolled up their sleeves".

"Now the CP is trying to make political gain out of what was a very difficult situation," he said

The official Opposition's spokesman on Posts and Telecommunications, Mr S P van Vuuren, was new to the job and he should remember in future that debate on the organisation's budget was traditionally not politically orientated

Replying to Mr Jan van Gend (PFP Groote Schuur) the Minister said the member had "spoiled" a good speech by dragging politics and apartheid into the debate

Mr van Gend had referred to "Posmed" the medical aid society for white post office workers, but the facts were it had been established in 1922 by white workers for themselves, and the exclusion of other race groups was not discrimination as such, but "a matter of historial fact"

Membership of Posmed was compulsory for white postal workers

There were 49 000 members



of Posmed and the admission of members of other race groups was only possible if the majority of members agreed, Mr Botha said

Dr Welgemoed also said Mr van Gend had talked "the biggest load of rubbish I ever heard" in laying responsibility at the door of the Government for the fact that Posmed and other Post Office medical aid schemes were racially segregated

These funds were autonomous Mr van Gend knew it, but it did not suit him To him, this was apartheid.

Each fund had its own management and received exactly the same subsidy and treatment from the Post Office.

The PFP made a great play of freedom of association, but they should also pay regard to the other side of the coin, which was the principle of dissociation

There were people who wanted separate medical aid funds — Sapa

'No care for employees'

The Government had displayed a total lack of concern for Post Office employees by freezing their salaries, **Mr Clive Derby-Lewis (CP Nominated)** said yesterday

A salary increase for Post Office employees would have the immediate effect of stimulating the economy, Mr Derby-Lewis said during debate of the Second Reading of the Post Office Appropriation Bill

The increase would improve productivity and, therefore, not be inflationary because the reduction of inflation was concomitant with productivity

The privatisation of certain Post Office services in Britain had resulted in tariff increases and thousands of workers had lost their jobs "There have only been critical reports of Britain's privatisation of its Post Office," Mr Derby-Lewis said

Speaking during the debate, **Mr S P van Vuuren (CP Ventersdorp)** said whites stayed loyal to the Post Office and SA when black workers went on strike for three months last year said

He said the Minister did not think these workers important enough to give them a salary increase "That is the thanks the Post Office workers get for strengthening the Post Office during the recent strike."

Even a moderate increase would have relieved the financial position of the workers

As the education, transport and agricultural authorities had done, the Minister turned his back on postal workers, said Mr Van Vuuren

The CP did not support the Second Reading and moved a amendment that the Minister should formulate and modify his intention to privatise certain functions of Posts and Telecommunications — Sapa.

Workers' pay is 'appallingly low', says PFP

The removal of all racial discrimination in the Post Office was hampered by the National Party's pandering to white prejudice, **Mr Jan van Gend (PFP Groote Schuur)** said in the House of Assembly yesterday

Almost one third of the Post Office's staff, nearly 30 000 employees, fell into the lowest income bracket

The minimum wage of R375 a month was an appallingly low pay packet for a full-time staff member

It amounted to one-third of the amount paid monthly for his car lease, Van Gend said. — Sapa

D/D 15/3/88

Intercity train to run as scheduled

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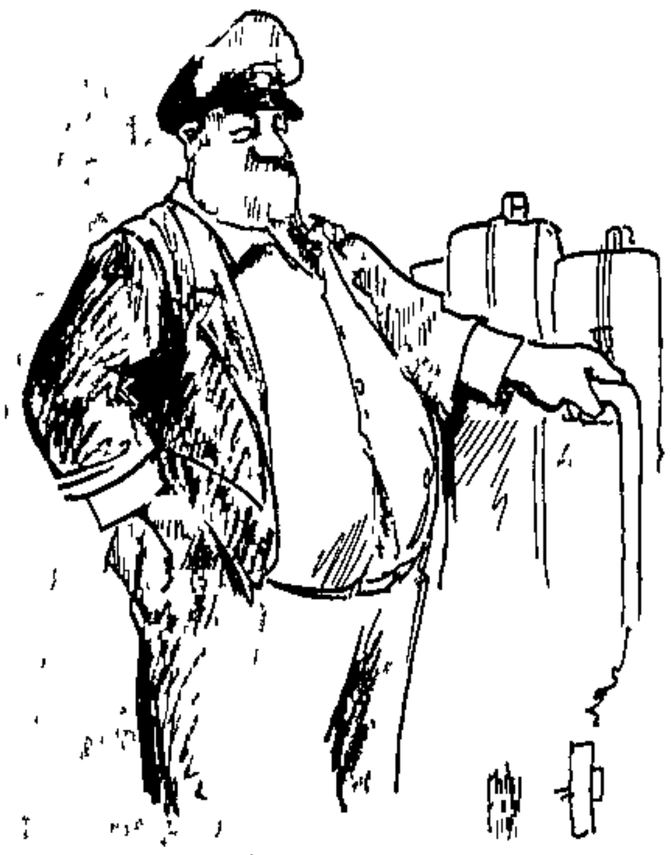
EAST LONDON — The intercity train between here and Johannesburg, the Amatola, would operate according to schedule in both directions, the South African Transport Services (Sats), announced in a statement yesterday.

Sats also announced that the Algoa, which runs between Johannesburg and Port Elizabeth, would operate via Bloemfontein as scheduled.

The Trans-Natal and Trans-Karoo trains would also run as scheduled while the Trans-Orange would run from Cape Town to Durban via Kimberley and Kroonstad on a re-scheduled route

Sats said passengers could confirm the running times of trains by contacting their local station-masters — DDR

Sats works at better image for the railways



By Sven Forssman

Mr Flip Coetzee, the principal of the South African Transport Services College at Esselen Park, gets "goose pimples" when he sees how some railway officials treat the public.

Mr Coetzee often goes incognito to the ticket office at Johannesburg Station to judge the attitude of Sats workers towards the public.

"We here at Esselen Park, Sats' training headquarters, are working hard at improving the image of our workers," he told The Star recently, on a visit to Esselen Park.

"Too many people see a Sats employee as the guy who pushes the trolley at the station His jacket is too small for him, his socks are halfway down his ankles, he has a big stomach and his chest hairs are sticking out of his jacket. That's the sort of image we're trying to get rid of."

Esselen Park had become more professional in its approach to training, he said.

"We're now running the college like a business," he said "Two years ago our budget was R12 million. This year we're expecting to handle 12 000 students and we've cut that budget by R2 million.

"Training is more effective. All administration is done on a computer which saves valuable time"

Mr Coetzee says Sats would not be able to survive in the market place without trained people "The guy at the top can't make a living if the locomotive driver doesn't do his job properly.

Apart from Esselen Park, there are other Sats training centres — at Windhoek, Koedepoort, Germiston, Bloemfontein, Port Elizabeth and Cape Town.

STAR 269 14/3/88

Black bus subsidy up by R150m

GOVERNMENT'S subsidies for bus commuters and the losses on SA Transport Services passengers will go up to R736m during the new financial year, an increase of R119m

This includes a R150m increase in the subsidies for black commuters on buses and the total cost during the year is expected to total R470m.

In the estimates of expenditure for the 1988/9 financial year tabled in Parliament yesterday, R150m has been allocated to Sats for operating losses — the same as in the previous year — and a grant of R116m has been provided, R5,2m less than the previous year.

Finance Minister Barend du Plessis said R75m had been provided in the 1987/8 year to supplement the account for black, coloured and Asian transport.

It, future, however, it would only be necessary to provide subsides for black bus commuters.

"It is the intention of the fiscal authority that the regional services councils should assume the entire financial responsibility for urban transport."

Political Staff

DID 1713188 (269)

Aid for bus commuters

CAPE TOWN — Government subsidies for bus commuters and the losses on South African Transport Services (Sats) passengers will go up by R118,8 million to R736,5 million during the new financial year

This includes a R150 million increase in the subsidies for black commuters on buses

The total cost during the year is expected to total R470 million

In the estimates on expenditure for the 1988-9 financial year, which were tabled in Parliament yesterday, R150 million has been allocated to Sats for operating losses — the same as in the previous year — and a grant of R115,8 million has been provided, R5,2 million less than the previous year

In his expanded budget speech, the Minister of Finance, Mr Barend du Plessis, said R75 million had been provided in the 1987-88 year to supplement the account for black, coloured and Asian transport services, chiefly ascribable to the establishment of the regional services councils

In future, however, it would only be necessary to provide bus subisides for black bus commuters

"It was the intention of the fiscal authority that the regional services councils should by agreement assume the entire financial responsibility for the urban transport question

"This function is one of the most logical regional services, which present great rationalisation benefits and also does justice to the principle of user-charges, Mr Du Plessis said

"But insofar as the government has now put a limit on the the levies the councils may collect, it is perhaps right that this burden be borne by the Exchequer for a little longer

"The upshot, however, is that the state can show no net saving with regard to urban transport costs.

D 17/3/88

Safmarine closes office in US

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CAPE TOWN — Safmarine is to close its New York office.

The managing director, Mr Mike Finlay, said that as a direct result of recent amendments to international tax laws in the United States, the company had been left with no alternative but to close its American subsidiary.

However, Safmarine through its association with Safbank Line Ltd, the consortium formed in November last year to trade between South Africa and the Eastern seaboard and gulf ports of the USA, will remain "very active" in the American trade with the appointment of Gulf and Atlantic Maritime Services as general agents for Safbank Line Ltd, the company said in a statement in Cape Town.

"Fortunately Gulf and Atlantic have been able to absorb the majority, but not all, of the staff of our former subsidiary," Mr Finlay said

It is expected Gulf and Atlantic will use and expand the network of offices established by Safmarine Inc in New York, Chicago, Cleveland, New Orleans and Houston.

The service offered by Safbank Line, which provided a regular fortnightly sailing from America to South Africa, will be strengthened in May this year when another multi-purpose carrier is added to the route.

Safmarine is to open an owner representative's office in New York soon, represented by Dennis R. Whitehead, who will also be responsible for Safbank Line interests in America. — Sapa.

Calculation of travel subsidies explained

HOUSE OF DELEGATES — The subsidies paid to bus companies for the transport of black workers — these will amount to R470m during the 1988/9 financial year — were determined according to various criteria, including whether workers were transported from a resettlement area, township or a squatter camp, Minister of Transport Affairs Eli Louw said yesterday.

Louw, who was replying to a question by Mahmoud Rajab (PRP Springfield), said he could not say whether subsidies were paid to Indian bus operators or operators of other races, because bus companies were non-racial entities.

However, the criteria which were taken into account when subsidies for commuters were considered, included:

☐ Whether the need exists for workers to be transported from their place of residence to their place of employment and

Political Staff

the unemployment situation prevailing in the area where employment opportunities exist,

☐ Whether the place where workers are to be transported from is a resettlement area, township or squatter camp;

☐ Whether rail facilities exist for commuters and, if not, what the possibilities are for the provision of such facilities in the near future;

☐ The financial position of the bus company which intends providing the service, and whether it is capable of providing and maintaining a reliable and efficient service by availing itself of the necessary servicing and repair facilities and infrastructure

Louw said that after determining what portion of the economic fare the commuter could afford, the subsidy was calculated on the basis of the difference between the economic fare and the portion the commuter could afford to pay

SATS apologises to student thrown off train

By PATRICK COLLINGS

THE SA Transport Services (SATS) yesterday apologised to the family of an 18-year-old Cravenby girl who was allegedly forced off a whites-only train.

And a SATS spokesman also promised a full investigation into the incident, which left Miss Haseena Sungay "stunned and embarrassed".

Miss Sungay told the Cape Times the incident occurred as she was on her way to write an exam in Rosebank.

"I was in a rush and got into the first carriage and buried my head in my book. There were only two or three other people in the carriage.

"As we passed the Elsie's River station a conductor asked me for my ticket. He told me that if I didn't get off at the next station he would throw me off.

"He was very rude, I just looked at him and said I was sorry.

"At Goodwood station he put his hand on my shoulder and made me get out of the carriage.

"As I was running for the coloured carriages he blew his whistle and the train started to move forward.

"I had to grab on to the door levers and if it had not been for another conductor who helped me I would not have being able to get into the train," she said.

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Clarendon Gardens land sale not final

Daily Dispatch Reporter

EAST LONDON — The sale of South African Transport Services (Sats) land to Elcorp for the R60-million Clarendon Gardens shopping complex has not yet been finalised, the Sats regional manager, Mr Louis du Toit, said yesterday.

Elcorp had gained permission from Sats to move onto the site once ministerial approval for the sale had been given, the managing director of the project co-ordinators, Mr Pat Flanagan, said.

Neither party was prepared to disclose the sum to be paid for the 2 500 square metre site.

Sats had the land valued when Elcorp expressed an interest in it, Mr Flanagan said. Elcorp agreed to pay the sum and the amount was approved by the Minister of Transport Affairs.

Mr Du Toit said that "although state land is often sold by auction, it is also sold direct to a developer if a fair price is offered".

In this case Elcorp offered to pay the amount of the Sats valuation.

Reacting to the statement by a spokesman for the Sats head office in Johannesburg that the lack of access to the site was the reason for selling the land to Elcorp, Mr Du Toit said that "the approval to sell was given purely on business principles".

Sats was prepared to negotiate the sale or lease of unused land "irrespective of the specific project or location".

"It is the developer and the local government's responsibility to agree on a development that will benefit our city."

No decision had yet been taken on whether to sell or lease the land owned by his department, the Cape Director of Education, Dr S. W. Walters, said in response to inquiries.

The developers of the Clarendon Gardens complex were not concerned at the possibility that the education department might refuse to sell the land, however.

This land was not necessary to the project, Mr Pat Flanagan said. The development would go ahead on the remaining two pieces of land.

The situation regarding the municipal land was unchanged, the acting administration manager, Miss Cynthia O'Hara said.



MR DU TOIT

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MANGANESE EXPORTS

Harbour ambitions

A last-minute hitch prevented Samancor exporting 25 000 t of manganese ore through Saldanha Bay in January.

Despite the green light from South African Transport Services' (Sats) harbours division, the railways division refused to accept the shipment because of a standing Cabinet ruling that all manganese ore must be shipped through Port Elizabeth.

Harbours obviously knew about the ruling, but whether they chose to overlook it is a matter for conjecture.

The ore consignment destined for Saldanha would have been the first manganese to be shipped through the west coast port. It would have also marked an about face in harbours' policy. Since it took over Saldanha Bay from Iscor a decade ago, it has refused to allow manganese producers to use it.

But now Saldanha is operating at 50% capacity, harbours assistant GM Mike Myburgh says he is prepared to let manganese producers use it on certain conditions that the port is not busy with iron ore shipments at the time, that exporters send low-grade ore, and that a substantial quantity of iron ore rides "piggy-back" with every shipment.

This is the trend overseas, where major steelmakers demand their iron and manganese ore be shipped in one vessel and specify bulk carriers of more than 250 000 t to carry the freight. Such vessels cannot be accommodated in Port Elizabeth, where the limit is 60 000 t. But they can put in at Saldanha Bay.

Only high-grade manganese ore can be exported economically through Port Elizabeth, because of its limitations. As a result, large quantities of low-grade ore are being stockpiled There is a market abroad for it if it can be shipped cost-effectively — as it can, through Saldanha

The harbours division is understandably unhappy with the present situation and has asked the Cabinet to withdraw the ruling, says cargo services chief director Neil Oosthuizen

"We sent a memo to Cabinet through Sats marketing department, explaining the facts and detailing how SA will benefit by allowing low-grade manganese ore to be shipped through Saldanha," he says

A mining house source says little low-grade ore flows through Port Elizabeth anyway, so it won't be greatly affected by any loss of cargo to Saldanha

"In any event," he says, "the spinoff Port Elizabeth will get from the Mosgas project will make its earnings from manganese exports look like chicken feed." ■

Ship sharing deal a boost for SA ports

A vessel-sharing agreement has been signed in the United States by three international transportation groups

The agreement covers a service between the United States, North Europe and the Mediterranean trade routes, using the world's biggest container ships, which will ultimately benefit South African shippers and ports

The regional manager of Nedlloyd Lines Southern Africa, Mr Joop Weddepohl, said the demise of US Lines in 1987 has released a fleet of 12 giant container carriers

"The agreement was reached between Nedlloyd Lines, P&O Containers and Sea Land Services for a vessel sharing operation covering Nedlloyd's present trans-Atlantic services.

"This in turn will release the line's trans-Atlantic ro-ro and cellular ships for deployment on other trade runs within Nedlloyd Line's worldwide network of Liner services."

He said this would create a ripple effect within the Lines's operations around the world "with all trading regions, including Southern Africa, being retonnaged and upgraded".

"No decision has yet been made as to which ships will be used on the South African trade runs, but with the trans-Atlantic rationalisation scheduled to be phased in from the end of March, an announcement is expected soon," he said

"The vessel sharing agreement covers ocean transportation only, but Nedlloyd will continue to offer its shippers a total, intergrated door-to-door overland service.

"Before going into service the fleet of 12 Atlantic class cellular ships will undergo drydocking and modification

"This will ensure the vessels are equipped to meet the specific requirements of the trans-Atlantic run, and will include space for 20 foot containers," Mr Weddepohl said

Tower changes

Building alterations to the harbour control tower, which houses the port captain's office, will be completed in the next few weeks, the port director, Mr Hermie Visser, said.

He said the present port administration office was to small for the staff complement needed to run the harbour efficiently.

"The entire new port directorate will move into the restyled control tower building, and the technical heads of department of the South African Harbours will move into the port administration building

"This will further streamline the harbour operations," Mr Visser said.

Every time an aircraft is lost it's a write-off

Arms embargo could make SA vulnerable in air

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The loss nine days ago of another South African Air Force Mirage fighter jet aircraft in the Namibia operational area has raised the question — in the light of the international embargo on arms sales to South Africa — of how vulnerable is South Africa's position in respect of supplies of fighter aircraft and spares. The answer is not clear but speculative reports do give an indication. Don Holliday reports.

South Africa's up-dating conversion of the Mirage 3 jet fighter to the Cheetah has stopped a gap but not solved a problem

This is the opinion of Mr Chris Foss, Military Editor of the authoritative journal, *Jane's Defence Weekly*

"Every time South Africa loses a plane it's a write-off. Angola and the other Frontline countries simply have their numbers brought up to strength from time to time That's the final problem South Africa must face," Mr Foss commented at the time of the 1986 unveiling of the Cheetah

The loss last week of a SAAF Mirage and its pilot, Major J W van Coppenhagen, brought to three the confirmed number of pilots missing in the Namibia/Angola region since November last year

Professor Mike Hough, director of the Institute for Strategic Studies at the University of Pretoria, assessed the South African Air Force's total combat aircraft capacity as 356

A breakdown of specific types of aircraft was not available but in 1985 a French publication with a reputation for the accuracy of its scoops, *Le Canard Enchaine*, reported that South Africa originally purchased 56 Mirage 3s and 46 Mirage F1s from the French Dassault Aviation Corporation

SPARES IN CONTRACT

This purchase included a contract for supply of spares, which prompted a Dassault engineer to explain "When we are selling one Mirage we are really selling three when you include the spare parts"

The 1977 mandatory embargo on arms sales to South Africa included the cancellation of spare parts supply agreeements

In 1983, the then head of the SAAF, Lieutenant-General A M Muller, said in an interview with the American magazine, *Aviation Week and Space Technology*, that the air force was busy with an investigation into what aircraft needed to be built in South Africa

Even before the arms embargo, the need for improved fighter aircraft was recognised

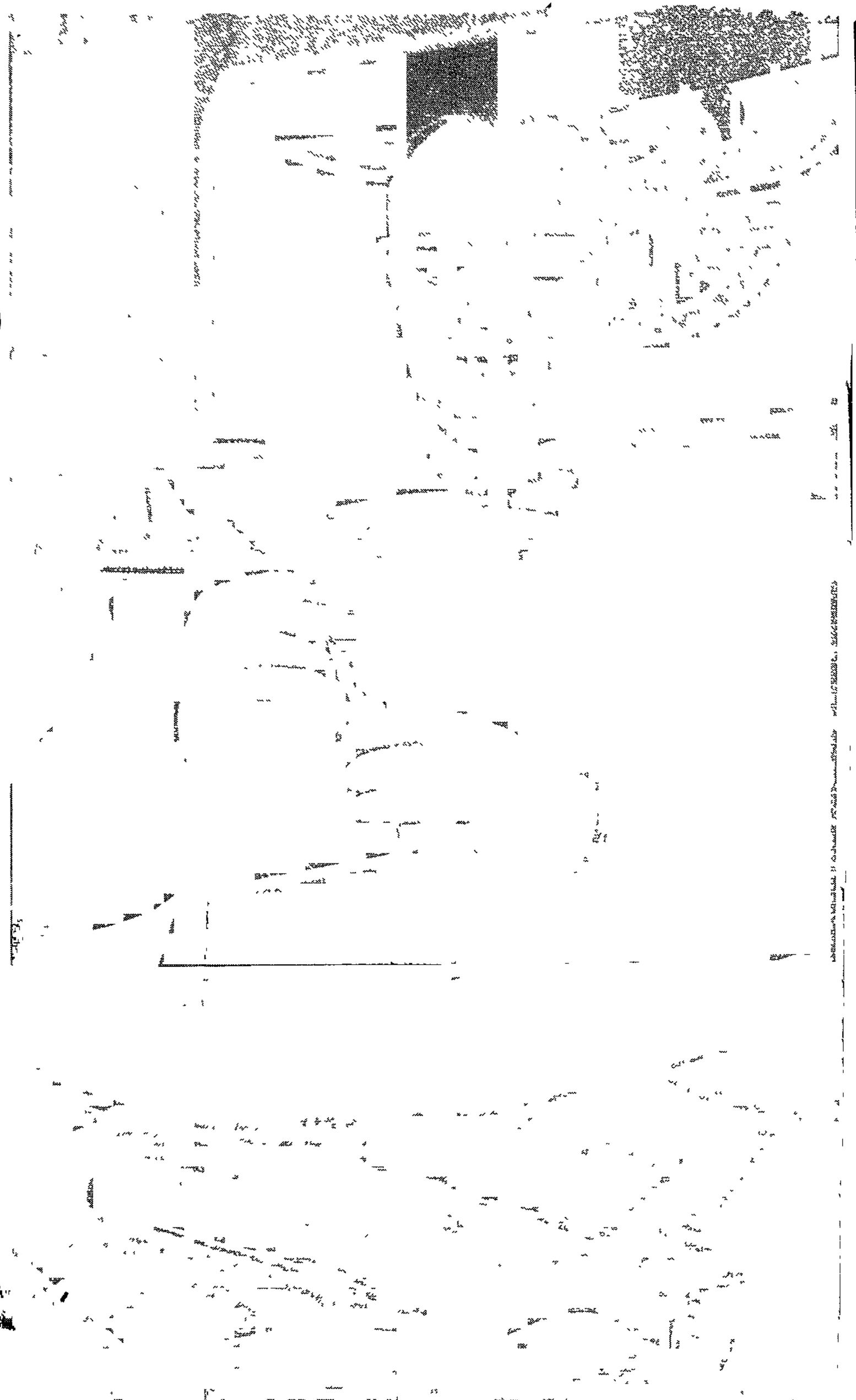
The first option was upgrading of existing machines, a result of which was the Cheetah, a modified Mirage 3 reputed to have a top speed in excess of the Mach 2,2 claimed by the Soviet-built MiG-23 which is currently active against South African forces in Angola

The Impala, primarily a jet fighter trainer, has been built by the Atlas Aircraft Corporation since 1967

It was difficult to assess the success of the Cheetah project as it had not yet been properly deployed in operational conditions

"But there was a general realisation of the need for a completely new fighter," said Professor Hough.

"The enormous costs involved in such a project



Former Prime Minister Mr B J Vorster (right) with a model of the Impala, South Africa's first locally built jet fighter/trainer which was unveiled in 1967.

The Mirage 3 (below), which has been converted to the Cheetah by Atlas Aircraft Corporation.

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"The development of the Israeli Lavi jet fighter cost in the region of R580 million before the Israelis shelved the project last year. The scheme was believed to place too much of a burden on an already strained economy

"A potential export market for the finished product is an important factor as it can provide much of the funding," said Professor Hough.

LUCRATIVE JOB OFFERS

When the Lavi scheme was stopped, it was reported that South Africa was wooing the Israeli aeronautical engineers with lucrative job offers in the South African arms manufacturing industry.

A spokesman for Armscor said at the time "Officially we do not canvass for staff abroad", but it was later reported that 50 aeronautcal engineers had arrived in South Africa It was also speculated that South Africa could, at a later stage, establish a plant near Pretoria to manufacture a fighter jet, probably a scaled down version of the Lavi plane.

Referring to last month's successful air raid on South West Africa People's Organisation bases in Lubango, southern Angola, Professor Hough said a rumour was doing the rounds in military analytical circles that these engineers had been instrumental in ensuring the SAAF jets evaded detection by the highly-sophisticated radar installations at the disposal of the Angolan government.

These radar installations gave rise to Angolan claims in November 1985 that the SAAF had lost the vital air superiority it had previously enjoyed in operations in the country.

This claim was not entirely correct. Because there were instances of localised air dominance by Angolan forces, the SAAF were concerned about the loss of often irreplaceable equipment, Professor Hough said

It was an indication of how important South Africa viewed the Angolan situation that they were prepared to risk aircraft in the region

Ambassadors and attachés in foreign countries 15
Local friends and family 177

(iii) In 1986 the printing cost per card was 12 cents, but it is not possible to determine the hidden costs of manpower and other materials

(iv) Armscor

(b) yes
(i), (ii), (iii) and (iv) Christmas cards are sent out by the SA Defence Force on a decentralised basis by some Headquarters, Formations, Commands and Units To obtain this information will be too time-consuming and expensive

(2) *Minister* No The Christmas cards were distributed against Government cost in terms of paragraph 8 1 3 of the Guidelines for Ministers

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Professional standing defence force: estimated cost

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Whether an estimate has been made of the cost of establishing a professional standing defence force to replace, over a period of time, the present system of military conscription, if not, why not, if so, (a) what is this estimate and (b) in which year was it made?

The MINISTER OF DEFENCE

Yes

(a) RM 2 415 for direct personnel expenses (salaries and allowances) only which, in 1984 Rand values, would have been 117% higher than the existing system in the same year

(b) 1984/85 financial year

Permanent Force: applications to join

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How many Black, White, Coloured and Indian persons, respectively, (a) applied to join, and (b) were accepted into, the Permanent Force as members of the South African (i) Army, (ii) Air Force, (iii) Navy and (iv) Medical Services in 1987 or the latest specified year for which information is available?

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	Black	2 260	2 232
(ii)	White	5 787	1 530
	Coloured	191	27
	Indian	102	6
	Black	95	6
(iii)	White	815	413
	Coloured	198	179
	Indian	60	44
	Black	1	1
(iv)	White	1 342	759
	Coloured	33	18
	Indian	5	0
	Black	1	1

Inter-city luxury coach services: privatization

659 Mr P G SOAL asked the Minister of Transport Affairs.

Whether any steps have been taken to privatize the inter-city luxury coach services of the South African Transport Services; if not, (a) why not and (b) when is it anticipated that steps will be taken in this regard, if so, what steps?

The MINISTER OF TRANSPORT AFFAIRS

Yes

The Honourable Member's attention is directed to my Budget Speech on 24 February 1988 when I indicated that it is the intention to include all bus passenger services in the privatisation action and that I gave instructions that these services be developed as a separate business unit with a view to privatisation This action is presently under way

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What (a) were the (i) profits or (ii) losses

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The MINISTER OF TRANSPORT AFFAIRS

		(aa)	(bb)	(cc)
(a) (i)	1984/85	R19 100	R23 100	R17 800
	1985/86	R20 000	R 5 000	—
	1986/87	R50 900	R10 000	R28 400
(ii)	1985/86	—	—	R15 000
(b) (i)		R100 000	R40 000	R30 000

(ii) Falls away

SAA flight 295: air hostesses able to speak Japanese/Mandarin

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(1) Whether any air hostesses on SAA flight 295 on 28 November 1987 could speak (a) Japanese and/or (b) Mandarin, if so, how many; if not, what languages could they speak,

(2) whether any air hostesses on aircraft used on the Far East service speak either of these languages, if so, how many, if not, why not?

The MINISTER OF TRANSPORT AFFAIRS

(1) (a) and (b) No. They were able to converse in English, Afrikaans, German, Portuguese and Italian

(2) Yes Two

Pension funds: shortages

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(1) Whether there are any shortages in the pension funds of the South African Transport Services at present, if so, (a) in which pension funds, (b) (i) what do these shortages amount to and (ii) in respect of what date is this information furnished and (c) what did these shortages amount to on the corresponding date (i) 12, (ii) 24 and (iii) 36 calendar months ago,

(2) whether he will make a statement on the matter?

The MINISTER OF TRANSPORT AFFAIRS

(1) (a) and (b) Actuaries in the private sector are presently in the process of evaluating the pension funds of South African Transport Services and it is expected that their report will be completed by the end of 1988

(c) Not available

(2) No

Military service: White doctors posted to hospitals

675 Mr H J COETZEE asked the Minister of Defence

(1) What percentage of qualified White doctors called up for military service is posted to hospitals (a) for Whites, (b) for Blacks, (c) administered by the South African Defence Force, (d) in the four independent Black states and (e) in the self-governing territories,

(2) (a) where are such doctors sent for their basic training and (b) what is the duration of this training?

The MINISTER OF DEFENCE

(1) As on 8 March 1988

(a) 1,25%

(b) 2,52%

(c) 51,3%

(d) 0,63%

(e) 0,31%

NOTE The remainder of the doctors (43,99%) are employed in sickbays, military medical clinics and for the training of medical orderlies

(2) (a) SA Medical Service Training Centre near Potchefstroom

(b) 16 weeks

Botshabelo: bus boycotts

677 Mrs H SUZMAN asked the Minister of Transport Affairs

(a) How many bus boycotts were there in Botshabelo in 1987 and 1988, (b) on what dates did they occur and (c) what was the (i) duration and (ii) cause of each such boycott?

The MINISTER OF TRANSPORT AFFAIRS.

(a) 1 in 1988

(b) From 1 to 4 January 1988

(c) (i) 4 days.

(ii) An increase in bus fares

Five most junior posts: salary scales

709 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(a) What are the salary scales attached to each of the five most junior posts in the South African Transport Services, (b) how many of these posts are filled by Whites, Coloureds, Indians and Blacks, respectively, and (c) in respect of what date is this information furnished?

The MINISTER OF TRANSPORT AFFAIRS

(a) (1) R4 530 – 4 770 – 5 010 – 5 250 annually
(2) R4 530 – 4 770 – 5 010 – 5 250 – 5 490 annually
(3) R4 560 – 4 830 – 5 040 – 5 280 – 5 520 annually
(4) R4 770 – 5 010 – 5 250 – 5 490 – 5 820 annually
(5) R4 830 – 5 040 – 5 280 – 5 520 – 5 850 annually

(b)	Whites	Coloureds	Indians	Blacks
(1)	3	10 359	248	60 657
(2)	Nil	291	37	1 155
(3)	Nil	Nil	Nil	16
(4)	Nil	337	30	1 985
(5)	Nil	18	Nil	103

(c) 1 March 1988

Control boards: functions

716 Mr C J DERBY-LEWIS asked the Minister of Agriculture.

What are the functions of each of the control boards falling under his Department?

The MINISTER OF AGRICULTURE

The functions of the control boards are set out in the Proclamations and Government Notices as indicated below

Banana Board	Proclamation R 109 of 1976, as amended
Canning Fruit Board	Government Notice R 2068 of 25 September 1987
Chicory Board	Proclamation R.155 of 1978, as amended
Citrus Board	Proclamation R 2 of 1979, as amended.
Cotton Board	Proclamation R 37 of 1974, as amended
Dairy Board	Proclamation R 290 of 1978, as amended
Deciduous Fruit Board	Proclamation R 220 of 1979, as amended
Dried Fruit Board	Proclamation R 302 of 1962, as amended
Dry Bean Board	Government Notice R.370 of 27 February 1988
Egg Board	Proclamation R 64 of 1963, as amended
Grain Sorghum Board.	Government Notice R 190 of 31 January 1986
Lucerne Seed Control Board	Proclamation R 30 of 1963, as amended.
Maize Board	Proclamation R 45 of 1979, as amended
Meat Board	Proclamation R 200 of 1964, as amended
Mohair Board	Proclamation R 281 of 1971, as amended
Oil Seeds Board	Proclamation R 73 of 1982, as amended
Potato Board	Proclamation R 268 of 1970, as amended
Rooibos Tea Control Board	Proclamation R 167 of 1962, as amended
Tobacco Board.	Proclamation R 159 of 1971, as amended
Wheat Board	Proclamation R 162 of 1974, as amended.
Wool Board	Proclamation R 155 of 1972, as amended.

The manner in which the powers, functions and duties vested in the control boards mentioned above are exercised, performed and carried out, is set out in the annual reports of these boards which are tabled each year in Parliament

Booklet: *The Dismantling of Apartheid*

793 Mr P G SOAL asked the Deputy Minister of Information

(1) Whether the Bureau for Information was responsible for the compilation and/or

distribution of a booklet entitled "The Dismantling of Apartheid", if not, who is responsible for this booklet, if so, (a) why, (b) what was the nature of its involvement, (c) how many pages does the booklet comprise, (d) how many (i) English and (ii) Afrikaans copies of the booklet were produced, (e) to whom were copies of the booklet sent and (f) what was the total cost of producing, printing and distributing the booklet;

(2) whether the views propagated in this publication reflect the views of the Government, if not, in what way do they differ,

(3) whether he will make a statement on the matter?

The DEPUTY MINISTER OF INFORMATION

(1) No The booklet was published by the author

The Bureau purchased 50 000 copies which it has distributed

(a) The publication contains a useful chronicle of reform measures.

(b) The Bureau's involvement was limited to the purchase and distribution of copies of the publication.

(c) 26 pages

(d) (i) and (ii) 50 000 English copies were purchased.

(e) Copies were sent to contacts of the Bureau on a selective basis

(f) The publications were purchased at a price of 94 cents per copy Cost of distribution is difficult to determine as railway costs incurred to transport copies to Regional Offices are not available as yet and because Regional Offices supplied copies free of charge on request and also during contact visits

(2) The booklet is a chronicle of reform measures Views, if any, propagated are those of the author and do not necessarily reflect those of the Government

(3) No

Ambassadors and attachés in foreign countries: 15
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Military service: White doctors posted to hospitals

675 Mr H J COETZEE asked the Minister of Defence

(1) What percentage of qualified White doctors called up for military service is posted to hospitals (a) for Whites, (b) for Blacks, (c) administered by the South African Defence Force, (d) in the four independent Black states and (e) in the self-governing territories,

(2) (a) where are such doctors sent for their basic training and (b) what is the duration of this training?

The MINISTER OF DEFENCE

(1) As on 8 March 1988

(a) 1,25%

(b) 2,52%

(c) 51,3%

(d) 0,63%

(e) 0,31%

NOTE The remainder of the doctors (43,99%) are employed in sickbays, military medical clinics and for the training of medical orderlies

(2) (a) SA Medical Service Training Centre near Potchefstroom

(b) 16 weeks

Botshabelo: bus boycotts

677 Mrs H SUZMAN asked the Minister of Transport Affairs

(a) How many bus boycotts were there in Botshabelo in 1987 and 1988, (b) on what dates did they occur and (c) what was the (i) duration and (ii) cause of each such boycott?

(3) whether the Bureau subsidizes any publications published by the above companies, if so, (a) which publications and (b) (i) why, and (ii) what is the amount of the subsidy, in each case,

(4) what total amount was spent by the Bureau in 1987 on printing and publishing involving (a) the above companies and (b) any other specified companies?

The DEPUTY MINISTER OF INFORMATION

(1) No It is not the function of the Bureau to award printing contracts

(a), (b) and (c) Fall away

(2) No

(a) The acquisition of tenders for printing contracts is not a function of the Bureau

(b) (i) and (ii) Fall away

(3) No

(a), (b) (i) and (ii) Fall away

(4) The spending of the Bureau's funds in connection with printing work and publications is administered by the Government Printing Works through the Paymaster-general

(a) and (b) Fall away

Intimidation Act: persons convicted of offences

853 Mr P G SOAL asked the Minister of Justice

Whether any persons have been convicted of offences under the Intimidation Act, No 72 of 1982, since its promulgation, if so, how many in each specified year?

The MINISTER OF JUSTICE

The Honourable Member is referred to my replies to Written Questions Nos 336 of 1988, 148 of 1987, 471 of 1986, 213 of 1985 and 830 of 1984

South African Transport Services Board: functions

895 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

What are the functions of the South African Transport Services Board?

The MINISTER OF TRANSPORT AFFAIRS

The Honourable Member's attention is directed to the Report of the South African Transport Services Board for 1987, which was Tabled on 24 February 1988 The functions of the Board are detailed in the Report

Reply substituting reply to Question No 232 on 18 March 1988, put by Mr D J Dalling (col 560)

Detainees: visits by judges

232 Mr D J DALLING asked the Minister of Justice

(1) (a) How many judges in each province made visits to detainees in 1987, (b) how many visits did each such judge make, (c) which prisons did they visit and (d) on what dates were the visits made in each case,

(2) whether he will furnish the names of the judges concerned, if not, why not, if so, what are their names?

The MINISTER OF JUSTICE

The figure of 260 mentioned in the third paragraph of the reply is substituted by the figure 257

(1) (a), (b), (c) and (d) and (2)

In terms of Prisons Regulation 104 (2) (a) a Judge of the Supreme Court of South Africa shall at all times be afforded admission to a prison Judges are free to report to the Commissioner of Prisons or myself in respect of any matter which they consider should be brought to notice

Statistics mentioning the category of prisoner that was visited are not kept and it is therefore not possible to indicate the number of judges who in each province visited detainees or any other specific category of prisoner during 1987, without a special and time-consuming survey

The Heads of the 241 prisons under the auspices of the SA Prisons Service keep record of the fact of each visit and for this purpose an official visitors register is in use at each prison from which the Heads of Prisons submit a biannual return to Prisons Headquarters for central statistical purposes These returns show that judges visited prisons on 257 occasions during the period 1 July 1986 to 30 June 1987

Visits of this nature are welcomed and I have much appreciation for the work being done by the respective judges in this regard They determine their own schedule and can also visit any prison unannounced I am therefore not prepared to and also do not have the authority to interfere with the manner in which judges execute this task and likewise I am not prepared to announce the names of individual judges in public as these visits take place in their official capacity and the results of such visits are rather concentrated upon than the individual judges However, I am prepared to provide the honourable member with the names on a personal and confidential basis

SAA reschedules flights, leaving tourists stranded

JOHANNESBURG — More than 1 000 foreign tourists en route to the Victoria Falls for the Easter weekend are to miss connections to their destination as a result of South African Airways rescheduling its flights to Bulawayo.

The Association of South African Travel Agents (Asata) said in a statement yesterday that two of the three options left open to travellers would give them a valid reason to claim against their tour operator

From March 28, SAA is to reschedule the departure time of flight SAA004 from Johannesburg to Bulawayo, landing too late for tourists to catch the connecting flight to the falls

SAA intends to change the departure time of the outgoing flight on Mondays and Thursdays from 1 30 pm to 2 30 pm.

SAA004 will arrive in Bulawayo after 3 30 pm, the departure time of the shuttle to the falls.

The Victoria Falls flight cannot leave later than 3 30 pm for valid operational, technical and safety reasons.

According to SAA, the rescheduling of the Bulawayo flight is in order to achieve greater operational savings

"SAA may save a few rand, but will lose much goodwill and indeed could well lose quite a few tourists," one travel agent said.

Asata said there were three "albeit inconvenient" alternatives for travellers to the falls.

- They could travel via Harare — which would mean a complete loss of revenue to SAA as only Air Zimbabwe can be used, or,
- They could travel by rail from Bulawayo to the falls, or,
- They could stay overnight in Bulawayo, which would involve a full day's delay

The association said it had appealed to SAA to find an acceptable solution, but so far to no avail.

STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

REPUBLIC OF SOUTH AFRICA

GOVERNMENT GAZETTE

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VOL. 273

KAAPSTAD, 30 MAART 1988

CAPE TOWN, 30 MARCH 1988

No. 11213

KANTOOR VAN DIE STAATSPRESIDENT

No 601. 30 Maart 1988

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word·—

No 23 van 1988· Vervoerdienstebegrotingswet, 1988

STATE PRESIDENT'S OFFICE

(269)

No 601 30 March 1988

It is hereby notified that the State President has assented to the following Act which is hereby published for general information·—

No 23 of 1988· Transport Services Appropriation Act, 1988

ACT

To appropriate a further sum of money for the requirements of the South African Transport Services during the financial year ending on 31 March 1988 and a sum of money for the requirements of the South African Transport Services during the financial year ending on 31 March 1989.

(Afrikaans text signed by the State President)
(Assented to 21 March 1988)

BE IT ENACTED by the State President and the Parliament of the Republic of South Africa, as follows·—

Appropriation of certain sums of money

1. The following sums of money are hereby appropriated for the requirements of the South African Transport Services:

(1) In respect of the financial year ending on 31 March 1988, amounts not exceeding R202 000 000 for revenue services in addition to the sum of money appropriated by the Transport Services Appropriation Act, 1987 (Act No 30 of 1987), as well as an amount of R18 178 000 for the capital programme in respect of expenditure of an exceptional nature for which provision has not been made in the aforementioned appropriation act and which will be financed by means of savings on other projects; and

(2) in respect of the financial year ending on 31 March 1989, amounts not exceeding R10 848 000 000 for revenue services and R927 000 000 for the capital programme

Utilization of money

2. (1) The money appropriated by section 1 (1) shall be utilized for the purposes set out in Schedules 1 (i) and 2 (i) and more particularly specified in Part 1 of the Estimates of Expenditure (R P 14—1988), as submitted to and approved by Parliament.

(2) The money appropriated by section 1 (2) shall be utilized for the purposes set out in Schedules 1 (ii) and 2 (ii) and more particularly specified in Part 2 of the Estimates of Expenditure (R P. 14—1988), as submitted to and approved by Parliament.

Short title

3. This Act shall be called the Transport Services Appropriation Act, 1988

Schedule 1 (i)

REVENUE SERVICES

ADDITIONAL APPROPRIATION FOR THE FINANCIAL YEAR ENDING ON 31 MARCH 1988

Head No	Head	Amount R
	RAIL SERVICES	
	Transportation services—	
10	Miscellaneous expenditure	5 500 000
	AIRWAYS	
	Transportation services—	
31	Working and maintenance	21 200 000
33	Depreciation	27 900 000
35	Miscellaneous expenditure	7 100 000
	PIPELINES	
	Transportation services—	
45	Miscellaneous expenditure	3 300 000
	APPROPRIATION OF NET REVENUE	
51	Contribution to Revenue Reserve Account	137 000 000
	Total	202 000 000

Schedule 1 (ii)

REVENUE SERVICES

APPROPRIATION FOR THE FINANCIAL YEAR ENDING ON 31 MARCH 1989

Head No	Head	Amount R
	RAIL SERVICES	
	Transportation services—	
1	Administrative and general charges	251 300 000
2	Maintenance of permanent way and works	975 500 000
3	Maintenance of rolling stock	756 800 000
4	Motive power operating expenses	930 300 000
5	Traffic and vehicle running expenses	1 053 300 000
6	Cartage service	133 800 000
8	Depreciation	797 000 000
9	Financing costs	1 423 100 000
10	Miscellaneous expenditure	339 900 000
	Subsidiary services—	
11	Catering and bedding services	39 400 000
112	Motor coaches	13 000 000
116	Tourist service	10 600 000
	COMMUTER SERVICES	
	Transportation services—	
101	Administrative and general charges	32 800 000
102	Maintenance of permanent way and works	198 100 000
103	Maintenance of rolling stock	101 500 000
104	Motive power operating expenses	134 800 000
105	Traffic and vehicle running expenses	154 600 000
108	Depreciation	50 300 000
109	Financing costs	307 600 000
110	Miscellaneous expenditure	44 300 000
	ROAD TRANSPORT SERVICE	
	Transportation services—	
15	Working and maintenance	271 700 000
16	Depreciation	32 600 000
17	Financing costs	26 900 000
18	Miscellaneous expenditure	18 800 000

Head No	Head	Amount
		R
	HARBOURS	
	Transportation services—	
20	Head office harbours	16 700 000
21	Regional harbour offices	63 700 000
22	Maintenance of assets	169 300 000
23	Operating expenses	240 700 000
24	Depreciation	154 700 000
25	Financing costs	178 300 000
29	Miscellaneous expenditure	25 600 000
	Subsidiary services—	
26	Pre-cooling service	1 400 000
27	Lighthouses	8 600 000
	AIRWAYS	
	Transportation services—	
31	Working and maintenance	1 464 300 000
33	Depreciation	154 600 000
34	Financing costs	127 100 000
35	Miscellaneous expenditure	58 000 000
	PIPELINES	
	Transportation services—	
41	Working and maintenance	31 600 000
43	Depreciation	28 600 000
44	Financing costs	23 000 000
45	Miscellaneous expenditure	2 800 000
	APPROPRIATION OF NET REVENUE	
51	Contribution to Revenue Reserve Account	1 000 000
	Total	10 848 000 000

Schedule 2 (i)

CAPITAL PROGRAMME

ADDITIONAL APPROPRIATION FOR THE FINANCIAL YEAR ENDING ON 31 MARCH 1988

Head No	Head	Amount
		R
2	New works on open lines	9 559 000
5	Harbours	5 115 000
6	Airways	2 400 000
7	Pipelines	1 104 000
	Total	18 178 000

Schedule 2 (ii)

CAPITAL PROGRAMME

APPROPRIATION FOR THE FINANCIAL YEAR ENDING ON 31 MARCH 1989

Head No	Head	Amount
		R
1C	Construction, purchase or taking over of harbours	485 000
1	Construction, purchase or taking over of railways	8 709 000
2	New works on open lines	492 090 000
3	Rolling stock	232 122 000
4	Road transport service	19 087 000
5	Harbours	42 628 000
6	Airways	67 464 000
7	Pipelines	3 103 000
8	Unforeseen works	11 029 000
	Gross fixed investment	876 717 000
9	Stock	33 400 000
12	Construction assets	16 883 000
	Total	927 000 000

SUMMARY

(a) ADDITIONAL APPROPRIATION FOR THE FINANCIAL YEAR ENDING ON 31 MARCH 1988

	R
Revenue services (Schedule 1 (i))	202 000 000
Capital programme (Schedule 2 (i))	18 178 000
Total	220 178 000

(b) APPROPRIATION FOR THE FINANCIAL YEAR ENDING ON 31 MARCH 1989

	R
Revenue services (Schedule 1 (ii))	10 848 000 000
Capital programme (Schedule 2 (ii))	927 000 000
Total	11 775 000 000

(b) 31 December 1987

(2) (a) Unknown as details of land acquired for consolidation purposes are not kept apart in a register The land referred to in paragraph (1)(a)(ii) and (iii) includes the land acquired for consolidation purposes

(b) The required information is not readily available as particulars on a Provincial basis are not kept in a register

Ibayi Municipal Council: allegations of fraud

670 Mr D J N MALCOMESS asked the Minister of Law and Order

Whether the South African Police are investigating allegations of fraud in respect of the Ibayi Municipal Council, if so, (a) what progress has been made and (b) when is it anticipated that the investigations will be completed?

The MINISTER OF LAW AND ORDER

(a) and (b)

The investigation is being conducted in co-operation with internal auditors and is expected to be completed in 4 months time

Bus boycotts, Botshabelo persons killed/injured by SAP

672 Mrs H SUZMAN asked the Minister of Law and Order

(1) Whether any persons were shot and (a) killed or (b) injured by members of the South African Police during the course of bus boycotts in Botshabelo in 1987 and 1988, if so, (i) how many, (ii) on what dates, (iii) what were the circumstances surrounding these incidents and (iv) what were the (aa) names and (bb) ages of each of the persons shot,

(2) whether any of these persons were hospitalized, if not, why not, if so, where,

(3) whether any persons were charged with offences in connection with these incidents, if so, (a) how many and (b) what were the charges in each case?

The MINISTER OF LAW AND ORDER

(1) Yes

(a) No

(b) Yes, in 2 instances

(i) 2 persons

(ii) 4 January 1988

(iii) and (iv) In one instance stones were thrown at a bus Members of the South African Police who were passengers on the bus, wanted to arrest the stone-throwers One of these members was attacked by the stone-throwers and he fired one round of birdshot at the persons A 17-year-old Black male was wounded

In the other instance, stones were thrown at a bus A member of the South African Police, who was a passenger on the bus, fired one round of birdshot at the stone-throwers and wounded a 22-year-old Black female

However, I do not consider it to be in the interests of the persons to furnish their names

(2) Yes Botshabelo hospital

(3) Yes

(a) and (b) The Black male was charged with public violence and the Black female with malicious damage to property

State revenue obtained from income tax/excise and customs duty/sales tax

678 Mr A GERBER asked the Minister of Finance †

What percentage of the total State revenue was obtained from (a) income tax from (i) individuals, (ii) companies and (iii) gold mines, (b)(i) excise and (ii) customs duty, (c) sales tax and (d) other specified sources in each specified tax year from 1975 for which figures are available?

The MINISTER OF FINANCE

SOURCE OF REVENUE	1974/75 %	1975/76 %	1976/77 %	1977/78 %	1978/79 %	1979/80 %	1980/81 %	1981/82 %	1982/83 %	1983/84 %	1984/85 %	1985/86 %	1986/87 %
CUSTOMS AND EXCISE													
Total Customs and Excise	20,50	21 08	20,76	24 09	17 21	13,21	11 10	13,89	13,25	10,12	8,06	7 15	7,61
Inland Revenue													
Income Tax													
Companies (other than mining)	22 91	26 48	23 33	23 95	17 90	18 73	18 16	21 65	21,33	17 06	16 10	16 39	15 20
Individuals	22 08	24 66	25 14	26 78	22 80	19 86	15 71	21,95	24 97	29 73	31,05	28,52	29 42
Gold Mines	11,79	8 50	4 40	4,95	7 69	11 93	21 00	10 70	7 44	8,91	6,83	8,37	7 62
Other Mines	1,82	0 94	1 12	1,55	1 47	2 89	1 59	0,73	1 16	0 80	0 96	1 65	2 80
Sales Tax	—	—	—	—	5 99	12 76	12 42	14 68	18,54	20 31	25 04	27 46	26 92
Gold Mining Leases	3 73	3 20	1,66	1 39	2 26	3 42	6,30	4,09	2 14	2,73	1 60	2 04	1 98
Non resident Shareholders Tax	1,71	1 65	1,26	1,32	1 28	1 65	2,23	2 24	1 43	1 36	1,05	1 18	1 22
Stamp Duties and Fees	1 67	1,33	1 06	1 18	1 09	1 26	1,03	1 00	0 86	1,10	1 03	0 92	0 96
Transfer Duty	1 29	1,11	0 78	0,68	0 61	0 91	1 16	1,19	1 11	1,66	1,22	0 91	0 87
Estate Duty	0,71	0 69	0 64	0 65	0 53	0 59	0 46	0,46	0 50	0,46	0,43	0 48	0 44
Interest and Dividends	3,82	3 96	8 30	7 54	7 50	6 77	4 30	3 48	3 33	2 67	2,14	1,24	0 89
Other	7,98	6 41	11,54	5 92	13 66	6,02	4,55	3 94	3 94	3,10	4 51	3 71	4 07
Total Inland Revenue	79,50	78 92	79 24	75,91	82 79	86 79	88 90	86,11	86 75	89 88	91 94	92 85	92 39
Total Ordinary Revenue	100,00	100 00	100 00	100 00	100 00	100 00	100 00	100 00	100 00	100 00	100,00	100 00	100 00

Excluding amounts payable to TBVC countries and self-governing National States
Excluding transfers from reserve accounts
Excluding transfers from Central Energy Fund
Excluding standing allocations of revenue and loan levy

Overseas visitors: interviews with political parties

685 Mr C J DERBY-LEWIS asked the Minister of Foreign Affairs

With reference to his reply to Question No 533 on 7 October 1987, how many overseas visitors who were guests of his Department in 1987 were unable to meet representatives of (a) the National Party, (b) the Progressive Federal Party, (c) the Conservative Party, (d) Inkatha and (e) the Soweto Civic Association as a result of the itineraries of these guests not permitting of such meetings?

The MINISTER OF FOREIGN AFFAIRS

It is customary to arrange interviews with representatives of the political parties of all three Houses of Parliament Sometimes there is not enough time available to fit in meetings with representatives of all the parties and the guest concerned is consulted on his preferences It also happens that guests themselves ask that appointments be cancelled or altered Alterations to programmes are thus made all the time, sometimes at the last moment The Department does not specifically keep record of such alterations The Department also does not keep record of the discussions with guests regarding their preferences at the arrangement of appointments

(a) (b) (c) (d) and (e) fall away

Cahora Bassa Hydro-electric Scheme in Mozambique

715 Mr C J DERBY-LEWIS asked the Minister of Foreign Affairs

(1) Whether the South African Government and the Portuguese Government have reached an agreement in regard to repairing damaged power pylons and renewing cables carrying electricity from the Cahora Bassa Hydro-electric Scheme in Mozambique to the Republic; if so, (a) when, (b) what will be the amount of (i) South Africa's and (ii) Portugal's contribution towards the repairing of damage and the renewal of cables and (c) by which Government Departments will South Africa's contribution be provided,

(2) what are the main terms of this agreement?

The MINISTER OF FOREIGN AFFAIRS

(1) Yes

(a) South Africa accepted in principle the proposals mentioned in paragraph (2) below on 16 March 1988,

WORM'S EYE VIEW

No foreigners will fall from the sky to help us

LAST week, the capital was abuzz with plans to end apartheid — the capital of the United States and the capital of Zimbabwe, that is.

With local opposition to apartheid in an enforced straitjacket, it is perhaps inevitable that attention should have partly shifted to anti-apartheid activity abroad — to hearings in Washington or meetings in Harare, to plans for tougher sanctions or for foreign mediation between Pretoria and its opponents.

Pretoria seems to share this interest in the role of foreigners in local politics — it is planning a law to prevent them funding anti-apartheid activity here.

In one sense, the signs that foreign pressure is continuing and may grow must worry Pretoria. They confirm that despite media controls and a lack of local anti-apartheid activity — and heightened conflict in Israel and Ireland which claim foreign media attention — this pressure is unlikely to go away.

But it has no cause for sleepless nights for there are few signs that the continued pressure from abroad will pose more of a direct threat to white rule than it has in the past.

Tougher sanctions would obviously hurt the economy, but even the toughest measure proposed in the US now would not bar imports of strategic minerals. This column has argued before that even total sanctions might not prompt economic collapse — certainly the measures which are being discussed now won't do that. Nor are foreigners likely to bring Pretoria to the bargaining table; it is even less willing to negotiate with its adversaries than it was when the Eminent Persons' Group mission collapsed.

So foreign pressure is likely to remain an inconvenience to the government, but not a direct threat — as it has been in the past.

The past decade has shown repeatedly that foreign influence can speed change, but it has rarely done that on its own: it has been effective only when it supplemented pressure for change within the country.

It has helped black unions and squatters win rights. But in both cases, the key ingredient was organised pressure for change within the country; without it foreigners would have had little influence. And they have had no success in persuading Pretoria to scrap political apartheid.

Even if the pressure escalates dramatically, it is hard to see what foreign governments could do — short of invasion — to force an end to white rule.

These points are not new. But they need to be repeated, now more than ever.

A reliance on foreign pressure has been a pervasive strain in anti-apartheid strategies within the country at least since the 1920s, when a local leader told black people in Transkei that foreigners would come from the sky to free them. Anti-apartheid action has repeatedly been designed to have the maximum impact on foreign opinion and some black leaders continue to insist that only the West can free black South Africa. In the current climate, this reliance could grow.

Local anti-apartheid groups' stress on foreign pressure is, at root, an admission of powerlessness. Clearly, only when people believe there is little or nothing they can do to change their conditions do they rely on others to do this for them. When internal black movements have seen a real prospect that they can achieve limited change on their own, they have placed much less stress on foreign pressure — they have used it to aid organisation, not instead of it. The unions, and some of the township civic groups which emerged in the 1980s, are examples.

At present, the government's security crackdown has appeared to remove most prospects for effective internal action for change.

The temptation to see foreign pressure as the prime lever for change may become almost overwhelming. The continued limitations on foreign leverage mean, however, that this would be as much an illusion now as it has always been.

If local reliance on foreign pressure is a result of perceived powerlessness, it follows that the government might partly relieve that pressure if it allowed black people to wield real power within the country.

(For example, black leadership may only oppose disinvestment publicly if it is able effectively to pressure foreign companies into using their resources to aid black organisation here).

But recent events confirm that it sees black organisation at home as a far greater threat than pressure from abroad and will risk the former to combat the latter. At the moment it seems willing, for example, to risk tougher sanctions to prevent foreign governments funding legal activity for change inside the country.

Since it is almost certainly right, the challenge for internal anti-apartheid groups remains the building of organisation. While foreign pressure might help that, strategies which seek to evoke maximum foreign pressure, in the belief that it can end apartheid, may actually hamper organisation.

The search for foreign impact may, therefore, prompt a stress on actions such as demonstrations outside parliament or protest rallies, diverting resources away from grassroots organisation.

By the same token, demands for total sanctions or disinvestment may have less impact on change than those which aim to persuade foreigners to use their limited influence here to support local organisation.

Reliance on foreign influence may also weaken organisation by reinforcing the belief of black people who could act for change that they can rely on others to achieve it on their behalf.

All this would make little sense if there were no opportunities for organisation within the country. At the moment, they are limited. But they exist and, as apartheid continues to face pressure within the country, they will grow.

It is the extent to which these opportunities are used to build black bargaining power, rather than events in Washington or London, which will decide the prospects for change.

Steven Friedman

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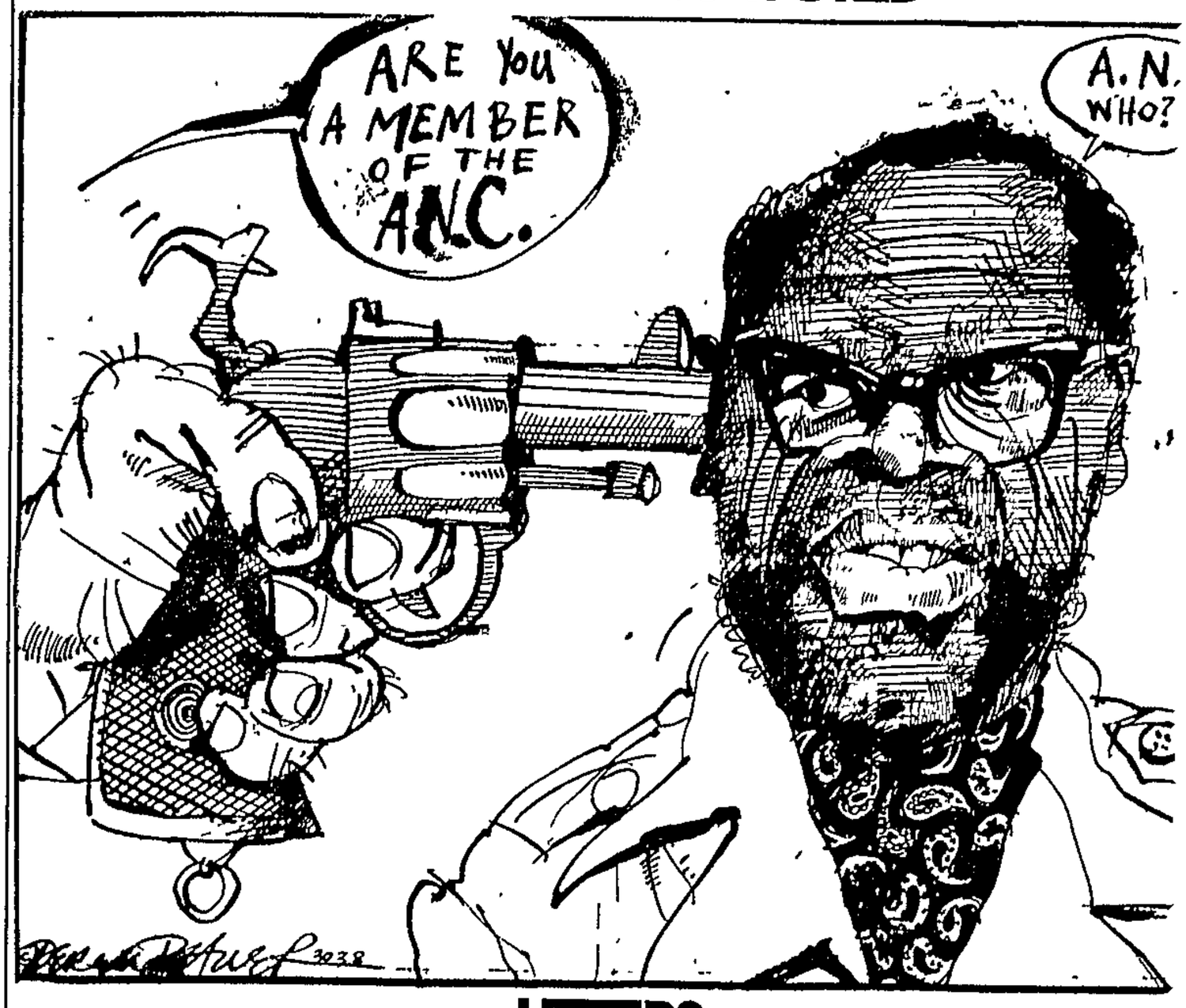
DEREK BAUER'S WORLD



LETTERS

Fair and free? When it suits you

AN open letter to the Minister of Information, Dr Stoffel van der Merwe·

Your honour, I was greatly perturbed by your appearance on TV1 *Network* on March 17 You were expressing your government's reaction to the Pretoria Supreme Court's ruling to temporarily stay the execution of the "Sharpeville Six" You also explained why the president and the government would not intervene and grant a reprieve

Furthermore, you were extolling the virtues of our "free and independent" judiciary. You talked about the government's respect for the integrity of the judiciary and your government's non-interference in the decisions of the supreme court.

May I remind you, honourable minister, that your government has on occasions overturned, or rather circumvented, rulings after rulings of the same "free and independent" judiciary that nullified government curbs on the media.

May I also mention that thousands have been detained and silenced without having been given the opportunity to state their case in the much celebrated free, fair and independent judiciary.

May I ask, then, if it would hurt anyone should the government intervene, on humanitarian grounds at least, and save lives. Even at this hour, the government can still intervene and save the six. Moreover, no conclusive court evidence has shown beyond doubt that the six directly contributed to the murder they are being accused of. — **Dilindile Ka Maphosa, Alice**

I WOULD like to express my horror at the treatment by the South African authorities of Ivan Toms and others like him who have moral or political objections to military service.

It is especially harsh in the light of the "duties" entailed in South African service, and since Toms has performed alternative service. Toms and others like him have my support. — **CM Browne, London**

I READ with interest about the South African government's "brutal suppression" of women (*Weekly Mail*, March 11-17) The Federa-

few facts, which I hope will not be read by women of neighbouring African countries. They might just fall over themselves to emigrate here to join the "brutally suppressed" multitudes.

Employment Trends in Industry and Related Work, 1969-1983 says that black women's participation in and contribution to the South African economy has been steadily increasing. Let us look at some of their achievements:

●The number of black women in professions has almost trebled in the 14 years from 1969 to 1983 (an increase of 207 percent in nursing and 270 percent in teaching)

●Medical and dental practitioners increased by 550 percent

●University and college professors increased from 23 to 329

●Management and administrative positions increased from 20 to 751

●Sales work employed 3 728 in 1969 and 34 300 in 1983

●Clothing, textile and cleaning industries: 34 percent of workers are women

●New professions being entered are: pharmacy, home economics, accounting, market research, public relations and to an increasing extent, law.

The mere fact that South Africa has more professional black women than the rest of Africa put together reminds one of the famous Shakespearean line: "The fault, dear Brutus, is not in our stars, but in ourselves." — **J van Rensburg, Johannesburg**

I AM currently engaged in researching the history of Catholic university student movements in South Africa, most particularly the National Catholic Federation of Students and the Catholic Students' Association of South Africa. As part of my research I am trying to contact people who were involved in these movements and who have reminiscences of their activities over the last 40 years.

If any readers were members of either NCFS or Casa, could they please contact me, in writing, at the address below, giving me details of the period in which they were participants and any positions they held in the organisations. Any assistance will be most gratefully acknowledged since this research is

the University of Cape Town. **Anthony Egan, 6 Elffers Roa Milnerton 7441**

CONGRATULATIONS to t *Weekly Mail* for publishing infc mation about some of the hazar of chloroquine.

It may interest readers to knc that homeopaths have been curi malaria for 200 years, even lo before it was known that the an pheles mosquito was responsib As the clinical picture of malar has changed, a different remedy nowadays required. But the unde lying principle of homeopath (dilution and potentisation of an a lopathic similar) remains the same

David Livingstone killed himse with quinine because he had bee trained in allopathy instead of h meopathy.

The British parliament suppress statistics proving the success of ho meopathy in treating cholera in th 1832 outbreak. There is a long hi tory of suppression of information

Medical practitioners are as muc the victims of the pharmaceutic industry as the patients.

If democratically minded peop looked at health care in the sam way as they regard political right they would require informatic from the "experts" before handin over their bodies to dubious trea ment. As it is, the medic "authorities" expect acquiescen from the public, and they get it.

The medical authorities shou provide proof that there are no i sidious long-term side effects fro the oral polio vaccine before fois ing it on to the entire population.

They should also provide son evidence that the vaccine preven polio. Blaming the failure of th vaccine on the fact that it was ac ministered three times instead four times, or that the cold cha was broken, is not supported b evidence from other countries.

The medical authorities should r search the claims of homeopath practitioners that polio can be su cessfully treated with a carefully s lected potentised similar, instead rejecting these claims out of hand

Parents should be made awa that in South Africa i "immunisation" procedures a compulsory by law, not even f school entrance purposes.

Fares fly high on SAA ... but bookings keep landing

By KIM CLOETE

SOUTH African Airways has been making profits but travellers on its international and domestic flights have plenty to complain about: rising airfares, low service standards and delays.

SAA's profit last year was R108,6-million and the airline expects a profit of R134,5-million for the current financial year, it announced recently.

Fares on SAA's international routes go up five percent tomorrow, despite last month's undertaking by transport minister Eli Louw that there would be no general increase in tariffs and fares in the 1988/89 SA Transport Services budget.

SAA does not set international fares alone. But as it holds a monopoly on airline travel within South Africa, it is in a persuasive position when it comes to pegging fares on international routes to South Africa.

Fares are agreed, through the International Air Transport Association (Iata), by "pool partners": two airlines, SAA and British Airways, for example, who share profits with each other if they travel the same route. Their agreement on fares must be approved by both governments before Iata makes a final decision on the fares set, according to an SAA representative.

The latest fare increase was necessitated by the further devaluation of the rand against foreign currencies, a travel agent said.

But it will make the price of flying to and from South Africa even more expensive in relation to other routes than it already is.

On other international routes, commuters are free to pick and choose according to comparative fares and services owing to healthy competition.

The "pool partner" fare for the cheapest SAA flight from Johannesburg to London is R2 254 with the flying time nine to 11 hours. The London to Los Angeles run — which takes the same time — costs R1 829, and the fare from Dallas to London, again with the same flying time, costs $595 (R1 267) on American Airlines — almost R1 000 less.

Pleas for privatisation of SAA have been made by travel agents and echoed by clients distressed by continually rising airfares. One travel agent said SAA fares were "embarrassingly high" while another described them as "a complete rip-off".

Nonetheless the planes are fuller than ever. Says an agent at Hyde Park Travel: "It's always been difficult getting overseas flights during peak season — you have to book up to six months in advance — but since the beginning of this year the demand for flights just hasn't stopped. Bookings are chock-a-block and travel agents are being snowed under with work."

Travellers on SAA domestic flights also find they have to book weeks or even months in advance if they want to get on a plane, even though SAA has introduced new half-price early morning flights, 14 additional weekly midnight flights and an extra 60 weekly flights.

There's no guarantee though that the traveller who manages to get a booking will arrive at his or her destination at anything like the scheduled time. Delays have plagued domestic and international flights and travellers complain of bad service during the delays.

SAA has attributed the delays to technical hitches, and, says an SAA representative, "If one plane is five minutes late, this has a domino effect and other flights are consequently delayed."

But the airport logjam is not entirely due to technical hitches. SAA's shortage of air controllers has been widely publicised — one way the airline has been cutting costs and extracting profits.

SAA's most recent blunder is its best. It has rescheduled midday flights to Bulawayo so that passengers cannot connect onward to the Victoria Falls It's really picked its moment: the rescheduling becomes effective this week, and, says the Association of South African Travel Agents: "This will cause 1 000 foreign tourists *en route* to the Victoria Falls for Easter to miss connections to their destination."

According to SAA, the rescheduling of the Bulawayo flight is in order to achieve greater operational savings. But as one travel agent said: "SAA may save a few rand, but will lose much goodwill — and indeed could well lose quite a few tourists."

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W/Mail
31/3 — 7/4/88

.3% Real +21.2% Real Weekly Wage at 12/85: R 34.96

0% Real +14.2% Real Weekly Wage at 12/85: R 36.89

How they cheered when Flight 319 arrived — 3½ hours late ...

By DEON DU PLESSIS
Staff Writer

I WENT to D F Malan Airport to fetch someone off Flight SAA 319 from Johannesburg yesterday. It was scheduled to leave at 1.30pm and to arrive here around 3.30pm.

Flight Information, as listed in the telephone directory, was rung shortly before 2pm yesterday for confirmation that the flight was on time. The advice was that the flight would not arrive before 4.50pm.

At 3pm I was told by Flight Information that Flight 319 would certainly arrive at 4.50pm. Asked whether that was confirmed information, the operator said "yes".

Shortly before 4pm a third check was made. This time we were told Flight 319 would arrive at 4.50 pm "at this stage".

LONG WAIT

I arrived at D F Malan shortly after 4.45pm. The advice board in the Domestic Arrivals concourse said Flight 319 was expected at 7pm. Clearly, then, it had not even taken off from Johannesburg.

It was a long wait. I fell into conversation with two other people. Each had similar bizarre stories to tell of extended delays by SAA. I cannot vouch for them so they will not be repeated here.

The Jumbo jet Swartberg touched down just before 7pm.

It was announced that this was Flight 319. People in the Arrivals hall and the adjoining restaurant burst into applause at the news.

AIR FORCE

I found the person I had come to meet amid the throng. She said she'd been dropped at Jan Smuts at 12.30pm and had been trying to fly to Cape Town since then. She had stories to tell of a broken check-in computer at Jan Smuts, a delayed flight from Durban and a wait of an hour on the tarmac at Jan Smuts after passengers had eventually embarked.

An expensively dressed woman passenger said she had left Toronto a few days earlier. She reflected with some heat that crossing the Atlantic was a small thing compared to flying from Johannesburg to Cape Town. Another passenger, a well-known member of Parliament, put on a brave face and joked that perhaps the Air Force should take over.

It took a further 45 minutes from the time the Swartberg touched down to the time my companion's suitcase appeared on the luggage carousel. A large number of passengers were still waiting for their luggage by the time we left.

We were home shortly after 8pm.

● Attempts by The Argus to contact the public relations division of SAA for comment proved fruitless. Four telephone numbers supplied by SAA and verified by SAA's Cape Town office as being correct, rang unanswered over a three-hour period. A fifth number was provided which also rang unanswered.

A 24-hour paging service number provided by the public relations office and supposedly carried by the Press liaison officer at all times, was tried twice but the call was not returned.

SA TRANSPORT SERVICES (269)

Hapless hauliers

Road hauliers say they are being pushed off the road by SA Transport Services (Sats) undercutting its published tariffs to increase rail freight volumes

But Sats maintains that "the market sets the rates" and it is merely fighting back against *de facto* transport deregulation.

A large public carrier says "Sats is subsidised by the taxpayer, so it can charge uneconomic rates to take goods off the road. I've lost several major contracts to Sats in recent months because of this policy. It's unfair competition because they're protected"

Other carriers agree Says one "Sats wants to have its cake and eat it It's carrying containerised tyres, for instance, at 50% of the container rate. That's ridiculous. There's no way we can compete economically with that

"We're facing the prospect of a State service deliberately undercutting private enterprise — to the extent that certain hauliers could go under — without any of the constraints imposed on private enterprise operations"

Some hauliers are contemplating legal action because they maintain lower-than-tariff contracts are against the law, specifically against Section 8(11) of the SA Transport Services Act (Number 86 of 1981) They want the published tariff either adhered to or thrown out.

Sats sales promotion director André Heydenrych sees things differently.

"We offer contracts at less than our published tariff rates. Those rates are for casual users only. For people who use rail regularly, we are more than prepared to consider contracts at special rates This is because transport deregulation is a fact of life in the Eighties. It might not be *de jure*, but it is certainly *de facto*.

"We have been losing market share. We have taken steps to counter that trend, since we contend the market is being deregulated, despite the fact that there is a law which states otherwise"

He says 60% of rail revenue (worth around R3bn) is still derived from freight charged at tariff rates, but that Sats relies on the market to set contract rates. "We look at where we are losing market share, for instance in the paper sector, because of a permit interpretation that allowed paper to be carried under a fibreboard permit

"So we went to Sappi and Mondi and offered them a better-than-tariff rate. That is how we do it, based on good business decisions"

Public Carriers' Association director, Ian Moss, says "We are seeing a situation where government is contributing to the chaos in the marketplace

"I've had many complaints from members about Sats undercutting its tariff I have discussed this at length with Sats. In January last year, we talked with the minister about this problem. But it has been brushed aside on the basis that Sats has to compete on business principles.

"We regard Sats as a common carrier which is obliged by law to publish all its tariffs, whether contract or casual. Even where there are so-called special contracts, these have to be published as well. They are not.

"Sats is also discriminating among clients. Bigger customers are being privileged where the law does not allow that to happen. At the end of the day, what Sats is doing with its special contracts is illegal" ■

RM 11/4/88

RAILWAYS

Gauging privatisation

269

Up to 25 railway lines may be offered for privatisation in the next 10 years.

South Africa's first privatised railway service — the narrow-gauge Alfred County Railway (ACR) between Port Shepstone and Harding in southern Natal — begins full scale commercial operations in April.

SA Transport Services (Sats) and transport consultants are understood to be independently looking at privatising another three lines — the Apple Express from Port Elizabeth, the scenic George-Knysna line in the southern Cape and the Ixopo line in southern Natal

According to Dave Stainer, a director of rail privatisation consultancy Prorail, which manages ACR, these lines may be the first of many "We are told that over the next 10 years, up to 50 lines are to be closed, of which half could be privatised "

They are all lines which Sats considers uneconomic. However, as with ACR, private enterprise will be given the opportunity to prove otherwise. The first is likely to be the Ixopo line, which runs to the timber area of Donnybrook from Umzinto, near Umkomaas The line has been closed since it was damaged by Cyclone Demoina more than two years ago.

Sats has written it off as part of its operations but has undertaken not to tear up the track for five months while local businessmen and farmers ponder whether they should commercialise it If they decide to buy it, Prorail is likely to be asked to manage the service.

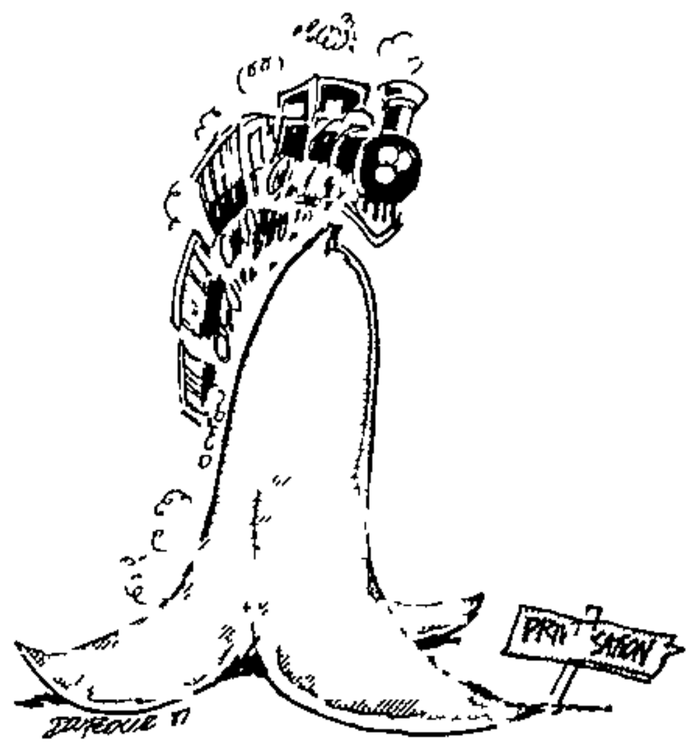
Insiders say the Apple Express is likely to be privatised within three years and the George-Knysna line thereafter.

ACR is seen as a test case for privatisation. Although the line will only be officially opened at the end of April, trains have already begun hauling timber and containers between Harding and Port Shepstone. If the service lives up to the directors' forecasts, it will probably tip the balance in favour or further privatisation.

ACR forecasts profits of R258 000 within two years, rising to R1,5m by 1994 These include contributions from the line's Banana Express passenger service for tourists. Royalty payments will earn Sats R51 000 next year and more than R400 000 by 1994.

Sats has given ACR a head start by selling it rolling stock at scrap prices. ACR has bought 400 wagons at R500 apiece and 28 steam locomotives for an average of R10 000 each. Had ACR not bought the equipment, Sats might have sold it as scrap anyway, since it couldn't use the narrow gauge wagons on its other lines.

Although ACR will initially concentrate



on timber, the directors hope it will eventually carry sugar loads as well. The company is currently attempting to raise about R1,5m through a share issue to buy equipment which will make the line more efficient. The offer, through Pim Goldby, closes on April 15.

The directors claim their service is more cost-effective than road haulage, both because of road damage costs from heavy trucks and the fact that the cost of six new trucks alone is equivalent to the entire cost of setting up the railway.

They have already begun finding more cost-effective ways of operating Removing unnecessary poles from the Sats wagons has increased potential train payloads by 40 t. Loading timber crossways instead of longways, has more than doubled the payload of individual wagons from 8 t to 18 t.

According to the directors there are many more ways of innovating and increasing the line's profitability.

Sats may regard its branch line service as an uneconomic loss-leader But there seems to be plenty of people out there only too willing to take on the lines and make a go of them. ■

More flights — but SAA 'near collapse' at Easter delays

w/t ARGUS 2/4/88

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by MARK STANSFIELD, Weekend Argus Reporter

SOUTH AFRICAN AIRWAYS' flight schedules appeared to be near collapse this Easter with "excessive delays" reported on all flights countrywide

Computer glitches, malfunctioning equipment, overworked personnel and probably a scarcity of qualified airport controllers have led to flight delays of up to three hours on domestic flights.

And the situation could worsen because of what SAA spokesmen term a "domino effect" that is building up as flight after flight is delayed

If for any reason an aircraft is delayed for more than 10 minutes after its scheduled departure, every aircraft after that will be delayed by the same time. These delays could get longer and longer as the day's flights progress, according to Mr Francois Louw, SAA's media spokesman.

Because of increased Easter demand, SAA has scheduled more flights on domestic routes. From Monday to Wednesday this week 30 flights a day were taking off from airports coutrywide but the increase in flights has overloaded computer systems and airport staff, and most flights have been delayed in departure.

To SAA spokesmen it may be a "domino effect", but to poor passengers waiting in airport lounges countrywide it simply means delayed flights, short tempers and in some cases arriving at destinations a day late.

South African airports because of increased demand

"Excessive delays" are reported on all flights and in one case a flight — SAA 319 from Jan Smuts, Johannesburg to D F Malan, Cape Town on Wednesday — finally landed to cheers from those waiting for family and friends SAA 319 was more than three hours late in arriving.

SAA spokesmen decline to give specific reasons for the delays but the prime reason could be a critical shortage of experienced air traffic controllers

Several have resigned in recent months and new staff were being hurriedly trained to fill a critical gap in flight control rooms — especially at Jan Smuts.

The shortage of air traffic controllers led to the closure of several approach sectors and a runway at Jan Smuts, causing delays on almost every flight that took off from there this week.

SAA has also been criticized for leasing or selling several of its aircraft during a slump in passenger demand during the 1986 economic slump

Passenger demand has now reached record peaks but SAA has not yet increased the size of its fleet — the workload of most aircraft is excessive and maintenance levels have dropped drastically.

An SAA statement said that since the beginning of the week it had received more than 7 000 telephone calls a day at its central reservations office in Johannesburg

This overloaded computer systems, and with the largest number of passengers in many years during the Easter holidays, was creating delays at airports around the country

At Jan Smuts about 7 000 (nearly double the recorded average) outbound domestic passengers were attended to on Thursday.

SAA introduced 21 additional flights during the Easter holiday period to cater for the heavy demand

Those extra flights, together with hundreds of passengers converging on airports trying to get away on earlier flights than those they booked, are delaying domestic flights.

R15-m to solve downed SA jet's secrets

By HAMISH McINDOE

THE key that could unlock the mystery of the Helderberg aircraft disaster will cost South Africa's aviation authorities R15-million

This was the cost of salvaging the Helderberg's flight data recorders using a submersible, it was reliably learned this week

This is nearly twice the amount spent on the search operation since flight SAA 295 crashed off Mauritius killing all 160 people aboard last November

Said Mr Justice Cecil Margo, who is heading the commission of inquiry "The question of salvaging the flight data recorders is by no means closed.

"But the expense would be enormous and run into many millions. We are now weighing the costs involved and talks with contractors are underway

"It's all a question of money now," Judge Margo added.

He declined to name the countries that may become involved in the salvaging of the Helderberg's flight recorders

Mini-sub

It is unclear whether the French deep sea mini-sub Nautile, used in the search for Titanic, will be available for the salvage operation later this year

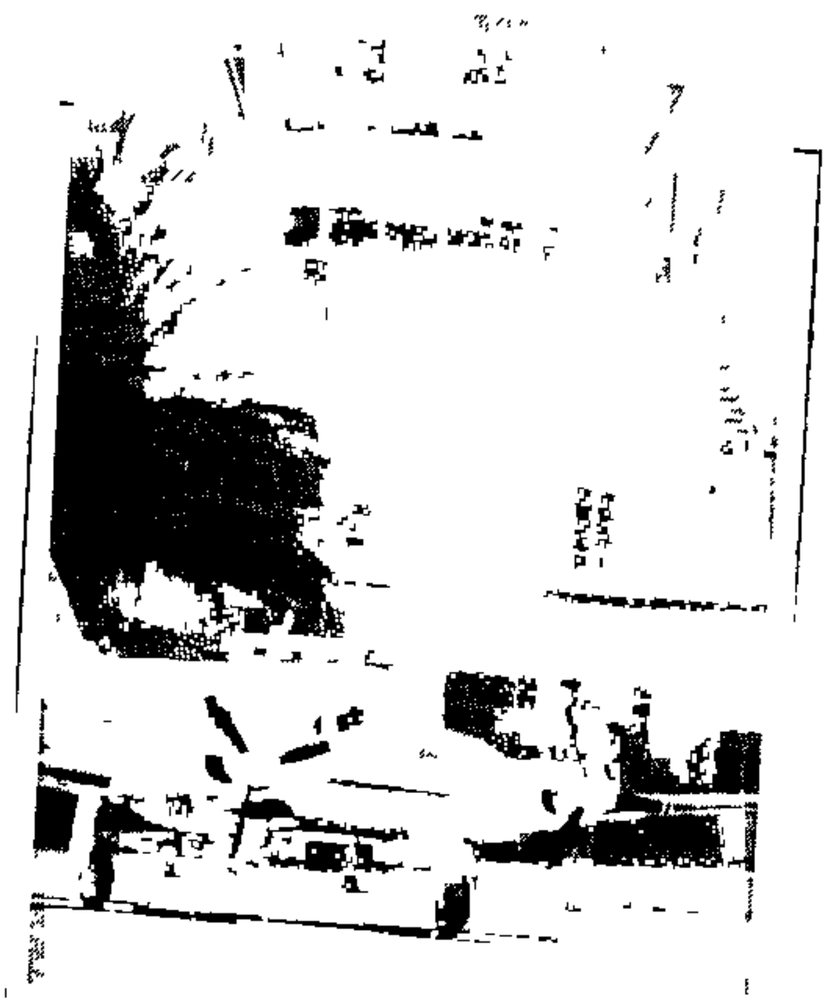
Wreckage from the Helderberg was recently found using side-scan sonar equipment at a depth of more than 4km

Meantime a provisional date for the commission of inquiry's public hearing into the crash has been set for July 18

The hearings are expected to take place in Pretoria, Johannesburg and, possibly, Mauritius.

Judge Margo said a subcommittee had been appointed in South Africa to continue the assessment of available crash evidence

The overseas members of the commission, which includes the former head of Britain's Accidents Investigation Board, Mr Geoffrey Wilkinson, are investigating aircraft accidents that have at least three things in common with the Helderberg crash



More scope for smaller aircraft

monitoring committee will ensure we all keep in touch," says SAA deputy director Theo Nel "SAA is in favour of this development "

The main complaints were that SAA's weekend services to and from Bloemfontein are inconvenient and that the Cape Town service is "erratic and highly frustrating." SAA says it will examine its timetables and discuss changes with the monitoring committee headed by local councillor Colin Hickling

"While it is impossible to satisfy everyone, it is clear smaller airlines have a role to play and that improved future communication with the flying public and other parties is essential," says Nel

Comair MD Pieter van Hoven says private operators can meet the limited needs of a low density route like Bloemfontein A more frequent service can be rendered by operating smaller aircraft like the 44-seater F-27 or the 15-seater Metroliner (operated by Comair and Magnum respectively).

"SAA has already indicated private airlines can apply for a licence on the Bloemfontein-Port Elizabeth route. Six operators have applied and we expect a decision by the NTC on May 16 It is possible that a private permit may go hand in hand with a reduced SAA service," says Van Hoven.

He adds that the current flexibility is a prelude to official airline deregulation which will open up further "exciting possibilities" for private operators In the meantime, other routes like Bloemfontein-East London and Bloemfontein and other coastal destinations could be opened up

"These are tremendously positive developments," say Van Hoven, whose airline will soon start operating its F-27 on the Durban-Bloemfontein route, in association with SAA.

Private airlines won't be the only beneficiaries. It also enables SAA to reduce its less profitable operations and concentrate on high frequency routes

The biggest winner of all, though, should be the flying public — and that is to be applauded ■

AIR TRANSPORT — 1

Private passage

It's bloem-ing difficult trying to fly to the Free State capital Talks between South African Airways (SAA) and others have led to assurances that it will be easier in future

Local politicians and businessmen recently met SAA officials, private airlines and the Division of Civil Aviation (DCA) to discuss improved air services to the city The discussion ended with SAA conceding that private airlines could play a bigger role in meeting air passenger demand in Bloemfontein.

"We are pleased with the outcome of the meeting. All parties now better understand one another's problems and the creation of a

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Fewer planes at D F Malan

Political Staff

THE number of aircraft using D F Malan Airport has dropped by 18,6% over the past five years And the number of international flights from D F Malan went down by 43,9% between 1985-6 and 1986-7.

This was disclosed in the 1986-7 report of the Department of Transport and National Transport Commission, tabled yesterday in Parliament.

In 1982-3, there were 50 579 landings and take-offs at the airport, but by 1986-7 this had dropped to 41 148.

However, Cape Town remains the second-busiest airport in South Africa after Jan Smuts

couple kicked off train, held in ticket office

TV tips

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R-SMITH

yl and Derick Hen-ried life, but not the ens to have a "whites

terday that a white rumder ordered her Saturday when they lt River to Kraaifon-

ended up being re-olicemen, then held n for an hour-and-a-half by the examiner before they were allowed to go without charges being laid.

SA Transport Services spokesman Mr Luther Diedericks denied it was a racial incident

"We have a preliminary report from the ticket examiner, but need to speak to him and other parties involved, and then we will come out with a full statement."

The couple work at Brian Porter Motors in Paarden Eiland, she as a secretary and he as a spray painter.

The cause of their trouble is that she is white and he is coloured. They were married in the NGK Sendingkerk in Kraaifontein on Saturday April 2, only a week before the incident.

Said Mrs Hendricks: "We are demanding an apology from the Railways.

"We caught the 10.40am train from Salt River, and went into the whites-only carriage as we always do — up till then without any problems.

"While we were pulling into Vasco station, the ticket examiner came to clip our tickets and told Derick he was not allowed to be there. We were the only people in that carriage, but the other ones, which were mixed, were full."

The ticket examiner held up the train at the station so they could move to a mixed carriage.

"We did move. My husband told him they should change the boards on the train.

"We sat in the mixed carriage and waited for ages for the train to move off. The next thing, nine policemen entered the carriage through both doors at once. It was a terrible shock

"The examiner said Derick had said he was going to blow the train up.

"He kept us locked in the ticket office. In the end he said it looked as though the police were making fools of the three of us, and he let us go."

The couple say they have resigned themselves to the fact that incidents like this will continue to mar their relationship.



KICKED OFF . . . Beryl and Derick Hendricks with a "whites-only" sign on a Cape Town suburban train. "We were humiliated," say the couple. Picture ALAN TAYLOR

* The wage strikes which took place in the mining industry during August 1987 were responsible for 66 per cent of man-days lost (Above-mentioned figures do not include work-stoppages)

(b) Statistics on losses incurred owing to strikes are not available

Employees: extra employment

927 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) Whether employees in the South African Transport Services are permitted to (a) take on extra employment and (b) participate in any type of business of their own, if so,

(2) whether this permission is granted subject to any conditions, if so, what conditions?

The MINISTER OF TRANSPORT AFFAIRS

(1) (a) and (b) Yes

(2) Yes It is a condition that such activities do not in any way interfere with their offical duties, that it is undertaken outside their normal working hours, and that it is not in conflict with the interests of Transport Services in general

Delays in departure of SAA flights: amount lost

932 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

What amount is it estimated was lost in terms of (a) business and (b) man-hours (i) in the (aa) 1984-85, (bb) 1985-86 and (cc) 1986-87 financial years, and (ii) as at the latest specified date in the 1987-88 financial year for which information is available, as a result of delays in the departure of South African Airways flights?

The MINISTER OF TRANSPORT AFFAIRS

An estimation is not possible

Chartering of aircraft by SAA: date on which introduced

933 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(a) On what date was the chartering of aircraft by the South African Airways introduced and (b)(i) what has been the profit or loss to the Airways since the introduction of this practice and (ii) in respect of what date is this information furnished?

The MINISTER OF TRANSPORT AFFAIRS

(a) 1 December 1987

(b) (i) The accumulated profit of S A Airways amounts to R142,709 million

(ii) 29 February 1988

Charter/leasing of Airways aircraft: moneys outstanding to SAA

935 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

Whether there are any moneys outstanding to the South African Airways in respect of the charter and/or leasing of Airways aircraft, if so, (a)(i) what amounts were involved, and (ii) for what periods were they outstanding, in respect of the latest specified period of 12 months for which information is available and (b) how did this state of affairs compare with the terms of the relevant charter and/or leasing agreement?

The MINISTER OF TRANSPORT AFFAIRS

No (a)(i), (ii) and (b) Fall away

SAA: leasing of aircraft to other countries

936 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) Whether the South African Airways are leasing aircraft to other countries; if so, when was this decision taken,

(2) whether this practice has any effects on the domestic flight capacity of the Airways, if so, (a) to what extent and (b) what revenue could have been earned in the latest specified financial year if these aircraft had been available for domestic flights,

(3) whether this practice has resulted in the Airways having to purchase new aircraft, if so, what are the relevant details?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes, August 1985

(2) No (a) and (b) Fall away

(3) No

Africans' residing in Transvaal/Cape Province

953 Mr C J DERBY-LEWIS asked the Minister of Home Affairs

(a) How many (i) North Sotho, (ii) Tswana and (iii) Zulu-speaking Africans reside permanently in the Transvaal, (b) how many Xhosa-speaking Africans reside permanently in the Cape Province and (c) in respect of what date is this information furnished?

The MINISTER OF HOME AFFAIRS.

(a) (i) 884 150

(ii) 989 714

(iii) 1 296 406

(b) 1 246 555

(c) 1980 Population Census

No end to SAA delays

Staff Reporter

TRAVELLERS on SAA flights will have to learn to live with delays for the foreseeable future, it seems.

The sudden upsurge in domestic passengers has left SA unprepared for the extra demand for flights.

Explaining why almost half of the scheduled flights over the Easter weekend were delayed, an SAA spokesman said thousands of aspirant passengers had not booked flights but arrived at airports on standby

The spokesman discounted allegations that SAA's policy of leasing aircraft to other airlines had left the airline underequipped to meet local needs.

She said SAA had ordered a further two A320 Airbuses, with an option to buy several more if the anticipated volume of traffic increased according to expectations.

Referring to the "phantom" flight at the weekend when hundreds of passengers were stranded at DF Malan Airport waiting for a non-existent Boeing 737, she said SAA had envisaged a greater demand for flights over Easter.

Not knowing how many additional flights would have to be laid on, the airline had arranged a number of provisional schedules. After realizing that first estimates were over-optimistic, SAA had switched to a second schedule.

The "phantom" flight had accidentally been left on the final schedule, she said

Newlyweds on train: Incident 'not racial'

CAPE TIMES 13/4/88 269

BY TONY SPENCER-SMITH

MIXED couples may not travel together in the "whites only" coaches of trains — and that's official.

SATS spokesman Mr Luther Diedericks confirmed this yesterday, but at the same time he denied that newlyweds Beryl and Derick Hendricks were ordered to leave a segregated white coach by a ticket examiner last Saturday because Mr Hendricks is coloured.

In fact the ticket examiner involved, Mr T E A Grunder, had laid a complaint at the Goodwood police station of a bomb threat on the train.

Police spokesman Lieutenant Attie Laubscher confirmed that a docket had been opened.

Mr Diedericks said: "The ticket examiner told Mrs Hendricks to put out her cigarette, which she did. Her husband tried to make a racial incident out of it and an argument developed.

"The conductor told them to leave the coach, and when they were on the platform at Vasco station, walking to another coach, Mr Hendricks made a bomb threat. He repeated it when Mr Grunder asked him what he had said."

DID 13/4/88

(269)

Sudden increase in passenger numbers causes delays — SAA

JOHANNESBURG — The sudden upsurge in domestic passenger numbers has left South African Airways unprepared for demands for extra flights

An SAA spokesman said thousands of aspirant passengers had not booked flights over the Easter period, but had simply arrived at airports

Catering for standby passengers had been one of the main reasons for flight delays

Because aircraft were used to their fullest capacity, one late flight would delay its subsequent schedule

A late flight would also affect the landing times of other aircraft

The spokesman discounted allegations that SAA's policy of leasing aircraft to other airlines had left the airline under-equipped to meet local needs

She said SAA had ordered a further two A320 Airbusses, with an option to buy several more.

Referring to the "phantom" flight at the weekend when hundreds of passengers were stranded at Cape Town's airport waiting for a non-existent Boeing 737, she said SAA had envisaged a greater demand for flights over Easter

Not knowing how many additional flights would have to be laid on, the airline had arranged a number of provisional schedules

After realising that first estimates were over-optimistic, SAA had switched to a second schedule.

The "phantom" flight had accidentally been left on the final schedule, she said — DDC

Bills will speed up deregulation

Road permit system is on way out

B/day 13/4/88.

THE dismantling of the road transportation permit system will become possible in terms of two transport Bills tabled in Parliament yesterday by Transport Affairs Minister Eli Louw.

The Bills are being viewed as the first step in a legislative process aimed at achieving government's promised deregulation of the road-transport industry.

If passed into law during this parliamentary session as expected, the legislation will allow a start to be made this year with dismantling the existing road transportation permit system through the gradual repeal of the Road Transportation Act of 1977.

It is proposed that this will be done from time-to-time through notices published in the Government Gazette.

The draft legislation tabled yesterday is the Transport Deregulation Bill and the South African Roads Board Bill, to be followed later in the session by the Passenger Transport Bill.

CHRIS CAIRNCROSS and ROGER SMITH

The Transport Deregulation Bill declares the permit system, where it relates to the conveyance of goods and persons, shall cease to be in force with effect from a date determined by the Minister in the Government Gazette.

After repeal of the relevant provisions of the Road Transportation Act, the transportation of goods is to be regulated in terms of the proposed Road Traffic Act, and the transport of persons in terms of this Act and the proposed Passenger Transport Act.

The South African Roads Board Bill provides for the establishment of a stat-

● To Page 2

Readers See

Bills will speed up transport deregulation

● From Page 1

utory board charged with exercising the powers, functions and duties of the National Roads Act and Urban Transport Act now held by the National Transport Commission.

In terms of this Bill, it is proposed that the board's powers be extended to include the control and management of granting of concessions for the financing and building of private toll roads.

The Bill also provides that any expenditure incurred by this board shall be defrayed from the National Road Fund.

The two Bills tabled yesterday and the proposed third Bill are the product of recommendations made by the National Transport Policy Study (NTPS), to which government responded with a white paper setting out a new national transport policy published during January last year.

Reacting to the Bills, Donald Masson, the chairman of the Transport Consultative Committee (representing the private sector on transport matters), said they had supported the NTPS recommendations and the white paper, but deregulation must not allow chaos to develop.

Fire warning months before Helderberg crash

ARGUS 15/4/88 269

By DAVID BRAUN, Political Staff

SOUTH AFRICAN AIRWAYS was warned four months before the Helderberg crash that Boeing 747s of the same type had defects which could cause fire in the cargo hold.

Although the formal inquiry into the cause of the Helderberg crash has not been completed, it is already known there was a fire in the hold before it plunged into the sea near Mauritius, killing all 159 on board.

Transport Ministry spokesman Mr Leon Els confirmed today that SAA was told nine months ago by the American Federal Aviation Administration to check its Boeing 747-200 jumbo jets for defects that could lead to fire in the hold

The recommendation apparently followed complaints by British Airways and other major operators over fuel leaks and poor workmanship in that part of the aircraft

The Helderberg was a Boeing 747-244 Combi.

Mr Els said the directive was immediately implemented by SAA· a thorough inspection was made of all SAA's Boeing 747-200s.

Replaced bolts

An SAA spokesman said today that the inspection showed faulty bolts on two aircraft

He said· "We replaced the bolts and we are not experienceing any problems with our other craft"

He was unable to say whether the defective bolts constituted a fire risk.

Mr Els said that all the aircraft continued to be monitored for problems

It was not possible to say what had brought the Helderberg down until the official investigation had made its findings.

Mr Els said SAA and the civil aviation authorities placed the highest premium on the safety of aircraft and passengers

He said the three major civil aviation crashes in the past six months were no cause for panic

Fly now, eat later!

The Argus Correspondent

ECONOMY class flying took on a whole new meaning when flight SA 318's passengers had to choose between filling their stomachs or meeting schedules.

Minutes before the Johannesburg-bound noon flight was due to take off from D F Malan Airport yesterday, the captain informed economy class passengers that the packed aircraft was short of 100 lunches.

"He asked us to indicate by a show of hands whether we wanted to take off on time — without the food — or wait for the lunches to reach the aircraft," passenger Ms Linda Stirrat said.

Business sense prevailed and the passengers opted to stick to their scheduled departure time.

"SUFFERED"

"They all clapped when the decision was announced," Ms Stirrat said.

"But as I'd voted to leave on time, I thought it would be imprudent to accept the food when it was offered.

"So I suffered for two hours without a cigarette and watched the woman next to me eat her meal," she confessed.

A SAA spokesman confirmed the incident and said the meals had been loaded on to the 10,40am flight to Johannesburg by mistake.

"When they realised the error, airport staff arranged for a further 100 meals to be made.

"They were ready at 12.15pm — the aircraft took off at 12.06pm," the spokesman said.

among passengers.

He said an incident yesterday when an SAA Boeing 737 made an emergency return to Jan Smuts Airport because of a fuel leak was a demonstration of how no chances were taken on safety.

The Boeing was flying from Johannesburg to Cape Town when fuel started leaking from a wing. A perished fuel seal was apparently the cause.

Visual check

Mr Els said that at no stage were the aircraft and passengers in serious danger.

Reports that a passenger pointed out the leak to the pilot were not correct. The pilot had already picked up the leak on his instruments and went back in the aircraft to check it visually once he had received a report from a passenger.

He said the fuel had not gushed out, as reported, although this might have appeared to be the case to passengers because of the speed of the aircraft.

The Transport Minister, Mr Eli Louw, said today that the Government placed a high premium on safety standards.

He said "It is so that there have been three big accidents in the past six months but we must take into consideration the large number of flights and flying hours taking place every day.

"It is pure coincidence that we have had three accidents. There is no chaos or crisis in civil aviation.

"South Africa is definitely not behind international safety standards. In fact, in many instances, we are ahead."

Warning

The Progressive Federal Party's spokesman on transport, Mr John Malcomess, said today he was concerned by the overall state of civil aviation in South Africa, particularly the appalling safety record of the past year.

Referring to an earlier statement by SAA that the airline had not received the Boeing warning, a statement later corrected, Mr Malcomess said: "If SAA can make bad mistakes in its statements which directly affect the safety of its passengers, it creates a doubt in one's mind as to the veracity of its other statements"

He said that if one combined the poor safety record of South African civil aviation with the unhappiness of air controllers, pilots and engineering staff because of their working conditions then one should be concerned.

"In my view the overall situation of civil aviation in this country needs to be reviewed."

Boeing issues world-wide warning

Airline to check jumbos

By TONY SPENCER-SMITH and Own Correspondent

AMERICAN aviation authorities have told the world's airlines to check their Boeing 747-200 jumbo jets for defects that could lead to fires in the cargo holds.

The warning, which went from the American Federal Aviation Administration (FAA), includes 747-244 Combi Boeings like the Helderberg, which plunged into the sea off Mauritius killing all on board — apparently after a fire started in its cargo hold.

SA Airways currently has six of the 747s covered by the warning, including one like the Helderberg

The airlines were asked to carry out the examinations during the next 50 hours of flying time But there was no order to ground the aircraft, of which there are 593 in service worldwide.

The recommendation followed complaints by British Airways, Japan Air Lines and other companies over the possibility of fuel leaks as well as shoddy workmanship on the part of Boeing

SA Airways spokesman Mrs Aletta van Jaarsveld first told the Cape Times yesterday that the airline had not received the directive because it did not have any of the affected jumbos

A spokesman for Boeing in Seattle, Mr Jack Gamble, said his company had sold SAA a number of these aircraft

He said the FAA directive in fact followed a Boeing service bulletin sent out to airlines about a year ago, containing the same warning that certain bolts in the cargo hold should be checked.

Contacted again last night, Mrs Van Jaarsveld apologized for having given incorrect information

"It was a misunderstanding We in fact have five of the 200 passenger jumbos, which we call SUDs, and one 244 like the Helderberg

"We did in fact receive the directive and then checked all the planes and could not find anything."

Mr Justice Cecil Margo, chairman of the Helderberg Board of Inquiry which is still investigating the causes of the Helderberg disaster, said yesterday that he could not comment on the directive because the whole matter was sub judice

Mr Nick Wantiez, an

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P. T.O.

Fuel 'gushing', flight aborted

By TONY SPENCER-SMITH

A CAPE TOWN-bound SA Airways Boeing 737 had to turn back to Jan Smuts Airport on Wednesday when passengers spotted fuel gushing from the wing.

The 4pm Flight 309 was full, with a number of well-known personalities on board including rugby legend Tommy Bedford and former PFP leader Dr Van Zyl Slabbert.

Passengers on the flight said they were about 25 minutes out of Jan Smuts when the captain announced that there was a fuel leak. But, he said, there was enough fuel to get back to Johannesburg.

Passengers said that immediately the plane landed technicians had found that a fuel tank cap seal had perished so badly that it had simply been tossed on to the tarmac.

About six fire engines were waiting at the airport when the plane landed.

Cape Town businessman Mr Sam Schaffer, said the experience was "disturbing".

"I could clearly see the fuel pouring out. A passenger pointed it out and the captain came to look.

"One doesn't feel too confident when the crew has to be notified by the passengers of something like this."

SA Airways spokesman Mrs Aletta van Jaarsveld said it was standard procedure for a plane to turn back in circumstances like this because "you can't just have fuel leaking from a wing".

She said the seal which had been leaking was on a tank cap on the top of the wing which was hardly ever used.

She said the seal was checked at each major inspection.

A spokesman for Boeing in America said the company had not heard of a problem like this before.



N DUCKS
a Williams,
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urban was de- weather days.

Carl Twiss 15/4/88 (269)

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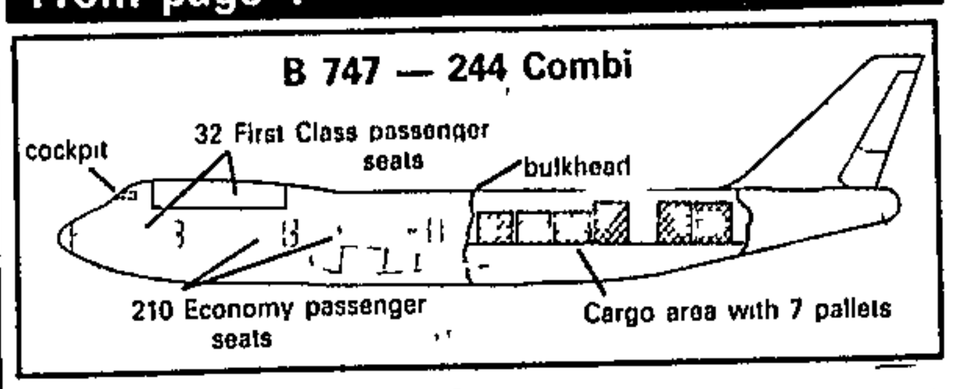

FAA spokesman, said the warning was classed as a "most serious" directive.

The first of the current problems was reported last November, when a Japan Air Lines plane was found to have a fuel leak in the cargo hold caused by faulty bolts.

"Fuel leakage in general is not uncommon," said Mr Wantiez, "but fuel leakage in this compartment could result in a serious fire"

British Airways, Boeing's biggest customer, sent a letter containing similar complaints

Boeing officials have conceded that, with an overfilled order book, long overtime hours by assembly-line workers and a large intake of new employees, there are problems at the main 747 plant.

Japan Air Lines later complained in a letter to Boeing of other problems with the 747, in addition to bad wiring in the fire extinguishers on their 767s, which come from the same plant

Keep Cape Town Tidy



Inserted as a public service by

Cape Times

OUTDOOR LINE

TO obtain an update on the weather conditions around the Peninsula, dial these numbers:

Dial-a-Wind for surfers: 56-1723 (Blouberg), 88-8226 (Muizenberg), 80-1298 (Scarborough)
Diving Line: 46-5500
Mountain Club of SA (climbing queries) 45-3412
Hiking, camping and permits: 45-1224

Non recoverable financial assistance	13 345 455	4 360 866	3 142 784	603 262	—
Relief of distress	7 050 000	3 027 856	1 853 748	—	—
Job creation	1 000 000	2 544 770	15 463 624	14 770 105	10 800 000
TOTAL	172 660 919	190 712 306	227 063 656	267 033 824	334 466 000
B *Transfer payments*					
Tax compensation	12 578 289	17 251 413	21 000 000	24 386 346	28 414 000
Customs union	62 375 000	129 628 000	132 529 000	107 291 000	156 117 000
Common monetary area	1 765 307	2 539 200	2 885 000	2 999 893	3 740 000
TOTAL	76 718 596	149 418 613	156 414 000	134 677 239	188 271 000
C Loans (Project aid)	161 468	—	3 682 589	7 638 332	8 136 000
D *Technical and other assistance*					
Manpower provision	9 472 470	10 042 246	9 259 967	9 697 851	22 490 000
Flour subsidy	793 173	496 426	507 047	611 092	465 000
Technical assistance	304 477	382 937	883 281	243 572	410 000
Salaries for Judges	113 911	230 791	222 727	214 424	278 000
TOTAL	10 684 031	11 152 400	10 873 022	10 766 739	23 643 000
GRAND TOTAL	260 225 014	351 283 319	398 033 267	420 116 134	554 516 000
E *Guaranteed overdraft facilities*				3) 227 000 000	3) 188 000 000

(1) Actual Figures
(2) Estimates
(3) Total value of the guarantees provided
It is not necessarily the total guaranteed amount taken up by the Ciskei government.

Independent Black states/self-governing territories: citizens in RSA

535 Mr C J DERBY-LEWIS asked the Minister of Home Affairs:

How many citizens of each (a) independent Black state and (b) self-governing territory resided in the Republic of South Africa (i) in 1978, (ii) in 1982, (iii) in 1986 and (iv) as at the latest specified date for which figures are available?

The MINISTER OF HOME AFFAIRS

(a) (i), (ii), (iii) Not available

(iv)

Citizenship	1985*
Transkei	682 664
Bophuthatswana	588 993
Venda	89 364
Ciskei	331 300

(b) (i), (ii), (iii) Not available

The self-governing territories are part of the Republic of South Africa but the figures excluding the self-governing territories are as follows

(iv)

Citizenship	1985*
KwaZulu	1 121 360
Kangwane	329 714
Qwaqwa	704 443
Gazankulu	178 385
Lebowa	619 125
KwaNdebele	211 819

* Population census 5 March 1985 RSA excluding self-governing territories Figures as enumerated, not adjusted for possible undercount

Greater Cape Town: Blacks

543 Mr C W EGLIN asked the Minister of Constitutional Development and Planning

(a) What is the estimated number of Blacks who reside in (i) the Greater Cape Town area and (ii) each specified Black township in this area and (b) in respect of what date is this information furnished?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(a) (i) 522 450

(ii)

Guguletu	151 000
Langa	72 500
Nyanga	93 500
Crossroads	35 000
KTC	12 000
Khayelitsha	97 000
Site 'C'	38 800
Mfuleni	3 450
Lwandle	1 850
Kaya Mandi	3 350
Mbekweni	14 000

(b) December 1987

Suburban stations, West Rand: commuters

549 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) (a) What suburban stations on the West Rand handle the highest daily number of White, Coloured, Indian and Black commuters, respectively, (b) what are the relevant figures in respect of each of these population groups and (c) over what specified period were these figures calculated;

(2) whether there are shelters available on the platforms of these stations; if so, what is the capacity of these shelters on each of these stations in respect of each such population group, if not, which of these stations do not have such shelters,

(3) whether it is the intention to provide shelters at these stations, if not, why not, if so, what are the relevant particulars?

The MINISTER OF TRANSPORT AFFAIRS:

(1) (a) Information regarding only first and third class passenger numbers are kept Roodepoort handles the most first class passengers and Langlaagte the most third class passengers

(b)

	First Class	Third Class
Roodepoort	4 975	10 104
Langlaagte	2 196	35 351

(c) 24 hours on weekdays.

(2)

Yes	Roodepoort	Langlaagte
First Class	Two of 60 and 91 square metres respectively	Two of 32 square metres each
Third Class	Two of 54 and 70 square metres respectively.	Two of 32 and two of 360 square metres each

(3) No. There are sufficient shelters available

Christmas cards sent out

597. Mr P G SOAL asked the Minister of Transport Affairs

(1) Whether (a) he, (b) the Department of Transport and/or (c) the South African Transport Services sent out Christmas cards in 1987; if so, (i) what total number of cards was printed, (ii) to whom were they sent, (iii) what was the total cost of producing and distributing these cards, and (iv) who was responsible for printing them in each case,

(2) whether postage stamps were used to send out these Christmas cards; if not, how were they distributed?

The MINISTER OF TRANSPORT AFFAIRS

(1) (a) Yes

(i) 595

(ii) To various persons in the public and private sector

(iii) R1 081,47.

(iv) A printers' firm in the private sector

(b) Yes.

(i) 634

(ii) To various persons in the public and private sector with whom the Department liaises regularly

(iii) R345,64

(iv) The Department of Transport

(c) Yes. It is the policy that the South African Transport Services, as a business enterprise, send Christmas cards country-wide to its publics

(i), (ii), (iii) and (iv) Statistics of this nature are not kept and it will take much time and expense to gather such information

(2) Yes, but in the case of the Department of Transport 496 were distributed under cover of the official stamp of the Department

Christmas cards sent out

603 Mr P G SOAL asked the Minister of Economic Affairs and Technology

(1) Whether (a) he, (b) the Department of Trade and Industry and/or (c) the Department of Mineral and Energy Affairs sent out Christmas cards in 1987, if so, (i) what total number of cards was printed, (ii) to whom were they sent, (iii) what was the total cost of producing and distributing these cards, and (iv) who was responsible for printing them, in each case,

(2) whether postage stamps were used to send out these Christmas cards, if not, how were they distributed?

The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY:

(1) (a), (b) and (c) Yes

	(i)	(iii)
Minister of Economic Affairs and Technology	1 000	R2 783
Deputy Minister of Economic Affairs and Technology (Mr G S Bartlett)	1 200	R4 955
Deputy Minister of Economic Affairs and Technology (Dr T G Alant)	1 000	R1 230
Director-General Trade and Industry	500	R817
Director-General Mineral and Energy Affairs	200	R520

(ii) *Minister of Economic Affairs and Technology*
Ministers and Deputy Ministers
Members of Parliament
Businessmen and/or persons in the private sector
Foreign missions
Heads of Departments
Heads of branches and directorates in the Departments of Trade and Industry and of Mineral and Energy Affairs
Newspaper editors
Friends and family

Deputy Minister of Economic Affairs and Technology (Mr G S Bartlett)
Standing Committee Manpower and Mineral and Energy Affairs
Standing Committee Trade and Industry
Study Group Mineral and Energy Affairs
Members of Parliament of the National Party in Natal
Administrators of the four provinces
Mayors of Durban, Amanzimtoti, Scottburgh and Kingsburgh Constituency workers Amanzimtoti, Reunion, Scottburgh, Umkomaas, Kingsburgh
Heads of certain companies in the private sector
Personal friends in South Africa as well as abroad
Divisional heads of the Department of Mineral and Energy Affairs and their personnel (jointly)
Parliamentary personnel of the Department

Deputy Minister of Economic Affairs and Technology (Dr T G Alant)
Ministers and Deputy Ministers
Members of Parliament
Persons in the private sector
Foreign missions
Heads of Departments
Senior officials in the Department of Trade and Industry

Director-General Trade and Industry
Some Ministers and Deputy Ministers
Heads of Departments
Contacts in trade and industry, locally and a limited number abroad

Regional offices of the Department of Trade and Industry
Foreign trade representatives of the Department

Director-General Mineral and Energy Affairs
Ministers and Deputy Ministers
Heads of Departments
Regional offices of the Department of Mineral and Energy Affairs
Foreign representatives of the Department
Contacts in the mineral and energy industries

(1) (iv) The Government Printer

(2) Yes, in respect of Christmas cards sent abroad Christmas cards distributed within South Africa were sent as official mail which is handled by the Post Office at the normal postage rate

Suburban railway lines: delays

641. Mr J VAN ECK asked the Minister of Transport Affairs

(1) With reference to his reply to Question No 228 on 29 July 1987, (a) how many delays of (i) less than 30 minutes, (ii) 30 to 60 minutes, (iii) one to two hours, (iv) two to three hours and (v) more than three hours occurred during the period 1 May to 31 December 1987 on the (aa) Cape Town to Simon's Town, (bb) Cape Flats, (cc) Cape Town to Kapteinsklip, (dd) Cape Town to Bellville and (ee) Cape Town to Bellville via Monte Vista suburban railway lines and (b) how many commuters were affected by these delays in each case,

(2) (a) how many of the trains that were technically delayed for longer than 60 minutes on each of the above routes were cancelled and (b) how many commuters were affected by such cancellations on each of these routes?

The MINISTER OF TRANSPORT AFFAIRS:

(1) (a) (i) (ii) (iii), (iv) and (v)
(aa) 1 529 80 Due to the intensive
(bb) 714 30 scheduling of passenger
(cc) 2 093 137 suburban trains, trains
(dd) 3 345 146 which are technically
(ee) 101 4 more than 60 minutes late are cancelled as the passengers concerned will have travelled with a subsequent train.

(b)	Less than 30 minutes	30 to 60 minutes
(aa)	865 613	44 138
(bb)	262 336	10 659
(cc)	1 688 852	109 599
(dd)	2 252 144	97 140
(ee)	14 950	311

(2)

	(a)	(b)
Cape Town — Simonstown	91	41 399
Cape Flats	Nil	Nil
Cape Town — Kapteinsklip	Nil	Nil
Cape Town — Bellville	Nil	Nil
Cape Town — Bellville via Monte Vista	Nil	Nil

Amendment of conditions of service of teaching personnel: consultation with staff associations

657 Mr R M BURROWS asked the Minister of National Education.

Whether he is required to consult with any staff associations prior to the amendment of any conditions of service of teaching personnel, if so, in terms of what statutory provisions?

The MINISTER OF NATIONAL EDUCATION

No, but according to section 2(3) of the National Policy for General Education Affairs Act, 1984 (Act 76 of 1984) the Minister of National Education shall establish a committee to advise him on any matter relating to the salaries and conditions of employment of staff. He shall also establish a research committee on which the organized teaching profession shall be represented, to assist the said committee in the performance of its functions.

Members: membership of trade unions

719. Mr C J DERBY-LEWIS asked the Minister of Defence

(1) Whether any members of the South African Defence Force are permitted to belong to trade unions; if so, (a) what unions operate within the Defence Force and (b) what are the functions of these unions,

(2) whether the Defence Force have signed

Major electrification of railway lines in EL area nearing completion — Sats

QUEENSTOWN — The electrification of the railway line between Queenstown and East London will be completed by the end of next month, 108 years after the first steam passenger train rolled into Queenstown.

The electrification of the line from Queenstown to Springfontein will be completed by the end of October this year

The regional manager of the South African Transport Services (Sats) in the Eastern Cape, Mr Louis du Toit, said Sats was starting to energise the 17 electrical sub-stations along the entire route, in stages, beginning from East London

The electrification of the sub-stations between East London and here should be completed during May and electric trains would be operating along the line by the end of that month

Mr Du Toit said the line between Queenstown and Springfontein would also be energised in stages and electric trains should be operative on that route by the end of October,

The multi-million rand conversion of the East London-Springfontein main line from conventional to an electrified operation, included the adaptation or removal of existing structures, like bridges, which were too low to accommodate the overhead electric cables

The old Kingsway bridge here was one of the structures which had to be demolished and replaced by a higher road-over-rail bridge

The electrification of the Cape eastern main line has been a major development in the line's history

The construction of the railway line was inaugurated in East London (then Panmure) on August 18, 1873, by the then Prime Minister of the Cape Colony, Mr J C Molteno On May 1, 1880, the first passenger train from East London arrived at the Queenstown station.

Business Da

DAY APRIL 15 1988 60c (54c + 6c tax)

E and CAPE 80c (71c + 9c tax) A TIMES

269 B/day 15/4/88

SAA warned of Boeing 747 defects

CAPE TOWN — In a move which could influence the official inquiry into the Helderberg air disaster, the US Federal Aviation Administration (FAA) has warned SAA to check many of its Boeing 747s for defects that could lead to fires on board.

The warning, sent to all the world's airlines, includes 747-244 Combi Boeings like the Helderberg, which plunged into the sea off Mauritius — apparently after a fire started in its cargo hold.

Six SAA 747s, including one like the Helderberg, are covered by the warning.

SAA spokesman Aletta van Jaarsveld said yesterday: "We have five of the 200 passenger jumbos, which we call SUDs, and one 744 like the Helderberg. We received the directive, and then checked all the planes."

Own Correspondent

A spokesman for Boeing in Seattle, Jack Gamble, said his company had sold SAA a number of the aircraft.

He said the FAA directive followed a Boeing service bulletin sent to airlines about a year ago, containing the same warning that certain bolts in the cargo hold should be checked.

Helderberg Board of Inquiry chairman Mr Justice Cecil Margo said yesterday he could not comment because the whole matter was *sub judice*.

Our Los Angeles correspondent reports the FAA directive asked all airlines to carry out checks during the next 50 flying hours, but did not ask for them to be grounded.

It followed complaints by British Airways, Japan Air Lines and others about the possibility of fuel leaks and shoddy workmanship by Boeing workers.

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SAA 'errors' query

By ANTHONY JOHNSON
Political Correspondent

THE image of SAA as an efficient and professional airline was "fast being destroyed" by its own errors and omissions, the PFP spokesman on Transport, Mr John Malcomess, said last night

He was commenting on the spate of safety, catering and staff relations problems that have plagued the airline in recent weeks.

"We have had unhappy pilots and air traffic controllers — and a large question mark as to whether there have been sufficient controllers at our airports

"We also have an engineering association who has been ignored by the minister (Mr Eli Louw) for a number of years."

Mr Malcomess said SAA's image had also been tarnished by "delayed flights on a regular basis"

A statement — which an SAA spokesman later corrected — that the airline had not received a safety warning regarding some of its jets, had also not helped the airline's image

"This must place other statements made by SAA in question," he said.

"The very incidents quoted by Ministry of Transport spokesman Mr Leon Els, regarding the fuel leaking from a 737 this week, as a point in SAA's favour, was in fact just the opposite

"The faulty fuel seal discovered on a flight this week would never have been allowed to perish to such an extent if proper maintenance and inspections had been carried out — anything connected with possible fuel leakage on planes must be inspected regularly"

Mr Malcomess said that since air travellers in South Africa did not have the alternative of using another airline on domestic flights, "it is therefore necessary that the position regarding SAA be rectified as a matter of urgency".

He called on Mr Louw to take immediate steps to ensure air safety and efficiency.

SATS posts debt burden of R7,5bn

Cape Times 19/4/88 269

Political Staff

SA Transport Services (SATS) has built up a total debt burden of more than R7,5 billion, according to an Auditor-General's report, which was tabled in Parliament yesterday.

Added to this amount are unrealized foreign exchange losses of R3,2 billion

Covering the financial year 1986/7, the Auditor-General's report records that 22,1% (R1,7 billion) of SATS's total debt is in the form of foreign loans, 53,7% (R4,1 billion) in domestic loans and 24,1% (R1,8 billion) held in the form of Treasury loans

The extent of this debt must raise serious financial barriers against the expressed desires by government to privatize SATS, said PFP Transport Affairs spokesman Mr John Malcomess

The potential shortfall on SATS's pension fund, about R5 billion, must exacerbate this prospect.

He said a private sector company operating in this manner would have been placed into liquidation a long time ago.

In a veiled criticism of SATS's management of its foreign exchange transactions, the Auditor-General records that SATS continued to operate a forex risk management policy, leaving some of the foreign debt uncovered, instead of taking outright cover on all currency transactions

This policy is now the subject of a special investigation, requested by the Parliamentary Standing Committee on Public Accounts.

The net accumulated deficit for unrealized forex losses led to an accumulated loss of R1,2 billion for 1987.

AG tables SAA ticket 'deficiencies'

Cape Times 19/4/88 269

By BARRY STREEK

SERIOUS deficiencies in the control and accounting procedures over the issue of air tickets by SA Airways had been uncovered during a limited test audit, the Auditor-General, Dr Joep de Loor, reported to Parliament yesterday.

He also said an investigation over unused tickets had revealed that the actual ticket stocks on hand at various air stations could not be reconciled with the computer stock control register and various deficiencies in control and accounting procedures in regard to the sale of sports wear and other items had been revealed.

Dr De Loor, whose report into the accounts of the SA Transport Services for 1986/7 was tabled , said "the serious deficiencies" in regard to the issue of air tickets had been brought to the attention of the General Manager on March 10 last year

Apparent irregularities in the issue of tickets were also reported to the General Manager.

"This led to the appointment of a special investigation team by SATS to conduct a thorough investigation into the control, accounting procedure and alleged cases of fraud."

Financial affairs report tabled

Sats' total debt burden at R7,5bn

D1D19/148

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Daily Dispatch Correspondent

CAPE TOWN — The South African Transport Services (Sats) has built up a total debt burden of more than R7,5 billion, of which nearly half, or R3,2 billion, is in the form of foreign exchange losses.

According to a report on Sats' financial affairs for the year 1986-7, tabled by the Auditor-General, Dr Joop de Loor, 22,1 per cent (R1,7 billion) of this indebtedness is in the form of foreign loans, 53,7 per cent (R4,1 billion) in respect of domestic loans, and 24,1 per cent (R1,8 billion) in the form of treasury loans

The extent of this debt may raise serious financial barriers against the expressed desires by the government to privatise the transport service

The potential shortfall on Sats' pension fund — said to be about R5 billion — may further exacerbate this prospect

The PFP's spokesman on transport affairs, Mr John Malcomess, declared yesterday that any private sector company which operated in this manner would have been placed into liquidation a long time ago

In what is seen as a veiled ongoing criticism of Sats' management of its foreign exchange transactions, Dr De Loor recorded that Sats continued to operate a forex risk management policy instead of taking outright cover on all currency transactions

This policy is now the subject of a special investigation requested by the Parliamentary Standing Committee on Public Accounts

And the approach has been costly

The net accumulated deficit that has resulted from it amounted to R1,2 billion in the 12 months under review

Deficits paid to banks in respect of foreign loans redeemed during the year amounted to R38,9 million and were charged to the Reserve for Unrealised Exchange Losses

Losses amounting to R27,1 million incurred from the buying and selling of foreign exchange were not lodged against this reserve account and were recorded directly against financing costs

By the end of March last year, Sats also owned 7 099 unoccupied houses, thereby ensuring a loss of R469 129 in rent as a result

Sats also paid out R53 105 in compensation for the destruction of 13 drums of pigs' intestines, which were damaged when a timber truck caught fire

During the year, Sats paid R16,5 million in compensation payments, a R3,1 million increase over the previous year

Most, R12,4 million, was for damages to goods and livestock and another R1,7 million was paid in compensation in respect of the road transport service

Toll plaza idea mooted

CAPE TOWN — "High-rollers" heading down to the gaming tables of the South Coast could be on to a two-to-nothing hiding — a toll plaza this side of the Port Edward bridge

The idea was mooted in the transport debate yesterday by the NP MP for the South Coast, Mr Aubrey Thompson, and the Minister of Transport, Mr Eli Louw, indicated it was possible



MR LOUW

Mr Thompson said large volumes of traffic were using the South Coast road to the Transkei for "entertainment purposes"

"The province, because of this traffic was forced to upgrade and realign the road at considerable cost," Mr Thompson said

"I would like to suggest that an in-depth study is undertaken into the viability of a toll road, with a share of the toll going to the Regional Services Council for the improvement of facilities for motorists and holiday makers who visit the area"

Mr Louw said it was government policy that there should be an alternative route before a toll road was introduced but it was possible to consider making exceptions to this policy — DDC



SATS houses empty

The South African Transport Services (SATS) owns 7 099 houses which were unoccupied at the end of March last year, the Auditor-General, Dr Joep de Loor, reported yesterday 803 of the houses were indefinitely unoccupied and 6 296 were temporarily unoccupied, representing 27,9% of all SATS-owned houses

entry and if the meat complies with the requirements it is cleared for human consumption. Imported chicken meat must originate from a poultry abattoir in the country of origin which has been approved for export purposes to the Republic by the Chief Meat Hygiene Officer of the RSA. This is in accordance with international practice. Such meat must also be accompanied by a certificate issued by a competent veterinarian of the country of origin in which is certified that —

the meat concerned originates from such abattoir,

the chickens from which the meat was derived, were inspected for signs of diseases prior to and after slaughtering, and

that the meat in the consignment is fit for human consumption

Chicken meat served on flights of SAA

*2 Mr T LANGLEY asked the Minister of Transport Affairs †

(1) Whether chicken meat formed part of meals served on flights of the South African Airways on 10 March 1988, if so, on which flights,

(2) whether any of this chicken meat was imported from abroad, if so, (a) from which country and (b) what was its country of origin?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes SA 033, SA 035, SA 234, SA 252, SA 335, SA 345, SA 367, SA 417, SA 421, SA 518, SA 619, SA 620, SA 621, SA 622 and SA 709

(2) No (a) and (b) Fall away

Pietermaritzburg: discharge of special constables

*3. Mrs H SUZMAN asked the Minister of Law and Order.

(1) Whether any special constables in the Pietermaritzburg area have been discharged as a result of their alleged involvement in criminal offences, if so, (a) how many, (b) when, (c) for what alleged offences and (d) in respect of what date is this information furnished;

(2) whether the Police were aware of their alleged criminal offences at the time of their recruitment, if not, why not; if so, why were they employed?

†The MINISTER OF LAW AND ORDER.

(1) and (2)

Persons with previous criminal convictions or, if they have known criminal cases pending against them, are not appointed as special constables. The applications of such persons are normally summarily rejected.

A number of special constables in the Pietermaritzburg area were recently dismissed on various dates Although they had no criminal records at the time of their recruitment, it was ascertained that they had failed to mention the fact that there were criminal cases pending against them Investigations by the South African Police revealed this information after the training of the special constables had nearly been completed When they returned to Pietermaritzburg, they were positively connected with the crimes and immediately dismissed

Upgrading of Bossiesgif Township, Plettenberg Bay

*4 Mrs H SUZMAN asked the Minister of Constitutional Development and Planning

(1) Whether he intends upgrading the Bossiesgif Township in Plettenberg Bay, if not, why not, if so, (a) in what way and (b) when;

(2) whether any additional land is required for the purpose of making adequate provision for the accommodation of (a) this township's residents, (b) its overflow population and (c) the squatters currently occupying land adjacent to the main road to Knysna, if not, why not, if so,

(3) whether such additional land has been acquired, if not, why not, if so, (a) where is this land situated, (b) what is the extent thereof and (c) when was it acquired?

†The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) Yes I refer the hon member to the Press release issued by myself on 15 February 1988.

Rest of question falls away

Advertising campaign in Press promoting Government's proposed economic policy: cost

*5. Mr C J DERBY-LEWIS asked the Minister of Information, Broadcasting Services and the Film Industry:

What was the cost of the current advertising campaign in the Press aimed at promoting the Government's proposed economic policy for the Republic as at 1 April 1988 or the latest specified date for which information is available?

†The MINISTER OF INFORMATION, BROADCASTING SERVICES AND THE FILM INDUSTRY

R453 413,32 as at 1 April 1988

†Mr P W COETZER Mr Speaker, arising out of the reply of the hon the Minister, I want to ask him whether he is of the opinion that it is essential for an objective image of State policy to be disseminated in view of the fact that the Supreme Court has just found the CP to be responsible for the spreading of libellous untruths . .

†Mr J H VAN DER MERWE Look who's talking! [Interjections]

†Mr P W COETZER , and also what his opinion is as to what influence the libellous untruths spread against the hon member for Innesdal is having on the propaganda war of the ANC

†The MINISTER. Mr Speaker, the reply to that is that an informed public is a safe public and that it is an age-old technique to divide the population with misinformation and distorted information, just as it has for years already been a proven strategy of the ANC to divide particularly the moderate White population in South Africa through misinformation

†Dr W J SNYMAN: Mr Speaker, further arising out of the hon the Minister's reply, I want to ask him whether the amount of nearly R0,5 million that was spent is in accordance with the newly announced policy of saving on State expenditure

†The MINISTER. Mr Speaker, that is indeed the case in the sense that if we can succeed in conveying to the population the spirit of the hon the State President's opening speech and his economic policy, the country will derive immense benefit from it in the financial and economic fields

Mr D J N MALCOMESS Mr Speaker, further arising out of the hon the Minister's reply, does he not think that in view of the fact that this is a Government department talking about Government policy, the advertisements that are placed are likely to be subjective and not objective?

†The MINISTER Mr Speaker, in this case subjectivity and objectivity are usually things that are weighed in the mind of the observer It is therefore very difficult to furnish a decisive reply to that question, but when one considers the spirit conveyed by the State President's speech and what is reflected in the advertisements, one sees that there is no difference between the two. Therefore it is in fact objective in the sense that it conveys exactly the same message as the hon the State President did

†Mr F J LE ROUX. Mr Speaker, further arising out of the hon the Minister's reply, is he aware of the fact that the idea exists among the general public that this is NP propaganda for which the taxpayer has to pay? [Interjections]

†The MINISTER Mr Speaker, we did scientific research on this aspect. [Interjections] A majority of the respondents are indeed of the opinion that the State is entitled to communicate in this way, and that money spent in that way is money well spent [Interjections.]

†Mr J H VAN DER MERWE. Mr Speaker, further arising out of the hon the Minister's reply, is he prepared to make available also to opposition parties the details of that research project which was evidently carried out at public expense? [Interjections.]

†The MINISTER Mr Speaker, I can assure the

Sats slated for R27-m foreign exchange losses

Political Staff

THE South African Transport Services (Sats) has been criticised for continuing to speculate in foreign exchange in spite of huge losses in the past.

Sats lost another R27-million through buying and selling foreign exchange (Forex) in the 1986/1987 financial year, Advocate-General Dr Joop de Loor has disclosed in his annual report on Sats accounts.

But the accumulated debt for exchange losses on loans not paid back climbed from R2,7-billion to R3,2-billion, helping to push the total Sats debt burden to a whopping R7,5-billion

Dr de Loor hinted at criticism of Sats policy by noting that Sats "continued to follow a policy of active foreign-currency risk management in contrast to a policy of outright cover on all currency transactions"

Mr John Malcomess, the Progressive Federal Party spokesman on transport, said Sats' continued Forex speculation was "appalling" in the light of all the criticism of Sats Forex losses of the previous year.

He said a special investigating commission had been set up to investigate these losses and was due to report soon

"What worries me is that the unrealised losses increased substantially from R2,7-billion last year to R3,2-billion this year.

"An increased loss of R700-million would have even a giant private sector company reeling.

"In spite of dire warnings a year ago, Sats has not taken proper steps to cover themselves. This is simply poor management"

A Sats spokesman said the Minister of Transport was awaiting the report of the special committee appointed to investigate the Forex policy of Sats

When this committee reported, Sats would decide whether or not to provide total cover for Forex loans. He said Sats was not alone in not covering all its Forex loans

Sats builds up debt of R7,5bn

(269)
B/days
19/4/88

CHRIS CAIRNCROSS

CAPE TOWN — SA Transport Services (Sats) had built up a total debt burden of more than R7,5bn, said an Auditor-General's report tabled in Parliament yesterday.

Added to that amount were unrealised foreign-exchange losses of R3,2bn.

Covering the financial year 1986/7, the Auditor-General's report records that 22,1% (R1,7bn) of Sats total debt is in the form of foreign loans, 53,7% (R4,1bn) in domestic loans, and 24,1% (R1,8bn) held in the form of Treasury loans.

PFP Transport Affairs spokesman John Malcomess said the extent of that debt must raise serious financial barriers against the expressed desires by government to privatise Sats. The potential shortfall on Sats' pension fund, about R5bn, must exacerbate this prospect

He said a private-sector company operating in this manner would have been placed into liquidation a long time ago.

In a veiled criticism of Sats' management of its foreign-exchange transactions, the Auditor-General records that Sats continued to operate a forex risk management policy, leaving some of the foreign debt uncovered, instead of taking outright cover on all currency transactions.

This policy is now the subject of a special investigation requested by the parliamentary standing committee on public accounts.

The net accumulated deficit for unrealised forex losses led to an accumulated loss of R1,2bn for 1987.

For reasons related to costs, R138m was paid to various banks during the year prior to the redemption dates of the underlying loans, while R497,8m of this deficit was still financed by local banks.

Deficits paid to banks in respect of foreign loans redeemed during the year amounted to R38,9m and were charged to the Reserve for Unrealised Exchange Losses, a fund created during the year.

Losses amounting to R27,1m incurred from the buying and selling of foreign exchange were not lodged against this reserve account and were recorded directly against financing costs.

D10 21/3/88

Sats to score first with client centre

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Daily Dispatch Reporter

EAST LONDON — Sats here will score a first when the new client centre providing comprehensive information and customer assistance opens early next month.

The Eastern Cape regional manager of Sats, who was instrumental in establishing the centre here, Mr Louis du Toit, said the centre would be housed in the old goods depot on the corner of Cambridge and North Streets.

"At the moment our offices are scattered all over the city and Cambridge, so we have been guilty of sending people who use our sevices from one place to the next," he said

The marketing manger for the Eastern Cape region, Mr Marius Geyer, said the transport industry had recently become highly competitive

He added that there was a tremendous need for effective communication with clients.

The centre will be staffed with two information officers, eight marketing officers, a secretary and the marketing manager

The original marketing team of six operated from the Gasson centre.

The centre houses a computerised telephone to handle telephonic queries and a computer system which will keep credit accounts, truck, container and goods movements up to date

The centre also has a boardroom, bar and braai area to entertain clients

The centre will be opened officially on May 3.



Outside the new client centre in North Street are, from left, Sats' information officer, Mr Bokkie Odendaal, the marketing manager for the Eastern Cape, Mr Marius Geyer, and marketing officer, Mr Graham Braun.

High/Louw expectations

Private airline operators are increasingly expectant about their future role in SA's growing air transport sector

This follows Transport Minister Eli Louw's confirmation that deregulation of the air transport industry is on the cards as a prelude to privatising South African Airways (SAA)

Last month, Louw announced that private sector consultants have been appointed to look into deregulation and privatisation and to investigate "controlled competition" in the air

With an asset value of R750m and annual turnover of R500m, the private air sector could double in size within 10 years — if it were allowed freer access to SA's skies

Recent moves to allow increased private sector participation on the Bloemfontein routes (*Business* April 1) could be a precursor to the new dispensation But private operators are under no illusion that it will happen quickly

"The new Air Services Act will be drafted this year and only by 1989 will it become law," says Commercial Airlines Association executive director Cor Beek It could be years before a privatised SAA becomes a real option

"Privatisation cannot proceed without a measure of deregulation It is essential to revise existing regulatory principles relating to domestic airlines within a framework of increased competition," says Louw So deregulation remains the first priority

Australia, Canada and New Zealand have already trodden this route In Australia, a third airline will be allowed to compete with two existing airlines on domestic routes from 1990

Local private sector spokesmen agree neither deregulation nor privatisation can be rushed But they say it is time for SAA to relinquish its absolute control of SA's major routes

"While SAA can still offer cheaper fares than most of the South African Airlines Association's (SAAA) 14 private sector members — SAA's passenger seat/km cost is only 21c-23c compared with SAAA members' 31c-47c — a greater choice should be available to passengers. Flying their jets at maximum capacity ensures maximum profitability for SAA, but passengers are entitled to a choice of more frequent flights," contends SAAA executive director Trevor Conlyn

Apart from the lack of more regular services, specific routes are also poorly serviced by SAA. While the Bloemfontein route is subject to top-level scrutiny, coastal routes could also be divided between SAA and SAAA members But where competition *is* already allowed, SAAA members can only operate contractually for up to five years — on SAA's licence.

"This doesn't allow the private operator sufficient route security to buy bigger, better or newer planes. We merely offer a service at SAA's behest No private concern can plan ahead on such uncertain terms," says Conlyn

Apart from this lack of route — and financial — security, there is no real market need for SAA's sophisticated services on certain routes

"South African passengers are spoilt. Nowhere in the US would one find 737s operating such short distances as between East London and Port Elizabeth These could be handed over to private operators," Conlyn claims

But while he is adamant the private sector be given more, he is against abolition of Section 10 of the Air Services Act, guaranteeing security of route to an operator Conlyn says operators need this security to plan costly long-term investments

"A 13-passenger Beechcraft 1300 costs in the region of R5,5m, while a 19-passenger Beechcraft 1900 sells for R7m A 48-passenger CN 235 costs R16m-R20m, so you can understand financing the deal will be dependent on a measure of ensured income," he says

American Airlines' (AA) Africa GM Mike Tyler agrees He says AA last year generated operating revenue of $7bn from its 400 jets, earning a profit of $200m in the free-for-all of the US skies. But SA's market is too small for this type of competition

"It would be ridiculous to allow the same level of competition in SA's limited market In the US, deregulation was painful but benefited the public. Here, one would expect the small guys to complement the big operator But it would not be profitable to compete directly with SAA's wide-bodied jets."

Besides their complementary role on certain routes, SAAA members could operate feeder services to the main "hub," run by SAA, also in competition with (and complemented by) smaller operators

Conlyn says SAAA's 14 private airlines understand the realities of operating equipment required to run a major airline like SAA.

But Comair MD Pieter van Hoven says his airline would be interested in competing with SAA's narrow-bodied jets, should a proportion of, say, 10% of certain major routes be allocated to private operators

Trust me

SAA has recently come in for strong criticism on the level of its services to the flying public. SAA CE Gert van der Veer defends the airline's record.

***FM*: The position at the Rotunda terminal in Johannesburg has been singled out as symptomatic of SAA's bad public image. What is being done to rectify this?**

Van der Veer: We are also dissatisfied with the position, but sit with a dilemma. Restaurant facilities that existed before were closed as they attracted an unsavoury element and complaints from customers. Since the privatisation of bus services from Jan Smuts to the Rotunda, we have no control over the quality or regularity of these services The possibility of siting the bus terminus at the Johannesburg station is now being considered This should lead to improved general safety and better facilities. But the city fathers must also take a hand to improve the situation

And the airports?

These fall under the jurisdiction of the Directorate of Civil Aviation (DCA) We are merely tenants of limited areas But we are closely liaising with DCA to upgrade existing facilities, as has been done at Durban's Louis Botha Cape Town's DF Malan is next in line and work should start on May 1 Jan Smuts is SA's most important airport and a top priority, with lounges now being refurbished. With tourism and business traffic growing at some 16%, facilities are too small to cope with growing demand.

Why didn't SAA plan for this upturn?

Over the past five years, the economy and the business environment in SA saw drastic changes In the 15 years to 1981-1982 SAA experienced positive growth each year. But over the past six years, four showed negative growth We have had to learn to cope with this change in the environment

What did you do and what went wrong?

First, the environment. Over the past three years, the rand fell sharply, inflating our imported costs Fuel costs escalated, while both incoming and outgoing tourism also dropped heavily as a result of sanctions, disinvestment and political pressures. We lost two major revenue-producing routes — the US and Australia With great effort we kept our 1985-1986 loss at R79m Like any other business — we receive no State aid and borrow our funds on the open market — we then tackled our problems to put SAA back on a profit track

We improved productivity. Since July 1985, we have not employed additional staff and in fact reduced our staff by some 1 600 — or 15%. Secondly, we had to do something about our surplus flight capacity, which went as high as 20%. With a Boeing 747 costing some US$140m (R250m), we could not afford to keep these valuable jets standing around unproductively and decided to lease out some of the surplus planes.

When will these planes, which obviously contributed to your current problems with service, capacity and passenger flight delays, be returned?

One cannot lease a huge jet for a few days. But they are coming back This week, a 737 will be returned to our services, followed by a wide-bodied 747 at the end of August. After restructuring our European services by the end of November, we will have another 747 SP for the domestic routes. In 1989, two Airbus A300s will be returned, followed by another one in 1990. And, by 1991, we should receive the two new recently ordered Airbus A310s, while we have an option on another five Capacity-wise, we are beginning to return to normal.

So your planning would seem to be catching up with the market?

We now aim for total flexibility in future planning. We have learnt to adapt to strong — and often unforeseen — upward and downward movements in our market. We have leased in a Luxair Airbus and by leasing out and leasing in, we have created a flexibility in some 15% of our fleet, which is the international norm. We are confident that we can meet future peaks and valleys.

But surely you should have expected the upturn, following the downturn?

Nobody could have foreseen the unexpected strength of the upturn in the pessimistic and negative climate of 1985-1986. Even the motor industry was caught with stock shortages and is only now beginning to catch up with demand

What has been the effect of all this on passenger fares in the local market?

Prices have not been increased since our last fare hike on March 1 1986. This means that we have effectively absorbed inflation of more than 30% over the period, while some 50% of our costs are imported.

Did this also knock your profits?

Following a R79m loss in 1985-1986, we

should be retaining more cash. They suggest reasons for the higher payout were the desire by Newmont and RTZ to compensate for the effect on their dividend income of the weaker rand, as well as Newmont's desire to push the share price up by paying high dividends before it sold its stake.

Clearer picture

Leroy rejects this, saying dividends have been increased because the company can afford to pay them. With much of the work on the open pit expansion now in place, management has a 'clearer picture of financial commitments, while the planned debt repayment schedule has been extended in line with the life of the mine. He says the company is not being dividend-stripped and the higher payouts in no way jeopardise Palamin's future.

One JSE analyst believes Palamin could earn 445c a share in the current year and pay dividends totalling 350c because of improved dollar and sterling copper prices helped by a weaker rand and forecast higher copper sales. From mid-1988 Palamin will boost its annual cathode production by about 10% through a modification to its smelter, which will remove a bottleneck and allow the refinery to work at capacity of 14 000 t/year of cathode. Total cathode production in 1987 was 127 272 t.

There is more to Palamin than just copper. The mine produces a range of by-products such as vermiculite, uranium oxide, zirconium oxide (baddeleyite), sulphuric acid, precious metals and nickel sulphate, which accounted for 20,5% of Palamin's metal sales revenues for 1987 of R543,6m. The mine has also built up a 100 Mt stockpile of magnetite, which comprises 25% by weight of the ore mined.

Leroy says this could be used to produce pig iron with a high-titanium, low-silica content using natural gas from Mozambique. Plans were being looked at in the late Sixties to do this but were overtaken by soaring fuel costs. "The magnetite is lying there for free, all we need is a cheap source of gas," he says.

Brendan Ryan



MD Leroy ... confidence in the future

HARBOURS

All shipshape?

An opportunity was missed last week for people to tell SA Transport Services (Sats) just what they think of it

It's unthinkable, of course, that Sats' harbours operation should be beyond criticism

But, whatever the reason, Sats escaped very lightly indeed at Sun City, where it had invited private sector businessmen to come out swinging with their complaints about the running of the country's harbours

There were complaints, but none pressed home with much vehemence. The two main ones were.

☐ Although there were no tariff increases this year, the harbours operation's high ad valorem wharfage charges are chasing low-bulk, high-value cargoes off the sea and into the holds of aeroplanes; and

☐ Richards Bay can no longer cope with all the cargo on offer, so South African exporters of bulk commodities other than coal are losing business to foreign competitors.

Alan Cowell, executive director of the SA Association of Freight Forwarders and a keen Sats critic, said ad valorem charges were taxes under another name, because they were not cost-related He claimed they damaged SA's export effort.

He suggested establishing free trade zones at all harbours and at Jan Smuts Airport and allowing ports to adjust tariffs to compete with one another. This would enable East London, "which is suffering, to go out of its hinterland and compete with Durban and Port Elizabeth"

But Sats GM Anton Moolman made it clear ad valorem charges would remain until Sats did not need the harbours operation's R350m profit to cross-subsidise losses on its other services

That doesn't please Mike Meehan, president of the SA Ship Owners' Association He doesn't mind inter-harbour cross-subsidisation, but doesn't think harbour profits should pay for Soweto residents to get to and from work.

According to Moolman, if the Treasury compensates Sats for its losses, harbour fees could be reduced by 30%

AIR TRANSPORT — 2

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High-flier

Citi Air is spreading its wings The Durban-based private airline has been permitted by the National Transport Commission (NTC) to add another route to its services.

The new route it will fly is between Durban and Maseru. Late last year Citi Air was also granted licences to fly between Durban and Welkom and Durban and the Wild Coast Sun

The new licences underline a dramatic turnaround in the fortunes of Citi Air MD David White Five years ago, White was forced to look for alternative routes for his original airline, Margate Air, after competitor Comair was licensed to fly between Margate and Johannesburg — capturing his main business of carrying Johannesburg-bound passengers and freight from Margate to Durban, where they would connect with regular SAA flights.

White moved to Durban and when Comair and SAA withdrew a service considered unprofitable between Durban and Richards Bay, took it over That was in 1985 Today Citi Air offers 12 flights a week between Durban and Richards Bay, together with flights to Ulundi, Maputo, Skukuza, Nelspruit, Vryheid, Newcastle, Ladysmith, Maritzburg, Bloemfontein and Umtata

The new Durban-Maseru route follows a bilateral agreement between the governments of SA and Lesotho. Lesotho is offering the flight in association with Citi Air and will begin its own service once traffic justifies additional flights.

White hopes soon to add a service between Nelspruit and Skukuza. "We have been trying for the last six months for that route," he says.

The NTC has also to consider Citi Air applications to fly between Durban and Pietersburg, Bloemfontein and East London, Bloemfontein and Port Elizabeth, Kimberley and East London, Kimberley and Port Elizabeth and Kimberley and Durban. ■

CITY/NATIONAL

SAA blamed as flower exports fade

Argus 25/4/88

By DICK USHER
Staff Reporter

SOUTH AFRICA is losing millions in valuable foreign exchange because of changed SAA flying schedules and inadequate freight capacity.

Flower exporters say that their industry, which is worth about R40-million a year, is being seriously affected

Exporters have criticised SAA for not being able to meet their needs and said that customers were turning to other suppliers

Flowers are missing the important Monday sales at the Amsterdam market, Europe's major flower centre, while inadequate freight capacity is losing exporters customers because they cannot depend on deliveries.

"Concerned"

Mr Gert Bosch, general manager of the Western Cape Agricultural Union, said that because SAA had changed its flight schedules wildflowers no longer reached the Amsterdam market in time for the Monday sales.

"We are concerned about the present situation," he said

Mr Barrie Gibson, chairman of the South African Protea Producers' and Exporters' Association, said the problem had been developing for more than a year since the loss of the Helderberg.

"Because of this loss SAA has changed its schedules, which means that flowers now get to Amsterdam only on Monday morning," he said.

"And the Helderberg combined freight and passenger capacity so we're losing out on space."

"Proteas are highly perishable. They lose quality before the mid-week sales.

"And instead of getting two selling days we're confined to one so that customers are cutting back on orders

"We're being jeopardised by SAA's inability to meet its obligations."

Wildflower exports from the region were worth about R20-million a year, he said.

Mr Tiel Bluhm, general manager for South Africa for Florimex, one of the world's largest flower dealers, said there was a further problem with freight capacity.

Unreliable

His Johannesburg-based company exports wildflowers from the Western Cape and cut flowers from Transvaal to customers all over Europe

"The space situation in general is pathetic," he said. "It makes us unreliable as exporters because we never know if a consignment will get on a flight.

"Then our customers turn to suppliers from Kenya, Brazil or Israel."

Mr Bluhm said that flower exports had been "hit for six" by US sanctions and were being even further affected by the growing popularity of direct flights to Europe.

"Aircraft have to carry more fuel on the direct flight than if they stopped over at Ilha do Sol — and this further cuts the overall freight capacity."

Alternatives

An SAA spokesman said that when the problem arose protea exporters had been offered three alternatives to get their flowers to Amsterdam.

"They were not happy with those and turned them down. But we're looking into the problem.

"And I guarantee that between SAA and its pool partners there is sufficient freight space. There is no question that we cannot get cargo to its destination on time."

fairs requested that all their archives be regarded as closed

(c) Yes

(d) No Access to archives relating to the South African Defence Force in the custody of the Archives Depot of the Defence Force may not, in terms of Section 9(7) of Act 6 of 1962 be authorized without the approval of the Minister of National Education in consultation with the Minister of Defence

(4) Yes

(a) Archives of the Department of Foreign Affairs Department of the Prime Minister Governor-General and Executive Council

(b) (i) Such cases were considered during 1982, 1983 and 1985

(ii) At the request of the departments concerned

(5) No

(i) Lapsed

(ii) Lapsed

(iii) Lapsed

Administration of Legal Deposit of Publications Act

*28 Mr R M BURROWS asked the Minister of National Education

(1) Whether the administration of the Legal Deposit of Publications Act, No 17 of 1982 falls under his Department, if not, under which Department does it fall if so

(2) whether any person or organization undertakes the review of all South African publications to ensure that deposits are made to all legal deposit libraries, if not why not

(3) whether, since the commencement of the Legal Deposit of Publications Act, he or his Department has had any legal proceedings instituted as contemplated in section 8 of the Act, if not, why not, if so (a) how many such legal proceedings had been instituted as at the latest specified date for which information is available and (b) what was the result in each case

(4) whether he or his Department has received any complaints and/or representations regarding the failure of publishers to make legal deposits as required under the Act, if so (a) from what persons or bodies and (b) with what results?

The MINISTER OF NATIONAL EDUCATION

(1) Yes

(2) Yes Each legal deposit library employs an officer to verify the receipt of South African publications on an ongoing basis with the aid of lists of publications supplied by publishers and advertisements and announcements of new publications in the media These officers liaise with one another to ensure that deposits are made to all legal deposit libraries

(3) No No offences in this regard have been reported

(4) No

Purchase of IVIS interactive video system for Standards 8/9/10

*29 Mr K M ANDREW asked the Minister of Education and Development Aid

(1) Whether any (a) interactive video, (b) computer, (c) television, (d) video and (e) other specified equipment has been purchased by his Department from a certain firm the name of which has been furnished to the Minister s Department for the purpose of his reply: if so, (i) what equipment (ii) when, (iii) what was the total amount spent on equipment and other supplies purchased from this firm to date and (iv) what is the name of the firm in question,

(2) whether there are any outstanding orders in respect of which delivery has not as yet been effected by this firm if so, (a) what orders and (b) what is the total amount involved?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

(1) (a) Yes as part of an integrated IVIS system This system includes (b) computer equipment (c) television screens (d) video apparatus and (e) courseware in Mathematics for Standards 8 9 and 10 and

such other equipment needed to operate this courseware interactively

(i) IVIS interactive video system with 30 terminals as a unit and courseware in Mathematics for Standards 8, 9 and 10

(ii) March 1986

(iii) R4 894 981,28

(iv) Learning Technologies (Pty) Ltd

(2) No

(a) Falls away

(b) Falls away

Purchases from Learning Technologies (Pty) Ltd

*30 Mr K M ANDREW asked the Minister of Education and Development Aid

Whether with reference to certain information which has been furnished to the Minister s Department for the purpose of his reply his Department has been involved in business transactions with any business undertakings with which a certain person is associated, if so, (a) what are the names of these business undertakings, (b) what is the nature of each of these transactions, (c) what was the total amount of money involved and (d) what is the name of the person in question?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

Yes

(a) Learning Technologies (Pty) Ltd

(b) The purchase of courseware for Mathematics Standards 8, 9 and 10 as well as the interactive video system needed to operate this courseware

(c) R4 894 981 28

(d) The name furnished is Mr W P Fourie The person at the firm concerned with whom negotiations for the purchase of the system were conducted is Mr Clive Baron Mr W P Fourie was at no time involved in the negotiations

Member of Police dog unit in Kimberley charged with offences

*31 Mr J VAN ECK asked the Minister of Law and Order

(1) Whether, with reference to information furnished to the South African Police for the purposes of the Minister's reply, a member of the Police dog unit in Kimberley has been charged with certain offences as a result of a shooting incident which took place at Kakamas in February 1988 if so, (a) what were the circumstances surrounding this incident and (b) (i) with what offences has this member been charged and (ii) what is his name

(2) whether the Police investigation into this incident has been completed, if so, when,

(3) whether the involvement of other policemen in this incident has been investigated, if so

(4) whether any other members of the Police Force are to be charged as a result of this investigation, if so (a) what are their names and (b) with what will they be charged?

The MINISTER OF LAW AND ORDER

(1) to (4) A member of the South African Police has already appeared in court as a result of this incident The matter is therefore the subject of a judicial process Consequently the requested information is not furnished because it could anticipate the judicial process

Closure of railway line between Gingindlovu/ Eshowe

*32 Mr R S SCHOEMAN asked the Minister of Transport Affairs

(1) Whether the railway line between Gingindlovu and Eshowe is closed at present if so, (a) since what date and (b) why,

(2) whether the South African Transport Services have taken measures to replace the services previously provided by means of this railway line, if so what measures

(3) whether he will make a statement on the planning in respect of the future use of the railway line concerned?

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) Yes

(a) 28 September 1987

(b) As a result of washaways

(2) Yes A road transport service was introduced

(3) The economy of the line is presently being evaluated in accordance with a new branch line strategy As soon as the results are known a final decision whether or not the line should be closed will be taken

Processed foodstuffs increase in importation/ decrease in exportation

*33 Mr D G H NOLTE asked the Minister of Economic Affairs and Technology †

(1) Whether there was (a) an increase in the importation of, and (b) a decrease in the exportation of processed foodstuffs during the latest specified period of 12 months for which information is available, if so (i) by what percentage, and (ii) why, in each case,

(2) whether his Department is taking steps to encourage more efficient manufacturing processes if not why not if so, what steps

(3) whether he will make a statement on the matter?

†The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY

(1) (a) and (b) It should be explained that in the circumstances of the increasingly complex situation that South Africa faces internationally particulars of the country s foreign trade are regarded as sensitive information of which an analysis in any form should not be made public This applies so much the more in the case of agricultural products which represent one of the items singled out for international action against South Africa

(2) Yes When considering applications for the introduction of additional customs tariffs the efficiency of local manufacturers is taken into account Apart from this Government is taking certain actions with regard to the improvement of technology

(3) No

Own Affairs

*1 Mr A GERBER — Education and Culture [Withdrawn]

Meetings by outside agencies at schools completion of TED 493 form

*2 Mr A GERBER asked the Minister of Education and Culture ŧ

(1) Whether school principals falling under the Transvaal Education Department are required to complete a TED 493 form in respect of each meeting held by outside agencies at their schools, if so, what steps are taken against school principals who fail to complete these forms, if not,

(2) whether the size of meetings is a determining factor as regards the completion of such forms, if so what are the relevant particulars in this connection?

†The MINISTER OF EDUCATION AND CULTURE

(1) No the applicant completes form TED 493 for consideration by the local governing body,

(2) no

Mr A GERBER Mr Chairman arising out of the hon the Minister s reply, is it left to the discretion of the school principal concerned to decide whether it is necessary for the form to be completed, and can the hon the Minister indicate to us how large the meeting may be before it becomes necessary to complete the specific form?

ŧThe MINISTER Mr Chairman, I think it is unnecessary for me to reply to the hon member s supplementary question because in response to the hon member s original question I very clearly indicated that the size of the meetings is not a determining factor There is not an exact number of members which will give us that cut-off point I also refer the hon member to the reply to his own question, Question No 2 of 29 March 1988, where he will obtain further details

Non-White students accommodated in Hippokrates Francie van Zijl hostels

*3 Mr A GERBER asked the Minister of Education and Culture ŧ

(1) Whether he will furnish information on the Hippokrates and Francie van Zijl hostels of the University of Stellenbosch if not why not, if so

(2) whether permission has been granted for non-White students to be accommodated in the above-mentioned hostels if so (a)

by whom and (b) how many non-White students are accommodated in these hostels at present,

(3) whether exemption from the provisions of the Group Areas Act has been obtained in respect of these hostels, is so, (a) when and (b) on what (i) grounds and (ii) conditions, if not, what procedure was followed in this connection,

(4) whether he will make a statement on the matter?

†The MINISTER OF EDUCATION AND CULTURE

(1) Yes, in so far as it falls within my jurisdiction since the hostels are the responsibility of the council of the University of Stellenbosch

(2) yes

(a) by me but I wish to point out that this permission does not establish a precedent for the opening of other similar residences as each such application is considered in terms of Item 14 of Schedule 1 of the Constitution,

(b) 7 in Hippokrates and 1 in Francie van Zijl,

(3) this question should be put to the Minister concerned,

(4) no

†Mr P W COETZER Mr Chairman arising out of the hon the Minister s reply is he aware of the fact that the first application ever approved for a person of colour to stay in a White university hostel was approved by the hon the Leader of the Official Opposition in the days when he was still a Deputy Minister in the NP?

†Mr J H VAN DER MERWE You still falsified those things

ŧThe CHAIRMAN OF THE HOUSE Order! The hon member for Overvaal must withdraw the charge of falsification

ŧMr J H VAN DER MERWE Mr Chairman may I address you on that?

ŧThe CHAIRMAN OF THE HOUSE No you may not address me on that

ŧMr J H VAN DER MERWE There was a debate on that matter

ŧThe CHAIRMAN OF THE HOUSE Order! It does not matter My ruling is that you may not acuse another hon member of falsifying things

†Mr J H VAN DER MERWE I withdraw it, Mr Chairman

†Mr H A SMIT Mr Chairman, on a point of order The hon the Leader of the Official Opposition said the same thing

ŧThe CHAIRMAN OF THE HOUSE I did not hear it Did the hon the Leader of the Official Opposition say that?

†The LEADER OF THE OFFICIAL OPPOSITION Mr Chairman I used the word falsified , but I did not use it in regard to this matter

†The CHAIRMAN OF THE HOUSE I shall then leave it at that

ŧMr F J LE ROUX If I were you, I would rather keep quiet about that document Your history with regard to that document is not all that unblemished

†Mr D S PIENAAR It is a falsified document

ŧThe CHAIRMAN OF THE HOUSE Order! I do not think the supplementary question of the hon member for Springs necessarily arises out of the reply, and we shall therefore proceed to the next question [Interjections] Order!

Policy directive on school sport/culture issued

*4 Mr R M BURROWS asked the Minister of Education and Culture

(1) Whether he or his Department recently issued a policy directive on school sport and culture to provincial education departments and schools if so (a) when and (b) what persons or bodies were consulted before the policy was decided upon

(2) whether this policy directive document is available to members of the public if not why not

(3) whether he will make the official policy directive document available to Parliament if not why not?

ŧThe MINISTER OF EDUCATION AND CULTURE

(1) Yes

(a) 28 March 1988

(b) the ministerial representatives

Steps to stop SAA delays

HOUSE OF DELEGATES — Steps were being taken to prevent delays at airports and to increase capacity on SAA flights, the Minister of Transport, Mr Eli Louw, said yesterday.

Replying to debate on his vote of the budget, he said a new management structure had been set up at Jan Smuts Airport which would ensure prompt action in any situation. Additional computer equipment was being installed to ensure better reaction time, and changes would also be made at D F Malan Airport to prevent congestion.

He said two Boeings, a 737 and a 747, which had been out on lease would be back in operation. This would increase seat capacity by 10% from November 1 this year.

If necessary further aircraft would be hired on a short-term basis.

Private consultants had been appointed to help SAA improve service at all levels at its airports, Mr Louw said — Sapa

"Several of the accounts, statements added.

SAA log books open for inspection says Louw

D1D 26/4/88

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CAPE TOWN — The log books of South African Airways (SAA) aircraft were "open to inspection for all to see" the Minister of Transport Services, Mr Eli Louw said yesterday.

Speaking during the debate on his vote in the House of Delegates, the minister said he would like to assure the public that proper documentation was kept of all letters, bulletins and directives received from the various airline manufacturers

Mr Louw was responding to statements by the MP for Port Elizabeth Central, Mr John Malcomess, that a bulletin had been sent from Boeing prior to the Helderberg crash which warned of the danger of fire in the cargo hold.

Mr Malcomess has called for the log books to be inspected.

Mr Louw said SAA had direct contact with aircraft manufacturers and was therefore immediately informed of the directives and, as



MR LOUW

SAA placed a very high premium on safety, "they immediately react to these directives"

He said the civil aviation authorities were also satisfied with the state of the log books.

With regard to domestic delays, Mr Louw said a new management structure had been set up at Jan Smuts which would ensure prompt action to handle any situation which arose

He also said that additional computer equipment was now being installed which would ensure a better reaction time.

Mr Louw said certain changes were also being investigated at D. F. Malan airport, to alleviate congestion.

With regard to additional carrying capacity, the minister said a Boeing 737 which was out on lease was back in operation.

He also said that a Boeing 747 at present on lease would be returned in November, which would mean a 10 per cent increase in seating capacity.

If necessary further aircraft would also be hired on a short term basis, Mr Louw said.

He added that the lounge at Jan Smuts was also being improved, while private consultants had been appointed to assist with service improvements at airports — DPC

...be settled. We are ...than 113 000 tons on 1986. Manganese-
...er prices — 30% to ... ore production fell from 3,7-million
...s is still subject to ... tons in 1986 to 2,8-million tons.

Union murder case application

SUE RUSSELL

THE trial of 18 South African Railways and Harbour Workers Union (Sarhwu) members charged with the murder of four co-workers during the Sats strike last year began in the Rand Supreme Court yesterday with defence counsel applying for further particulars of the allegations.

It was argued before Mr Justice T T Spoelstra that the allegations were vague and further particulars were necessary. The State opposed the application.

The accused are charged with five counts of kidnapping, four of murder, one of attempted murder, two of robbery with aggravating circumstances, two of assault with intent to to do grievous bodily harm and intimidation.

It is alleged they kidnapped Vhulani Joseph Mulaudzi, Kati John Sebopelo, Mulalelo Petrus Moremane, Albert Phuluwa and Jerry Rudolph Goodman on April 28, took them to Cosatu House, where they were assaulted and robbed, and that four were later murdered.

The accused include Sarhwu Transvaal regional secretary Johannes Joja Ngcobo, Bongisi Sibisi, Wilson Matshili, David Dzevhe, Jacob Thapelo Machaka, Patrick Molefe, Phineas Netshitungulwane, Takalani David Mamphaga, Mafemane William Rikhotso, George Maungedzo, Daniel Candilizwe Mkholokotho, Freddie Mothisi, Isaac Mogorosi, Jacob Mmatloa, Wilson Mushaishano, Johnson Mogesi, Simon Mulomoni and Michael Ikaneng.

Judgment on the application was reserved until today.

Airport shake-up

Prayer facilities, more seats and better service planned for D F Malan

By TYRONE SEALE, Staff Reporter

D F MALAN AIRPORT is set for big changes, including prayer facilities for Muslim pilgrims, increased counter and seating capacity and improved service by staff who are being given "tact training" by American consultants.

The Department of Transport and South African Airways hope that most of the changes will have been completed within a month.

Mr Leon Els, spokesman for Transport Minister Mr Eli Louw, said today the improvements were part of a drive to provide service based on "what the people want"

Yesterday Mr Louw announced in the House of Delegates that the Government had taken steps to improve services at Jan Smuts and D F Malan airports and to increase seating capacity on SAA domestic flights.

Congestion

He said this followed repeated complaints about shoddy service at the country's two largest airports

Expanding on the Minister's announcement today, Mr Els said the upgrading scheme would eliminate congestion in the international and domestic departure halls when Muslims left on pilgrimage to Mecca.

"We know that these areas are normally badly congested when Muslims leave, particularly as they are seen off by large crowds of relatives.

"Because of limited facilities in the international departures hall the crowd normally spills over into the domestic halls and people don't have facilities to pray in privacy

Capacity

"We are considering implementing some of the improvements we made at Jan Smuts, where we created an exclusive area, complete with carpets, where the pilgrims can pray."

Mr Els said other important changes included increasing the capacity of counters in domestic departure areas and creating a bigger waiting room in the Johannesburg departure hall

He said SAA had also completed the first phase of training all personnel who deal with the public to handle crises and routine work more efficiently.

"We are trying to implement these changes in the shortest time possible, with the lowest possible expenditure. We hope to do it within a month. The Department of Transport and SAA have already had discussions on this," Mr Els said

Increased

"We are involving the private sector to look in from the outside Private consultants from an American firm have assisted us. We want to give clients what they want, instead of our deciding what's best for them."

Mr Louw also announced that SAA's seat capacity would be increased by 10 percent from November 1.

A Boeing 737 which had been on lease was back in operation and a Boeing 747 on lease would be available from November

If necessary, additional aircraft would be hired on a short-term basis, he said

Call for deregulation

Safair could boost tourist industry

By AUDREY D'ANGELO
Financial Editor

SAFAIR — the aviation arm of Safmarine — could boost SA's tourist industry by bringing holiday-makers more cheaply on fully-booked charter planes than they can fly by the national carriers' scheduled services.

And it could ensure deliveries of Cape fruit and other perishable produce to overseas markets at times when SAA flights are fully booked

These were among points made by Safair MD Braam Loots yesterday when he called for deregulation of the aviation industry in this country

Loots emphasized at a media briefing that deregulation must not mean a lowering of standards, particularly of safety

But he said that some deregulation was essential as a prelude to privatization, to give private airlines an opportunity to acquire day to day experience of providing services which are at present largely restricted to SAA.

Although Safair has the largest privately owned fleet of Hercules transport planes in the world — in addition to the Boeing 707 it has just bought for R12m in the US — and is used by the SADF to transport 250 000 passengers a year, Loots said so little was generally known about it that it was "almost a mystery airline".

But it carried more passengers than the combined total of 80 000 a year carried by other private airlines in SA It carried freight in this country and outside, although it operates scheduled routes only by permission of SAA.

Loots said the freight it carried included specialized jobs such as transporting race horses and game Its passenger charters included taking up groups of skydivers — it has done so in the US as well as in this country It has also been chartered to do work for the oil industry in Canada

It has its own maintenance facilities at Jan Smuts airport, where it services planes belonging to the national carriers of some African countries "which would not like our planes to be seen at its airports".

In spite of this, Loots said, Safair carried freight between SA and some of these countries.

Safair has carried Cape fruit to overseas markets during the Christmas season when SAA flights are at their busiest and last year, for the first time, was allowed to bring cargo back. But last year it could not make this service immediately available when requested by SAA because it had other commitments

"Since we are not normally allowed to carry freight on these routes, except by permission of SAA, we have to find other markets," Loots explained.

He said the airline's Boeing 707 was capable of carrying passengers overseas in similar comfort to the national airlines. But if Safair were allowed to provide regular passenger flights he had no doubt that Safmarine would buy more planes — possibly air buses

Application in Sarhwu murder trial

State ordered to give details

SUE RUSSELL

THE Rand Supreme Court yesterday ordered the State to give defence counsel further particulars on three aspects of the allegations against 18 SA Railways and Harbours Union (Sarhwu) members charged with the murder of four coworkers during the Sats strike last year.

At the start of the trial on Monday, counsel for the 18 applied for an order compelling the State to give further particulars on 38 points of the allegations.

Mr Justice Spoelstra refused the application on 35 points, finding that the State was not obliged to furnish the information

The points on which he ordered the State to furnish further particulars were on the allegations against one of the accused, Mafemane William Rikhotso, and the identities of people alleged to have been intimidated

All but one of the accused were employed by Sats at the time of the strike early last year

The other accused, Johannes Joja Ngcobo, was Sarhwu Transvaal regional secretary

All 18 have been charged with the murder of four non-strikers and the attempted murder of a fifth.

They have also been charged with four counts of murder, one count of attempted murder, four counts of assault with intent to do grievous bodily harm and two of robbery with aggravating circumstances and intimidation

The State alleges that during the period from March 13 to April 28, the 18 men conspired and formed a common purpose to identify non-strikers, mobilise strikers and persuade, encourage, instigate and/or intimidate non-strikers to join the strike or withhold their labour

It is alleged that on April 28, the 18 kidnapped Vhulani Joseph Mulaudzi, Kati John Sebopelo, Mulalelo Petrus Moremane, Albert Phuluw and Jerry Goodman and took them to Cosatu House.

After allegedly being assaulted and robbed there, the five were driven to a place where all except Phuluwa were allegedly stabbed and had a 31kg rock dropped on them before being doused weith petrol and set alight

Phuluwa managed to escape.

The trial continues today.

SAA's first woman pilot

South African Airways' first woman pilot takes to the skies next week.

She is Mrs Brenda Howett, formerly an instructor on flight simulators responsible for the training of SAA pilots converting to different types of aircraft.

She is one of 16 new first officers — co-pilots — being employed by SAA from next Monday. They will start their careers on Boeing 737s on internal services.

CAPE TIMES 28/4/88

Transport reforms closer

Political Staff

THE deregulation of the transport sector progressed yesterday with the tabling in Parliament of the Omnibus Road Traffic Bill which consolidates the four provincial road traffic ordinances

It follows the publication earlier this month of the Transport Deregulation Bill which spells the end of the commercial permit system and forms part of a package of Bills to implement the government's new national transport policy

An important element of this draft legislation is that it provides for a road transport quality system which sets safety standards.

In a memorandum attached to the Bill, it is stated that the quality system will be supported by a purposeful and practical law-enforcement programme

Drivers' licences, involvement in collisions and other traffic offences will be monitored by a computerized information system.

SAA still needs more pilots for increasing flow of passengers

DURBAN — South African Airways still need about 25 pilots to bring the pilot pool up to full strength, an airline spokesman confirmed yesterday

The spokesman, Mr Francois Louw, was elaborating on this week's announcement that 16 new pilots had been employed by the airline.

Commenting on speculation that the appointments were due to an increasing number of resignations, Mr Louw said 10 pilots had resigned since the beginning of 1987, while 74 pilots had joined SAA since October 1987

"We are still planning to employ about 25 pilots towards the end of this year, which should bring us up to total strength," he said

Asked to explain why so many new pilots were being employed when comparatively few had resigned, he said

"We have not employed any new staff since about 1985, when there was a drop in the number of passengers

"It was only towards the end of last year, when traffic started picking up, that we began to employ pilots again."

Earlier this year, the Minister of Transport, Mr Eli Louw, told parliament the early-retirement option for pilots would be stopped because of a shortage of pilots.

The early-retirement option was granted in 1985, when there were too many pilots.

At present only two new aircaft are on order by SAA

These are two European-built Airbus A320's, hailed as the most advanced passenger aircraft

SAA has delivery options on another five Airbuses and the Helderberg Boeing 747 will soon have to be replaced.

The South African Airways Pilots' Association, which recently renewed its campaign for improved working conditions, has welcomed the appointment of the new pilots

The president, Captain Blake Flemington, said "It is gratifying to see the new pilots coming in"

would also be without 10 minutes from town.

D/D 28/4/88

Easter weekend traffic up 124pc in '88 — NRSC

(269)

PRETORIA — Traffic volumes on roads during the Easter weekend increased by up to 124 per cent on some routes, compared to last year, the National Road Safety Council (NRSC) said yesterday.

The number of road deaths increased by 4,59 per cent compared to the corresponding five days last year.

Road fatalities this Easter totalled 223 people.

Alcohol was identified as the major cause in 15 per cent of road deaths, while other contributing factors were fatigue, insufficient following distances, unsafe overtaking and not adapting speed to circumstances.

Statistics released by the Department of Transport yesterday, showed a dramatic increase in traffic volumes on the N3 and N1 routes.

Traffic volumes at Mariannhill and Van Reenen on the N3 route in Natal increased by 124 and 92 per cent respectively compared to last year.

The increase in traffic volumes on the N1 route to Northern Transvaal was 56 and 44 per cent respectively, while an increase of 51 per cent was recorded on the N4 route in Eastern Transvaal and 67 per cent on the N2 route.

● According to the Central Statistical Service, there was an increase of more than 11 per cent in the number of road traffic collisions in February 1988 (32 608), compared with February 1987 (29 358).

The number of casualties in February 1988 (9 491) showed an increase of five per cent over the previous month (9 039), and 9,5 per cent over February 1987 (8 664).

During February 1988, 20 collisions were recorded in which more than two people were killed, with a total of 73 people dead.

The number of people who died per 100 collisions in February 1988 was five per cent lower than in the previous month. — Sapa

SIDESOUNDS

the fastest ... square metres, Wool- ... an exciting prospect the worths with 3 000 square ... project is for the city and the region."

New four-in-one traffic Bill tabled

CAPE TOWN — The deregulation of the transport sector took a further leap forward yesterday with the tabling in parliament of the omnibus Road Traffic Bill which consolidates all the existing four provincial road traffic ordinances into one national Act

It follows close on the heels of the Transport Deregulation Bill published earlier this month, which spells out the end of the existing commercial permit system and forms part of a package of Bills aimed at implementing the government's new national transport policy.

An important element of this latest draft legislation is that it provides for the establishment of a road transport quality system which sets safety standards and is officially viewed as a prerequisite for the abolition of the permit system

It is also stated that the quality system will be supported by a purposeful and practical law enforcement programme

HARBOURS

Deregulation plea

Shippers are pressing SA Transport Services (Sats) to deregulate its harbours operation, SA Harbours (SAH). They want individual harbours to be allowed to set their own rates and compete openly for traffic to correct imbalances

Users have already held one meeting with SAH and are due to hold another, probably this week, to discuss the problem. Their concern is that with the exception of Richards Bay, which is drawing bulk cargoes away from Durban, Port Elizabeth and East London, none of SA's harbours is fully utilised

Shippers prefer Richards Bay because of its modern facilities and the incentives it offers. According to the latest SAH figures, the port handled 5,4 Mt in January — 1,8 Mt, or 51%, more than the 3,6 Mt in January 1987

Guenther Bartel, MD of owner/operator Island View Shipping, complains that between December 19 and January 16, 19 ships waited outside the port for space at Berth 703, the clean cargo berth

"Ten were ours," he says. "It cost us and our customers R4m to keep them out there for the month It must have cost the country R35m and added R13/t to the export prices of their cargoes."

He understands why Richards Bay is preferred "They have a beautiful facility at 703." But he suggests the authorities should "try to make it attractive for other harbours to take bulk cargoes away from Richards Bay."

Willem Kuys, Richards Bay's port director, maintains there is no sign of the pressure easing. On one day last week, five ships queued to be loaded with coal and three with clean cargo.

"Exports of clean (non-coal) cargo are up 28% and we aren't experiencing the dip we usually get in coal exports at this time of the year They have been running at a rate of 40 Mt/year since the beginning of the year, compared with 38 Mt last year."

The other harbours can all do with traffic. In January, Durban handled 1,9 Mt of mostly breakbulk or container traffic, about the same as in January 1987 but 753 000 t, or 28%, down on the 2,6 Mt in December 1987. Its two privately owned bulk loading facilities are underused.

Cape Town was down to 308 896 t from 336 313 t in January 1987, East London to 56 048 t from 172 027 t, and Port Elizabeth up to 380 804 t from 205 838 t

Even Saldanha Bay, up to 1,4 Mt from 927 749 t, is being used at only half capacity

RM 29/4/88 ■

SAA defends air crash payments

24/4/88 (269 B/day)

SAA was under no legal obligation to pay compensation to families of people killed in the Helderberg air disaster unless they were breadwinners, Transport Ministry spokesman Leon Els said yesterday

In response to unfavourable reports about the offer SAA has made to families of the crash victims, Els said the payout offered for the deaths of non-breadwinners was an act of goodwill by the airline and its insurers.

SAA has offered R55 000 to families who lost non-breadwinning kin and R150 000 to those who lost breadwinners.

PR manager for SAA Francois Louw confirmed the families had until May 11 to accept the offer. If they did not accept, they had to sign a document releasing SAA and its staff from any further liability and compensation.

Louw explained Taiwanese next-of-kin had been offered higher compensation for its non-breadwinners as, according to Taiwanese custom, children were considered of far greater value than their elders.

Taiwanese next-of-kin have been offered R165 000 by Lloyds of London insurance underwriters. — Sapa

Increase in February traffic collisions

Star 2/4/88 p269

PRETORIA — There was an increase of more than 11 percent in the number of traffic collisions in February 1988 (32 608), compared with February 1987 (29 358), Central Statistical Services revealed in their lastest news release.

It said the number of casualties in February 1988 (9 491) showed an increase of 5 percent over the previous month (9 039).

73 PEOPLE KILLED

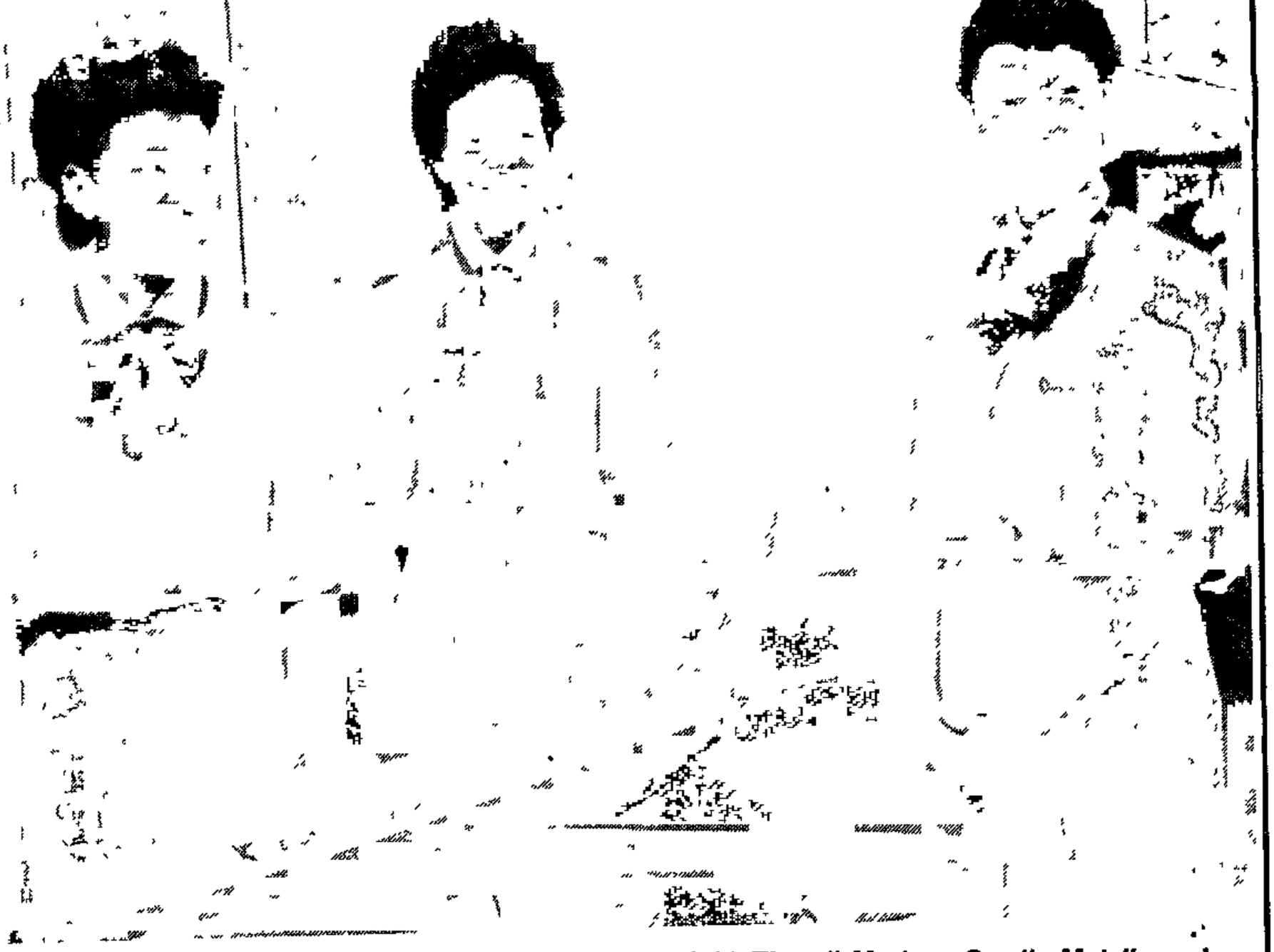
This was an increase of 9,5 percent compared with February 1987 (8 664).

During February 1988, 20 collisions were recorded in which more than two people were killed, with a total of 73 people dead.

The number of people who died per 100 collisions in February 1988 was about 5 percent lower than in the previous month. — Sapa.

open doors for black girls

Wings'



THREE of the first SAA black cabin attendants (from left) Thandi Modise, Cecilia Matsila and Gloria Legodi.

Sowetan 29/4/88

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By PHANGISILE MTSHALI

WHEN the South African Airways gave "wings" to its first black air hostesses in March, another career door was opened for young black adventurous women.

Being an air hostess is ideal for young people who love travelling and for those who have the ability to mix glamour and fun with hard work. It is also one of the careers where applicants are thoroughly scrutinised and only the best are employed.

"Applicants must be intelligent, hard working and have a neat, attractive appearance," said Miss Neel Haasbroek, a member of the SAA recruiting team.

"We want matriculants who have a good command of English and Afrikaans. We select people who react calmly in an emergency situation

The career has all the glamour — it stresses a lot on appearance There are restrictions on height, weight and only people between the ages of 20 and 40 may apply.

A trim figure, healthy teeth, smooth and problem-free skin and sophisticated poise are among the requirements

Being a cabin attendant, as air hostesses are called, is not all about beauty, it demands intelligence and dedication as Miss Thandi Modise, one of the new hostesses soon found out

"Excitement and glamour made me interested in the job," she said

"I changed my opinion when I discovered the responsibilities and the demands that are involved I urge those who may be interested to join air hostesses for the the imagined glamour"

The career also has great promotion opportunities

"There are different stages from junior cabin attendant who fly on domestic flights to being a co-ordinator where you act like a "godmother" to attendants," explained Miss Haasbroek.

"The work broadens one's mind and provide opportunities to travel around the world."

Training as an air hostess takes an average of six weeks of theory and there are also practical examinations. New recruits are taught to administer first aid, how to react in an emergency situation and the handling of passengers.

The career comes with all the modern day work fringe benefits including medical aid, pension fund and partly paid maternity benefits

Whether his Department is planning any recreational resorts and out-of-school sports facilities for the current financial year, if so, (a) what (i) resorts and (ii) facilities and (b) what total amount is it estimated will be involved?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

Yes, in the case of the Department of Development Aid

(a) (i) (1) In co-operation with Qwaqwa, the first fase development of a recreational resort at Botshabelo, which will include a kiosk, picnic spots, ablution blocks, a recreational hall and playground

(2) The erection of a restcamp on the hiking trail at the Blouberg Nature Reserve in the District of Pietersburg

(3) The erection of a wilderness camp and picnic spots at the Lekgalameetse Nature Reserve in the District of Letaba

(4) The erection of a caravan camp at the Arabie dam Nature Reserve in the District of Groblersdal

(5) The erection of a wilderness camp and the laying out of hiking trails at the Ntubeni Nature Reserve in the District of Port Shepstone.

(ii) (1) Botshabelo — The erection of an indoor arena and change rooms at the soccer stadium

(2) Imbali — The planning and commencement of a sport complex consisting of a soccer field, athletics track and a tennis court

(3) Ashdown — Enlarging of the existing soccer field

(4) Clermont — Erection of a soccer stadium, combi court and practice wall

(5) Nqutu — The planting of grass and the provision of water, temporary seating and a kiosk at the soccer stadium.

(6) Soshanguve — Two soccer fields as well as the erection of change rooms at the soccer stadium and the two existing soccer fields

(7) Nondweni — The erection of a sport complex with amongst others a soccer field and an athletics track.

(8) Inanda — The development of a soccer field, six combi courts and a swimming pool

(9) Tshiame — The levelling of a site for general sports

(b) R7 742 115

No, in the case of the Department of Education and Training

(a) and (b) fall away

NOTE

(1) The responsibility for recreation resorts is at present being transferred to the Provincial Administration.

(2) An amount of R11 200 000 has been budgeted for the completion of out-of-school sports facilities initiated during the previous financial year

(3) Projects currently under construction, approximately 259

John Vorster Square: special group areas police squad stationed

*4 Mr J VAN ECK asked the Minister of Law and Order

(1) Whether a special group areas police squad has been stationed at John Vorster Square in Johannesburg, if so, (a) since when has this squad been in existence and (b) what is the purpose of the squad;

(2) whether this squad visited Cape Town in 1987 and 1988 to investigate alleged contraventions of the provisions of the Group Areas Act, No 36 of 1966, if so, on how many occasions,

(3) whether any other similar squads are in existence within the South African Police

Force, if so, (a) how many and (b) where are they stationed?

†The MINISTER OF LAW AND ORDER

(1) (a) and (b) I refer the hon member to my reply to oral Question No 5 of 9 June 1987.

(2) Yes On one occasion during 1987

(3) Yes.

(a) and (b) One such unit was established at C R Swart Square, Durban, after July 1987

Upgrading of Kwamevane Township: amount allocated

*5 Mr R W HARDINGHAM asked the Minister of Constitutional Development and Planning

(1) Whether, with reference to his reply to Question No 5 on 25 August 1987, his Department has allocated the amount of approximately R1,5 million for the upgrading of Kwamevane Township, near Howick, if not, why not, if so, for what purpose was this amount utilized,

(2) whether additional funds will be allocated in this regard in the 1988-89 financial year, if not, why not, if so, what is the amount involved?

†The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

(1) No, but the National Housing Commission has approved a project in respect of planning fees (design) to the amount of R70 000 of which R18 778 was spent during the 1987/88 financial year

(2) Yes, an amount of R11 223 as applied for by the Natal Provincial Government, has been earmarked for the continuation of the planning (design)

Contact with Mr Nelson Mandela

*6 Mr C J DERBY-LEWIS asked the Minister of Justice:

With reference to his reply to Question No 4, standing over, on 29 March 1988, (a)(i) at which prison institution or institutions and (ii) on how many occasions has he had contact with Mr Nelson Mandela and (b) what was the (i) date and (ii) purpose of each of these meetings?

†The MINISTER OF JUSTICE

As mentioned in my reply to Question No 4 on 29 March 1988 I do visit prisons and I do have contact with individuals and groups of prisoners under various circumstances In this process I have had contact with Mr Nelson Mandela However, I do not deem it desirable to deal with details regarding specific prisoners in public

Meeting with Mr Nelson Mandela outside prison premises

*7 Mr C J DERBY-LEWIS asked the Minister of Justice

Whether, with reference to his reply to Question No 4, standing over, on 29 March 1988, he has at any time met with Mr Nelson Mandela outside prison premises, if so, (a) what was the purpose of these meetings and (b)(i) when and (ii) where did they take place?

†The MINISTER OF JUSTICE

The hon member is referred to my reply to the previous Question

Countries in Africa which have accorded landing rights to SAA

*8 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs:

Whether he will furnish the names of the countries in Africa which have accorded landing rights to the South African Airways, if not, why not, if so, (a) what are their names and (b) in respect of what date is this information furnished?

†The DEPUTY MINISTER OF TRANSPORT AFFAIRS

Yes

(a) Botswana, Lesotho, Swaziland, Mocambique, Zambia, Malawi, Zimbabwe and Ivory Coast

(b) 22 April 1988

Locust control: amount spent

*9 Mr R W HARDINGHAM asked the Minister of Agriculture.

(1) What amount was spent on locust control during the latest specified period of 12 months for which figures are available,

ARGUS 4/5/88 269

Last minutes of the Helderberg will remain a secret

Argus Africa News Service

PORT LOUIS (Mauritius). — The last minutes of conversation between the crew of the doomed SAA Helderberg jumbo jet and the Mauritius control tower will probably never be known because of the bad condition of the control tapes, a newspaper here has said

The Helderberg crashed off the Mauritian coast on November 28 and all 159 people on board were killed.

The aircraft's "black boxes" have not been recovered and L'Express newspaper said yesterday that nine of the 15 minutes of recording on the tape in the control tower cannot be deciphered

"NOT GOOD"

The newspaper quoted Mr Justice Cecil Margo, chairman of the commission of inquiry into the crash, as saying that the last part of the recording had been lost

Asked about attempts to decipher what was on the tape, the judge was quoted as saying "The indications are not very good"

The absence of a transcript of the last dramatic minutes on board the aircraft will make it more difficult for the commission to establish what happened.

L'Express said, however, that the tape indicated that Captain Dawie Uys had first contacted the control tower at 23 hours 48 minutes and 52 seconds on the day of the crash and had immediately indicated there was a fire in the aircraft and had given his position

Mr Justice Margo refused to comment on the causes of the crash, the newspaper said

He is expected to visit Mauritius this month to discuss delays in the operations to recover debris from the aircraft

D 10 5.1.1978

Sats rejects R1,7m offer for beach

PORT ELIZABETH —The city's offer of R1,75 million for King's Beach has been rejected by the South African Transport Services (Sats)

In announcing this yesterday, the regional manager for Sats in the Cape Midlands, Dr Friedel Mulke, said he felt the offer by the Port Elizabeth Council would have been "a waste of ratepayers' money"

This ends almost four years of protracted negotiation over the prime beachfront area which is owned by Sats

Dr Mulke said Sats wanted to have the potential of the area fully explored for the long and medium term, and the proposal put forward by the city was for "low profile development" on the short term only.

However, landscaping work currently under way on the beachfront near McArthur Baths would continue

Asked if there had been any other firm offers for the beach, Dr Mulke said architects were working on some schemes and these would be submitted for approval in the near future —DDC

Private sector might compete with SAA

Star 6/5/88

269

Political Staff

The private sector might in the near future be allowed to compete directly with South African Airways on internal flight routes.

Transport Affairs Minister Eli Louw said yesterday he wanted to have the aviation industry deregulated as soon as possible.

Three big South African business undertakings have approached Mr Louw to negotiate over transporting passengers on internal flights.

Mr Louw said he was waiting for a report from a team of experts on ways in which the private sector could be involved

He would then proceed with the deregulation of the aviation industry as it was at present

President Botha had the right to change the present law on deregulation to stimulate competition and create work opportunities, he added:

Such a step could therefore be taken even within the next few months.

Mr Louw emphasised that deregulation of the aviation industry would be under strict control.

HIGH STANDARD

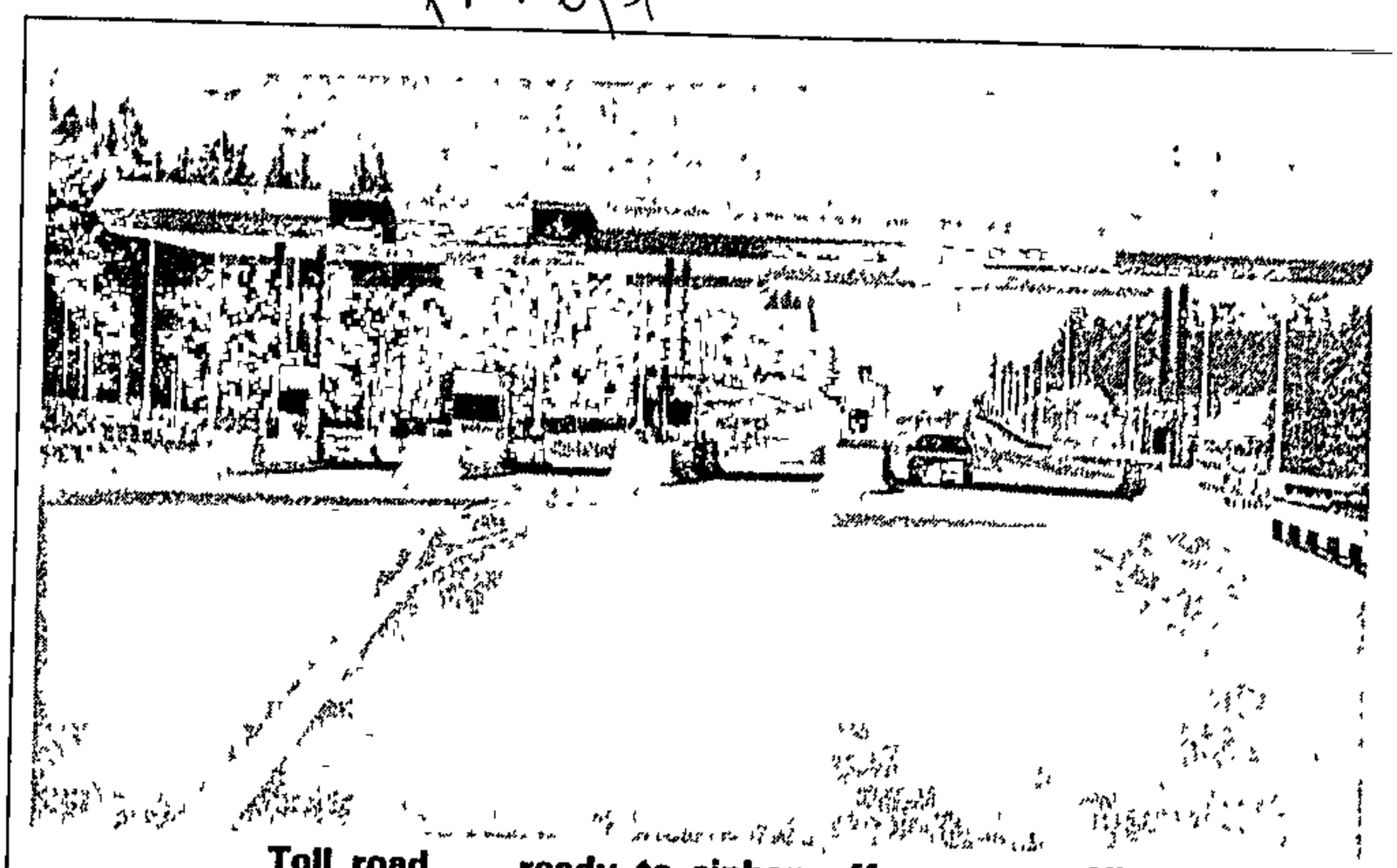
"We cannot afford to have the high standard set and maintained by SAA damaged. This standard would have to be maintained by the private sector."

Another aspect which would be investigated by the experts was the share of the internal market which should be given to the private sector

The Minister said the deregulation of the aviation industry in South Africa would be welcomed by SAA and it would come as an economic boost for the industry as a whole.

He confirmed that existing facilities at airports would, at a tariff, be made available to private undertakings that wanted to become involved in the aviation industry.

FM 6/5/88



Toll road ... ready to siphon off excess traffic

TOLLROADS

The fire's gone out

The private sector is about to admit defeat. It realises it can do little to reverse government's decision to grant sections of major roads — built with taxpayers' money — to private tolling companies

This much was obvious at a Department of Transport conference last week It tried to explain the tolling by Toll Highway Development Company of the 85 km Hendrik Schoeman Highway, which will link Springs on the East Rand with Krugersdorp on the West Rand.

It was a tame meeting, which is more than can be said for an earlier conference involving major transport bodies where vociferous opposition to tolling was voiced.

At that previous conference, the decision to allow Tollroad Concessionaires to toll the Alberton-Hilton section of the N3 came under heavy fire from an angry Donald Masson, executive director of the largely pro-government Afrikaanse Handelsinstituut. He accused government of dealing underhandedly with the private sector.

The second meeting was much more restrained, even though the Hendrik Schoeman Highway is also an existing public road that is to be tolled by a private company. Tollway has been given the section between Dalpark, south of Brakpan, and the tollroad's intersection with the N13 — all built with taxpayers' money It will also be allowed to toll the existing N13 (the South Rand Freeway) until 1990, when the M4 (to be built mostly on mining ground south of Johannesburg) comes into operation.

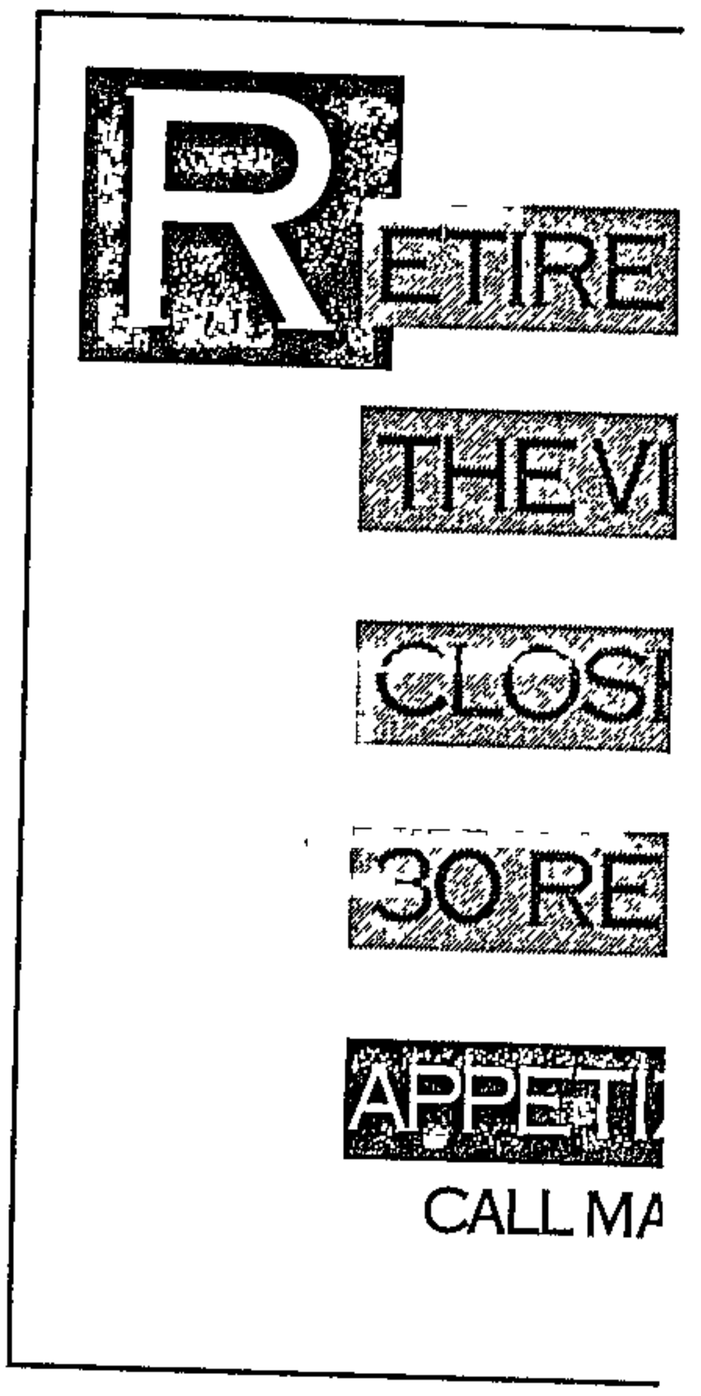
A probable reason for the authorities escaping so lightly at this latest conference is that objectors have already made their points Little can be gained by again emphasising that the millions paid through fuel levies into government coffers for road upgrading and building have been used for other purposes

The private sector also realises that the Hendrik Schoeman Highway is essential. It will provide the only direct link between the two Reef towns and, *when commissioned*, will be used by nearly 2 000 vehicles an hour at peak periods.

Should government be forced to fund the road, a 15-year wait can be expected — by which time Johannesburg traffic would be chaotic

Without the highway, roads in and around Johannesburg's CBD will be choked with traffic by 1990 The existing M2 is already handling more than it was designed for.

Even when the Hendrik Schoeman Highway is commissioned, pressures on existing connector roads — Booysens Road, Eloff Street Extension and Rosettenville Road — will not be relieved. Estimates indicate that peak traffic volumes will remain roughly at present levels of 2 200 an hour, 2 000 an hour and 1 500 an hour respectively. ■



Breaking SAA's monopoly unlikely to cut air fares

Staff Reporter

TRAVELLERS hoping that an end to South African Airways' monopoly of internal routes will lead to cheaper fares are likely to be disappointed.

Spokesmen for Air Cape and Comair, two of the leading independent airlines and frontrunners for a slice of the SAA cake, said they did not foresee fares dropping.

However, passengers would benefit from improved punctuality, more efficient service, a wider choice and greater seating capacity, said Mr David Novick, chairman of Comair, the passenger line based at Jan Smuts Airport.

Mr Novick was reacting to yesterday's announcement by the Minister of Transpost Affairs, Mr Eli Louw, that he wanted to allow private airlines to compete against SAA as soon as possible.

Mr Novick said SAA prices were among the cheapest in the world.

"You have to take into account that between 60 and 70 percent of an airline's costs are 'imported costs'. The fuel, the aircraft and the parts are all dependent on the value of the rand.

"Taking these into consideration and then looking at the fare structure you find that SAA is still very cheap."

He said competition would have a positive influence on fares by keeping future increases in check.

Comair operates four 44-seater Fokker Friendships on routes between Johannesburg and destinations in Natal, Eastern Transvaal, Swaziland and Botswana.

"As the largest private carriers we are keen to get involved and we have made recommendations to the Government on how we see the industry best being deregulated," Mr Novick said

Dr Piet van Aswegen, chairman of Air Cape and executive director of Safmarine's air division, Safair, also believed that fare prices were unlikely to drop

"It's probable that the nominal fares would remain the same, though you might see differences in discount structures," he said

Private airlines 'supplementary'

Own Correspondent

JOHANNESBURG. — Private airlines will provide supplementary services to those already offered by the SAA, rather than going into direct competition, if the proposed deregulation of SA's aviation industry goes ahead.

This was the view of the executive director of the Commercial Aviation Association, Mr Cor Beek, who said both SAA and the private sector would have a role to play in a deregulated aviation industry.

He welcomed the announcement on Thursday by the Minister of Transport, Mr Eli Louw, that he wanted to have the aviation industry deregulated as soon as possible.

"I do not think one should immediately believe this is going to mean a second SAA flying parallel, with the same type of equipment," he said.

"That would be a waste of money and does not make sense"

Mr Beek said neither SAA nor the private sector could afford neck-and-neck competition.

He added that with controlled deregulation, private airlines could be expected to provide additional flights during off-peak hours, using smaller aircraft. He ruled out the possibility of the development of a shuttle service

Leasing out of planes the problem

250 SAA flights late every week

269 B/day 10/5/88.

ALMOST 250 SAA domestic flights had been delayed every week this year, SAA deputy chief executive Viv Lewis said yesterday.

He said SAA had an average of 930 domestic flights a week. Of those, 248 had been delayed weekly.



● LEWIS

Businessmen, who constitute about 60% of SAA's domestic passengers, have increasingly complained about delays and the unavailability of seats

Lewis said one of the main reasons for the delays was that SAA had leased out planes during the economic slump and had not anticipated an upswing in the economy to the degree it had occurred.

Of the delayed flights, 58% had been due to a domino effect — if one plane was delayed, subsequent flights were held up as a result. Only 2,8% of all delayed flights were due to technical problems.

Lewis said: "We are not happy with the situation, but we have taken steps to cut down delays. About 85% of all our domestic flights are departing on time."

MANDY JEAN WOODS

Lewis said the lack of standby planes — used to replace a plane delayed because of technical or other problems — had contributed to the problem

But a postive aspect of leasing planes had been a better utilisation of their equipment.

Lewis said "A year ago we were using a Boeing 737 for four hours a day. Now we are using the same plane for between six and seven hours a day."

Lewis declined to give details of leased planes but said during the past year all the 737s on lease had been returned and several 747s were expected back in August. SAA had also leased a LuxAir airbus.

He said SAA was committed to giving the best possible service to its passengers. "I have an open-door policy and passengers can call or write to me anytime. We do listen to them."

SAA domestic services director Nic Vlok said domestic flights had been 76% full on average since January, with higher occupancies on certain peak flights.

● To Page 2

250 SAA flights are late every week

269 B/day 10/5/88

● From Page 1

In December, 60 additional flights were put on to meet demand.

Vlok said passengers had directly benefited from the better utilisation of equipment in that there had been no fare increases on domestic flights for the past two years. He said, "We are making a profit"

Safety had not been compromised. He said. "Maintenance schedules are planned around the number of hours a plane has flown, so we are just carrying out more maintenance checks than before"

☐ SAA recorded one of its best on-time departure records this weekend, with up to 98% of flights on time

Vlok said in spite of the long weekend, which drew 17 300 people to Jan Smuts, almost all flights left on schedule

HOUSE OF ASSEMBLY

†Indicates translated version

For oral reply

General Affairs

State President

SABC: resignation of former director-general

*1 Mr S C JACOBS asked the State President †

(1) Whether he made any requests or gave any instructions to the Minister of Information, Broadcasting Services and the Film Industry in connection with the resignation of the former director-general of the SABC, if so, (a) when, (b) what was the purport of these requests or instructions and (c) what was that Minister's response thereto

(2) whether, either directly, indirectly or through an official of his Office, he contacted any other person to whom he made requests or gave instructions in connection with the resignation of the said director-general, if so, (a) when, (b) (i) in what manner was this person contacted and (ii) who is the person and (c) (i) what requests did he make or instructions did he give and (ii) to whom,

(3) whether he indicated, during the discussion he had with the said director-general in 1987 about a news broadcast involving the Chairman of the Ministers' Council of the House of Representatives, that he wanted to have this director-general dismissed or thought that the latter must or ought to relinquish his position?

The MINISTER OF INFORMATION, BROADCASTING SERVICES AND THE FILM INDUSTRY (for the State President)

(1), (2) and (3)

I refer the hon member to my address concerning this matter in the House of Assembly on 21 April 1988

Mr D J N MALCOMESS Mr Speaker, on a point of order May I point out to you that the Hansard of the House concerned has not yet been distributed Secondly, Sir, in terms of a decision given by the Chairman of this House it was suggested to hon Ministers that they do not refer to answers given to questions put in other Houses

The MINISTER I have been referring to a speech by the hon the State President in the House of Assembly, in other words, in this House. [Interjections]

Mr SPEAKER Order! I will consider the matter and give my decision later

†Mr S C JACOBS Mr Speaker, on a point of order· is this the way in which the hon the Minister replies to a question? Does he do it by implying that all the questions that

†Mr SPEAKER Order! The hon member for Port Elizabeth Central has raised a point of order on which I intimated that I shall give a ruling later All further questions on this should therefore stand over until then

Ministers

Questions standing over from Tuesday, 3 May 1988

*25 Mr J B de R VAN GEND — Constitutional Development and Planning [Reply standing over]

***Nodal point*: appointment of designated person**

*30 Mr R M BURROWS asked the Minister for Administration and Privatisation

(1) Whether a designated person in each State Department has been appointed as a "nodal point"; if so, (a) what is the function of a person so appointed, (b) (i) when and (ii) by whom were these appointments made and (c) which persons were so appointed in each Department,

(2) whether he will make a statement on the matter?

The MINISTER FOR ADMINISTRATION AND PRIVATISATION

(1) No, but co-ordinators of special services, who are sometimes informally referred to as "nodal points", have been designated

(a) Manages the special services component; obtains, analyses and evaluates information which may be of importance, from a security and welfare point of view, to the department concerned, provides inputs from a security and welfare point of view to the head of department concerned and to other members of management regarding policy formulation, interpretation and execution, serves as liaison point for special services within the department concerned as well as with other institutions

(b) (i) and (ii) Such designations are done by the head of department concerned, as necessary

(c) Persons from any occupational class within the department concerned may be designated as such

(2) No

Mr R M BURROWS Mr Speaker, arising from the reply given by the hon the Minister, can he give us the exact official title of these persons?

The MINISTER Mr Speaker, I am not aware of any specific title they carry They are co-ordinators, as I have said in my reply to the hon member They are people who have been nominated as co-ordinators They are casually referred to from time to time as "nodal points"

Mr H H SCHWARZ. Mr Speaker, further arising from the hon the Minister's reply, will he please tell us whether the word "nodal" has the meaning assigned to it in the *Oxford Dictionary* or in *Webster's Dictionary*, or whether it has a peculiar meaning which he himself has attached to the word? [Interjections]

New Questions

Proposed economic policy for RSA: publications involved in advertising campaign

*1 Mr C J DERBY-LEWIS asked the Minister of Information, Broadcasting Services and the Film Industry

With reference to his reply to Question No 15 on 1 March 1988, (a) which publications were involved, in the month of March 1988, in the advertising campaign in the Press aimed at presenting the Government's proposed economic policy for the Republic and (b) what was the combined circulation figure of these publications for that month?

†The MINISTER OF INFORMATION, BROADCASTING SERVICES AND THE FILM INDUSTRY

(a) Newspapers
Rapport
Sunday Times
Sunday Tribune
The Star
Beeld
Citizen
Burger
Argus
E P Herald
Volksblad
Oosterlig
Daily News
City Press
Ilanga
Sowetan
Imvo Zabantsundu

Magazines
Financial Mail
Finance Week
Finansies en Tegniek
African Business Publication

(b) Total circulation figure· 2 258 991

Tugs *Willem Heckroodt*/*Danie du Plessis*

*2 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs·

(1) Whether, with reference to his reply to Question No 805 on 25 March 1988, a decision has as yet been taken on the request for assistance in the form of providing South African Transport Services personnel to operate and maintain the tugs *Willem Heckroodt* and *Danie du Plessis* sold to the Government of Mozambique in 1986, if so, (a) when and (b) what was the decision, if not, what are the reasons for this delay in taking a decision,

(2) whether Transport Services have made an appeal to personnel to volunteer for such duties in Mozambique, if so, how many personnel have responded to this appeal,

(3) whether Transport Services personnel will be compelled to perform such duties?

250 delays per week, SAA admits

CAPE TIMES 10/5/83

269

Own Correspondent

JOHANNESBURG. — Almost 250 SA Airways domestic flights had been delayed every week this year, the deputy chief executive of SAA, Mr Viv Lewis, said yesterday.

SAA had an average of 930 domestic flights a week. Of these 248 had been delayed weekly, he said.

Businessmen, who constitute about 60% of SAA's total domestic passengers, have increasingly complained about consistent delays and the unavailability of seats.

Mr Lewis said one of the main reasons for the delays was that SAA had leased out planes during the economic slump and had not anticipated an upswing in the economy to the degree it occurred.

Of the delayed flights, 58% had been due to a "domino effect" — if one plane is delayed, subsequent flights are held up as a result. Only 2,8% of all delayed flights were due to technical problems, he said.

"We are not happy with the situation, but we have taken steps to cut down delays. Currently, about 85% of all our domestic flights are departing on time," Mr Lewis said.

Lack of standby planes

SAA Domestic Services Director Mr Nic Vlok said the lack of standby planes — used to replace a plane delayed because of technical or other problems — had contributed to the problem.

But a postive aspect of leasing planes had been a better utilization of its equipment, he said.

Mr Lewis said that safety had not been compromised by the leasing system.

More than 1 in 4 SAA domestic flights are late

More than a quarter of South African Airways domestic flights have been delayed each week this year, says SAA deputy chief executive Mr Viv Lewis.

An average of 248 out of 930 domestic flights were delayed each week.

Businessmen — about 60 percent of domestic passengers — have also complained about the unavailabilty of seats.

Mr Lewis said SAA had leased out planes during the economic slump and had not anticipated the degree of upswing

He said 58 percent of the delays were due to the "domino effect" — if one plane was delayed, subsequent flights were held up

Only 2,8 percent of all delayed flights were due to technical problems

Mr Lewis did not account for the remaining percentage

Business Report

WEDNESDAY, MAY 11, 1988

Bid for share of SAA internal market

By AUDREY D'ANGELO
Financial Editor

COMPETITION for South African Airways (SAA) on domestic flights would lead to increased efficiency, but not necessarily lower fares, Safmarine MD Mike Finlay said yesterday.

Safmarine is pressing strongly for deregulation of the aviation industry — opening SAA's scheduled passenger and freight routes to competition — rather than merely privatizing the national carrier.

If this happens Safmarine's aviation arm, Safair, formed by amalgamating two subsidiaries, Air Cape and Safair Freighters, will make a strong bid to become the country's second airline.

Finlay made it clear at a media briefing in Cape Town that Safmarine was prepared to make a multi-million rand investment in aircraft to compete with SAA on passenger and freight routes both in this country and overseas.

"We would be happy if SAA continues as it is and we are allowed to compete, as in Australia, where there is a second airline and air services are very efficient," he said.

But, asked if this would result in lower domestic air fares, he said this would happen only if increased efficiency allowed both airlines to lower fares. Otherwise, he said, tickets would probably have to cost the same so that they could be interchangeable — allowing passengers to fly out with one airline and back with another

Safair is not the only contender for the position of second airline. There are 16 other private airlines in SA, including Comair, who may possibly form a consortium.

But Finlay pointed out that the price of the aircraft they would need to compete effectively with SAA would put some out of the running

Discussing the advantages of deregulation, he said that privatization of SAA would merely create a privately owned monopoly Opening the skies to competition, on the other hand, would give passengers and firms sending freight a choice, resulting in more efficiency

He said it would be cheaper for Safair to operate turbo-propeller aircraft on marginally profitable domestic routes than for SAA to serve them with jets

"In Brazil they use turbo-props for all domestic flights and were surprised to hear jets are used for them here."

But it would not be possible for Safair to use a turbo-prop in competition with an SAA jet on the same domestic route "because no-one in his right mind would lose half an hour by travelling on a turbo-jet when he could travel in an airbus for the same price."

Finlay said Safair would continue to push for freedom to compete on international freight routes, which was a major growth area with enough business to fill the planes of both lines.

It had already applied from time to time but the application had always been refused. At present it could accept a charter to fly freight on a scheduled route only if it obtained the permission of SAA.

Discussing international routes, he said most of these services were allowed through bilateral agreements between both governments. "I think something could be done if the minister thinks it is in the interests of the country."

It was announced at the meeting that Safair had added a Convair 580 to its fleet for use on its West Coast route and had located another it was prepared to buy if it acquired routes from Port Elizabeth to Bloemfontein and Kimberley.

"If the government opens doors we want to be in a position to go through them quickly," said Finlay.

If Safair is allowed to compete with SAA on a major route, such as Cape Town to Johannesburg, larger jet aircraft will be used

DID 111588 (269)

Helderberg: many accept SAA compensation offer

Daily Dispatch Correspondent

JOHANNESBURG — More than half of the families of the 56 South African citizens or residents killed in the Helderberg air disaster had accepted the South African Airways compensation offer at noon yesterday

This was confirmed by a South African Transport Services (Sats) spokesman, Mr Johan Lamprecht, yesterday

Mr Lamprecht could not say exactly how many families had accepted the offer, which was made about three months ago and expires at midnight tonight

As of the end of April, nine of the 27 Taiwanese claimants had accepted the SAA offer of $82 500

Of the 140 passengers, 83 have received a compensation offer from SAA and its insurers However 57 families of victims, mainly from Japan, have yet to receive an offer

"We have spent the past month studying the law of those countries to determine what the legal claims in these jurisdictions should be"

Families in Korea and Mauritius could receive an offer "quite soon", but families of victims from Hong Kong and Japan could still wait "a long time"

Some South African families have indicated verbally that they will not accept the offer because it was "too low", but nobody has rejected the offer in writing yet, Mr Lamprecht said

"The only legal recourse open to families who do not accept the offer will be to bring a civil suit against SAA within three years of the date of the accident

"Then they are required to give us three months' notice that they intend to do so, with the onus being on them to prove negligence by SAA

"With the limited information available it will be difficult to prove negligence," he said

In terms of the offer, families accepting it waive their right to future legal action or claims against SAA

SAA has offered the maximum amount to victims' families in terms of its conditions of carriage.

"We have offered $75 000 (applicable under the Montreal Agreements governing airlines crossing the US) to victims with dependents, and $27 500 was made to families of victims without dependency claims"

Victims without dependents do not have any legal claim against SAA or its insurers under South African law

The crew of the Helderberg were covered by an in-house insurance scheme and their families were paid out weeks after the accident

SAA probes peak period flights

Carl Timms
11/5/88
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Own Correspondent

JOHANNESBURG. — SAA is looking at ways of alleviating congestion on peak-period flights; according to the airline's chief director (domestic), Mr Nic Vlok.

This could include rescheduling certain flights to introduce more flights in peak periods, he said

Vlok said data compiled from flight occupancies last month showed only certain flights are fully booked in advance, but flights both before and after usually had seats available

"For example, in April business class seats on the 7 30am flight SA305 from Johannesburg to Cape Town were fully booked 12 days in advance while SA303 departing a half-hour later had seats available."

Likewise, business class on the 6pm SA329 from Johannesburg to Cape Town was fully booked 12 days in advance, but both SA325 departing at 3pm and SA335 departing at 8pm had seats available

This trend was consistent for many peak period flights, he said

"We are looking at the possiblity of changing the schedule — for example having flights depart at 7 15am instead of 7 30am and 7.45am instead of 8.00am for SA305 to accommodate the needs of passengers," Vlok said.

"We are also considering improving our marketing plan to make businessmen aware of alternative flights," he said

SAA has already introduced 19,7% more seats on its domestic routes since June last year.

"It is our objective to serve our passengers properly and we are watching trends to see how we can meet their demands and requirements If the need arises to provide more seats we will do so," Vlok said.

Helderberg crash: Offers accepted

JOHANNESBURG. — More than half of the families of the 56 SA citizens or residents who died in the Helderberg air disaster had accepted the South African Airways (SAA) compensation offer at noon yesterday, Sats legal adviser Mr Johan Lamprecht said yesterday.

He could not say exactly how many families had accepted the offer, made about three months ago. It expires at midnight tonight.

As of the end of April, nine of the 27 Taiwanese claimants had accepted the SAA offer of $82 500, he said.

Of the 140 passengers, 83 had received a compensation offer from SAA and its insurers. However 57 families of victims, mainly from Japan, have yet to receive an offer.

Some SA families had indicated verbally they would not accept the offer because it was "too low" but nobody had rejected the offer in writing yet.

Families not accepting the offer would have three years from the date of the accident to bring a civil suit against SAA.

"The onus will be on them to prove negligence by SAA and with the limited information available it will be difficult to prove."

Proof of negligence, if any at all, would only be known once the Margo Commission finished its investigation sometime late next year, he said.

In terms of the offer, families accepting it waive their right to future legal action or claims against SAA.

SAA has offered the maximum amount to victims' families in terms of its conditions of carriage.

SAA seeking ways to alleviate congestion

Daily Dispatch Correspondent

JOHANNESBURG — South African Airways is looking at ways of alleviating congestion on peak period flights, the airline's chief director (domestic), Mr Nic Vlok, said.

This could include rescheduling certain flights so that more flights could be introduced over peak periods, he said

Mr Vlok said data compiled from flights last month showed only certain flights were fully booked in advance while flights before and after peak periods usually had seats available

"For example, in April, business class seats on SA305 (departing at 7 30am) from Johannesburg to Cape Town were fully booked 12 days in advance while SA303 which departed half-an-hour later had seats available," he said

Likewise, business class on SA329 (6pm) from Johannesburg to Cape Town was fully booked 12 days in advance, but both SA325 (departing at 3pm) and SA335 (departing at 8pm) had seats available.

This trend was consistent for many peak period flights, he said

"We are looking at the possiblity of changing the schedule For example, having flights depart at 7 15am instead of 7 30am and 7:45am instead of 8:00am for SA305 to accommodate the needs of passengers," Mr Vlok said.

"We are also considering improving our marketing plan to make businessmen aware of alternative flights," he said

SAA has already introduced 19,7 per cent more seats on its domestic routes since June last year

"It is our objective to serve our passengers properly and we are watching trends to see how we can meet their demands and requirements. If the need arises to provide more seats we will do so," he said.

D|D 04/5/88

Increase in Zimbabwe tonnage

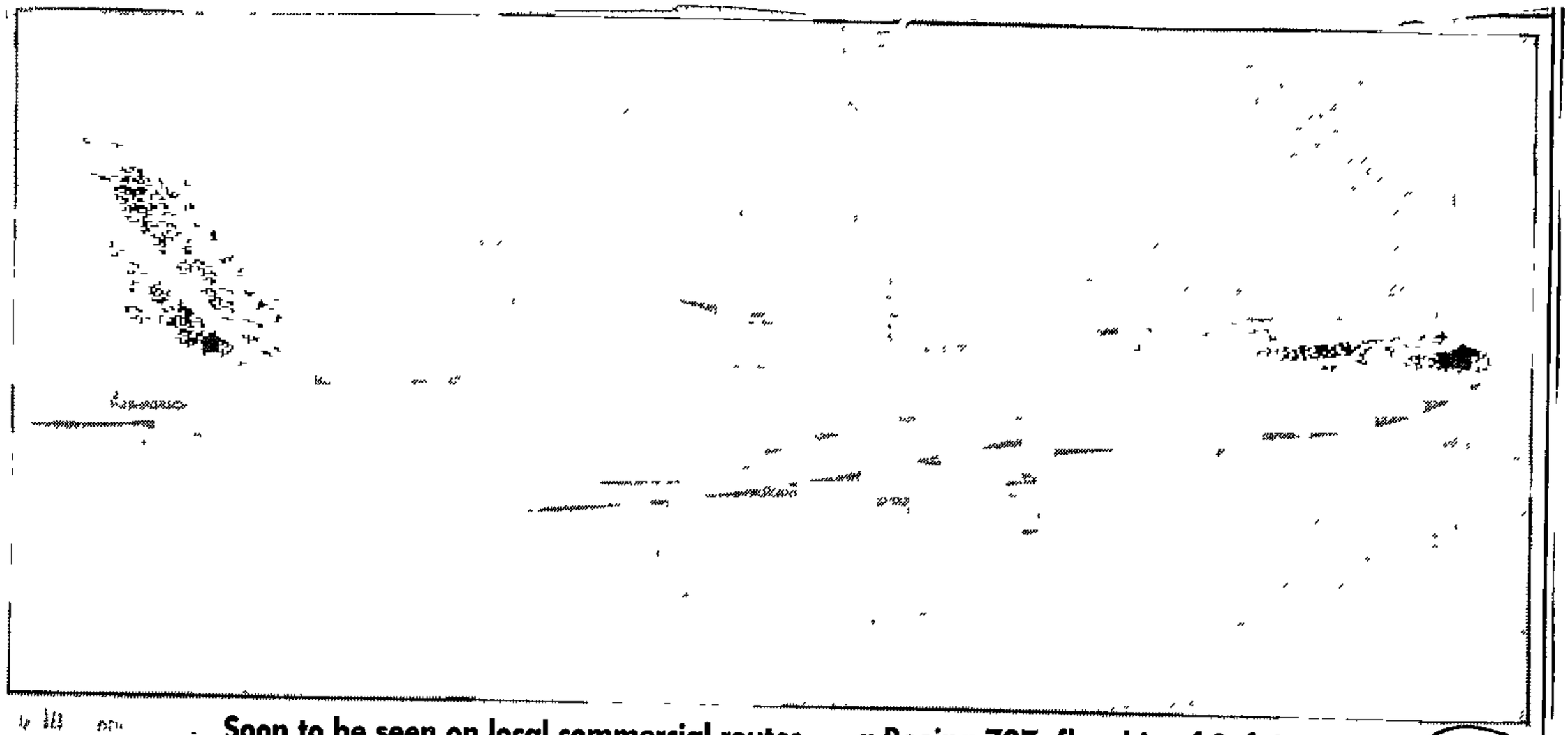
CAPE TOWN — The traffic tonnage, handled by South African harbours for Zimbabwe has sharply increased in recent years, but has steadily declined in the case of Zambia and Zaire

The Minister of Transport Affairs, Mr Eli Louw, was replying to a question from Mr Clive Derby-Lewis (CP nominated)

Mr Louw said traffic tonnage handled for Zimbabwe had increase from 415 113 tons in 1983/84 to 541 368 tons in 1984/85 and 963 589 tons in 1986/87

Figures during the corresponding years for Zambia were 238 095, 161 224 and 61 668

In the case of Zaire tonnage dropped from 312 537 to 310 885 to 227 512 — DDC



Soon to be seen on local commercial routes — a Boeing 707, flagship of Safair

Star 14/5/88

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Safair prepares for deregulation

MAGNUS HEYSTEK

Safair, a wholly owned subsidiary of Safmarine, is preparing for a major thrust into the domestic commercial aviation industry

In anticipation of the imminent deregulation and privatisation of SAA, Safair has rationalised its existing aviation interests by merging Safair Freighters and Air Cape under the single name Safair.

A Convair 580 aircraft has been acquired and will be added to the existing Air Cape fleet. This is in addition to the recent purchase of a Boeing 707 to replace the existing leased Boeing 707.

Safair operates the largest privately owned fleet of Hercules aircraft in the world and is probably the second-largest carrier of freight and passengers in Southern Africa It was founded by Safmarine in 1969.

Safmarine MD Mike Findlay said in Cape Town earlier this week that the large capital requirements needed to operate a commercial airline would limit the possible alternatives to the major passenger carrier SAA to one or two aviation companies. "While there will most certainly be scope for smaller companies to operate on some routes, any serious competition to the SAA can only come from one or two companies. We hope to be that company," he said

With the local aviation industry still in the dark about the nature and manner of the proposed deregulation of SAA, Safmarine has opted to go it alone, unlike some companies which feel a consortium of smaller companies has a better chance of succeeding

Mr Findlay said some of the loss-making routes of SAA could be converted into profit-making centres by using alternative aircraft, more suited to these routes.

"Many routes served at present by the jets of SAA can far better and more cheaply serviced by propellor aircraft," he said.

This, however, would not necessarily mean lower air fares for commercial passengers, Mr Findlay said

He considered it unlikely that the authorities would allow a price war to break out, as had happened in the US.

D10-14/5/88 (269)

US ban not stopping SAA

DURBAN — United States action to deny landing rights to South African Airway (SAA) has not prevented South African-based passengers from getting to the US

Instead it has resulted in American airlines making agreements with SAA to fly their American-bound passengers from Europe

At a function here this week to mark the 25th anniversary of the opening of Lufthansa's sales office, Lufthansa's general manager in Southern Africa, Mr Gerd Kemper, said that the 60 000 passengers wishing to reach the US had found a way to do so.

For a passenger booking a flight from South Africa to the US, via Europe, the trans-Atlantic trip would cost about R200, whereas someone flying from Europe could expect to pay R1 000

Mr Kemper said that the German airline did not plan to withdraw its flights from this country

Neither they, or the German Government, could support sanctions

However, the decline of the rand against the deutschmark, especially marked in the last few days, was of concern for an airline that paid most of its expenses in hard currencies.

Mr Kemper said he thought that travel was habit-forming and that airlines had not yet reached saturation.

As incomes rose, more people used airlines for business or pleasure, he said. — DDC

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IN AREAS

DLP 14/5/88

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New Bill requires transport drivers to obtain permits

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PRETORIA — Drivers of transport industry vehicles will have to apply for professional driving permits after promulgation of the Road Traffic Bill now before parliament, a Transport Department official said yesterday.

The official, Mr Pen Mainwaring, said he and a transportation engineering consultant, Mr Phil Hasluck, would be addressing this and other issues at an annual convention to be held at the University of Pretoria from July 4-8.

"Once the Bill is in force, drivers requiring a professional driving permit (PrDP), would have to present an existing valid drivers' licence and a medical fitness certificate on initial application and with subsequent compulsory biennial applications for renewal."

He added that PrDPs would be issued, subject to consideration of a driver's licence, health, vision and traffic offences record

On the subject of roadworthiness, he said all transport industry vehicles would have to carry an annually renewable roadworthy certificate

"Private heavy goods vehicles and all passenger vehicles containing 12 seats or more will have to obtain this annual roadworthy certificate

"The details of the certificate will be recorded in the central vehicle registers and will be checked at the time of re-licensing and at on-the-road checks"

In addition, all private and public vehicle-testing stations throughout the country would be upgraded according to their facilities and personnel, on standards laid down by the South African Bureau of Standards

"Registration and subsequent monitoring of testing stations will ensure that standard tests are carried out by adequately qualified personnel according to prescribed procedures

"To spread the testing load — estimated to become five times the number of vehicles in the transport industry currently requiring certificates of fitness — privately-owned testing stations will also be recognised and registered.

"Personnel examining vehicles will also be graded and registered to enable their performance to be monitored and for them to undergo refresher courses when necessary." — Sapa

Learner telephone electricians: applications for employment

939 Mr J B de R VAN GEND asked the Minister of Communications

(a) How many applications for employment as learner telephone electricians were received from (i) Whites, (ii) Coloureds, (iii) Indians and (iv) Blacks during the latest specified 12-month period for which figures are available and (b) (i) how many such applications were refused by the Post Office, and (ii) what were the reasons for refusing them, in respect of each of these race groups?

The MINISTER OF COMMUNICATIONS

For the 12-month period 1 March 1987 to 29 February 1988

		(i)	(ii)	(iii)	(iv)
(a)		1 203	484	72	681,
(b)	(i)	585	455	60	665, and

(ii) in each population group on account of either

— not having aptitude for the work

— not complying with the required educational qualifications

— the oversupply of applicants

Note

The rank of learner telephone electrician has been replaced by that of telcom trainee and the above-mentioned information is accordingly furnished in respect of the latter rank As a number of applicants merely applied for employment in the technical division and not specifically as telcom trainees, all those applications that were initially made for or ultimately refined to telcom trainees are included in the figures indicated

Apprenticeship: applications for employment

942 Mr J B de R VAN GEND asked the Minister of Communications

(1) How many applications for employment under apprenticeship as (a) motor mechanics, (b) diesel mechanics, (c) painters/decorators, (d) carpenters, (e) welders, (f) plumbers and (g) panelbeaters were received from (i) Whites, (ii) Coloureds, (iii) Indians and (iv) Blacks during the latest specified 12-month period for which figures are available,

(2) (a) how many such applications were refused by the Post Office and (b) what were the reasons for refusing them in each case?

The MINISTER OF COMMUNICATIONS

For the 12-month period 1 March 1987 to 29 February 1988

		(i)	(ii)	(iii)	(iv)
(1)	(a)	32	2	0	0
	(b)	13	0	0	0
	(c)	11	0	0	0
	(d)	11	3	0	0
	(e)	20	4	0	0
	(f)	3	0	0	0
	(g)	6	0	0	0,
(2)	(a)	67	9	0	0, and

(b) in each case on account of either

— not having aptitude for the work

— not complying with the required educational qualifications

— the oversupply of applicants

Land Bank Board: educational/professional qualifications of members

979 Mr P G SOAL asked the Minister of Finance

(1) What are the (a) educational and (b) professional qualifications of each of the members of the Land Bank Board,

(2) whether persons appointed as members of this board are required to have any special qualifications, if so, what special qualifications?

The MINISTER OF FINANCE

(1) (a) The chairman and the other eight members all have matric In addition the chairman is in possession of a B Com degree and a diploma in accountancy, one member a B Sc Agric degree whilst two further members have agricultural diplomas,

(b) practical farmers except the chairman who is also the Managing Director of the Land Bank

(2) Yes — members of the Land Bank Board are acquainted with the various farming regions and farming industries Due to his comprehensive farming experience as successful practical farmer, each member of

the Land Bank Board has specialized knowledge of such farming region and industry as well as farming in general and has played a leading role in the agricultural field

Members of the Land Bank Board are appointed by the State President in terms of the provisions of the Land Bank Act, 1944, and the name of each appointed member is Tabled in Parliament.

Krugersdorp/Witpoortjie stations: first/third-class passengers handled

1005 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) What is the daily number of (a) first and (b) third-class passengers handled by the Krugersdorp and Witpoortjie stations, respectively,

(2) whether there are shelters available on the platforms of these stations, if not, why not, if so, what is the capacity of these shelters in respect of each class of passengers at each of these stations?

The MINISTER OF TRANSPORT AFFAIRS

(1)	(a)	(b)
Krugersdorp	2 213	3 931
Witpoortjie	1 923	1 176

(2) Yes	First Class	Third Class
Krugersdorp	399 sq m	246 sq m
Witpoortjie	54 sq m	63 sq m

Hansard

HOUSE OF ASSEMBLY

†Indicates translated version

For written reply

General Affairs

Independent Black states/South West Africa: overseas loans guaranteed by South African Government

792 Mr C J DERBY-LEWIS asked the Minister of Foreign Affairs

(1) (a) What overseas loans were guaranteed by the South African Government on behalf of (i) each of the independent Black states and (ii) South West Africa during the latest specified period of 10 years for which information is available and (b) what were the conditions of repayment in each case,

whether any of these loans have been repaid, if so, (a) how many of these loans have been repaid by (i) South Africa in terms of guarantees given by the South African Government and (ii) these states themselves and (b) in respect of what date is this information furnished?

The MINISTER OF FOREIGN AFFAIRS

(1) The hon member will understand that in order to protect sources of overseas loans, particulars of each specific transaction should under present circumstances not be published In terms of Section 13(6) of the Exchequer and Audit Act (No 66 of 1975), the State furnishes information in respect of its guaranteed liabilities only on a global basis, which information is published annually in the Government Gazette

(2) The South African Government has in no case been called upon to make payments in terms of guarantees made by it in respect of overseas loans to the TBVC States and South West Africa during the past ten years ending 31 March 1988

Tugs: *Willem Heckroodt/Danie du Plessis*

807 Mr C J DERBY-LEWIS asked the Minister of Foreign Affairs

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(1) Whether his Department was involved in the sale of the South African tugs *Willem Heckroodt* and *Danie du Plessis* to the Government of Mozambique, if so,

(2) whether any agreement was reached on assistance to Mozambique in respect of the operation and maintenance of these tugs, if so, what are the terms of this agreement,

(3) whether it is the intention to ask South African citizens to volunteer to assist in operating and maintaining these tugs, if so, (a) what will be the conditions of service of these volunteers and (b) by whom will their salaries and expenses be paid?

The MINISTER OF FOREIGN AFFAIRS

I will gladly furnish the hon member with the relevant details verbally

Diplomatic missions/representatives in countries with which RSA does not have official diplomatic ties

894 Mr C J DERBY-LEWIS asked the Minister of Foreign Affairs

Whether he will furnish information on whether South Africa has diplomatic missions or representatives in countries with which it does not have official diplomatic ties, if not, why not, if so, (a) in what countries and (b) to what extent?

The MINISTER OF FOREIGN AFFAIRS

I will gladly furnish the hon member with the relevant details verbally

Staff complement in RSA/countries abroad

931 Mr C J DERBY-LEWIS asked the Minister of Foreign Affairs

What was the staff complement of his Department in respect of Whites, Coloureds, Indians and Blacks, respectively, in (a) the Republic and (b) countries abroad (i) in the (aa) 1978-79, (bb) 1982-83 and (cc) 1986-87 financial years and (ii) as at the latest specified date for which figures are available?

The MINISTER OF FOREIGN AFFAIRS

I will furnish the hon member orally with relevant information

2

†The MINISTER OF TRANSPORT AFFAIRS

(1) Yes, for a period of twelve months

(a) The reduction in rates vary depending upon the cost of conveyance, circumstances and merit of applications

(b) To be more competitive in the open transport market, to gain traffic for S A Transport Services and to make a contribution towards the viability of projects which possibly would not have realised otherwise

(2) No Reduced rates have only been offered on application from freight forwarders who can offer traffic of the same description for conveyance under the same conditions

Executions

*2 Mr D J DALLING asked the Minister of Justice

(1) Whether there is a set time of day for executions, if so, what is this time,

(2) what is the average waiting period for condemned prisoners from the time of their arrival at the gallows to the time of their being hanged?

The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY (for the Minister of Justice

(1) and (2)

The hon member is referred to my reply to Question No 24 on 10 May 1988

*3 Mr J H VAN DER MERWE—DEFENCE † [Withdrawn]

*4 Mr J H VAN DER MERWE — Defence † [Withdrawn]

*5 Mr J H VAN DER MERWE — Defence † [Withdrawn]

Sandkraal sites and homes

*6 Mr J VAN ECK asked the Minister of Constitutional Development and Planning

(1) Whether his Department or the Cape Provincial Administration has been requested by any local authority in George to provide (a) sites and/or (b) homes in the Black township of Sandkraal if so, (i) how many in each case, (ii) by what date, (iii) why, (iv) with what result and (v) by what local authority was this request made,

(2) whether Black residents of the Coloured townships in Borcherds, Urbanville and Cornville are to be moved to Sandkraal, if so, (a) when and (b) on what basis?

†The DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This matter vests in the Administrator of the Cape Province and he furnished the following information

(1) (a) Yes

(i) 250 sites

(ii) 31 May 1988

(iii) For the resettlement of squatters from Lawaaikamp

(iv) The settlement of families on serviced sites

(v) Municipality of George

(b) No, the Administration requested the Municipality to provide the services and the Municipality offered to erect the houses

(2) At this stage the moving of Black residents of Borcherds, Urbanville and Cornville to Sandkraal is not being considered

†Mr J VAN ECK Mr Speaker, arising out of the hon the Deputy Minister's reply, could he inform the House whether the remaining 2 000 residents of Lawaaikamp are prepared to move voluntarily to Sandkraal? (Interjections)

†The DEPUTY MINISTER Mr Speaker, according to the available information there are now no longer 2 000 residents in Lawaaikamp As far as I know, attempts are indeed being made to achieve the voluntary removal of the residents of Lawaaikamp

†Mr J VAN ECK Mr Speaker, further arising out of the hon Deputy Minister's reply, would he or his Department be prepared to purchase from the municipality of George the land on which Lawaaikamp is built at present if the municipality would be prepared to sell the land?

†The DEPUTY MINISTER Mr Speaker, the land belongs to the municipality of George, and

there is no reason why this Department would be interested in it

†Mr J VAN ECK Mr Speaker, further arising out of the hon the Deputy Minister's reply, can he tell us whether Sandkraal, as it is planned at present, will have enough space to provide for the natural increase of the Black population of George and for the people who will move there? (Interjections)

SAA: cargo

*7 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) Whether pilots on all South African Airways flights are informed of the nature of the cargo on their aircraft, if not (a) why not and (b) what exceptions are made,

(2) whether the Airways have received any complaints from such pilots regarding the nature and weight of their cargoes, if so,

(3) whether such complaints are recorded, if not, why not, if so, how many were there during the latest specified period of 12 months for which information is available?

†The MINISTER OF TRANSPORT AFFAIRS

(1) Yes (a) and (b) Fall away

(2) Yes

(3) Yes Two

Mr D J N MALCOMESS Mr Speaker, arising from the reply of the hon the Minister, may I ask him whether potentially hazardous military supplies are carried by SAA aircraft?

The MINISTER Mr Speaker, I do not think that has anything to do with the original question on the Question Paper I would suggest that the hon member table a new question

Mr D J N MALCOMESS Mr Speaker, further arising from the hon the Minister s reply, is he aware of a report by Capt Van Heerden of SAA, as published in *The Sunday Star* of 8 May, relating to hazardous cargo being carried on SAA aircraft?

The MINISTER No, Mr Speaker, I am not aware of the issue the hon member has just mentioned I suggest he table a question in that regard However, I should just like to point out to him that the reply to the following question on the Question Paper may have something in common with what the hon member is referring to That may answer his question

Mr D J N MALCOMESS Mr Speaker, further arising from the hon the Minister's reply, will he perhaps try to obtain the report of Capt Van Heerden which is very relevant to the safety of SAA aircraft, and, if so, having seen it, will he consider taking any action in that regard?

The MINISTER Mr Speaker, if the hon member has any such report, he can bring it to my attention However, I have no report of that nature

Mr D J N MALCOMESS Mr Speaker, further arising from the hon the Minister's reply, will he tell us then whether it is in fact possible that SAA are carrying illegal cargo as defined by IATA?

†The MINISTER Mr Speaker, the hon member is now making an accusation If he is of the opinion that there is any substance whatsoever in his accusation then he must have such a question placed on the Question Paper

Mr D J N MALCOMESS Look at the report of Capt Van Heerden!

SAA· overloaded aircraft

*8 Mr D J N MALCOMESS asked the Minister of Transport Affairs

Whether, since January 1987, any South African Airways aircraft have taken off in an overloaded condition, if so, (a) on how many occasions, (b)(i) where and (ii) why in each case and (c) in respect of what date is this information furnished?

The MINISTER OF TRANSPORT AFFAIRS

Yes

(a) On two occasions

(b) (i) Johannesburg and Cape Town

(ii) In the case of Johannesburg the mass of additional cargo was estimated incorrectly and in the case of Cape Town standby cargo was loaded in error

(c) 5 May 1988

Mr D J N MALCOMESS Mr Speaker, arising out of the hon the Minister's reply, will he tell the House whether he considers it in the best inter-

HOUSE OF REPRESENTATIVES

†Indicates translated version

For written reply

General Affairs

Coloured military pensioners

12 Mr P A C HENDRICKSE asked the Minister of National Health and Population Development

(a) What was the amount paid per month to Coloured military pensioners (i) in each year from 1961 up to and including 1987 and (ii) in 1988 as at the latest specified date for which figures are available, (b) what was the percentage increase in each such year and (c)(i) in which years were bonuses paid to such pensioners and (ii) what was the amount of the bonuses paid out in each of these years?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(a)(i) and (b)

Particulars of amounts paid in respect of Coloured military pensioners are available only from 1974 Particulars of increases calculated as fixed percentages are available only from 1976

Year	Amount per month (R)	% Increase
1974	61 870	—
1975	68 405	—
1976	68 887	10
1977	72 947	10
1978	86 857	25
1979	104 530	63
1980	152 229	77
1981	160 491	12
1982	155 577	15
1983	164 668	10
1984	183 604	10
1985	204 965	15
1986	311 292	67
1987	367 405	10

The favourable increases in 1979 and 1980 are attributable to differential treatment in respect of the old guard and in 1986 to the result of parity

(ii) 1988 (30/4/1988) R355 196

(c) (i) None, only general increases as reflected in the third column

(ii) Falls away

Airways pilots remuneration

25 Mr P C McKENZIE asked the Minister of Transport Affairs

(1) Whether the South African Airways have made a survey of the remuneration of pilots in the service of foreign airlines, if so (a) how does the remuneration of Airways pilots compare with that of such pilots holding similar positions and (b) in respect of what date is this information furnished

(2) whether the Airways have made a survey of the remuneration of Airways pilots in relation to that of persons holding comparable positions in the South African market-place, if so, what were the findings?

The MINISTER OF TRANSPORT AFFAIRS

(1) and (2) As negotiations regarding the remuneration of S A Airways pilots are still proceeding information regarding the survey cannot be divulged at this juncture

Helderberg air disaster: crew

26 Mr P C McKENZIE asked the Minister of Transport Affairs

(1) Whether, with reference to the Helderberg air disaster near Mauritius on 28 November 1987, he will furnish information on the crew of this aircraft, if not why not, if so, (a) what were the names of the crew members, (b) how many years of service had each rendered to the South African Airways, (c) what position did each hold at the time and (d) what were their annual salaries in each case

(2) whether he will disclose the amounts paid out to dependants of these crew members, if not why not, if so (a) what amounts were paid out in each case (b) what is the breakdown of each of these amounts (c) what percentage of the pensions pay-out had been contributed by (i) the Airways and (ii) these crew members and (d) in respect of what date is this information furnished?

The MINISTER OF TRANSPORT AFFAIRS

(1) (a)	(b)	(c)
D J Uys	21	Captain
D H Attwell	12	Senior First Officer
G Birchall	11	Senior First Officer
G M Bellagarda	28	Flight Engineer Officer
A G Daniel	15	Flight Engineer Officer
N M van Schalkwyk	16	Senior Cabin Controller
Mrs F Strijdom	17	Cabin Controller
H L K Burger	16	Cabin Controller
J A A van Zyl	12	Cabin Controller
M M de Almeida	5	Cabin Attendant
A R Kellermann	6	Cabin Attendant
Miss S Laurens	5	Cabin Attendant
E F van der Westhuizen	10	Cabin Attendant
P L Cramb	3	Cabin Attendant
Mrs L O Brien	8	Cabin Attendant
Mrs J A McEwen	2	Cabin Attendant
Miss H M Kruger	8	Cabin Attendant
Mrs E L Schalekamp	7	Cabin Attendant
A E Schalekamp	8	Cabin Attendant

(d) and (2) As salaries and pensions of employees are internal matters it is the policy not to divulge such information

Own Affairs

Administration House of Representatives staff

12 Mr P A C HENDRICKSE asked the Minister of the Budget

How many persons classified as (a) Coloured and (b) White were employed by the Administration House of Representatives in (i) total and (ii) each category of employment (aa) in 1984 1985 1986 and 1987, respectively, and (bb) as at the latest specified date in 1988 for which figures are available?

The MINISTER OF THE BUDGET

(i) Total

Race groups	Years up till and including 30 April 1988				
	1984	1985	1986	1987	1988
Coloured	9 356	11 219	14 011	14 984	15 200
White	477	552	644	682	679
Totals	9 833	11 771	14 655	15 666	15 879

(ii) Category of employment

	Classification	Coloured	White
1984	A-Division	2 315	403
	B-Division	1 832	74
	Non-Classified	5 209	
	Totals	9 356	477

	Classification	Coloured	White
1985	A-Division	3 191	500
	B-Division	2 188	52
	Non-Classified	5 840	
	Totals	11 219	552

	Classification	Coloured	White
1986	A-Division	4 379	580
	B-Division	3 583	64
	Non-Classified	6 049	
	Totals	14 011	644

	Classification	Coloured	White
1987	A-Division	4 967	591
	B-Division	3 748	91
	Non-Classified	6 269	
	Totals	14 984	682

	Classification	Coloured	White
1988	A-Division	4 970	611
	B-Division	3 924	68
	Non-Classified	6 306	
	Totals	15 200	679

contention that 6 000-8 000 motivated objections to the project were submitted This contention appears to be highly debatable and is apparently based upon petitions against the project which, according to the City Council contain approximately 5 935 names (on some of the pages of these petitions only names and addresses appear, but no signatures) The fact of the matter is that the City Council only received approximately 150 written submissions opposed to the project of which some were not motivated and appeared in a standard printed form In many instances separate letters of objection from married couples and other interested parties were written in their personal capacities Much emphasis by the objectors was also placed on the contention that alternative land, such as that belonging to the South African Transport Services, should be utilised for the development of the project In this respect it should however be pointed out that it is not the Administration's function, where an application for a particular site has been received, to consider alternative sites with a view to requesting the owner to submit a similar application The Administration's function is rather to consider the application before it with a view to either approving or refusing it

(b) (ii) The Administrator's comments on the representations were that all the relevant objections will be investigated and taken into account when the merits of the application are considered Normally, correspondence debating objections are not entered into with objectors In view, however, of the nature and extent of the representations received, various meetings were arranged before a decision on the project was taken, for example

— A group of businessmen from East London were received by the MEC, Mr Schoeman on 4 August 1987

— The Chairman of various school committees were received by the MEC on 3 November 1987

— Representatives from the following departments were received by the MEC on 3 December 1987

Cape Education Department
Hospitals Department
Provincial Roads Department
Planning Advisory Board
The developers and officials of the Provincial Administration,

All the relevant representations were thoroughly discussed during these meetings

Regarding the allegation of corruption, the complainants were advised to lodge their complaints with the Advocate-General, which was done The Advocate-General, however, recommended that the Administrator appoint an independent commission of inquiry to investigate the allegations and this was also done The commission of inquiry under the chairmanship of Advocate W J Wagenaar, found that

— No proof of bribery of councillors could be furnished

— Specific meetings of the East London Town Council could not be considered to have been irregular

— The provisions of the Municipal Ordinance 20 of 1974 were not contravened

— Nothing untoward or irregular appeared in the Council s action regarding the sale of the land for the project in question, and

— The sentence which was passed on the particular Councillor did not disqualify him as Councillor in terms of section 25 of Ordinance 20 of 1974 and he was therefore entitled to vote in the Council

It may furthermore be mentioned that senior officials visited the site on more than three occasions and that Mr Schoeman, MEC, also visited the site twice

(2) Yes

(a) The following representations as mentioned in paragraph (1)(b)(i) above

A (1) — (20)
D (1)
E (1) and (2)
F (1) — (16)
G (1) — (3)
H (1)
L
M

(b) A (1) on 3 August 1987 and 3 November 1987
A (2) — (7) on 21 November 1987
A (8) on 2 February 1988
A (9) on 16 October 1987
A (10) and (11) on 22 January 1988
A (12) — (20) on 30 March 1988
D (1) on 28 July 1987
E (1) and (2) on 12 August 1987
F (1) and (2) on 22 October 1987
F (3) — (12) on 4 November 1987
F (13) on 16 November 1987
F (14) on 14 December 1987
F (15) on 15 December 1987
F (16) on 6 January 1988
G (1) and (2) on 6 November 1987
G (3) on 14 December 1987
H (1) on 19 January 1988
L on 8 March 1988
M on 5 April 1988

Question standing over from Tuesday, 10 May 1988

Groote Schuur: use of former official residence

*21 Mr J H VAN DER MERWE asked the Minister of Public Works and Land Affairs †

(1) For what purpose is the former official residence Groote Schuur used at present,

(2) whether any decision has been taken on the future use of this residence, if not, why not, if so, (a) when and (b) what is this decision,

(3) whether (a) political parties and (b) other private organizations may make use of this residence, if so, (i) which (aa) political parties and (bb) categories of private organizations, (ii) for what purposes and (iii) on what conditions?

†The MINISTER OF PUBLIC WORKS AND LAND AFFAIRS

(1) The purpose for which the official residence Groote Schuur may be used, is laid down in the Rhodes' Will (Groote Schuur Devolution) Act, 1910 The State President has agreed that the residence may also be used for official functions and to house important guests of the State Furthermore, visitors are allowed, on a controlled basis, to view the residence

(2) No The use of this residence is regulated by the Rhodes' Will (Groote Schuur Devolution) Act, 1910

(3) No

New Questions

Rail freight transport: rates 269

*1 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) Whether the South African Transport Services have entered into contracts in terms of which fixed reduced rates for rail freight transport are offered to certain companies, if so, (a) what is the extent of these reductions in rates and (b) why have these rates been so reduced,

(2) whether these reduced rates have been offered to all freight forwarders, if not, why not?

ests of the South African public to have aircraft taking off in an overloaded state and what he intends to do about it?

The MINISTER Mr Speaker, in neither case were the bounds of safety exceeded [Interjections]

Boeing: fuel leaks

*9 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) Whether the South African Airways received a service bulletin relating to possible fuel leaks in Boeing 747 cargo areas, if so, (a) on what date and (b) from whom,

(2) whether the affected Boeing 747 aircraft were inspected in terms of this bulletin, if not, why not, if so, when in each case?

†The MINISTER OF TRANSPORT AFFAIRS

(1) Yes

(a) 18 April 1988

(b) The Boeing Commercial Aircraft Company

(2) Yes

ZS-SAL	
ZS-SAM	
ZS-SAP	11 April 1988
ZS-SAR	
ZS-SAO	12 April 1988
ZS-SAW	13 April 1988
ZS-SAN	18 April 1988
ZS-SAT	19 April 1988

Mr D J N MALCOMESS Mr Speaker, arising out of the hon the Minister's reply, and in the light of the fact that the bulletin was received after the crash of the *SA Helderberg*, is he able to tell us whether this bulletin did not in fact apply to the *SA Helderberg* and whether the aircraft was inspected in terms of any bulletin?

The MINISTER Mr Speaker, if the hon member wants the particulars of a specific case, he must place a question on the Question Paper in that regard [Interjections]

Waterkloof: delay of aircraft

*10 Mr P G SOAL asked the Minister of Transport Affairs

(1) Whether air traffic from Waterkloof Air Force Base is controlled from the control tower at Jan Smuts Airport, if so,

(2) whether any aircraft at the said base were delayed on the morning of 8 March 1988, if so, (a) which aircraft, (b) who were the passengers of the aircraft and (c) why;

(3) whether any complaints were made to the control tower at (a) Jan Smuts Airport and/or (b) Waterkloof Air Force Base as a result of this delay, if so, (i) by whom, (ii) what was the purport of the complaints and (iii) to whom were they made,

(4) whether any official subsequently visited the control tower at Jan Smuts Airport in connection with this incident, if so, (a) why, (b) on whose instructions and (c) what was the name and/or rank of this official,

(5) whether he will make a statement on the matter?

The MINISTER OF TRANSPORT AFFAIRS

(1) No

(2) No (a), (b) and (c) Fall away

(3) and (4) Fall away

(5) No

KwaNdebele: SA public servants

*11 Mr H J COETZEE asked the Minister of Education and Development Aid †

Whether any public servants of South Africa who were employed in KwaNdebele were transferred during the period 1 January 1986 to 31 December 1987, if so, (a) how many and (b) what period of notice of transfer was given to each such official?

†The MINISTER OF EDUCATION AND DEVELOPMENT AID

Yes

(a) 38

(b) To 32 one month or longer

To 5 twenty four hours In all 5 cases the transfers were expected and the officials were informed verbally beforehand or they were aware thereof The officials were resident in white areas and short notice of change of working place was not applicable to place of residence

One official was transferred three weeks after he had so requested

†Mr J H VAN DER MERWE Mr Speaker, arising out of the hon the Minister's reply, will he tell us whether this transfer of officials at short notice took place with their consent?

†The MINISTER Mr Speaker, if the hon member wants a reply to that, I would like to consider it by way of a quesiton on the Question Paper

Kwa Mhlanga, KwaNdebele

*12 Mr H J COETZEE asked the Minister of Education and Development Aid ?

(1) Whether his Department is involved in the construction of the proposed new capital city Kwa Mhlanga in KwaNdebele, if so, to what extent,

(2) whether his Department has budgeted any funds for this project, if so, (a) what total amount has been (i) budgeted and (ii) spent (b) what progress has been made with this project and (c) in respect of what date is this information furnished?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

(1) Yes the Department of Development Aid is involved in the installation of infrastructure and the erection of certain official buildings

(2) Yes

(a) (i) R55 194 000

(ii) R30 194 000

(b) The amount as mentioned under (2)(a)(ii) has been paid towards the following projects

Infrastructure (including bulk services) for the supply of water, sewerage electricity storm water drainage streets and roads for a central business district comprising 16 6 hectares, as well as 1 053 residential erven

The following building projects post office, court stadium one secondary and two primary schools, showground facilities and 130 houses (Houses are also being erected by other bodies using their own funds and 492 such houses have also been completed)

Consultants are at present being appointed for the planning of the following projects

Legislative assembly building and government offices, ministers houses, police headquarters and police station, traffic test centre, health facilities, flats, houses and additional infrastructure for these projects as well as for an additional 350 residential erven

(c) The amount mentioned under (2)(a)(ii) was spent during the period 1st April 1986 to 31st March 1988

13 Mr F J LE ROUX — Law and Order [Reply standing over]

Louis Botha Airport: international terminal

*14 Mr R M BURROWS asked the Minister of Transport Affairs

(1) Whether the international terminal at Louis Botha Airport is being extended and renovated, if so, (a) when is this work due to be completed and (b) what is the total cost involved,

(2) whether any delay has been experienced in regard to the completion of this work if so, (a) what was the original date for completion and (b)(i) what is the cause of this delay and (ii) what effect does it have on passengers using these facilities

(3) whether any representations have been received for these extensions and renovations to be completed at an earlier date, if so (a) what representations, (b) from what bodies and (c) when,

(4) whether his Department is taking steps to have the contractors complete this work by a date prior to the 1988 summer holiday period, if not why not, if so what steps?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes

(a) During February 1989

(b) R4,5 million

(2) Yes

(a) May 1988

HOUSE OF REPRESENTATIVES

†Indicates translated version

For oral reply

General Affairs

Pilots salary structure

*1 Mr P C McKENZIE asked the Minister of Transport Affairs

(1) Whether the South African Transport Services were (a) furnished with a copy of, or (b) informed of, a survey on the salary structure of South African Airways pilots conducted by a certain firm of management consultants for the South African Airways Pilots Association; if so, (i) what were the findings of this survey and (ii) what is the name of this firm,

(2) whether these findings were (a) investigated and (b) accepted by the Transport Services if not, why not, if so, when,

(3) whether the Airways rejected a call by the above association for a meeting with the Airways on the compilation of a report on the said survey, if so, why?

†The MINISTER OF TRANSPORT AFFAIRS

(1) (a) and (b) Yes

(i) As negotiations regarding the remuneration of S A Airways pilots are still proceeding, information regarding the survey cannot be divulged at this juncture

(ii) Hay Management Consultants

(2) (a) Yes

(b) The report is still being studied

(3) No

Aircraft

*2 Mr P C McKENZIE asked the Minister of Transport Affairs

(1) (a) How many aircraft of the Boeing 747 Combi type are owned by the South African Airways and (b) in respect of what date is this information furnished,

(2) whether Airways pilots flying such aircraft have made any reports on the (a) adequacy and (b) positioning of the fire-fighting equipment on these aircraft in relation to meeting an emergency such as the one that presumably occurred on the Helderberg off the coast of Mauritius on 28 November 1987, if so,

(3) whether, as a result of these reports, fire-fighting equipment on such aircraft has been repositioned, if not, why not, if so, what are the relevant particulars?

†The MINISTER OF TRANSPORT AFFAIRS

(1) (a) One.

(b) 5 May 1988

(2) (a) and (b) No, not during the three years prior to the Helderberg incident for which particulars are readily available

(3) Falls away

Helderberg air disaster

*3 Mr P C McKENZIE asked the Minister of Transport Affairs

(1) Whether, with reference to the Helderberg air disaster near Mauritius on 28 November 1987, any evidence pointing to human error on the part of the pilot of the Helderberg has been found in the (a) wreckage recovered and/or (b) last recorded discussion between the aircraft crew and the control tower at the airport in Mauritius, if so, what evidence,

(2) whether he will lay a transcript of this discussion on the Table of the House, if not, why not, if so, when,

(3) whether the location of the so-called black box has been established, if not what progress has been made in this regard,

(4) whether he will make a statement on (a) the attempts being made to recover this box and (b) the matter in general?

†The MINISTER OF TRANSPORT AFFAIRS

(1) and (2)

As this matter is *sub judice* I do not wish to comment at this stage The findings of the Board of Inquiry will be made known on completion of its activities

(3) No, the debris field of the Helderberg was located by means of side scan sonar approximately 134 nautical miles north west of Mauritius This debris field consists of more than 1 200 pieces and it is possible that the recorders could be amongst these pieces

(4) (a) A contract was awarded for the photo-mapping and recovery of selected items from the debris field and in this regard I wish to refer to my news release of 17 May 1988

(b) No

Official car: accident

*4 Mr C R REDCLIFFE asked the Minister of Transport Affairs

(1) Whether the official car of a certain Ministerial Representative whose name has been furnished to the Minister's Department for the purpose of his reply, was involved in an accident in 1987, if so, (a) on what date, (b) who was driving the car at the time, (c) what was the cause of the accident and (d) what is the name of this Ministerial Representative,

(2) whether there were any passengers in the car at the time of the accident, if so, (a) how many and (b) what were their names,

(3) whether any other vehicles were involved in this accident, if so, how many,

(4) whether members of the South African Police were summoned to the scene of the accident, if not why not,

(5) whether he will make a statement on the matter?

†The MINISTER OF TRANSPORT AFFAIRS

(1) Yes

(a) 26 November 1987

(b) Mr C Frolick

(c) The driver of the official car was found guilty on a charge that he drove a vehicle whilst the concentration of alcohol in his blood was more than 0 08 g/100 mℓ It can be mentioned for the sake of completeness that the relevant vehicle collided with the rear of a private vehicle which stopped at a red traffic light

(d) The name furnished by the honourable member, namely Mr F L Erasmus

(2) Yes

(a) Four

(b) Mr H C Grondt, Mr J L Tarentaal, Mr J P February and Mr A Herman

(3) No

(4) Yes

(5) No

Riverlea additional land

*5 Mr T R GEORGE asked the Minister of Constitutional Development and Planning

(1) Whether his Department intends identifying additional land adjacent to Riverlea for proclamation for Coloured residential purposes if not, why not, if so, (a) what land is being considered for this purpose, (b) when is it anticipated that this land will be proclaimed and (c) what is the extent of the land in question,

(2) whether he will make a statement on the matter?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

The Group Areas Board has investigated a proposal for the extension of the Riverlea Coloured group area As a result of a multitude of surface permits and mining rights owned by mining companies, more than 90% of the land in question is affected to such an extent that development is uneconomic or impractical

The Administration House of Representatives has, as a result officially withdrawn its proposal in respect of this land

Kleinskool

*6 Mr P J MULLER asked the Minister of Constitutional Development and Planning

Whether Kleinskool has been or is to be proclaimed as a group area for a specific race group, if not, (a) why not and (b) when is it anticipated that this matter will be finalized if so (i) for what race group, (ii) when and (iii) what steps are envisaged in respect of members of other race groups living in this area?

†The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

The area was advertised and investigated by the Group Areas Board with a view to its possible proclamation as a Coloured Group Area

(a) Certain information is still awaited

(b) A decision will be taken as soon as the information has been received

Own Affairs

Overseas visits

*1 Mr C R REDCLIFFE asked the Minister of Education and Culture

(1) Whether (a) he and (b) the former Minister of Education and Culture undertook any overseas visits in 1987 if so (i) which countries were visited and (ii) what was the purpose of each visit

(2) whether (a) he and (b) the said Minister were accompanied by any officials on these visits if so in each case (i) what are the names of the officials involved (ii) which State Departments did they repre-

Criticism of SAA service reaches new highs

Cape Times 18/5/88 269

SAA found itself at the centre of a major row yesterday over admissions in Parliament that some of its aircraft had taken off overloaded.

Outside Parliament, dissatisfaction with the airline's services reached a new high, with a major South African company telling its staff to use other airlines on overseas flights.

At the same time, the National Transport Commission was investigating SAA's fitness to fly the Port Elizabeth-Kimberley-Bloemfontein route — or lose its licence.

Reacting to the admission by the Minister of Transport Affairs, Mr Eli Louw, yesterday that SAA aircraft at Johannesburg and Cape Town had taken off overloaded, Mr John Malcomess, MP for Port Elizabeth, said this showed "utter incompetence", and he would raise enormous questions about the safety of flying SAA.

Mr Louw said that in both cases the "limits of safety had not been extended".

In the Johannesburg case, the mass of additional cargo was estimated incorrectly, while in the case of Cape Town,

To page 3

standby cargo had been loaded in error

Commenting on the Minister's replies, Mr Malcomess said the "utter incompentence" of allowing aircraft to take off overloaded was "mind boggling".

"Palpably, there is no control. To say safety was not affected is not acceptable."

He rejected as "totally unacceptable" Mr Louw's answer on the inspection of Boeing 747s for possible fuel leaks

Mr Louw said that six 747s had been inspected in terms of a service bulletin prior to the bulletin being received from Boeing on April 18.

Had the bulletin only been received on April 18, it was impossible for the Helderberg to have been inspected, creating "enormous questions in the minds of the travelling public"

In other developments yesterday, the chairman of a major JSE-listed company has changed its policy of using SAA exclusively on foreign trips because of poor services

And a group representing organized commerce and industry, agriculture, the Bloemfontein City Council, the University of the OFS, the Motor Industries Federation, travel agents, the Publicity Association and the general public has voiced its intense dissatisfaction to a National Transport Commision hearing over SAA's services

The hearing is the culmination of repeated protests about the airline's service.

A letter by the Bloemfontein town clerk to the Department of Civil Aviation was read at the hearing It referred to dissatisfaction not only with the present "inconvenient timetables" but with services that had been stopped or severely curtailed. — Own and Political Correspondents with Sapa

Black passenger told to get off Jo'burg bus

Passengers on a Johannesburg bus were diverted to Hillbrow Police Station on Monday when a woman refused to get off the bus after she was told to do so.

Ms Happy Madlala (27) of Soweto was told to get off the bus from Hillbrow to Johannesburg Hospital where she works.

"I was about to pay my fare when the driver said I was not allowed on because I am black. I asked him to show me the bus service's regulations to support his demand.

"He pulled out a newspaper clipping relating to a similar incident. When I told him I was not satisfied, and pointed out that there were two black people already on the bus, he drove to Hillbrow Police Station."

A Johannesburg municipality spokesman said the only buses open to all races are those to Parktown North, Craighall Park and Parkhurst via the zoo.

Argus 19/5/88 269

SAA faces challenge for one of its routes

The Argus Correspondent

PRETORIA. — South African Airways is facing a challenge from six private carriers for one of its routes following a flood of complaints about SAA service.

The private airlines are vying for the right to service the Port Elizabeth-Bloemfontein-Kimberley route.

The tendering carriers appearing before the National Transport Commission in Pretoria fall into two categories. The larger Air Cape and Comair and four smaller carriers Border Air, Magnum, Eastern, and Citi Air.

The smaller carriers argue that with smaller aircraft they can offer a more frequent service.

SAA can claim protection against a route takeover in terms of the Air Services Act which protects an existing carrier that provides "satisfactory and sufficient service".

Several of the smaller bidders contend that SAA cannot ask for that protection as its service is "insufficient and unsatisfactory".

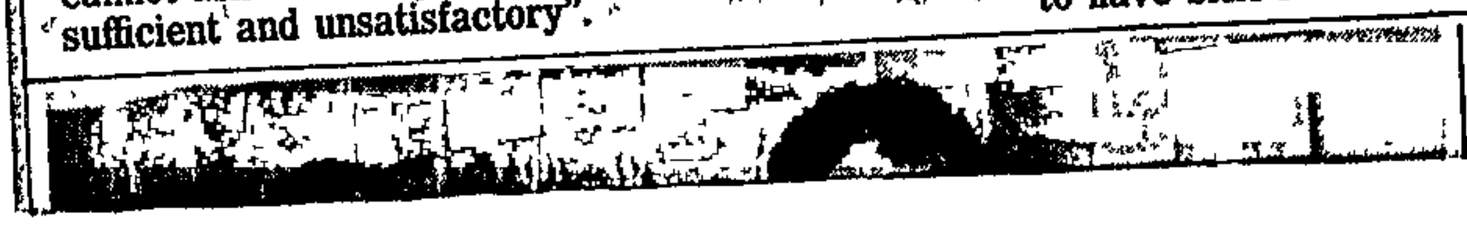
This was the view of the city council of Bloemfontein which said, in a letter read to the commission, that the SAA service was so bad it prejudiced commerce in the city.

SAA has not yet made clear whether it intends to claim this protection, or share the route, or abandon it. This has prompted accusations of a "cat-and-mouse game" during the hearing.

The national carrier has however, issued "conditions" to the tendering carriers — that they fly the route on SAA's behalf and that SAA reserves the right to re-enter the route when it chooses.

This was interpreted by the larger carriers — at least one of which already has ties with SAA — as "an envisaged co-operation between the private and public sectors". Citi Air's Mr Storm Rielly described it as "SAA asking us to roast the chicken for it to eat".

Mr Rielly said Citi Air would not like to find itself in the position of having restored the present unsatisfactory service to a satisfactory level only to have SAA reclaim it.



Road safety symposium

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Road safety

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I was harassed - woman

Sowetan

A JOHANNESBURG hospital employee yesterday claimed she was harassed by a white bus driver who allegedly told her she could not ride on the municipal bus and drove to the Hillbrow police station where policemen forcibly ejected her.

Miss Happy Madlala (27) said the drama started at a bus stop in Edith Cavell Road, Hillbrow, after the bus driver refused to accept her bus fare

She was on her way to work.

Miss Madlala was told by the driver that black people were not allowed on municipal buses. There were already two black passengers — also hospital staffers — on the bus

The bus driver insisted that it was a "new rule" that blacks were not allowed on municipal buses But Miss Madlala refused to "get off" and was taken to Hillbrow police station where she was "dragged out of the bus"

At the Hillbrow police station charge office, Miss Madlala said police told her that she was "causing trouble."

A spokesman for the Johannesburg municipality's transport department confirmed the incident and said a commission of inquiry was investigating

SAA slammed at hearing

19/5/88

ROBERT GENTLE

THE National Transport Commission (NTC) hearing on the future of the Kimberley/Bloemfontein/Port Elizabeth air route yesterday saw SAA come in for scathing criticism from Citi Air.

Citi Air is one of six private airlines competing for the route.

Storm Reilly, Citi Air's attorney, described SAA as irrelevant in the proceedings insofar as it had failed to provide a satisfactory and sufficient service as laid down in the Air Services Act.

The national airline's views should not be taken into account by the presiding members of the NTC when they decided the outcome of the hearing, Reilly argued, saying public interest should decide the issue

He also accused the SAA delegation of playing a cat-and-mouse game with the six rival airlines by refusing to state its intentions clearly at the beginning of the hearing, specifically on the circumstances under which any private airline may have to co-operate with SAA.

On the possibility this could involve operating the route on SAA's behalf,

● To Page 2

SAA service slammed by rival for route

● From Page 1

Reilly expressed the fear that once Citi Air had invested money in the route and built it up, SAA might claim it back He described this as raising the chicken only to have SAA eat it

SAA was not the only airline singled out for criticism Reilly accused rival contender Commercial Airways Licences of operating illegally He also strongly contested what he called the arrogant arguments suggesting it was the only other airline capable of servicing the route

HOUSE OF REPRESENTATIVES

†Indicates translated version.

For written reply

General Affairs

Provincial hospitals: treatment of non-White/ foreign patients

7 Mr P A C HENDRICKSE asked the Minister of Constitutional Development and Planning

(1) How many non-White patients were treated at (a) provincial hospitals and (b) predominantly White provincial hospitals in the 1987-88 financial year,

(2) (a) how many patients from foreign countries were treated at provincial hospitals in that financial year and (b) how many such patients were from countries with which the Republic has no diplomatic relations?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This information was furnished by the different Provincial Governments

ORANGE FREE STATE

(1) (a) 136 231
(b) 27

(2) (a) 1 276
(b) 30

CAPE PROVINCE

(1) (a) Statistics are only available for 1986/87 financial year and are as follows

Non-white patients treated —

In-patients	528 581
Out-patients	6 328 019
	6 856 600

(b) Provincial hospitals are provided for the treatment of patients of all race groups and only three provincial hospitals can therefore be deemed to be "predominantly White" and such statistics are as follows

Port Elizabeth Provincial

Non-white — In-patients	1 351
Non-white — Out-patients	28 461
	29 812

Volks

None-white — In-patients	138
Non-white — Out-patients	0
	138

Karl Bremer

Non-white — In-patients	2 596
Non-white — Out-patients	0
	2 596

(2) (a) 499
(b) 324

NATAL

(1) (a) The number of Non-white patients treated at predominantly White provincial hospitals in Natal during the 1987-88 financial year was

Admissions	401 211
Out-patients	2 775 011
	3 176 222

(b) The number of Non-white patients treated at predominantly White provincial hospitals in Natal during the 1987-88 financial year was

Admissions	14 900
Out-patients	88 795
	103 695

(2) (a) the information is not available for the whole of the 1987-88 financial year but is available for the period 1 September 1986 to 31 August 1987 which indicates that a total of 70 patients from foreign countries (ie excluding the TBVC states) received treatment in provincial hospitals in Natal over this 12 month period

(b) Three of the patients were from countries with which the Republic has no diplomatic relations

TRANSVAAL

(1) (a) In the 1987-88 financial year, 5 322 632 Coloured, Indian and Black patients were treated at provincial hospitals

(b) 99 883 Coloured, Indian and Black patients were treated at predominantly White provincial hospitals in the 1987-88 financial year

(2) (a) 2 646 patients from foreign countries were treated at provincial hospitals in that financial year

(b) 1 763 patients were from countries with which the Republic has no diplomatic relations

Purchase of new aircraft

23 Mr P C MCKENZIE asked the Minister of Transport Affairs

(1) Whether The South African Airways recently purchased any new aircraft of the Airbus 320 type, if so, (a) when, (b) from which aircraft company, (c) who acted for the (i) Airways and (ii) company concerned, (d)(i) how many aircraft were purchased and (ii) what was the price paid for each, (e) what is the delivery date for each aircraft and (f) what amount was paid in respect of the taking of options,

(2) whether foreign exchange arrangements have been made in respect of (a) options to purchase, and (b) immediate delivery of, these aircraft, if so, what arrangements in each case,

(3) whether there have been any consultations, in connection with the purchase of these aircraft, with any (a) staff members of the Airways and (b) pilots with domestic or international experience of flying similar types of aircraft, if not, why not, if so, (i) what consultations and (ii) with what result,

(4) whether he or the South African Airways have taken cognisance of complaints received in Great Britain and France in respect of similar purchases, if so, what steps has he taken or does he intend taking as a result of these complaints,

(5) whether he will consider setting up a technical committee under the chairmanship of the chief executive officer of the Airways to advise him on the suitability of future aircraft purchases, if not, why not, if so, what categories of persons does he intend appointing to this committee?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes

(a) 26 November 1987

(b) Airbus Industrie, Toulouse, France

(c) (i) Chief Executive Officer

(ii) Area Sales Manager for Africa

(d) (i) Two

(ii) 34 043 300 US Dollars These prices are based on 1985 figures which will escalate according to the US inflation rate

(e) November 1991

(f) None

(2) (a) and (b) No.

(3) (a) and (b) No Evaluation of new aircraft is done on an economic viability basis as well as by Flight Operations Management A S A Airways aircraft captain visited the Airbus factory and flew the A300 aircraft which had been modified with the control systems intended for the A320 aircraft

(i) and (ii) Fall away

(4) Yes No steps are envisaged as past experience proved that shortcomings on early production models are normally rectified during subsequent development.

(5) No S A Airways has a specialised section which continuously evaluates the suitability of new aircraft and its performance

Cockpit crew; Salaries

24. Mr P C MCKENZIE asked the Minister of Transport Affairs

(1) Whether he wil furnish the House with particulars of the present salary structure of cockpit crew in the employ of the South African Airways; if not, why not, if so, what are these particulars,

(2) whether the South African Transport Services have information on the salaries paid to cockpit crew members by foreign airlines, if so, how do the salaries paid by such airlines in (a) Germany, (b) Great Britain, (c) the Netherlands and (d) the United States of America compare with those paid by the Airways to crew members holding similar positions,

(3) when last were salary increases, other than salary adjustments, granted to cockpit crew members in the employ of the Airways?

Private airlines wing in on SAA route

Cart Trans 20/2/88 (269)

PRETORIA. — South African Airways is facing a challenge from six private carriers for one of its routes following a flood of complaints about SAA service

The private airlines are vying for the right to service the Port Elizabeth-Bloemfontein-Kimberley route

The tendering carriers appearing before the National Transport Commission in Pretoria fall into two categories The larger Air Cape and Comair and four smaller carriers, Border Airline, Magnum, Eastern and Citi Air.

The smaller carriers argue they can offer a more frequent service with smaller aircraft.

SAA can claim protection against a route takeover in terms of the Air Services Act which protects an existing carrier that provides "satisfactory and sufficient service"

Several of the smaller bidders contend that SAA cannot ask for that protection as its service is "insufficient and unsatisfactory"

This was the view of Bloemfontein City Council which said, in a letter read to the commission, that the SAA service was so bad it had prejudiced commerce in the city

SAA has not yet made clear whether it intends to claim this protection, share the route or abandon it.

The national carrier has, however, issued "conditions" to the tendering carriers — that they fly the route on SAA's behalf and that SAA reserves the right to re-enter the route when it chooses

Citi Air's Mr Storm Rielly described it as "SAA asking us to roast the chicken for it to eat" — Sapa

RESEARCH BODIES

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Sparks fly over SAA's conditions

269 B/day 20/5/88

ROBERT GENTLE

PRIVATE airlines competing for the disputed Kimberley-Bloemfontein-Port Elizabeth route which refuse to work with SAA on its terms will have their applications rejected.

This was revealed at the end of the fourth day of the National Transport Commission (NTC) hearing of proposals from six private contenders following intense dissatisfaction by the Bloemfontein public with SAA's "inadequate and inconvenient service".

SAA made it clear applicants would have to meet certain operating criteria. These included safety standards, cabin services, booking facilities and ground handling facilities, all of which, SAA contended, were market-related.

At least one of the private airlines, Air Cape, said it understood SAA's position because, at the end of the day, SAA would be held accountable to the public

● To Page 2

SAA's conditions cause heated debate

269 B/day 20/5/88

● From Page 1

for whatever substitute service was made available.

However, some of the other contenders — particularly Citi Air and Magnum Airlines — saw this as SAA wanting to have it both ways. They argued the airline had failed to provide a satisfactory and sufficient service, as required by the Air Services Act, and consequently was in no position to lay down conditions to others willing to provide that service.

The difference in approach stems from the fact that four of the six private contenders are operators of small 10 to 16-seater aircraft which are not able to meet all SAA's conditions. They regarded the conditions as excessive and not totally relevant.

This resulted in the two sides attacking each other at length over the suitability of their particular aircraft — while SAA looked on. The hearing has been adjourned until September, at which time SAA will present the rest of its case.

□ The airline accused by Citi Air of operating illegally is Commercial Airways and not Commercial Airways Licences, as incorrectly reported yesterday. Business Day regrets the error.

DIP 20/5/88

Sats could earn R900m from property contract

269

JOHANNESBURG — South African Transport Services' (Sats) recent deal, which is part of its new move into the property market, is to earn it nearly R800 000 in the first four years with potential earnings of up to about R900 million over the 45-year contract.

The deal was to lease under-utilised space at Germiston's station to private enterprise. It was signed with De Bruynplan in November, after Sats had considered nine tenders, the body's deputy director of business development, Mr "Fuzz" Loubser, said yesterday.

Sats set up a committee to investigate which of its assets were being under-utilised and how these could be best used to increase its income base, Mr Loubser said.

The 1984 Rating of State Property Act, by which state properties would pay municipal rates and taxes from which they had been exempt, was the reason for this, he said.

So far, it was estimated that 78 development projects were possible on Sats leased areas around the country, he added.

De Bruynplan are to develop the 8 000 square metres as mainly retail and some office space. After the first four years of the lease, they are to pay Sats, which negotiated with the city council for the plan's approval, 18 per cent of the gross annual rental income.

Mr Loubser said there had been an overwhelming response from retailers to lease the 64 shops at the station complex — a third-class station catering to blacks — through which an estimated 47 000 commuters move each day.

He said the present value of the lease was estimated to be R5,8 million.

The next of several deals in the pipeline was to lease out 12 000 square metres of Durban station's concourse area to a shareblock company on a 35-year lease agreement which would pay Sats 40 per cent of the area's warehouse rate, he said.

The deal has been signed with the developer but has still to be agreed to by the Durban city council, Mr Loubser said.

He said a high priority project was the development of Cape Town's waterfront area although this was "massive" and long-term.

One of Johannesburg's first projects in which 22 development projects are possible, is to be at Westgate Station.

DIP 20/5/88 — Commercial — SAP

Concessions are 'hardly competitive' Star 20/5/88

SAA is shot down for rules on sharing (269)

By Claire Robertson, Pretoria Bureau

South African Airways, which has announced that it is willing to share some internal routes with private airlines, has been criticised for plans to "set conditions" for private carriers

SAA yesterday confirmed its willingness to share some routes with the private sector — in line with a recent announcement by the Department of Transport.

The announcement was made in the face of growing public criticism about SAA services, and its admitted difficulty in coping with increased demand for internal air travel.

More frequent service

But now the airline says it will share a route only if the competitor has standards comparable with its own. This is being seen as a way of cutting out smaller aircraft, which can offer a more frequent service

Mr John Bing, secretary to the Association of South African Travel Agents, described this as "hardly encouraging competitiveness."

"I would have thought it was the place of the Directorate of Civil Aviation to set standards, certainly not SAA."

A spokesman for SAA told a National Transport Commission hearing in Pretoria yesterday: "SAA is prepared to co-operate with the operator if it works with SAA"

At least one of the private carriers challenging SAA for rights to fly the Port Elizabeth-Bloemfontein-Kimberley route is fiercely opposed to accepting the national carrier's terms.

SAA, which in terms of the law can block any access by private firms to a route it controls, envisages contracting with a private carrier to serve a route "on behalf of SAA"

A licence for a particular route would lapse on the termination of an agreement between SAA and the private carrier

In terms of the Air Services Act, SAA, as the existing carrier on the route, can block a private carrier's application by showing that SAA provides a satisfactory and efficient service

The challenge to the Free State-Cape route follows complaints by Bloemfontein businessmen and the public about the present SAA service.

Tenderers accept

Co-operation with SAA has been accepted by two tendering carriers — Comair and Air Cape — which propose to use large aircraft

The four companies proposing smaller craft on the route are National, Magnum, Border and Citi Air.

The NTC hearing yesterday adjourned until September after four days of intense competition

Proposals before the commission range from 10-seater King Air craft to the 52-seater Convair offered by Air Cape, a subsidiary of the giant Safren group

-- frequency ranges from daily to four flights a week

RAILWAYS

Fruitful recovery

The Apple Express, the narrow-gauge eastern Cape railway line sentenced to death two years ago, has been granted a reprieve.

South African Transport Services (Sats), which issued the death warrant, says the line — between Port Elizabeth and Avontuur — is winning back traffic from road transport and could be profitable within a few years.

Port Elizabeth regional manager Friedel Mulke says the line is no longer a candidate for privatisation. "With the enthusiasm of the personnel, and cost structures under control, we'll generate enough traffic to keep it under Sats control."

More than 40 000 t (7,5%) of local traffic was diverted to road transport in 1982 when the apple industry built cooling facilities inland. It also lost citrus traffic to road because of its antiquated trucks.

In 1984 it was declared an uneconomical branchline and earmarked for closure. Its fortunes declined further in 1985 when only 26,8% of costs were recovered. Although this rose to 51% the following year, the then Transport Affairs Minister Hendrik Schoeman announced the line had to go.

Later, under pressure from local businessmen, he relented and formed a joint Sats-private sector committee, giving it two years to turn the line around. The deadline expired two weeks ago.

In that time, the committee reduced capital costs by R300 000 a year, cancelled Sunday overtime and "dumped excess baggage." The line got rid of 13 steam locomotives, adapted or scrapped hundreds of goods trucks and increased payloads on citrus trucks from 5,95 t to 18,2 t.

In real terms, operating costs almost halved between 1984 and 1988. Cost recovery improved to 75,6% in 1987 and 78,8% in 1988. Committee members estimate in the current (1989) financial year, the line will recover 80% of the R9m it costs to operate a year.

Even if profitability doesn't live up to expectations and Sats has second thoughts, all is not lost for the Apple Express. Private sector buyers are still said to be waiting in the wings.

Allen Jorgensen, of the Prorail railway privatisation consultancy, is joint MD of the newly-privatised Port Shepstone and Alfred County Railway, including the Banana Express. Prorail officials have identified the Apple Express as a potential target.

He says: "We are not negotiating with Sats about privatising the Avontuur line at present. But we are keeping our options open." ■

SAA delays: 'Into 1989 and could get worse'

W/C Argus 21/5/88 269

Weekend Argus Correspondent

JOHANNESBURG. — Flight delays at South African airports due to the shortage of air traffic controllers are expected to continue all this year and well into 1989 — and may even worsen as more airlines start competing with SA Airways.

This was the message given at high-level talks in Pretoria this week between the Air Traffic Controllers' Association and the Public Servants Association at which air traffic controllers expressed their dissatisfaction with the $7\frac{1}{2}$ percent increase package they have been given recently.

It is understood that the staff shortage in the Jan Smuts Airport control tower, which handles all aircraft movements at 15 airports in a radius of 80kms, is once again at crisis level after some improvement earlier this year. Fifteen cadets now in training will not finish their courses until well into next year to help alleviate the problem.

To relieve some of the massive burden on their shoulders, controllers have urgently appealled to private and charter airlines to stagger their flights to prevent snarl-ups during the congested early morning and evening periods. This has met with some success with more charter flights now being flown outside peak hours.

In his talk with the Public Servants Association the president of the Air Traffic Controllers' Association, Mr Arthur Bradshaw, asked for a new investigation into controllers' salaries which range from R1 500 to over R2 500, roughly comparable with secretaries' salaries.

Controllers argue that a better salary structure will lure back colleagues who resigned in the past to avoid financial hardship, and so end the continuing crisis at South African airports

They also say that looming privatisation of some SAA routes will increase the number of aircraft movements over South Africa and contribute to even heavier work loads on controllers, men and women who handled up to 2 000 lives an hour at their radar screens.

Press 22/5/88

The seemingly crazy world of Johannesburg's bus service

Too black to be coloured, so take a walk, driver tells nurse

By CHARLES MOGALE

ESTHER Flank is coloured But then she is too dark

And for that, she had to walk to the Johannesburg city centre this week while other coloureds of paler complexion were allowed to board a "multi-racial" municipal bus

A tearful Flank told how she was thrown off a bus by a driver who said she was anything but white or coloured, and so she could not board the Berea-to-city bus

"This man told me the bus was not multi-racial. He told me I could not get on, but there were several coloureds and Indians on the bus. I asked him why he allowed them on, but he would would not listen," Flank, a nursing sister, said

According to a spokesman for the Johannesburg transport department, whites, coloureds and Asians are allowed on buses on that route But Flank was thrown off nonetheless

"I felt very small and humiliated It hurt me very deeply because the only reason the driver threw me out was apparently because I am too dark He told me the bus was not multi-racial I thought that was nonsense because I have used these buses before I think he used his discretion and thought I was too dark to be coloured. So he threw me out," Flank said

Eye-witness Tshepo Letswele said he was shocked and upset when the driver threw Flank from the bus.

"I was sitting at the bus stop reading a newspaper when I heard a little noise. The lady (Flank) had been waiting for the bus near me When the driver told her the bus was not multi-racial and she should get off, I felt disgusted. I got onto the bus steps and challenged the driver All this is bull .. and I told him so.

"When he finally drove off I had taken down all his particulars I encouraged the lady to take further action," Letswele said

A spokesman for the Johannesburg Advice Centre, Amos Cebekhulu, said his organisation had heard about the activities of the Johannesburg bus drivers and was concerned.

"We are appalled that our people should be left at the mercy of the drivers This hinders the progress of black people towards economic advancement This is a typical racial incident encouraged by the policies of the government They have made people believe in and stay by their colour," said Cebekhulu

A spokesman for the Johannesburg transport department said a full inquiry into the incident would be held *City Press* furnished him with the name of the driver, his business number and the registration number of his bus

"If we find that our employee has transgressed any rules, justice will persue its course

"I cannot say what the judgment will be, or what steps will be taken if such a situation arises, because it will be entirely up to the presiding officer in the hearing But we will definately look into the matter," he said



Esther Flank . . . has driver's particulars.

Cling to a white friend and you're safe

269

By SINNAH KUNENE

CLING to a white friend on certain bus routes, then you can be sure of a hassle-free ride on Johannesburg buses

According to a spokesman for the municipality – Johannes de Buys – blacks are not allowed onto segregated buses unless accompanied by a white passenger

The only mixed bus routes were an experimental few to Johannesburg's northern suburbs

De Buys said bus drivers were "not allowed to hassle passengers, but had the right to turn back blacks".

This week a Johannesburg Hospital intensive care nurse, Happy Madlala, had a bitter experience on a Johannesburg municipal bus

And she has vowed she will fight "to the bitter end until some white bus drivers treat blacks like human beings"

A resident at the Baragwanath Nurses Home, Madlala said she was refused a ride on a municipal bus while on her way to work at the Johannesburg Hospital She was not dressed in uniform

"When I got onto the bus, I saw two uniformed black nurses on the bus The driver told me blacks were not allowed onto the bus, but I argued that I had been using the same transport for two years," she said.

The bus driver drove her, and all his other passengers to the Hillbrow Police Station, where a Capt Meyer "dragged me out of the bus and manhandled me"

"They showed me a newspaper cutting where some white passengers protested against the presence of a black nanny on one of the buses, claiming that 'our' presence in the bus caused problems," said Madlala, who has laid a charge against the bus driver

A white colleague who was on the same bus also made a statement at the police station

The Johannesburg Hospital's chief superintendant, Dr TM Frankish, said De Buys had told him the matter was being investigated



Happy Madlala . . . forced off a municipal bus.

Lenasia, bus firm argue over service

Star 23/5/78.

269.

By Shehnaaz Bulbulia and Janet Heard

Recent fare increases by the Lenasia Bus Service (LBS) have triggered widespread dissatisfaction. Passengers have complained of the inadequate service which is supposed to cater for a community of over 100 000. LBS has 28 buses and is the only bus service operating in Lenasia. The five-day weekly coupon (non-refundable) increased from R8 to R10, six-day weekly from R9.50 to R13 and off-peak single from R1 to R1,80.

Lenasia says . . .

"I would not mind paying more for transport if the service was improved," Miss Anusha Naidoo (24) said.

Mr J Narain said that since the increase there had been no improvement He said passengers had to walk to the first bus stop on the route to get a seat.

Miss S Pillay of Extension 10 com plained of inadequate routes.

"Prior to the fare increases, the owner promised us a bus service from our zone; but they're empty promises and we still have to walk miles to another bus stop Even then, we are never guaranteed of getting on a bus, and often I have to hitch," she said.

Many complained of overcrowding and shortage of buses during peak hours, made worse during holiday periods

Mr R Cassim said "I have not had a seat since December and people pack into the bus like sardines right up to the door".

"Pensioners not living in the old age home pay the full price. Can you imagine how this affects their pockets?" Miss Pillay said

Other complaints were. mechanical breakdowns, non-refundable coupon system, filthy buses and lack of shelters at bus stops.

Buses operate "internally" only on Saturdays For the rest of the week residents hire taxis, walk or hitch-hike around Lenasia

A spokesman from the Federation of Residents' Associations (Lenasia), said "Commuters are suspicious of the motivation for fare increases For the past 15 years, increases have been motivated as necessary for an improvement in the service, but commuters have experienced no change.

She's going blue in the face waiting

A 52-year-old Lenasia woman is so annoyed with the bus service that she wants to leave the township

Mrs Khairum Nisaa Suliman, a daily commuter, starts work in Johannesburg at 8 30 am, but has to wake up at dawn to begin her long journey to work

'I wait until I am blue in the face for the bus It is supposed to pick me up at 6 40, but sometimes I wait until after 8 just to board it."

She has to get the early bus because "taking a later bus means taking no bus".

Peak hour buses are meant to operate every 15 minutes, but she said she often hitch-hiked because she feared losing her job

"I have tried everything — spoken to the manager, the owner, but nothing happens

"I want to leave Lenasia and stay in town because the transport is so bad.

"The buses are always overcrowded and, to top it all, fares have just been inreased," she said.

LBS says

Mr Hennie du Toit, transport manager of LBS, said part of the reason for the fare increase was to improve the quality of the service

Mr du Toit said complaints were understandable because passengers naturally did not like fare increases

"We have held meetings with various committees representing Lenasia We explained we were in desperate need of a fare increase.

'Before the increase, we used buses from the company allocated to other areas to carry the Lenasia service due to the shortage.

"Since the fare increase (two weeks ago), I have not received complaints and all 28 buses are operating daily now with no breakdowns."

He denied that buses were overloaded and said that, on average, 76 people filled each bus.

"We are still the cheapest operator for commuters in the whole of the Witwatersrand"

Mr S Smuts, LBS manager said. "I am aware of some of the complaints, but I am not prepared to comment on specific problems

"We can do more to better the service, but we need money for that and we cannot do it overnight."

The company had applied for subsidisation and was waiting for a reply from the Department of Transport, he said

To alleviate the bus shortage, the company was negotiating to buy three additional buses

Fixed timetables were posted up in various places, "but it is possible that delays occur due to occasional breakdowns, although they have not occurred as frequently as before".

Pensioners in old age homes got free internal service once a week

Pay up for better service, says SAA chief

Own Correspondent and Staff Reporter

SAA has increased profits by 48% — from R108 million in 1986/87 to R160 million for the current financial year, according to preliminary figures — but SAA chief executive Mr Gert van der Veer says passengers will have to pay for improved services.

If they were prepared to pay for flying in half-full aircraft and to have spare aircraft waiting as a back-up for aircraft with technical problems, SAA would gladly accommodate them, he said.

In another development, the Western Cape Agricultural Union (WCAU) has added its voice to recent business criticisms of SAA's services, saying yesterday that the industry was losing its share of the market in Europe because of changes to SAA's flight schedules

Mr Van der Veer said SAA had been able to improve its financial position through better use of equipment, increased passenger loads on all its routes and the loss of more than 1 500 employees through attrition in the past two years.

SAA made record profits last year despite the fact that about 50% of its expenditure was in foreign currency. Work done for foreign airlines, like maintenance and flight operations training, realized about R35 million last year

The improved economy and static domestic air fares — they have not been increased for more than two years — contributed to the increase in passengers.

Some SAA staff can expect to benefit from the increased profits. Negotiations with pilots for better remuneration packages are in an advanced stage and flight engineers and technical staff, among others, will have their salaries reviewed soon, he said

FOR SUBSCRIPTION INQUIRIES — TELEPHONE EAST LONDON 261

D/D 24/5/88

Money-saving measures pay off for SAA

269

JOHANNESBURG — South African Airways has increased its profits by 48 per cent — from R108 million in 1986-87 to R160m for the current financial year, according to preliminary figures — but SAA's chief executive, Mr Gert van der Veer, says passengers will have to pay for improved services

If they were prepared to pay for flying in half-full planes and to have spare planes waiting in the hangar as a back-up for planes with technical problems, SAA would gladly accommodate them, he said yesterday

SAA had been able to improve its financial position through better utilisation of equipment, increased passenger loads on all its routes and the loss of more than 1 500 employees through atrition in the past two years, Mr Van der Veer said

The airline made record profits last year despite the fact that 50 per cent of its expenditure was in foreign currency While work done for foreign airlines, like maintenance and flight operations training, realised R35m

The improved economy and static domestic airfares — they have not been increased for more than two years — has contributed to the increase in passengers

"Domestically, SAA is having its best year ever Last year flight occupancies averaged 90 per cent with 19,4 per cent more passengers domestically and 25 per cent more internationally compared with the previous financial year"

Mr Van der Veer said the money-saving measures had not affected the airline's service despite strong criticism of SAA services in the past few months

"About 44 per cent of all passengers travel on a discounted fare They cannot beat the service considering what they pay"

The delays recently had been caused in part by an increased number of passengers, he said

"But in the past few weeks occupancies have gone down 10 per cent to about 67 per cent on average We are planning for peak periods — like the upcoming June vacation period — so that we can avoid serious delays

"The problem with delays appears to have peaked and flights are back to more than 80 per cent on time, and we intend to keep it there"

Some SAA staff can expect to benefit from the increased profits Negotiations with pilots for better remuneration packages are in an advanced stage and flight engineers and technical staff, among others, will have their salaries reviewed soon, Mr Van der Veer added — DDC

'Best year yet' domestically as . . .

SAA profits fly higher to R160m

269
Bday
14/3/88

SAA has increased profits by 48% — from R108m in 1986/87 to R160m for this year, preliminary figures show but SAA CE Gert van der Veer says passengers will have pay for improved services.

He said if passengers were prepared to pay for flying in half-full planes and to have spare planes waiting in the hangar as a back-up for planes with technical problems, SAA would gladly accommodate them.



● VAN DER VEER

SAA had been able to improve its financial position through better utilisation of equipment, increased passenger loads on all its routes and the loss of more than 1 500 employees through attrition in the past two years.

SAA made record profits last year in spite of the fact that about 50% of its expenditure was in foreign currency. Work done for foreign airlines, such as maintenance and flight-operations training, realised about R35m last year.

The improved economy and static domestic air fares — they have not been increased for more than two years — contributed to the increase in passengers.

MANDY JEAN WOODS

Van der Veer said: "Domestically, SAA is having its best year ever. Last year, flight occupancies averaged 90% with 19,4% more passengers domestically and 25% more internationally, compared with the previous financial year."

The money-saving measures had not affected service in spite of strong criticism of SAA services in the past few months.

Van der Veer said: "About 44% of all passengers travel on a discounted fare. They cannot beat the service considering what they pay."

The delays recently had been caused in part by an increased number of passengers. "The problem with delays appears to have peaked and flights are back to more than 80% on time, and we intend to keep them there."

Some SAA staff can expect to benefit from the increased profits. Van der Veer said negotiations with pilots for better remuneration packages were in an advanced stage and flight engineers and technical staff, among others, would have their salaries reviewed soon.

Zimbabwe eases freeze on prices

The Star's Africa News Service

HARARE — A 5 percent hike in the cost of just about everything in Zimbabwe except for essentials such as bread, milk, meat and mealie meal is expected following the partial lifting of the price freeze which has been in force since last June.

The government has limited increaes to 5 percent and business must still justify these increases within a month.

Applications for steeper increases must be approved first.

Relaxation of the price freeze applies to services and to commercial rents.

Controlled prices for fuel, beef, sugar, maize meal, bread, dairy products, vegetable oil, fertilisers and cement will remain for the time being.

The government introduced a wage and price freeze in the middle of last year in an effort to halt inflation.

The wage freeze was lifted in March when increases of up to 15 percent were allowed for lower-paid workers. The freeze still applies to people earning more than Zim$45 000 (R57 000) a year.

Open buses: NP 'takes CP view'

By Shirley Woodgate, Municipal Reporter

Mr Danie van Zyl, leader of the National Party in the Johannesburg City Council, has been accused of standing with one foot in the Conservative Party because of his refusal to desegragate buses in the city.

The accusation came from Mrs Claire Quail, Progressive Federal Party councillor for Norwood, who said the Department of Transport had refuted his argument that he was not empowered to open buses to all races.

"The department stated in a letter to me that it supports the policy where operators and local authorities run desegregated routes as is already being done in Cape Town, Port Elizabeth, East London and Durban.

"I was advised to approach Mr van Zyl's Transportation Committee to apply for a permit to include black passengers on the Waverley route as a demonstration project.

"Clearly he is misleading us because he consistently argues this is not within the terms of reference of his committee."

Mr van Zyl said: "Buses are already integrated for coloureds, whites and Indians, but we supply a separate 50 percent cheaper service for blacks.

"The DoT is running a trial project on three routes and it would be foolish of me to interfere by suggesting they start another project in Waverley before the final report is out.

"But if you ask me if I am prepared to open the service to my ward the answer is 'no' as we have a big problem with underprivileged people who use the buses. The women would feel threatened and I am not prepared to insult people."

Chairman, allow me to refer the hon member to part of the reply I have just given·

†After consultation with officials of the Department of Education and Culture, Administration House of Representatives and the acknowledged teachers' association, the Divisional Commissioner prohibited the gathering

Questions standing over from Tuesday, 24 May 1988

Officer dismissed from SADF

*1 Mr J H VAN DER MERWE asked the Minister of Defence †

(1) Whether a certain officer, whose name has been furnished to the South African Defence Force for the purpose of the Minister's reply, was recently dismissed from the Defence Force, if so, (a) why and (b) when,

(2) whether this officer appeared before a court martial, if so, (a) on what charges and (b) what were the findings of the court martial?

†The DEPUTY MINISTER OF DEFENCE

(1) Yes

(a) By virtue of a sentence of cashiering imposed by a General Court Martial

(b) 26 April 1988

(2) Yes

(a) Main charges of contravening Sections 32, 20(a), 16, 27(b) and 17 of the Military Discipline Code (MDC) Alternative charges of contravening Sections 45(a), 46, 27(b), 48 of the MDC, Crimen Injuria, common law theft and common assault

(b) Guilty of contravening Sections 32, 20(a), 16, 46, 45(a), 48 of the MDC and a charge of Crimen Injuria

Financial rand. transactions

*2 Mr W J D VAN WYK asked the Minister of Finance †

(1) (a) What total amount was (i) spent in the Republic and (ii) handled by a certain bank, the name of which has been furnished to the Minister's Department for the purpose of his reply, by means of the financial rand during the latest specified period of five years for which figures are available and (b) what is the name of the bank concerned,

(2) whether consideration is being given to replacing the financial rand by the commercial rand, if so, (a) for what reasons and (b) when;

(3) whether he will make a statement on this matter?

†The DEPUTY MINISTER OF FINANCE.

(1) (a) (i) This information is not available as the majority of transactions in Financial Rand (both purchases and sales of securities) are undertaken by non-residents on the Johannesburg Stock Exchange which transactions do not require specific Exchange Control authority issued by the South African Reserve Bank

(ii) Financial Rand transactions in excess of R300 million

(b) The African Bank Limited

(2) No (a) and (b) fall away

(3) No

Privatisation of oil supplies

*3 Mr C J DERBY-LEWIS asked the Minister of Economic Affairs and Technology

(1) Whether it is the intention to privatise South Africa's strategic oil supplies, if so,

(2) whether consideration has been given to effecting privatisation in this regard by transferring control for a financial consideration, if so, what are the relevant details;

(3) whether he will make a statement on the matter?

†The MINISTER OF ECONOMIC AFFAIRS AND TECHNOLOGY

(1) No, presently it is not being planned

(2) Falls away

(3) Should the Government take such a decision, it would be announced

Helderberg· cargo

*4 Mr D J N MALCOMESS asked the Minister of Transport Affairs

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(1) Whether he will furnish information on the cargo carried by the Helderberg at the time of its crashing into the sea near Mauritius on 28 November 1987, if not, why not, if so,

(2) whether the captain of this aircraft expressed concern to the South African Airways in regard to the nature of the cargo to be carried on its last flight from Taipei, if so, who was the consignee of the relevant cargo,

(3) whether any telex messages were exchanged between this captain and the Airways in regard to the nature of the cargo prior to the take-off of the Helderberg from Taipei,

(4) whether he will make a statement on the matter?

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1), (2), (3) and (4)

No The Commission of Inquiry surrounding the Helderberg air disaster has not as yet completed its investigation and the matter is therefore regarded as sub judice

Mr D J N MALCOMESS Mr Chairman, arising out of the hon Deputy Minister's reply, may I ask him whether he is not aware that when I put supplementary questions to the hon Minister on the previous occasion, he suggested that I place my questions on the question paper?

The DEPUTY MINISTER. Mr Chairman, all I want to say to the hon member is that we have no record of any telexes between the captain of the Helderberg and the authorities beforehand If, however, the hon member has any information which we do not have, I would like to invite him to submit that evidence to the Margo Commission

Mr D J N MALCOMESS Mr Chairman, further arising out of the hon the Deputy Minister's reply, is he aware of a report which appeared in the Press stating that hazardous illegal cargo in a disguised form may have caused the fire aboard the Helderberg and, in view of that, does he not think it would be better for a statement to be issued on the subject to clear up any possible doubt in the minds of the public as to whether or not hazardous illegal cargo was carried on the Helderberg?

The DEPUTY MINISTER. Mr Chairman, I have nothing more to add to what I have already told the House.

Cash gratuities: equality of private/public sectors

*5 Mr D J N MALCOMESS asked the Minister of Finance

Whether he intends to equate the private and public sector position as regards cash gratuities paid to retiring staff being exempt from tax, if so, when, if not, why not?

The DEPUTY MINISTER OF FINANCE

The achieving of neutrality in the tax treatment of gratuities and lump sum payments received by private and public sector employees is dealt with in paragraph 8 5 4 of the White Paper on the Report of the Margo Commission

As indicated therein the Government has accepted the Commission's recommendation that these benefits be taxed on an equal basis, but subject to the condition that the rights of existing members of pension and similar funds be adequately protected I also dealt with this matter in my statement of 27 January 1988

The means by which vested rights should be protected is to be investigated by the Commissioner for Inland Revenue who will hold discussions with interested parties Owing to the immediate heavy burden on the Commissioner and his staff in preparing legislation for submission to Parliament during the current session and the large number of other Margo recommendations that have been accepted, notably the introduction of the VAT system, and which still have to be researched and implemented, such investigation and discussions have not yet taken place The matter will, however, receive attention during the recess

Angola. cost of military action

*6 Mr J H VAN DER MERWE asked the Minister of Defence †

(1) What was the total cost of the military action of the South African Defence Force in Angola during the period 1 July 1987 to 31 March 1988,

(2) whether this cost is being financed from the appropriation for the current financial year, if not, in what way will the cost be financed, if so,

PW 'summons' Rajbansi

Own Correspondent

DURBAN. — President P W Botha has summoned the chairman of the Minister's Council in the House of Delegates, Mr Amichand Rajbansi, and members of his council for urgent talks tomorrow.

This was disclosed by Mr Nizam Khan, one of the MPs who broke from Mr Rajbansi's National Peoples Party.

Mr Rajbansi said he could not comment. A spokesman for the President's office also declined to comment.

MP's murder: Man, 48, held

JOHANNESBURG. — Police have arrested a 48-year-old man in connection with the murder of House of Representatives MP Mr Pieter Jacobs. Mr Jacobs was shot dead on Sunday.

The man will appear in the court today. — Sapa

Plan to fight flight delays

By CHRIS BATEMAN and PETER DENNEHY

AIR travellers to and from Cape Town will benefit from SAA's major domestic service timetable shake-up, scheduled to come into effect on June 12.

The re-scheduling of the flights will not involve any new aircraft and the airline's overall domestic capacity will not be affected by SAA's bid to "match capacity to demand", said SAA spokeswoman Mrs Alet van Jaarsveld yesterday.

According to Mr Albert Schuitmaker, transport spokesman for the Cape Town Chamber of Commerce — which has consulted with SAA to improve the airline's Cape Town service — the changed timetable means far more flights to and from D F Malan Airport.

"We had sight of the draft timetable, which showed a remarkable increase in the number of flights from Cape Town.

"We are pleased, because it will help business people to fly when they want to," he said.

"Businessmen have been complaining, particularly about the Bloemfontein route," Mrs Van Jaarsveld said. "If there is a demand early in the morning, we will try to supply it. We will also try to satisfy the needs of all our passengers at peak times."

She confirmed that the re-scheduling would not be accompanied by any tariff increase. The Minister of Transport, Mr Eli Louw, announced in Parliament recently that there would be no air fare increases this year.

SOUTH AFRICAN AIRWAYS 269

Losing friends

South African Airways (SAA) certainly knows how not to win friends In the same breath that he announces the airline has made a preliminary profit of R160m, CE Gert van der Veer tells passengers that if they want the heavily criticised airline to improve, they must expect to pay for it

There will be many who take issue with Van der Veer's assertion that the service has improved — despite cost-cutting measures and rationalisations

Aircraft still run late — even SAA admits around 20% of flights don't take off on schedule — some flights are over-booked and a common moan among passengers is that their complaints are not attended to

Nevertheless, it seems passengers will have to steel themselves for a hefty hike in domestic air fares if they want the situation redressed

Announcing SAA's preliminary profit figures, Van der Veer notes that domestic air fares have not been increased for two years Moreover, he claims 44% of passengers already travel on discounted fares, adding they "cannot beat the service they get considering what they pay."

The inference, apparently, is that if you pay a reduced fare, you must expect reduced service. But what about the 56% of passengers who pay full fare?

Van der Veer's comments also imply that if passengers want aircraft on standby to minimise flight delays, the cost of providing that service must be reflected in higher air fares

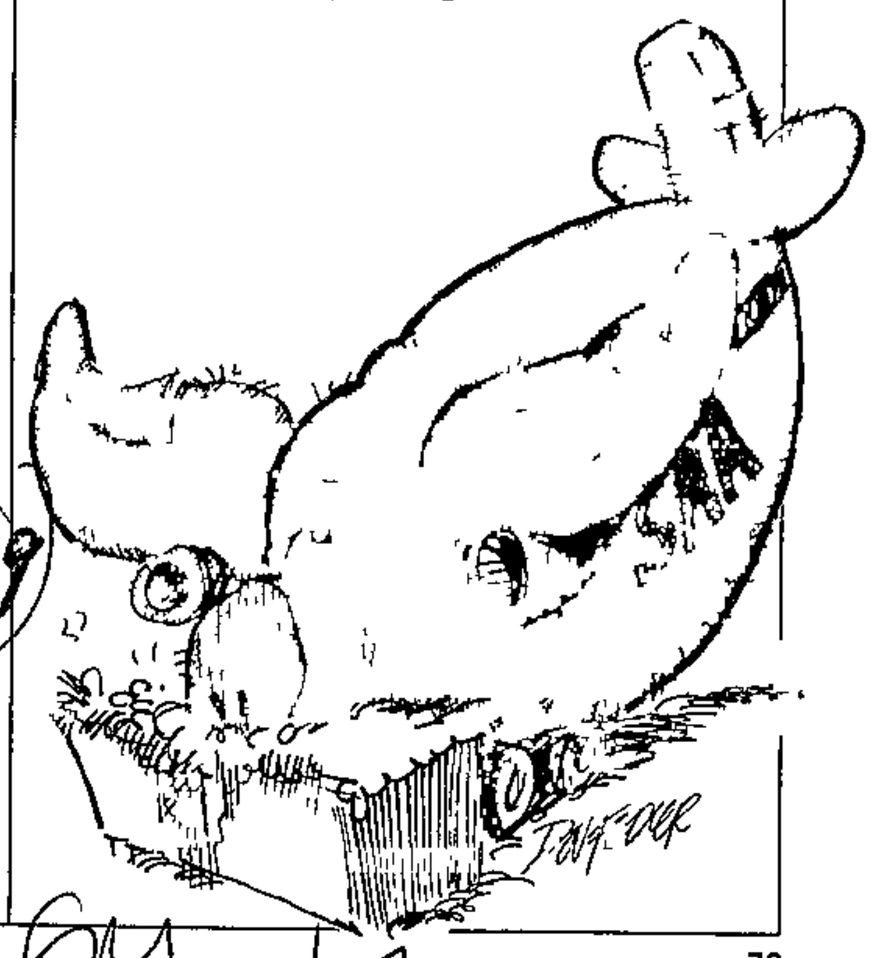
In line with government policy of reining in administered price increases, Transport Affairs Minister Eli Louw announced there would be no increase in SAA general tariffs or fares this year

But when fares come up for review in 1989, things could be quite different. An SAA spokesman confirms fare increases on domestic routes lie ahead. "We can't keep prices low forever," he says.

Helped along by a surge in both domestic and international travel and high dollar-related overseas earnings, SAA managed to increase profits over the 1986-1987 financial year by 48% to R160m.

Although a major portion of its costs were paid abroad in foreign currencies, it earned R35m in maintenance and services provided to foreign airlines in SA.

Domestic bookings are 19,4% up and flights are running at an average 90% occupancy — a situation Van der Veer believes should be maintained as the economy gains momentum. ■



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FM 27/5/88

GOVT PLANS TO END BUS SUBSIDIES

IT WAS government's long-term goal to phase out the subsidisation of uneconomic transport passenger services, Transport Deputy Minister Myburgh Streicher said at the opening of the SA Bus Operators' Association annual conference in Johannesburg yesterday.

In the meantime, departmental subsidisation should start giving way to subsidisation by local authorities and Regional Services Councils in their transport regions.

Any shortfall in regional funding should be obtained from Parliament through the Administrator.

"Where subsidisation is necessary, it should be done in a direct and visible manner."

The proposed Passenger Transport Bill made provision for the Administrator to declare one or more passenger transport regions within his province and designate a passenger transport authority for each region.

The Bill also provided the Minister of Transport with the authority to subsidise interstate and inter-regional transport services. — Sapa.

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27/5/88. Bday

SATURDAY, MAY 28, 1988

TOP OF THE TIMES

BUSINESS FAMILY FINANCE PROPERTY MOTORING RACING FASHION TRAVEL ENTERTAINMENT LEISURE

SAA increases flights between main cities

FLIGHTS between Cape Town and Johannesburg will increase from 77 to 91 a week in both directions when a re-scheduling of SAA flights comes into effect next month, according to details given to Top of the Times yesterday.

The 14 additional flights will add four new departure times in each week onto the existing 25, while adding other flights at existing times.

Businessmen who like to fly early should be pleased, as there are several extra early flights.

At present there is a 7.15 am flight from Cape Town on Mondays, an 8 am flight daily from Monday to Saturday, and an daily 8.25 am flight on weekdays. The next weekday flight is at 10.35 am.

In the new schedule there are flights from Cape Town at 7.10 am on Monday, Wednesday, Friday, Saturday and Sunday; another flight at 7.15 am on Mondays; others at 7.20 am on Tuesdays and Thursdays; the 8 am Monday to Friday flights has been retained; the old 8.25 am weekday flight moves to 8.30 am; and the 10.35 am weekdays flight shifts slightly to 10.30am.

Flights to Bloemfontein have improved dramatically. On the old schedule, there was a single morning flight at 6.45 am only on Mondays and Wednesdays. The other three flight times were in the afternoons between 4 pm and 6 pm.



On the new schedule, flight 356 for Bloemfontein leaves Cape Town at 7.10 am every Monday, Wednesday, Friday, Saturday and Sunday.

On Tuesdays and Thursdays there is a flight at 7.20am, and on Saturdays there is a flight at 11.30am.

The number of flights from Cape Town to Port Elizabeth will remain constant at 41 a week, according to both present and future schedules. Many of these aircraft go on to Durban.

Among the few flights to and from Cape Town which fall away are those on the Upington route, where the flying frequency falls from six a week to four a week.

Mr Albert Schuitmaker, the Cape Town Chamber of Commerce's spokesman on transport, said this week that he was pleased with the new schedules.

"It will help businesspeople to fly when they want to," he said.

Tough time for

Govt, bus companies in collusion — researcher

'Transport problems tied up with apartheid'

By Inga Molzen

The provision of transport is one of the greatest problems faced by apartheid, says Mr Steven Friedman, policy research manager for the Institute of Race Relations.

He told a Community Conference on Transport, held under the auspices of the Federation of Residents' Associations at the Patidar Hall in Lenasia yesterday, that transport issues were in many ways one of the biggest pressures on the Group Areas Act and the way the Government planned cities racially

Transport problems, such as those faced by Lenasia residents, would not be solved until the legislation of separate development, such as the Group Areas Act, was abolished.

Complained

He advised Lenasia residents to "work together to achieve a situation where you have some say over your bus service".

Recent fare increases by the Lenasia Bus Service (LBS) had triggered widespread dissatisfaction Passengers had complained of the inadequate service provided for a community of more than 100 000. The LBS had 28 buses and was the only bus service operating from Lenasia.

Last year, Mr Friedman told delegates, the Minister of Transport said transport problems would not be solved until people lived closer to their places of work.

Transport subsidies had been used to make the Group Areas Act more viable and to justify the relocation of communities

But transport problems could not be divorced from other issues faced by many communities

In Lenasia, the bus company had failed to meet the needs of the community. While taxis had done much to meet the shortfall of this service, they were only a partial solution.

The Government not only had to control transport but was also forced to subsidise it.

Transport had become politicised because people "are aware of the collusion between the Government and bus companies".

Subsidy

With the implementation of RSCs, the Government hoped to shift its subsidy burden and responsibility for transport.

But "there is no way RSCs will be able to meet this increased subsidy burden without bankrupting the areas they serve".

The Federation of Residents' Associations representative, Mr Dinesh Dheda, said that for almost 20 years, people in Lenasia had suffered from an inadequate and irregular bus service.

"We suffer the frustration of long travelling distances to and from work, overcrowding, breakdowns, high fares and much more"

Plan to keep Lenasia moving

An affirmative plan of action to solve the tranportation problem faced by Lenasia residents, who commute at least 60 km daily to and from Johannesburg, was adopted yesterday by members of Lenasia's Federation of Residents' Associations (FRA) and representatives from various extensions in the township.

The plan of action was drawn up after a Community Conference on Transport held at the Patidar Hall under the auspices of the FRA and supported by a number of community and church organisations, including the Lenasia Traders and Professionals Association, the Lenasia Youth League and the Community Advice Centre.

After the conference it was decided that

A newly elected committee would suggest ways and means to obtain immediate and long-term improvements to the provision of transport to the area They would present an ultimatum of demands to the Lenasia Bus Service and to research alternative transport systems.

- A detailed survey would be drawn up to assess the needs of the community and the shortfalls of the present bus service.
- Special attention would be given to the shortage of buses available to provide this service and the poor mechanical condition of buses already serving Lenasia — which had led to breakdowns and overcrowding
- The subsidisation of the bus service would be examined to assess whether the subsidy was being used effectively and if it was adequate.
- The organisational resources of the Lenasia Bus Service needed to be investigated.
- Community unity, participation and access to information were necessary to resolve the transportation problem.

Sats's transport diplomacy



Sats GM ANTON MOOLMAN (left) looks at the practicalities and politics of rail links in Southern Africa. This is an extract from an address given last week

TRANSPORT diplomacy may be regarded as the art of enabling the transport potential of a country to perform a maximum role in that country's relations with other countries, for the furtherance of its own, as well as their common interests.

It is not based on paternalism but rather on pure business principles — in other words, assistance is offered at cost.

Not true

From recent media reports, it is noted that a perception exists that Sats is opposing initiatives by the SADCC countries — Swaziland, Botswana, Lesotho, Zimbabwe, Mozambique, Zambia, Malawi, Angola and Tanzania — for the upgrading of transport networks and harbour facilities in Southern Africa with the help of foreign aid.

This is devoid of all truth, as Sats welcomes all initiatives aimed at improving the quality of transport in the sub-continent.

Natural

their implications, not only for ourselves but also for our trading partners.

It must be expected that, should the livelihood of South Africans be threatened by sanctions, SA would have to place its own interests first.

Recent studies by independent overseas researchers indicate that the nine SADCC countries had a total population of 68-million in 1985. At that stage, SA had a population of 32-million, making a total of 100-million in the region.

Yet SA accounted for three-quarters of the region's GDP and two-thirds of its exports.

SA provides almost 50% of the imports of the six landlocked SADCC countries and takes 13% of their visible exports.

Imports from SA include a high proportion of the fuel or electrical energy for many of the countries and, in most cases, of their food.

A high proportion of the foreign exchange earnings of at least five of the nine SADCC countries comes from their "invisible" exports to SA in the form of earnings from tourism, receipts from the customs union (of which Botswana, Lesotho and Swaziland are members), and remittances from migrant workers.

Damaging

SA is also a significant source of foreign capital and technology for many countries in the region.

Developing countries with a not so strong economy can less afford economic setbacks. Sanctions would thus have damaging effects on the economies of the SADCC countries, primarily because of the backwash effects of any decline in the South African economy (reducing their markets, for instance, or migrant earnings) and especially so if effective oil sanctions should cut the flow of fuel to the region.

RICKETY RAI ROUTES

THE STATE of the rail routes, other t

about the way the insurance industry has been able to alter traditional savings and invest to an extent that

"A few months ago I made the prediction that of the top 10 banks,

Package for the needs of 1990s

(269) 5/day 30/5/88

New transport laws on cards

HELOISE HENNING

REVISION of transport legislation to accommodate the country's needs in the 1990s is forging ahead with draft Bills ready for the current session of Parliament, Transport deputy director-general L R Kleuver says.

He told the SA Bus Operators' Association congress last week that the package of legislation to be passed within the current parliamentary session would promote privatisation of infrastructure and services, improve road safety, deregulate market entry and devolve the responsibility for subsidisation to the lowest level of government.

The Transport Advisory Council Act and the Sats Amendment Act have already been enacted. The Bills soon to be considered by Parliament are:

- A National Roads Amendment Bill;
- The SA Roads Board Bill;
- The Road Traffic Bill;
- The Transport Deregulation Bill; and
- A Passenger Transport Bill.

The Sats Amendment Act allows Sats to transfer its responsibilities for the control, management, maintenance and exploitation of railways to other bodies, Kleuver said.

Draft legislation is being prepared to take the toll road concept further by allowing private enterprise to build toll roads.

The Road Traffic Bill is rather "reregulation" than deregulation, but is central to the deregulation package because it will regulate the quality of vehicles and operators, replacing the permit system under the Road Transport Act.

Public

Government should save more than R60m in direct costs a year by freeing entry into transport services, because the current permit system is caught in a labyrinth of rules.

The package also provides for the involvement of RSCs to be involved with regional planning and passenger subsidies. Public participation in transport planning is to be enhanced by the inclusion of 21 non-government representatives on a 40-member National Road Safety Board.

Our films tampered with, say TV crews

International television crews covering a church service at the threatened Lawaaikamp settlement near Cape Town on Sunday claim their video cassettes were "wiped" after they had been handed to the South African Airways (SAA) for transport to Johannesburg.

Worldwide Television News (WTN) and Visnews said in a statement: "On May 29 1988, TV crews from WTN and Visnews videotaped a church service in the Lawaaikamp community.

"Four video cassettes containing the images of the church service were shipped to Johannesburg.

"WTN and Visnews have clear evidence that the four tapes had been tampered with after they been given to South African Airways for shipment.

"The video images on all four cassettes had been erased. We deplore this type of tampering with the news gathering process."

An SAA spokesman said the statement had been brought to the airline's attention.

PLAY BY THE RULES

"We cannot comment immediately as certain inquiries will have to be undertaken. We will investigate the matter, after speaking to Visnews to get more details and senior (SAA) personnel such as cargo managers."

The spokesman denied allegations that the tapes had been damaged by the SAA.

"Our policy is that we do not interfere with anything that is given to us to transport," he said.

The Foreign Correspondents Association (FCA) said in a statement yesterday it strongly supported the protest statement by two of its members — World Television News and Visnews — against "clear evidence of tampering by a third party" with four video cassettes.

The statement said: "Foreign correspondents here are constantly exhorted by the authorities to play by the rules. Such exhortations would carry more weight if other parties were seen to be under the same obligation." — Sapa

● See Page 8.

PUBLIC SECTOR - TRANSPORT - GENERAL

1988

269 B/day 11/6/88



☐ VAN DER VEER "In the competitive environment everyone must compete on the same basis"

Domestic carriers cleared for takeoff

South African Airways is under fire from passengers for what is perceived to be a deteriorating service. Many people say deregulation followed by privatisation is the only answer. Surprisingly, SAA chief executive GERT VAN DER VEER agrees. Deputy Editor NEIL JACOBSOHN reports

CAN THE man who runs one of the major State-controlled monopolies be a free market adherent at heart? SAA chief executive Gert van der Veer thinks so

Van der Veer says he and SAA's management team believe in complete domestic deregulation of the airways By that, he means that anyone who can meet basic safety and technical standards "should be able to fly between centres, provide the service he thinks the market needs, and charge what he wants, or what the market is capable of paying That is what deregulation means to us"

He admits there is a perception in the marketplace that SAA is anything but pro-deregulation, but says the perception is wrong In fact, SAA is looking forward to the competition that will follow deregulation, and has spent the past four years preparing for it

"We have rationalised the domestic services We are not operating any route on which we do not make a profit, including the sub-contracted routes Nor are we operating any subsidised or cross-subsidised routes

"Also, we have allowed small airline operators to fly on our traditional routes, sometimes on our behalf, sometimes in addition to our services."

He is quick to add that he does not consider this in itself to be deregulation But it is as much as SAA can do under present law, he says

When it comes to competition in the sky, it seems the villain of the piece is not SAA but the Air Services Act, which controls aviation in SA This law specifies that air routes are to be allocated to specific operators who, in effect, become "owners" of that route

"We have a number, because we probably started out first," says Van der Veer "But there are 22 secondary airlines also flying scheduled routes And the same way as they cannot fly our routes, unless we subcontract them, we cannot fly theirs"

He points out, not unreasonably, that as possession of a route is an asset, SAA as a business can hardly be expected to give them away Indeed, some routes have been sold between private operators for large sums

"When we go into the competitive environment everyone must compete on the same basis When that happens, SAA would withdraw from unprofitable routes, like any business"

Does this mean that Van der Veer is willing to give up SAA's position of official patronage and privilege in favour of a completely free market?

"There has to be some order," he says. "Overseas it's called the 'fit and able' provision: That means your company must be basically sound, that you must have sufficient insurance and, of course that you meet technical and safety requirements before you get a permit to operate an airline But that is orderliness, it is not regulatory"

When it comes to privatisation, Van der Veer is much more cautious The Minister of Transport has said SAA may be a candidate for privatisation "He has not said government is going to privatise us That is presently being investigated"

Pressed, Van der Veer says he would "in principle" support the sale of the airline by the State, with pilots, staff and the public becoming shareholders "But that is not our decision We are not the owners, we are purely the management." In any case, he adds, deregulation or some form of price control on domestic routes must come first.

Van der Veer knows well that his airline is under fire from many of its customers, and that SAA's previously glowing reputation has slipped

"We grew used to an economy that grew steadily and evenly Now we are in a fluctuating economy, with great troughs and peaks. To cope with that we have had to revise our approach to the marketplace"

Keeping prices down was the main priority, says Van der Veer, and SAA's domestic fares have not risen for 27 months "That meant higher average occupancies, so we revised schedules Very soon people were complaining that we were no longer offering the same frequency of flights and the same free availability of seats"

The other major problem, says Van der Veer ruefully, has been delays.

"I must admit our performance in the past few months has not been good From an on-time average of about 85% in January, we rapidly dropped to around 49% That's bad"

But there were a hundred good reasons, says Van der Veer, from the shortage of airport traffic controllers to the weather "Who ever would have said we could not have landed at Kimberley or Bloemfontein because of water on the runway?"

But the on time average is now back up to 93% as of last week, he says, and compares that to the American domestic services figure of 85% during October 1987, and 66% last December, as quoted in an international aviation magazine

Another aspect which has infuriated passengers is the practice of bumping passengers on to a later flight than the one booked

Here, says Van der Veer, the no-show record of passengers is to blame "We have a no-show figure of about 6% or 7%, down from 15% in the past, which means we overbook It does happen that on very high demand days all reserved passengers turn up and we may have too few seats Then we offer those passengers 'bumped' off the flight another flight or a full ticket refund"

This is airline practice throughout the world, says Van der Veer, and points out that airlines honour a ticket even if the passenger fails to turn up and use a booked seat.

Has SAA ever bumped a Cabinet Minister? "I doubt it but we may have" Certainly SAA has bumped some of SA's top business people

"Yes, yes, at times this happens, but we try to satisfy everyone You have got to see these things in perspective We can never give 100% service, but we must always look at the direct relationship between price and the standard of service"

How many free passengers does SAA carry?

"None, apart from airline staff who are entitled to an element of free travel, as all airline employees are

"The rest — the politicians, public servants, everyone — all pay full fare No one flies unless he has a valid ticket Ask the next Cabinet Minister you see"

The fact that such "payment" is merely a credit transfer between government departments is not his problem, says Van der Veer "That is revenue to us we declare it as income"

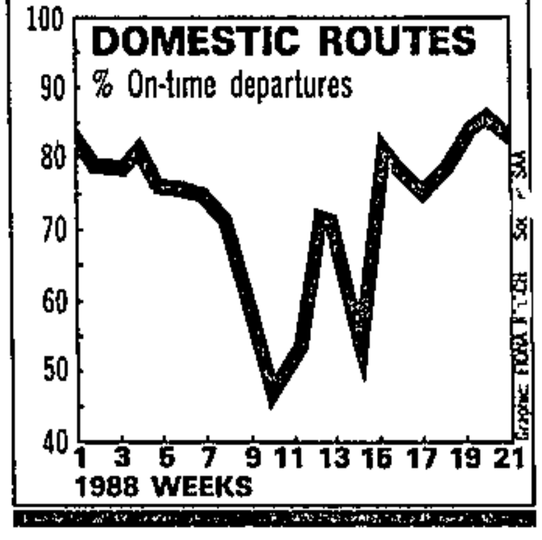
What of the perception that SAA has one of the highest proportions of ground crew anywhere in the world?

"I haven't looked at that, but if the answer is technical ground crew this may well be true

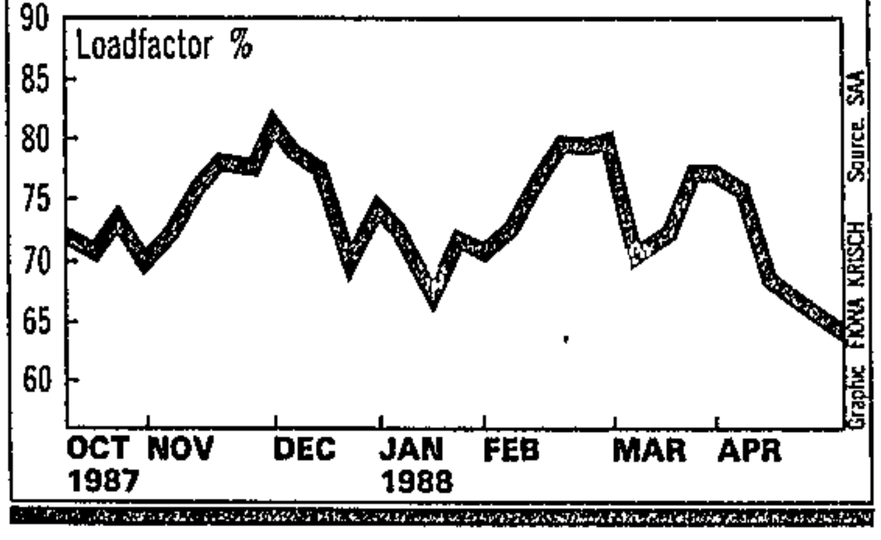
"The reason is that we operate a heavy domestic service 10 000km away from any technical maintenance or facilities We are in a unique position at the tip of Africa, and have had to build virtually 96%-98% self-sufficiency in maintenance"

But this is also a generator of income, says Van der Veer "We sell this service to other airlines Last year it brought in R35m"

DELAYED FLIGHTS



DEMAND FOR SAA SEATS



TV tapes: explanation demanded from SAA

By Adele Baleta

Two British-based television agencies have demanded an explanation from South African Airways for the erasure, en route to Johannesburg, of video tapes of a church service held on Sunday at Lawaaikamp near George in the Cape.

World Television Network (WTN) and Visnews crews covering the service at the settlement, which is threatened with removal, claim that four video cassettes containing footage of the service were tampered with.

WTN assistant bureau chief Mr Vincent Francis says the agencies' lawyers have sent a letter of complaint to SAA and the Bureau for Information.

Staffers of both agencies say the tapes did not include any material that could have been illegal in terms of the Government's media curbs.

Mr Francis says there is clear proof that the tapes were tampered with after they were given to SAA.

An SAA spokesman said yesterday that the airline was looking into the matter. "We will deal with the issue once we receive the (WTN's) letter. We are in the business to bring passengers and cargo from one point to the other. Our priority is the safety of our passengers and aircraft.

"Parcels are put through security checks only for the purpose of safety."

SAA had earlier denied allegations that the tapes had been damaged by the airline.

Hansard

HOUSE OF ASSEMBLY

†Indicates translated version

For written reply

General Affairs

Community Development Board/Land Affairs Board: land purchased

785 Mr C J DERBY-LEWIS asked the Minister of Public Works and Land Affairs

(1) (a) How much land was purchased by (i) the Community Development Board and (ii) any other specified board or body falling under his Department for use by Indians, Coloureds and Blacks, respectively, in each of the latest specified five years for which information is available, (b) what was the cost of the land so purchased in each of the above categories and (c) subject to what conditions was this land made available,

(2) whether the Land Affairs Board has come into operation, if not, (a) why not and (b) when is it anticipated that it will come into operation, if so,

(3) whether the latter board has purchased any land for use by the above population groups, if so, what are the relevant details?

The MINISTER OF PUBLIC WORKS AND LAND AFFAIRS.

(1) (a) (i) The Department of Public Works and Land Affairs does not have the information at its disposal The functions of the Community Development Board have been assigned to the three administrations for own affairs while the functions of the National Housing Commission have been assigned to the Department of Development Planning as well as to the three administrations for own affairs

(ii) None

(b) and (c) Fall away

(2) No

(a) Consultation in terms of section 3(1) of the Land Affairs Act, 1987 (Act 101 of 1987), had to take place

(b) 1 August 1988.

(3) Falls away

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Johannesburg/Messina railway line: passengers

1111 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

How many passengers were carried on the Johannesburg/Messina line during each of the latest specified five financial years for which figures are available?

The MINISTER OF TRANSPORT AFFAIRS

Financial Year	Number of Passengers (both directions)
1983/84	1 215 387
1984/85	1 037 020
1985/86	896 301
1986/87	770 680
1987/88	624 064

Johannesburg/Cape Town passenger train service: departure times

1114 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

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Whether consideration has been given to the possibility of altering the departure times of the Johannesburg/Cape Town passenger train service so that passengers will only lose one working day, if not, why not, if so, when is it anticipated that departure times will be so altered?

The MINISTER OF TRANSPORT AFFAIRS

No The present departure time appears to be the most popular with passengers In fact the previous departure time of 09h00 was changed to 12h30 as a result of various representations

SAA: overseas flights

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1119 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

How many passengers were carried by the South African Airways on overseas flights to (a) Great Britain, (b) Europe, (c) the United

States of America, (d) South America and (e) Asia during the latest specified five-year period for which figures are available?

The MINISTER OF TRANSPORT AFFAIRS

(a) 979 855
(b) 917 965
(c) 326 242
(d) 61 308
(e) 189 434

Figures are in respect of the period 1 April 1983 to 31 March 1988 except in the case of the United States of America which are for the period 1 April 1983 to 9 November 1986 Flights to this country were suspended on the last mentioned date

Domestic flights: late departures/arrivals

1126 Mr S S VAN DER MERWE asked the Minister of Transport Affairs

(1) How many flights between (a) Cape Town and Durban, (b) Cape Town and Johannesburg and (c) Cape Town and Port Elizabeth (i) arrived and (ii) departed late during the week which ended on 6 May 1988,

(2) what percentage of the total number of flights to and from Cape Town during this week does this represent?

The MINISTER OF TRANSPORT AFFAIRS

(1)	(i)	(ii)	
(a)	Particulars are not readily available and it will take much time and expense to gather such information	13	Both directions
(b)		32	
(c)		4	

(2) 15,4 per cent

Domestic flights: late departures/arrivals

1127 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) How many flights between (a) Port Elizabeth and Johannesburg, (b) Port Elizabeth and Durban and (c) Port Elizabeth and Cape Town (i) arrived and (ii) departed late during the week which ended on 6 May 1988,

(2) what percentage of the total number of flights to and from Port Elizabeth this week does this represent?

The MINISTER OF TRANSPORT AFFAIRS

(1)	(i)	(ii)	
(a)	Particulars are not readily available and it will take much time and expense to gather such information	20	Both directions
(b)		6	
(c)		4	

(2) 10,2 per cent

Domestic flights: late departures/arrivals

1128 Mr M J ELLIS asked the Minister of Transport Affairs

(1) How many flights between (a) Durban and Cape Town, (b) Durban and Johannesburg and (c) Durban and Port Elizabeth (i) arrived and (ii) departed late during the week which ended on 6 May 1988,

(2) what percentage of the total number of flights to and from Durban during this week does this represent?

The MINISTER OF TRANSPORT AFFAIRS

(1)	(i)	(ii)	
(a)	Particulars are not readily available and it will take much time and expense to gather such information	13	Both directions
(b)		18	
(c)		6	

(2) 13,9 per cent

Domestic flights: late departures/arrivals

1129 Mr R J LORIMER asked the Minister of Transport Affairs

(1) How many flights between (a) Johannesburg and Durban, (b) Johannesburg and Cape Town and (c) Johannesburg and Port Elizabeth (i) arrived and (ii) departed late during the week which ended on 6 May 1988,

(2) what percengate of the total number of flights to and from Johannesburg during this week does this represent?

The MINISTER OF TRANSPORT AFFAIRS

(1)	(i)	(ii)	
(a)	Particulars are not readily available and it will take much time and expense to gather such information	18	Both directions
(b)		32	
(c)		20	

(2) 14,1 per cent

SAA: flights to London

1167 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

How many passengers made use of South African Airways facilities to fly to London over the latest specified five-year period for which figures are available?

The MINISTER OF TRANSPORT AFFAIRS

979 855 (for the period 1 April 1983 to 31 March 1988)

CBA Trib 269
3/4/88

SAA

pilots to form new company

Own Correspondent

JOHANNESBURG. — South African Airways pilots are set to go into business for themselves.

The president of the SAA Pilots' Association (Saapa), Captain Blake Flemington, said yesterday the organization would form a new company.

He would not give details, saying more information would be given at a press conference tomorrow in Johannesburg

He said, however, that Saapa was past the feasibility stage and was going to put a plan into action

The statement comes shortly after the announcement of a meeting to be held between the association and the Minister of Transport, Mr Eli Louw, on Monday.

Intense negotiations on pilots' remuneration packages have been going on between SAA management and Saapa during the past two months. The negotiations have been sanctioned by Mr Louw

A spokesman for the minister's office said private sector reports commissioned by the minister — on a market-orientated salary package for pilots and for the recognition of Saapa as the pilots' official mouthpiece — had been received and were being studied.

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One in three SAA flights to Jo'burg late

Political Staff

ONE in three South African Airways flights on the Cape Town-Johannesburg route left late during the first week of last month, the Minister of Transport Affairs, Mr Eli Louw, disclosed yesterday

Thirteen percent of flights on the Cape Town-Durban route and 4% on the Cape Town-Port Elizabeth route departed late during that week, Mr Louw said in reply to a written question from Mr Tian van der Merwe (PFP Green Point)

Mr Louw said particulars were not readily available on the number of flights that arrive late and that it would take "much time and expense" to gather such information

Ten percent of all flights to and from Port Elizabeth in the first week of May were delayed, he said

Replying to a written question from the MP for Port Elizabeth, Central Mr John Malcomess, the minister said 20 flights between Port Elizabeth and Johannesburg in both directions had been delayed — six between Port Elizabeth and Cape Town and four between Port Elizabeth and Durban.

In reply to another question from the MP for Bryanston, Mr Rupert Lorimer, the Minister said 14,1% of all flights leaving and arriving at Jan Smuts had been delayed in the same week.

Particularly badly hit was the Cape Town-Johannesburg-Cape Town route where 32 flights were delayed

The Minister also told the MP for Durban North, Mr Mike Ellis 13,9% of flights arriving and departing from Durban had been delayed during that week

Worst hit was the Durban-Johannesburg-Durban route where 18 flights were delayed

(2) (a) (i) 11 150 houses and 18 650 informal structures

(ii) 3 658 on existing official waiting list

(b) 200

(3) (a) (i) 901

(ii) 619

(iii) 915

(iv) 33

(b) (i) All stands have toilets

(ii) Water taps (standpipes) in streets

(iii) None. Available at local private entrepreneurs

(4) (a) (i) A soccer stadium with 20 000 seats,
4 netball courts,
4 soccer fields covered with grass and
20 practice soccer fields

(ii) None

(b) (i) 85 formal and 657 informal shops

(ii) (aa) 118

(bb) 68 are being developed

(5) (a) (i) 216 Licenced taxis
Jakaranda Busdiens (Intestate Bus Lines)
Qwaqwa Busdiens
SA Transport Services

(ii) Jakaranda Busdiens is subsidized with 50% by the Department of Development Aid in regard to workers on trips within Botshabelo Trips from Botshabelo to areas outside it are the responsibility of the Department of Transport which does not subsidize on a percentage basis but on a basis of affordability that varies in accordance to distance travelled, e g

(i) From Botshabelo to Bloemfontein by one route (65 km) for a 5-day ticket Total R20,50 Subsidy R12,70

(ii) From Botshabelo to Bloemfontein by another route (82 km) for a 5-day ticket Total R26,00 Subsidy R15,00

Qwaqwa Busdiens and the SA Transport Services do not transport workers but only one-way-traffic passengers and therefore no subsidies are being paid

(b) (i) 525 km

(ii) 37,3 km

Hazyview. accident involving Buffel

*8. Prof N J J OLIVIER asked the Minister of Defence

(1) Whether a Buffel or any other military vehicle was involved in an accident in or near Hazyview in the Eastern Transvaal on or about 12 May 1988, if so,

(2) whether any (a) members of the South African Defence Force and/or (b) other persons were killed or injured in this accident, if so, what are the relevant details,

(3) whether a board of inquiry has been convened in regard to this incident, if not, why not, if so, (a) who is the chairman of the board and (b) when is it anticipated that the investigation into the matter will be completed?

The DEPUTY MINISTER OF LAW AND ORDER (for the Minister of Defence)

(1) Yes

(2) (a) Yes, one member was killed and three injured

(b) No

(3) Yes

(a) An officer of the Permanent Force

(b) The Board was completed on 24 May 1988

Bisho/Jan Smuts Airport traffic rights granted to airline

*9 Mr P G SOAL asked the Minister of Transport Affairs

(1) Whether he has granted traffic rights to any airline to operate between Bisho and Jan Smuts Airport, if so, (a) when and (b) to which airline, if not, why not,

(2) whether he has received any representations from any airline for rights to operate along such a route, if so, (a) when and (b) from what airline,

(3) whether he will make a statement on the matter?

†The MINISTER OF TRANSPORT AFFAIRS

(1) Yes

(a) During September 1987.

(b) Ciskei International Airways Corporation

(2) Yes.

(a) During September 1987

(b) Ciskei International Airways Corporation

(3) No

Waterkloof Air Force Base: aircraft delayed on 8 March 1988

*10 Mr P G SOAL asked the Minister of Defence

(1) Whether any aircraft at Waterkloof Air Force Base were delayed on the morning of 8 March 1988, if so, (a) which aircraft, (b) who were the passengers and (c) why,

(2) whether any complaints were made to the control tower at (a) Jan Smuts Airport and/or (b) Waterkloof Air Force Base as a result of this delay, if so, (i) by whom, (ii) what was the purport of the complaints and (iii) to whom were they made,

(3) whether any official subsequently visited the control tower at Jan Smuts Airport in connection with this incident, if so, (a) why, (b) on whose instructions and (c) what is the name and/or rank of this official?

The DEPUTY MINISTER OF LAW AND ORDER (for the Minister of Defence)

(1) No, (2) and (3) fall away

SAA military supplies carried on passenger flights

*11 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) Whether the South African Airways carries any military supplies for the South African Defence Force on (a) international and (b) local passenger flights, if so,

(2) whether any (a) ammunition, (b) rocket fuel, (c) other fuel, (d) hazardous material and (e) cargo conflicting with international regulations concerning passenger flights is carried on such flights, if so, why,

(3) whether he will make a statement on the matter?

†The MINISTER OF TRANSPORT AFFAIRS

(1) (a) No

(b) Yes Only occasional shipments comprising personal effects of military personnel, diplomatic mail and odd shipments of aircraft spares are transported No other military supplies are transported

(2) (a), (b), (c) (d) and (e) No

(3) Yes The conveyance of all cargo is performed strictly in accordance with the provisions as laid down in the International Air Transport Association (IATA) regulations regarding dangerous goods

SAA: overloaded flights

*12 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) Whether he will furnish information on the cargo on the overloaded South African Airways flights referred to in his reply to Question No 8 on 17 May 1988, if not, why not, if so,

(2) whether the cargo concerned was carried on behalf of the South African Defence Force?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes In both cases it was normal revenue cargo

(2) No

The hon member again refers to overloaded flights In this regard I wish to reiterate that the maximum load factor which applies to South African Airways' aircraft is ten per cent below the manufacturer's specifications In both cases the cargo was within the limits of the manufacturer's specifications and, therefore,

there was never any danger to either passengers or aircraft

SA Helderberg: inspection for possible fuel leaks

*13 Mr D J N MALCOMESS asked the Minister of Transport Affairs

Whether, with reference to his reply to Question No 9 on 17 May 1988, the *SA Helderberg* was inspected at any time pursuant to any notification from the Boeing Commercial Aircraft Company in relation to possible fuel leaks in the cargo area, if so, when was the (a) notification received and (b) aircraft inspected?

†The MINISTER OF TRANSPORT AFFAIRS

No The notice was received on 18 April 1988 whilst the *Helderberg* had already crashed on 28 November 1987

(a) and (b) Fall away

Mr D J N MALCOMESS Mr Speaker, arising from the hon the Minister's reply, is he aware of the fact that SAA originally issued a denial that they had received the bulletin but said subsequently that they had received one and that the *Helderberg* had been inspected in terms of the bulletin? As the hon the Minister has denied the fact, perhaps he will answer this question?

The MINISTER Mr Speaker, the hon member is trying to cast suspicion What I want to do now is to invite the hon member to come along to Jan Smuts Airport where I will arrange that everything be shown him

†Mr J J NIEMANN Then he will also have to apologize here

Mr D J N MALCOMESS Mr Speaker, further arising from the hon the Minister's reply, I want once again specifically to ask him whether he is aware that SAA issued a statement to the effect that the *Helderberg* had been inspected in terms of the bulletin?

The MINISTER Yes, Sir, I am aware of that We receive bulletins of this nature from time to time and we undertake all the inspections in terms of those bulletins I invite the hon member once again to come along and make an inspection Why does he keep on trying to cast suspicion in this way?

Mr A FOURIE He is making like a chicken [Interjections]

Mr D J N MALCOMESS Further arising from the reply of the hon the Minister, he said that he is aware of the fact that SAA had stated that the *Helderberg* had been inspected in terms of a specific bulletin In terms of his reply to the original question, he is now saying that it was not Can he please explain the difference between these two replies?

The MINISTER Mr Speaker, it all depends what was contained in the bulletin There are hundreds of bulletins, but I cannot possibly remember them all I say again that I invite the hon member to come along and make an inspection What more does he want?

Mr D J N MALCOMESS Mr Speaker, further arising out of the hon the Minister's reply, is he not aware that a specific bulletin was referred to in my question, and that my question was asked in regard to that bulletin in particular?

The MINISTER Mr Speaker, the hon member can come along and inspect the specific points on which his allegation is based [Interjections]

Mr P G SOAL Mr Speaker, on a point of order is the hon member for Turffontein entitled to say that the hon member for Port Elizabeth Central is "chicken"? [Interjections]

†Mr A FOURIE Mr Speaker, I meant it figuratively and not literally [Interjections]

Noordhoek squatters

*14 Mr J J WALSH asked the Minister of Constitutional Development and Planning

(1) Whether, with reference to his reply to Question No 8 on 16 February 1988, any of the Noordhoek squatters removed to Khayelitsha on or about 2 December 1987 have returned to Noordhoek, if so, (a) how many and (b) where in Noordhoek are they living at present,

(2) whether arrangements for permanent housing for these squatters have now been concluded, if not, why not, if so, what are the relevant details,

(3) whether any special arrangements have been made to monitor the situation, if so, (a) what are these arrangements, (b) what is the estimated cost involved and (c) who is responsible for carrying out these arrangements,

(4) whether he will make a statement on the matter?

The DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This matter vests in the Administrator of the Cape Province and he furnished the following information

(1) Yes

(a) Individuals unknown — structures 87

(b) On land belonging to the Western Cape RSC and private owners

(2) No

Since the squatters were resettled in orderly temporary housing at Khayelitsha a court case was instituted The court ruled that the respondents (Administrator of the Cape of Good Hope and the Minister of Law and Order) are to restore applicants' (squatters') possession of the land An appeal was, however, instituted against this decision

(3) No

(4) No

Cape Peninsula. Black housing

*15 Mr J J WALSH asked the Minister of Constitutional Development and Planning

(1) Whether any Blacks in the Cape Peninsula are currently living outside existing proclaimed Black townships, if so, (a) how many, (b) in what suburbs or local authority areas are they living and (c) what plans have been made for the adequate housing of these persons,

(2) whether there is a need for Black housing outside the areas presently proclaimed for Black housing, if so, what is planned in this regard,

(3) whether he will make a statement on the matter?

†The DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This matter vests in the Administrator of the Cape Province and he furnished the following information

(1) Yes

(a) 1 022 (Estimation)

(b) Kraaifontein, Table View, Bloubergstrand, Fish Hoek, Philippi, Simonstown, Hout Bay, Cape Town City Council, Noordhoek

(c) Subject to the availability of funds accommodation for these persons will be provided within the existing Black townships

(2) The housing need outside the areas proclaimed for Black housing is administered according to the national urbanization policy

(3) No

Mr K M ANDREW Mr Speaker, arising out of the hon the Deputy Minister's reply, may I ask him whether any of the communities to which he referred will be moved before the alternative housing which he mentioned is available?

†The DEPUTY MINISTER Mr Speaker, I have already indicated to the hon member that it will be dealt with according to the policy of urbanization I cannot supply detailed particulars of each case, but it is clear what the policy is in this case

Squatters: franchise in local elections

*16 Mr J J WALSH asked the Minister of Constitutional Development and Planning

Whether (a) persons currently residing in (i) the KTC squatter camp and (ii) Sites B and C in Khayelitsha and (b) squatters living in Nyanga East will be entitled to vote in the forthcoming local elections, if not, why not, if so, (aa) in terms of what authority, (bb) in which wards will they fall, (cc) how will registration of these persons be effected and (dd) what attempts are being made by his Department and/or the Cape Provincial Administration to ensure that persons in these areas are made aware of their status in these elections?

†The DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This matter vests in the Administrator of the Cape Province and he furnished the following information

textbooks include money for the purchase of dictionaries

†The MINISTER Mr Speaker, if the hon member had listened to the reply to the question, he would have heard that the department and schools themselves decide on what books they wish to purchase with the funds made available to them They decide themselves what textbooks and, if there is money left over, what dictionaries etc, they wish to purchase

For written reply

General Affairs

Universities' enrolment of students

1043 Mr C J DERBY-LEWIS asked the Minister of National Education

As at the latest specified date for which figures are available, how many (a) White, (b) Coloured, (c) Indian and (d) Black students were enrolled at each South African university primarily established for a population group other than their own?

The MINISTER OF NATIONAL EDUCATION

The most recent figures are for 1986 and appear in the attached table

Numbers of enrolled students at South African Universities primarily established for a population group other than their own 1986

1 Universities resorting under the Minister of Education and Culture Ministers' Council of the House of Assembly

University	*White*	*Coloured*	*Indian*	*Black*
Cape Town	—	1 292	292	438
Natal	—	237	1 765	1 022
OFS	—	63	0	55
Port Elizabeth	—	232	26	48
Potchefstroom	—	30	7	90
Pretoria	—	5	9	11
RAU	—	134	6	57
Rhodes	—	142	169	453
Unisa	—	4 156	9 362	20 941
Stellenbosch	—	325	9	20
Witwatersrand	—	242	1 177	1 326

2 Universities resorting under the Minister of Education and Culture Ministers' Council of the House of Delegates

University	*White*	*Coloured*	*Indian*	*Black*
Durban-Westville	219	150	—	436

3 Universities resorting under the Minister of Education and Culture Ministers' Council of the House of Representatives

University	*White*	*Coloured*	*Indian*	*Black*
Western Cape	120	—	279	397

4 Universities resorting under the Minister of Education and Development Aid

University	*White*	*Coloured*	*Indian*	*Black*
Medunsa	178	1	32	—
North	35	5	12	—
Zululand	16	1	7	—
Vista	15	81	3	—

SAA Boeing 747: overshooting runways

1058 Mr D J N MALCOMESS asked the Minister of Transport Affairs

Whether, since 1 January 1987, any South African Airways Boeing 747 aircraft have overshot any runways, if so, (a) on how many occasions, (b) (i) where and (ii) why in each case and (c) in respect of what date is this information furnished?

The MINISTER OF TRANSPORT AFFAIRS

Yes

(a) On three occasions.

(b) (i) Twice in Johannesburg and once in Durban

(ii) Johannesburg In the case of the first occurrence the commander decided to abort landing as a precautionary measure because another aircraft had not entirely cleared the runway at a critical stage of his approach and in the case of the second, owing to excessive wake turbulence left by an aircraft which had just taken off

Durban Due to weather conditions

(c) 5 May 1988

Jan Smuts/D F Malan airports' flight delays

1093 Mr A GERBER asked the Minister of Transport Affairs †

(1) (a) What percentage of all domestic flights from Jan Smuts and D F Malan Airports

have been delayed by (i) 1 to 30 minutes and (ii) more than 30 minutes since 1 January 1988 and (b) in respect of what date are these particulars furnished,

(2) whether any measures have been taken to eliminate these delays, if not, why not, if so, (a) what measures and (b) when is it anticipated that the present delays will be eliminated as a result of these measures?

The MINISTER OF TRANSPORT AFFAIRS

(1) (a) (i) Jan Smuts 24,2, D F Malan. 21

Delays of 10 minutes and less are not regarded as actual delays since the time of delay is made up during the flight and the destination can, therefore, be reached in accordance with the scheduled time of arrival

(ii) Jan Smuts 9,5, D F Malan, 6,9

(b) 30 April 1988

(2) Yes

(a) Flights are closed 15 minutes before scheduled departure

Connecting passengers are only accepted until 10 minutes before departure

Standby passengers, post and frieght are only accepted if the flight will not be delayed as a result thereof

Boeing 747 aircraft are used where possible.

The new time timetable which was introduced on 13 March 1988 increased capacity by 13,38 per cent

A 737 aircraft of which the leasing period has expired has been added to the fleet

(b) For the two weeks ending 8 May 1988, 82,5 per cent of all flights were on time and every endeavour is being made to bring about further improvements

South African Transport Services' debt

1117 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) What was the total long-term and/or short-term debt of the South African Transport Services as at the end of the (a) (i) 1982-83 and (ii) 1984-85 financial years and (b) latest specified financial year for which figures are available,

(2) how much of this debt in each such financial year was attributable to foreign exchange losses?

The MINISTER OF TRANSPORT AFFAIRS

(1) The Honourable Member's attention is directed to the Report of the General Manager of the South African Transport Services for 1986-87, which was Tabled on 17 February 1988 Particulars of the debt of the South African Transport Services are contained therein

(2) None

SATS: Public relations/advertising consultants

1136 Dr P W A MULDER asked the Minister of Transport Affairs †

Whether any division or directorate of the South African Transport Services made use of external (a) public relations consultants, (b) public relations agencies, (c) advertising consultants and/or (d) advertising agencies in the 1987-88 financial year, if so, (i) for what projects, (ii) what total amount was spent on each project, (iii) what consultants and/or agencies were involved in each project and (iv) what procedure was followed in allocating these projects to agencies and/or consultants?

The MINISTER OF TRANSPORT AFFAIRS

(a), (b) (c) and (d) Yes

(i) Advertisements, Consultation, Research, Publicity and Promotions

(ii) R15 654 916

(iii) Lindsay Smithers — FCB (Pty) Ltd, Ogilvie and Mather Direct, The Agency, Foxton Communications, Co-ordinated Marketing, Effective Marketing Services (Pty) Ltd, Dempers, Leoka and Kevany, Johan Pfeiffer, EMS (Pty) Ltd and T B Consultants (Pty) ltd

(iv) Except in the case of Lindsay Smithers — FCB (Pty) Ltd who is Transport Services' official publicity agency the normal tender procedure was followed in all other cases

A division in respect of (ii) and (iii) is not

readily available and it will take much time and expense to gather such information

Temporary military bases

1137 Mr C J DERBY-LEWIS asked the Minister of Defence:

(1) Whether he will furnish information on temporary military bases located within or in close proximity to unrest areas in the Black residential areas, if not, why not, if so, (a) how many such bases are there and (b) what was the total cost of operating and maintaining such bases during the latest specified 12-month period for which information is available,

(2) whether the servicemen present in these bases are used to perform military duties only, if not, (a) why not and (b) what other duties do they perform?

The MINISTER OF DEFENCE

(1) Yes

(a) 14

(b) 1 May 1987 until 30 April 1988 R5 754 846,52

(2) Yes

SADF: Training facilities in African territories

1162 Mr C J DERBY-LEWIS asked the Minister of Defence

(1) Whether the South African Defence Force extends training facilities to defence force members in any African territories; if so, (a) which territories are involved and (b) what was the cost thereof to the State during the latest specified period of 12 months for which figures are available;

(2) whether security force members of any African territories are being trained in South Africa, if so, what are the relevant details?

The MINISTER OF DEFENCE

(1) and (2) Yes It is, however, not considered in the interest of the RSA and the other countries concerned to divulge any information in this regard

Police reservists: leave facilities

1164 Mr C J DERBY-LEWIS asked the Minister of Defence

(1) Whether he will furnish information on the leave facilities available to police reservists in the employ of (a) a certain corporation, the name of which has been furnished to the South African Defence Force for the purpose of the Minister's reply, (b) Armscor and (c) any other statutory and/or parastatal bodies falling under his control, if not, why not; if so,

(2) whether any specific leave facilities are available to such police reservists, if not, why not, if so, what specific facilities in respect of each such body?

The MINISTER OF DEFENCE

(1) (a), (b) and (c) Yes

(2) No, because employees who perform duty as police reservists, do so on a voluntary after hours basis

Christmas cards sent out

1255 Mr P G SOAL asked the Minister of Education and Development Aid

(1) Whether (a) he, (b) the Department of Education and Training and/or (c) the Department of Development Aid sent out Christmas cards in 1987, if so, (i) what total number of cards was printed, (ii) to whom were they sent, (iii) what was the total cost of producing and distributing these cards, and (iv) who was responsible for printing them, in each case,

(2) whether postage stamps were used to send out these Christmas cards, if not, how were they distributed?

The MINISTER OF EDUCATION AND DEVELOPMENT AID

(1) (a) Yes

(b) Yes

(c) Yes

(1) (a) and (c)

(i) 2 350

(ii) 1 382 cards were posted to dignitaries and to people from whom Christmas cards were received in an official capacity The balance of the cards is being kept for future use

(iii) The producing cost amounted to

R2 380,17 The distributing cost cannot be determined as it forms part of the total cost with which the Department is debited for by the Post Office for all post, sent by the Department

(iv) The Government Printer printed the Minister's cards and envelopes CompuPrint (Pty) Ltd printed the Director General Development Aid's cards and envelopes and Bowcor Investment Holdings printed cards and envelopes for the Department of Development Aid which were used by the two Deputy Directors-General

(1) (b) (i) 1 740

(ii) **Deputy Minister of Education and Director-General: Education and Training**

Cards were posted to dignitaries and to people from whom Christmas cards were received in an official capacity

Regional Director: Highveld and Regional Director: Johannesburg

Circuit Office Staff, Architects who render services to the Region, Chief Directors in Head Office, Minister of Education and Development Aid, Deputy Minister of Education, Managing Directors of private companies having regular dealings with the Department, Director-General Education and Training, Regional Directors of other regions, Members of the Joint Management Centre.

Regional Director: Cape Region

Circuit Office Staff, Directors and Chief Directors in Head office

Regional Director: Natal Region

Circuit Office Staff, Principals of schools

(iii) The producing cost amounted to R1 756,48 The distributing cost cannot be determined as it forms part of the total cost with which the Department is debited for by the Post Office for all post, sent by the Department

(iv) **Deputy Minister and Director-General: Education and Training**

The Government Printer printed the cards and envelopes

Regional Director. Highveld

Donated by De Jager-HAUM

Regional Director: Johannesburg

Donated by De Jager-HAUM

Regional Director: Cape

Mr Wedding Card Port Elizabeth

Regional Director: Natal

City Printing Works Pietermaritzburg

(2) No The cards were distributed by means of official envelopes

Apartheid signs burn on bonfire

All-race trains are on the way

Star 8/6/85 (269)

By David Braun,
Political Correspondent
Cape Town

The South African Transport Services is to take down the apartheid signs and open up all trains to all races throughout the country as soon as possible.

This was made clear by a spokesman for the Transport Ministry, Mr Leon Els, in an interview today.

This important phase in the desegregation of transport services began in the Western Cape yesterday, but no date has yet been set for the removal of apartheid signs from Johannesburg station or the desegregation of train services in the Transvaal.

Piles of whites-only signs were burnt in a late-night bonfire by Sats in the Western Cape last night as a prelude to this region becoming one of Sats's first apartheid-free regional operations.

This was in keeping with the 1985 decision by the Minister of Transport that Sats would be moving away from racial discrimination, Mr Els said.

It was also part of Sats's attempts to become a streamlined, purely business-orientated, organisation.

"Our only criteria for getting rid of racial discrimination is that it be done in an orderly and responsible manner.

"For that reason we cannot put specific dates on when the signs will be coming down at Johannesburg station or when the trains will be completely desegregated in the Transvaal.

"But it will be phased out as soon as is practically possible."

Giant strides

Mr Els said Sats had already moved a long way to removing discrimination from within the organisation, and from its dealings with the South African public.

In aiming for parity in wages and treatment of all its workers, giant strides had been made.

With regard to its various services, Sats had already fully integrated its bus services. There was no discrimination with regard to SAA.

"The last step now is to remove the remaining discrimination on the trains.

"We are taking down the signs in the Western Cape. The rest of the country will follow once we are sure the facilities are adequate for all."

Mr Els said most facilities at Johannesburg station were already up to standard and there was no longer discrimination with regard to ticket purchasing, waiting rooms and toilets.

The same applied to Durban, Pretoria, Cape Town and Port Elizabeth stations.

24 pc of SAA internal flights were delayed

CAPE TOWN — The Minister of Transport Affairs, Mr Eli Louw, said yesterday 24,2 percent of domestic flights from Jan Smuts Airport as of January 1 this year were delayed up to 30 minutes.

Measures taken included closure of flights 15 minutes before scheduled departure, connecting passengers were only accepted until 10 minutes before departure, and standby passengers and freight were only accepted if they did not delay flights.

— Sapa.

All-race trains cause little flutter

By TOS WENTZEL and ANTHONY DOMAN
Staff Reporters

THE death of train apartheid in the Peninsula appears to have caused hardly a ripple.

By all reports the occasion merited neither joyful outbursts nor angry mourning.

Commuters reported no sudden rush to the previously whites-only coaches at the head of Cape Town-bound trains. In fact, the law of supply and demand seemed to be working: people chose their coach depending on how crowded it was.

Third-class travellers said they had become used to seeing white faces in their coaches and a first-class regular on the Nyanga line said his train had never had white coaches.

Miss Peni Greeff, who uses the Cape Flats line, said people seemed to be sitting in their usual spots.

"I sat somewhere in the middle of the train because the coach there was empty," she said.

Early commuters on the southern suburbs line said they had noticed "no change" where people sat.

Some opposition groups today welcomed the scrapping of train apartheid in the Western Cape but the Conservative Party strongly criticised the move.

A spokesman for the Minister of Transport Affairs, Mr Eli Louw, said it would be extended to other parts of the country.

The Progressive Federal Party's spokesman on transport, Mr John Malcomess, said he welcomed the move.

It was "a very small step in human terms" but an enormous step for the Government, he said.

But only when trains in the Northern Transvaal were integrated "will we know that apartheid on the railways has finally disappeared".

Mr Chris Wyngaard, the Labour Party's spokesman on transport, said Mr Louw had taken a positive step in the right direction.

Mr Jurgens Prinsloo, CP spokesman on transport, said his party voiced the strongest opposition.

The move, which would affect 400 000 passengers and 800 trains in the Western Cape, could lead only to the deterioration of safety standards and the crowding-out of white passengers.

The CP regarded separate facilities on trains as essential and would reinstitute separate facilities when it came into power.

Said Mr Keith Gurney, general secretary of the Independent Party: "As with the scrapping of other forms of apartheid so far, this will not cause the sky to fall. It will rather contribute to a happier, more normal society.

"We trust that de-segregation throughout the country will soon follow."

End of railway apartheid important symbolic step

The Argus, Thursday June 9 1988

By TOS WENTZEL, Political Correspondent

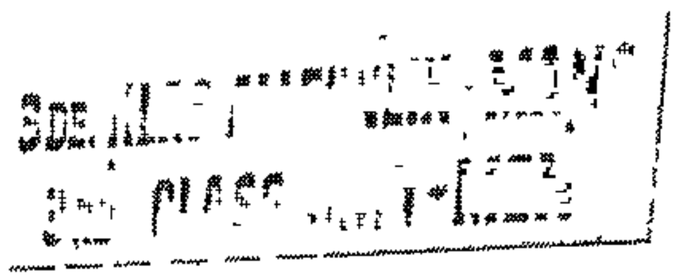
THE scrapping of apartheid on trains in the Western Cape is an important symbolic step in the continuing efforts to end discrimination.

Rail apartheid, which was instituted 40 years ago, is closely tied up with the National Party's accession to power.

Segregation of the races, specifically on Cape Town's suburban railway lines, was one of he first — if not the very first — practical apartheid steps taken by the new Government in 1948.

It was in line with the "grand apartheid" concept — to eliminate friction among the various races Integrated travel on the Cape lines was said to be causing much friction and there were complaints from some whites.

The dissatisfaction among whites was allegedly so intense that the previous United Party administration was said to have had a secret plan to introduce train apartheid immediately after the election but that it did not want to announce this before the time in the face of the Nationalists' apartheid campaign.



But rail apartheid has been watered down gradually through the years.

In September, 1985, certain coaches on inter-city and suburban trains were opened to all races, but there have always been coaches specifically reserved for whites.

On mainline trains dining saloons are open to all people with first- and second-class tickets.

Observation or saloon cars where drinks were served were taken off after they were opened to all races. This was said to have been because of the high losses the railway catering services were incurring, but there seemed to have been some incidents of race friction in these coaches.

Aircraft, buses and the Blue Train have for a considerable time been desegregated. (Years ago passengers of colour were allocated seats at the back of an aircraft.)

As a spokesman for the Department of Transport Services puts it, the department is becoming increasingly business-orientated in a way that leaves no room for race discrimination. As far as the staff was concerned, there was already "rate for the job" salary parity, he maintained



The scrapping of apartheid was meant to be a continuing, orderly process which could not be completed overnight.

The Sats approach was summed up by its Western Cape regional manager, Mr Bertie Heckroodt, when he said "We have progressed from racial classification to economic classification."

The railway authorities have taken the step to scrap all apartheid with some trepidation The Western Cape was chosen as the area for the experiment because it is known for its racial tolerance compared with the Transvaal and Free State.

Judging from the first reactions, the authorities have little to fear.

The death of train apartheid has caused hardly a ripple in the Peninsula Predictably, the Conservative Party was the only group which protested

The Western Cape experiment will be closely watched for a considerable time before its possible extension to other parts of the country.

No room for discrimination, says Sats

Rest of SA could follow W Cape train experiment

Star 9/6/88

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Political Staff

The scrapping of race separation on trains in the western Cape is an important step in ongoing efforts to end apartheid.

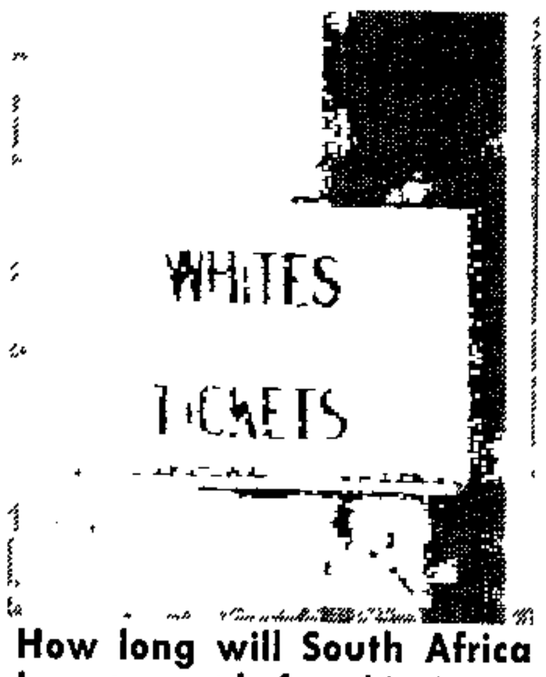
Rail apartheid has a history of 40 years, and is closely tied up with the National Party's coming to power in 1948

Segregation of the races, specifically on Cape Town's suburban railways, was one of the first apartheid steps taken by the new government after it came to power

It was in line with the "grand apartheid" concept. to eliminate friction between the various race groups

Unsegregated travelling on the Cape lines was said to be causing friction, and there were complaints from some whites. To such extent was there dissatisfaction among whites that the old United Party administration was said to have had a secret plan to introduce train apartheid after the 1948 election, but did not want to announce it before the time in the face of the Nationalists' apartheid campaign.

Rail apartheid has been watered down gradually through the years From September 1985, certain coaches on intercity and suburban trains have been open to all races, but



How long will South Africa have to wait before this sign at Roodepoort station goes?

there have always been coaches reserved for whites only.

On the mainline trains, dining saloons are open to all with first-class and second-class tickets.

Observation or saloon cars where drinks were served were taken off after they were opened to all races.

This was said to have been because of the high losses in railway catering services — but there seemed to have been some incidents of race friction on those cars

South African Airways, buses run by SA Transport Services (Sats) and the Blue Train have been desegregated for some time.

Years ago, passengers of colour were placed in seats at the back of SAA planes.

As a Sats spokesman puts it, Sats is becoming business-oriented in a way that leaves no room for race discrimination.

He adds that for staff there is already rate-for-the-job pay parity.

The scrapping of apartheid is meant to be an ongoing, orderly process which cannot be completed overnight, he says.

Sats' approach was summed up by its general manager in the western Cape, Mr Bertie Heckroodt, when he said: "We have progressed from racial classification to economic classification."

Railway authorities have taken the step to scrap all apartheid with some apprehension The western Cape was chosen as the experiment area because it is known for its racial tolerance, compared with the Transvaal and Free State.

Judging from first reactions, they have little to fear. The final death of train apartheid has caused not a ripple in the Peninsula The Conservative Party was the only group to protest

The western Cape experiment will be watched closely for some time before train services are opened up in other parts of the country.

Open trains move welcomed

Star 9/6/83 **Political Correspondent** (269)

Political parties, with one exception, yesterday welcomed the South African Transport Services (Sats) decision to desegregate trains.

The Conservative Party voiced its strongest opposition and said it would reinstate train apartheid if it came to power.

The Progressive Federal Party spokesman on transport, Mr John Malcomess, welcoming the decision, said

"While this is a very small step in human terms, I concede that an enormous step for the South African Government has been taken.

● **See Page 15.**

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Train desegregation ends at Wellington

By PETER DENNEHY

DESEGRATION on trains ends at Wellington, according to Mr Jannie van Zyl, a public relations officer for the SA Transport Services

All commuter trains this side of Wellington have had their apartheid signs removed However, trains outside SATS's new non-racial zone will still have some carriages reserved for whites only, from the start of their journey at Cape Town station.

Racial segregation on inter-city trains entering the Western Cape will also be retained throughout their journeys.

Eventually trains throughout the country might be non-racial, but he could not speak for regions other than the Western Cape.

Only commuter trains in the Western Cape region had their racial demarcations removed this week, he said

"The Trans-Karoo and other Cape Town-to-Johannesburg trains still have reserved coaches for whites only," he said, by way of example However they also had non-racial coaches.

Mr Van Zyl said the scrapping of train apartheid in the Western Cape had not been a big change for the conductors, who had "de facto acted that way anyway".

When some carriages were reserved for whites only, the doors between them and the non-racial ones used to be locked, he said Locks between first- and third-class carriages were still in place

Conductors had been "extensively briefed" on Friday and Monday before the change-over.

Since Tuesday, there had only been a slight movement into the previously whites-only coaches by people who used to sit in the non-racial ones

Pilots in bid to buy SAA's home flights

Cape Times 10/6/87 269

Own Correspondent

JOHANNESBURG. — The South African Airways Pilots' Association (SAAPA) last night gave formal notification that it would make an offer to purchase the domestic services of the South African Airways (SAA) — said to be worth about R1 000 million.

SAAPA said it would make formal application to Transport Minister Mr Eli Louw and seek a listing for the company on the Johannesburg Stock Exchange should the bid be considered favourably.

In a statement released in Johannesburg, SAAPA president Captain Blake Flemington said SAA had also been formally notified of the association's intentions.

However, spokesmen for both the SAA and Mr Louw said last night that they had not yet received notice of a formal offer of intent.

SAA's domestic services alone are estimated by Transport Ministry spokesman Mr Leon Els to be at least R1 000 million. It is understood the average cost of a Boeing 737 is R140 million and R500 million for new Boeing 747s.

The SAAPA statement said: "Once the offer has been submitted in due course it will be made known to the public. But until then there will be no further press comment on this issue."

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Weekend FOCUS 4

Phweeeet! Phw'eeeet! ALL ABOARD!



SPECIAL REPORT

by ROBERT HOUWING
Weekend Argus Reporter

. . . for a trip through the great tunnel of SA railway apartheid . . .

THIS week's announcement by South African Transport Services that train apartheid in the Western Cape has been abolished, partially lowers the curtain on several decades of wrath, humiliation, tragic humour and absurdity

Of course, the apartheid dossier is far from closed. There will be more incidents on, and about, trains, more angry letters and further sharp exchanges between politicians.

For the meantime, however, sit back and reminisce on the bad old years, when whites had space to put their feet up and those branded "non-white" collected mouthfuls of soot through open doors.

We will remind you of the days when "non-white" passengers shared their coaches with bedding staff and stewards on mainline trains, no hot water was provided and access to the dining car was *verboten*.

Also, when "non-white" workers at the Western Cape headquarters of the then South African Railways (SAR) were required to use a side lift in the building, and a coloured priest, protesting about "Bantu and coloured people sharing coaches," appealed for "Bantu only" and "Non-white only" carriages to further complicate the apartheid set-up

When Railway Police blitzed stations to issue spot fines to commuters using subways marked for other race groups and a crippled clerk, unable to raise his eyes high enough to read an overhead apartheid sign, was fined for climbing a "whites only" staircase.

And when trains were "re-arranged" in the Karoo in the dead of night so that "white" and "non-white" carriages would berth correctly at segregated Cape Town station.

You will also read about some of the personalities involved in train apartheid furores, perhaps the most embarrassing incident for authorities being that of the West Indian cricketer, Colin Croft.

WHEN did it all begin? Back in 1948, when the Nationalists swept to power against the odds.

In one of his first major policy speeches as Prime Minister, Dr DF Malan told Parliament. "*There has been apartheid on the trains in other parts of the country, not in the Peninsula This has now been brought about*"

He was referring to the "European" and "non-European" sign boards his Government put on trains immediately after taking the helm.

Nationalists claimed with mirth that they did not have to make the signs; this had been done for them by the United Party regime under pressure from its own supporters, and that all they needed to do was take them out of the store rooms where they were kept.

Dr Malan explained why he believed train and bus apartheid were justified. "*The matter is so acute that large sections of the European population, especially European women in the Peninsula, refuse to travel in the buses or trains any longer simply because frequently natives and coloured people deliberately seat themselves next to the white women and next to other Europeans, simply to show that they stand for absolute equality and social equality This intolerable situation has led to European women resorting to the use of motor cars in the Cape Peninsula on account of this intermingling prevailing here Respectable European women, in particular, who not only have colour but odour next to them have to resort to motor cars*"

Carriage segregation was quickly and rigidly applied, and apartheid's claws reached out even further in 1957 when sweeping changes in the ticket system for suburban trains were announced in the report of the Railways and Harbours Board, tabled in Parliament.

First class tickets were abolished and tickets issued solely for "whites" and "non-whites" Authorities said tickets would be issued according to race in order to "simplify the task of ticket collectors at station barriers"

Objections to train segregation, while falling mostly on deaf ears, were voiced regularly by those worst affected Some objectors, however, did not plead for the system to be scrapped — they wanted it broadened.

Mr Percy Hoff, a member of the Union Council for Coloured Affairs, spoke of a "nightmarish" journey from Durban to Zululand in 1962. "*From Empangeni, Africans begin to crowd the train I am a non-European so I have to share the same coach From Umfolozi the Africans really pack in, some wearing beshus (skins) and the women sidwabas (oxhide skirts) Most of them have knobkerries and sticks, most of them are carrying bundles of maize, potatoes and sugar cane I am supposed to be travelling first class yet the corridor of this first and second "reserved' coach is jammed with third class passengers who seem to have only one object in life and that is to speak louder than the other*"

A month after Mr Hoff's objections, Minister of Transport Mr Ben Schoeman said it would "hardly be practical to have separate coaches for all the various non-White races"

SOME years later, though, a coloured clergyman, the Rev J M Vosloo, was to complain bitterly about overcrowding on morning trains between Nyanga and Cape Town. "*Overcrowding will lead to complete chaos very soon More coaches should be provided, with some marked 'Bantu only' and others 'non-whites only' No respectable coloured person can tolerate the smoking and spitting that goes on*"

There were gripes on Cape Town's suburban lines, too In a letter to The Argus which appeared on June 12, 1962, "K W.S" of Simon's Town wrote. "*May I express my indignation at the manner in which we non-whites were treated by the railways when the Lions played Southern Universities on June 6 On boarding a Simon's Town train after the match we were packed like sardines It was a piteous spectacle to see aged non-white rugby fans being made to feel so uncomfortable*"

On August 15, 1962, a rather less common complaint was highlighted in this letter to The Argus from a Muizenberg resident. "*In my experience there are certain (white) SAR conductors who force their company on coloured girls Very often I am pestered by the conductors who make all kinds of suggestions to me On one occasion the conductor embraced and kissed me On another occasion the conductor asked me my telephone number and address*"

Another reader, "AL" of Parow, wrote of apartheid practices on mainline trains on January 2, 1963 "*Do the whites share their coaches with bedding boys and stewards? Do the coloured people have a dining car and hot water? They have to wait for beds until the white passengers, occupying 14 to 16 coaches, have been bedded down And to crown it all, the coloured passengers have to endure all the heat, coal dust and ash as they are always right behind the engine My advice to the System Manager is to disguise himself as a 'darkie' and take a long-distance trip*"

In the early seventies, Railway Police began a series of "blitzes" on stations to issue spot fines to people using steps and subways on the suburban lines reserved for other race groups

On August 14, 1973, white railway storeman Mr D M Barnard of Epping, fined for using the "non-white" steps at Goodwood station, angrily told a city newspaper "*What I don't understand are the circumstances of the fine I had to go into the non-white waiting room at Goodwood while the Railway Police made out the summons! I am angry about the fine — I have been using the steps all my life*"

Then, a day later, came an even more astonishing incident. Wynberg MP Mrs Catherine Taylor interceded with authorities on behalf of a crippled clerk, Mr Norman Nieuwenhuys, who was summoned to pay a fine of R10 for walking up a stairway at Wynberg station which was marked "whites only" at the top, but not the bottom.

Mr Nieuwenhuys said "Because I have spine trouble, I couldn't look up far enough to see the small sign at the top of the steps"

In 1974, Mr CD Jackson reported the following incident to a city newspaper "*I was standing in a long queue at Steenberg station When my turn finally came, a white youngster approached the next window The ticket clerk rushed over and attended to him first I protested The clerk said that because of what I'd said he would make me wait even longer, he turned his back on me and started counting money I told him I would report him He wrote. 'Mnr M Smith, Steenberg' on a piece of cardboard and said 'nou kan jy my in die Kaap rapporteer' (Now you can report me in Cape Town)*

ON Monday, February 3, 1976, city newspapers gave prominence to a skirmish at Nyanga station. The Argus reported. "*Police reinforcements were called to Nyanga station last night when hundreds of Manenberg residents threatened to attack African men and women in a train after several coloured people on the train had allegedly been threatened and injured by a group of African youths A woman was taken to hospital with three stab wounds in her back Other people were treated for various injuries A member of the Coloured Representative Council, Mr E M Essop, said Nyanga station was a friction point because it was boxed in between African and coloured dormitory complexes on the Cape Flats*"

Two years later, Western Cape System Manager Mr C van Coller issued the following ominous warning: "*Members of the public who unlawfully travel in a railway coach reserved for people of another race can go to prison if convicted*" Apartheid screws hardly looked like loosening.

There was an outcry, and also some amusement, in October 1978 when a survey by a city newspaper found that 18 southbound mainline passenger trains a week were held up at Touws River for "reassembly" to suit government race policies

The report said that while passengers slept on overnight trains, shunting parties re-arranged carriages into a racially segregated pattern, with white coaches at the front, to conform with the apartheid requirements at Cape Town station

South African Railways responded "*Facilities at Cape Town station are designed to meet practical considerations of government policy Train personnel are instructed to perform the shunting task with extreme care*"

IN 1983, with South African Railways having been amalgamated into South African Transport Services, the organisation was plunged into the international news limelight.

West Indian cricketer Colin Croft, a member of Lawrence Rowe's "rebel" touring team, boarded a whites-only coach on a Cape Town suburban train and was told by a conductor to move to a coach for "non-whites"

In spite of fierce protests by a white passenger, the conductor was insistent and said blacks needed the permission of the system manager to sit in whites-only coaches.

The South African Government hastily apologised to Croft for the embarrassment he suffered over the ejection The Department of National Education said the problem would never have occurred had Croft been accompanied by the special "liaison" officer assigned to the tour

South African Foreign Minister Mr Pik Botha, in London at the time, told a Press conference he needed incidents like the Croft affair "as much as I need a hole in the head."

Regular ditty-contributor Mr Robin Whiteford of Kenilworth wrote in The Argus "*To those whose pigmentation is not white, our railways bring no transport of delight!*"

On February 13 last year, following the removal of station segregation measures, Mr Ferdinand van Heerden (Conservative Party, De Aar) alleged in Parliament that whites were being "jostled" on stations

And, in November, an Afrikaner Weerstandsbeweging (AWB) supporter had his dreams of an all-white ride come true. Weekend Argus reported. "*The AWB badge-wearing passenger objected to the presence of coloured schoolchildren on one of two 'whites only' carriages on a southern suburbs train The conductor took up his complaint and the offending children and their white schoolmates moved to another part of the train All the other white passengers from the carriage joined The man was left entirely alone in the expansive carriage.*"

Tuesday, June 7, 1988 The Argus reports that train apartheid in the Western Cape has finally been derailed.

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W/t ARGUS 11/6/88

Pilots set to raise R1 000-m for SAA planes

by KITT KATZIN, Weekend Argus Correspondent

JOHANNESBURG. — Talks are under way between the South African Pilots' Association (Saapa) and its financial backers to raise a huge cash offer — possibly as much as R1 000-million — in a bold and unprecedented bid to set up a public company to gain control of SAA's domestic services

Saapa is preparing to submit a formal offer to the Government to buy or lease 25 of SAA's jetliners — eight Airbuses and 17 Boeing 737s which make up its entire internal fleet — and operate them under a new private banner.

To do this it will set up a separate company to be listed on the Johannesburg Stock Exchange which will offer a financial stake to all of SAA's 16 000 staff and the public if the Government accepts its offer.

Confident

Negotiations on the terms of its cash-offer package to take over the airline — its existing name will be retained — are well advanced between Saapa and a consortium of merchant bankers, stockbrokers and finance houses

Saapa is confident of getting the backing it needs and has been given full support by its 500 members to enter the aviation management business

The move comes in the wake of Saapa's new air crew brokerage syndicate, Acorn, which will enable SAA's 500 pilots to sell back their services to SAA under contract

Saapa, as the operating arm of SAA, believes it has the first claim on buying the airline (domestic services) if, as the Government has said, it is to be thrown open to private buyers

The association, which will control Acorn as a recruiting agency and the holding company, intends to buy or lease all of SAA's existing aircraft in its internal fleet.

These consist of eight Airbuses, valued at R100-million each, and 17 Boeing 737s. However, it will also consider leasing one or more of SAA's 12 747 Jumbos (each worth about R350-million) in peak domestic traffic periods, but will not be involved in SAA's international operation.

Apartheid derailed as all West Cape coaches go mixed

CP Correspondent

TRAIN apartheid, one of the bastions of apartheid, went without a whimper in the Western Cape this week

SA Transport Services general manager in the western Cape, Bertie Heckroodt, said all "whites-only" signs had been removed from trains at midnight on Monday

Commuters only realised train apartheid had been derailed when they opened their newspapers on Monday

Whites had used about half the first-class carriages in the western Cape since September 1985

Heckroodt said since then, when provision was made for desegregated first-class carriages, railways officials had been "watching the situation very closely"

He said "We have to come to the conclusion the time is now right to go for a fully integrated service, with the only differentiation being in terms of price".

Heckroodt said the decision, which carried the approval of Transport Minister Eli Louw, affected only the western Cape

"Obviouly I cannot predict what other regions will decide."

He doubted the decision would be met with protest

"One must of course accept there may be individuals who will protest

"However, when we desegregated some first-class carriages in 1985, we took note of the representations made Quite frankly, they were minimal."

Capt Tim P.

'No problem' buying SAA services

JOHANNESBURG — The SAA Pilots Association (Saapa) will have no problem financing its proposed purchase of SAA's domestic services, a Saapa spokesman said yesterday.

Saapa announced on Thursday that it would make an offer to purchase the domestic services of SAA. It also announced its intention of listing the company on the Johannesburg Stock Exchange if the bid succeeds.

The Saapa spokesman said three of SA's top banks and the chairmen of several large corporations had expressed interest in helping finance the purchase.

The companies concerned had asked that their names not be released yet, he said.

A Transport Ministry spokeman, Mr Leon Els, estimated SAA's domestic services to be worth at least R1bn.

NP challenged to desegregate buses

Star 14/6/88

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By Shirley Woodgate, Municipal Reporter

The National Party has been challenged to "be bold and get on with opening up Johannesburg's buses to all races instead of hiding behind a referendum".

A Progressive Federal Party councillor, Mrs Claire Quail, labelled NP plans to hold a referendum as an indication that the NP was "completely out of touch with the feelings of Johannesburg citizens".

"Management committee chairman, Mr Francois Oberholzer, was quoted at the weekend saying that a referendum would split the city in half But there is one fatal flaw in his reasoning.

"He is saying that half the people in Johannesburg belong to the Conservative Party because both the PFP and the NP are committed to reform which includes desegregating transport.

"He also commented that there had been racial incidents on buses. He is wrong.

"The NP has stated there have been no incidents on routes involved in the two-year experimental project, but almost daily racial incidents on segregated routes.

"The racial prejudices of bus drivers have been exploited by the Nats to decide who rides on what buses, and it has often been the passengers who have been forced to come to the aid of blacks trying to board white buses.

"Apart from the disgusting racial incidents which bus apartheid has caused, look at Transport Department losses of R128 million over the last eight years How long must the city's ratepayers be forced to pay for an uneconomic service running half empty because of skin colour?"

Death leads to close watch on trains

Crime Reporter

Police are closely monitoring passenger security after four men were flung from a moving train in Johannesburg last week, a Pretoria spokesman said yesterday.

Sats is also co-operating closely with police to prevent any more incidents, a transport services spokesman said

Four cases, one fatal, of people being flung from moving trains have been reported to police.

The Afcol furniture manufacturing company could not confirm whether nine of its workers were last week thrown from moving trains as their factory staff were on strike, a spokesman said yesterday.

He was reacting to a report in a morning newspaper which quoted a National Union of Furniture and Allied Workers (Nufaw) source as saying nine workers, one of whom died, were flung off trains on Thursday, Friday and Saturday.

"We are unable to confirm this report because there is a strike on in Afcol factories," said Mr George Kinmont, Afcol Group Human Resources sirector

At the time of going to press, Nufaw could not be contacted for comment.

● The man killed last week was Mr Johannes Abraham of Eldorado Park. Those injured were Mr Jappie Fayzel, Mr Ibhae Singh and Mr Dirga Hamrida.

They were flung from a train between Booysens and Crown stations in Johannesburg on Friday.

Readers should bear this in mind in assessing what is happening in the country.

of the Nationals held in Maritzburg (1987) this aim is not far out of reach.

"Skydiving is something of the very few female competitive skydivers in South Africa There are many female jumpers who attend

team, she said: "I'm not trying to compete against them to prove myself as a woman, but to fit in with them."

Second man thrown off train dies

Star 18/6/88

A SECOND man has died after being thrown from a moving train last week.

Mr F Jappie died in hospital yesterday. He was among four men known to have been flung from trains in the Johannesburg area last week

The other man killed was Mr Johannes Abraham of Eldorado Park.

Mr I Singh and Mr D Hamiriden are still in hospital. Mr Singh is in a critical condition.

They were flung from a train between Booysens and Crown stations in Johannesburg on Friday.

Police say they intend to monitor the security situation on trains closely

SATURDAY STAR REPORTER

The SA Transport Services was also co-operating closely with police to prevent more incidents, said a Transport Services spokesman

The Afcol furniture manufacturing company could not confirm whether nine of its workers were last week thrown from moving trains as their factory staff were on strike, a spokesman said on Thursday.

He was reacting to a report in a morning paper which quoted a National Union of Furniture and Allied Workers' (Nufaw) source as saying

nine workers, one of whom died, were flung off trains on Thursday, Friday and Saturday.

"We are unable to confirm this report due to the fact that there is a strike on in Afcol factories," said Mr George Kinmont, Afcol Group Human Resources Director.

NCE TO WIN R120 000 IN OUR COMPETITION — SEE PAGE 19

YOUR COMPREHENSIVE A-Z P ASSOCIATION GUIDE IS INSIDE

own goals". Patrick had manager Mr Ken da what he describes as "an soccer. temporary expedient in "The first goal came land



Transport Bill 'is essential'

Star 21/6/88

The Transport Deregulation Bill was an essential instrument for the move away from the existing restrictive permit system in the transportation of goods by road, the *Minister of Transport, Mr Eli Louw,* said yesterday.

Introducing the Bill which was read a second time, without opposition in the House of Representatives, he said the process of deregulation should be phased in to ensure that disruption to the economy and the road transportation industry was kept to a minimum.

The National Transport Commission would gradually be relieved of its functions as the deregulation of road transport progressed, he said.

"The Deregulation Bill is intended as an instrument to bring about an orderly and flexible transition from the existing system to a new quality-based system of transport of goods and persons," Mr Louw said. — Sapa.

(1) How many South African Airways flights between (a) Durban and Cape Town, (b) Durban and Johannesburg and (c) Durban and Port Elizabeth (i) arrived and (ii) departed late during the week which ended on 13 May 1988,

(2) what percentage of the total number of South African Airways flights to and from Durban during this week does this represent?

The MINISTER OF TRANSPORT AFFAIRS

(1)		(i)	(ii)	
	(a)	Particulars are not readily avail-	10	Both
	(b)	able and it will	24	direc-
	(c)	take much time and expense to gather such information	2	tions

(2) 13,6 per cent

As weekly statistics are kept from Monday to Sunday particulars are in respect of the week 9 to 15 may 1988 In the case of Question No 1126 it was from 2 to 8 May 1988

SAA flights: late arrivals/departures

1193 M r R J LORIMER asked the Minister of Transport Affairs

(1) How many South African Airways flights between (a) Johannesburg and Durban (b) Johannesburg and Cape Town and (c) Johannesburg and Port Elizabeth (i) arrived and (ii) departed late during the week which ended on 13 May 1988,

(2) what percentage of the total number of South African Airways flights to and from Johannesburg during this week does this represent?

The MINISTER OF TRANSPORT AFFAIRS

(1)		(i)	(ii)	
	(a)	Particulars are not readily avail-	24	Both
	(b)	able and it will	29	direc-
	(c)	take much time and expense to gather such information	20	tions

(2) 20 per cent

As weekly statistics are kept from Monday to Sunday particulars are in respect of the week 9 to 15 may 1988 In the case of Question No 1127 it was from 2 to 8 May 1988

Major transport facilities: withdrawals

1230 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) Whether any major transport facilities were withdrawn in (a) the Transvaal, (b) the Orange Free State, (c) the Cape Province and (d) Natal over the latest specified five-year period for which information is available, if so, (i) what facilities, (ii) when, (iii) why, and (iv) what savings were effected as a result, in each case,

(2) whether any major transport services currently operated in each of the provinces are uneconomical, if so, (a) what services and (b) at what cost to the taxpayer, in each case?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes, rail and road transport services Full particulars as requested by the hon member are not readily available and it will take much time and expense to gather such information

Transport Services, like any other organisation evaluates its services on a continuous basis and adjustments are made where necessary

Various suburban and intercity passenger services have been withdrawn as a result of poor patronage and an annual saving of R108 536 093 was effected Uneconomical rail services over various branch lines have also been replaced by road transport services after efforts to improve the economy of the rail services have failed In the financial year in which the various services were withdrawn the following savings were effected

	Million R
Fort Beaufort — Seymour	0,387
Molteno — Jamestown	0,540
Bowker's Park —Tarkastad	0,611
Estcourt — Weenen	0,654
Umlaas Road — Mid Illovo	0,204
Donnybrook — Umzinto — Madonela	2,805
Port Shepstone — Harding	4,745

(2) Yes Rail passenger services and various branch line services are operated uneconomically Particulars of the contributions by the Central Government in respect of losses on railway passenger services for the 1986/87 financial year are contained in the Report of the Auditor-General on the Accounts of the South African Transport Services which was tabled on 18 April 1988

Losses in respect of uneconomical branch lines do not affect the taxpayer as Transport Services bears its own losses

Officials: overseas journeys

1235 Mr J J S PRINSLOO asked the Minister of Transport Affairs †

(1) Whether any officials who fall directly or indirectly under the South African Transport Services undertook any overseas journeys during the past two calendar years, if so, (a) (i) what are their names and (ii) what posts did they hold at the time of these journeys, (b) what was the (i) purpose, (ii) duration and (iii) cost of each journey, (c) when was each journey undertaken, (d) who paid the travelling and subsistence expenses in each case and (e) who gave approval for these journeys

(2) whether any of these officials were accompanied by their wives, if so who paid the travelling and subsistence expenses of these wives?

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes Senior officials of Transport Services undertake overseas journeys from time to time, *inter alia* to attend conferences of international railway organisations investigate the feasibility of new systems under South African conditions, monitor contracts concluded with companies abroad and for the normal execution of their duties Each visit is subject to my approval except in the case of employees of SA Airways where authority is granted by the Chief Executive (Airways) All subsistence and travelling expenses are borne by Transport Services

Full particulars as requested by the hon member are not readily available and it will take much time and expense to gather such information

(2) Officials are sometimes officially accompanied by their wives in which case Transport Services accepts responsibility for the subsistence and travelling expenses

Transmed members: contributions

1237 Mr J J S PRINSLOO asked the Minister of Transport Affairs †

Whether the contributions of Transmed members to (a) doctors' fees and (b) the cost of medication were increased in the past three calendar years, if so, (i) what was the percentage increase, and (ii) on what dates were these increases introduced, in each case?

The MINISTER OF TRANSPORT AFFAIRS

1 January 1985 to 31 December 1987

(a) No

(i) and (ii) Fall away

(b) Only in respect of pensioner members

(i) Partial payment of the cost of medicine was increased from 10 to 20 per cent

(ii) 1 April 1986

First-year students

1251 Mr K M ANDREW asked the Minister of Education and Development Aid

With reference to the reply of the then Minister of National Education to Question No 1114 on 4 July 1984 how many full-time equivalent first-year students were (a) enrolled and (b)

Hansard

HOUSE OF REPRESENTATIVES

†Indicates translated version

For written reply

General Affairs

Bonteheuwel line: commuters killed/injured

40 Mr P C McKENZIE asked the Minister of Transport Affairs·

(1) (a) How many commuters (i) died and (ii) sustained (aa) light and (bb) serious injuries on trains or in train-related incidents on the Bonteheuwel line during the latest specified period of 12 months for which figures are available, (b) what (i) were the names, (ii) were the ages and (iii) was the nature of the injuries of the commuters who (aa) died and (bb) were injured, (c) how many of them were (i) workers and (ii) scholars and (d) what percentage of the persons who were injured or died were travelling (i) away from and (ii) towards their homes,

(2) (a) how many such commuters (i) fell through open doors in overcrowded train coaches, (ii) lost their grip whilst clinging to or jumping into trains in motion, (iii) were deliberately pushed or thrown from trains and (iv) were forced to jump from trains to avoid serious assault and (b) what percentage of these accidents occurred (i) on weekdays, (ii) over weekends and (iii) during peak (aa) morning and (bb) evening periods,

(3) whether he will make a statement on the matter?

The MINISTER OF TRANSPORT AFFAIRS

(1) (a) (i) 2
(ii) (aa) Unknown
(bb) 15
} For the period 1 April 1987 to 31 March 1988.

(b) (i) (aa) B Zofuxhe and J Davids

(ii) and (iii) (aa) and (b)(i), (ii) and (iii) (bb), (c), (d) and (2) } Particulars are not readily available and it will take much time and expense to gather such information

(3) No

Hansard

HOUSE OF ASSEMBLY

†Indicates translated version

For oral reply

General Affairs

State President

Questions standing over from Tuesday, 21 June 1988, pursuant to resolution adopted by House on Monday, 20 June 1988

Managing directors/newspaper editors

*1 Mr P G SOAL asked the State President

(1) Whether he contacted any (a) managing directors and/or (b) editors of any newspapers on or about 6 June 1988, if so, (i) why and (ii) in what manner,

(2) whether he issued any instructions and/or put forward any suggestions to these persons at the time, if so, (a) why, (b) what was the purport of these instructions or suggestions, (c) to whom were they issued or put forward and (d) what was the response to them in each case?

The STATE PRESIDENT

I am in continuous contact with various people who hold responsible positions in South Africa I am however not prepared to disclose the contents of confidential discussions

Mr P G SOAL Mr Chairman, arising out of the reply of the hon the State President, would he not consider giving the answer to this question in view of the fact that it concerns a very serious matter?

The STATE PRESIDENT The reply is no.

New Question

ANC. discussions

*1 Mr C J DERBY-LEWIS asked the State President †

Whether, since 1 January 1984, any Ministers have held any official or unofficial discussions outside prison premises locally or abroad with Mr Nelson Mandela or other members or associates of the ANC, if so, (a) which Ministers, (b) on what occasions, (c) with whom, (d) when, and (e) for what purposes, in each case?

The STATE PRESIDENT·

I refer the hon member to the reply of the Minister of Justice to question No 4 of 22 March 1988 and his subsequent replies The Minister has a line function with regard to prisons

As regards other ANC members or associates outside prisons, the answer is no

Ministers

Questions standing over from Tuesday, 14 June 1988

State President's patient

*8 Mr C W EGLIN asked the Minister of Justice

(1) Whether a certain person, whose name has been furnished to the Minister's Department for the purpose of his reply, is still being held as a State President's patient, if so, (a) what is his name, (b) (i) in which institutions has he been held since 1966 and (ii) for what periods in each case and (c)(i) where and (ii) under what conditions is he being held at present,

(2) whether he is receiving any (a) medical and (b) psychiatric treatment at present, if not, why not, if so, (i) what is the nature of this treatment, (ii) by whom is it being given and (c) what have been the results of the treatment,

(3) whether the Government is considering taking any further steps in regard to this person, if not, why not; if so, what steps?

The MINISTER OF JUSTICE:

(1) Yes

(a) The person whose name was furnished to the Department

(b) (i) and (ii) He was declared a State President's patient by the Cape Provincial Division of the Supreme Court of South Africa on 20 October 1966 and an order for his detention was issued

(c) (i) Pretoria Prison complex

Daveyton fare 'unreasonable'

Daveyton commuters say the cost of a direct ride from the township to Isando is "unreasonable".

A spokesman for the Daveyton Transport Committee, Mr Sparks Mokoena, said yesterday that the fare on the recently-introduced municipal line was unreasonably high and commuters could not afford it.

A ticket to Kempton Park, a few kilometres from Isando, cost 95c while a ticket to Isando from Daveyton cost R2. This meant a total cost of R20 a week, Mr Mokoena said. (269)

A Daveyton Town Council spokesman refused to comment, but it is understood the municipal line operates on a time-saving, direct route to Isando.

LITTLE DIFFERENCE IN DISTANCE

Mr Mokoena said there was little difference in the distance between Kempton Park and Daveyton and Isando and Daveyton, and the discrepancy in the fare was not justified Star 28/6/88

He said about 200 people had decided at a meeting in Daveyton on Sunday that from today, commuters would take a train to Dunswart Station and then take a Putco bus into Isando.

He said this inconvenient trip would still be cheaper than the direct route.

SATS PRIVATISATION

Later rather than sooner

Don't hold your breath, waiting for South African Transport Services (Sats) to be privatised. Government sources say it will take at least five years for any of its major operations to fall into private hands — if it happens at all.

For, as GM Anton Moolman points out, this week's announcement of the intended transformation of Sats into a statutory company controlling five profit-motivated divisions, is no more than a first step in trying to establish if privatisation is feasible.

Rail commuter passenger services have already been virtually ruled out as a candidate by Transport Affairs Minister Eli Louw — as if anyone would want to buy a social service losing millions of rands a year. However, Louw says rail freight services, like Sats' other four main divisions — harbours, airways, road transport and pipelines — has potential.

Most government officials agree that if privatisation does take place, the likely first candidate is SA Airways (SAA). Even that is years down the line.

Moolman explains. "Nothing can happen before the statutory company is formed and that won't be until next year. Then the minister must decide on air transport deregulation If he says yes, deregulation has to be introduced Once that happens, SAA must be seen to operate in the new environment for a couple of years, so people can judge whether it is able to compete. Only then can you float the airline and offer it to investors."

The same is true of all Sats' operations. They must measure up in the "real" world before Sats can even think of putting them on the market.

A brochure to be distributed to Sats employees and other interested parties, comments. "Privatisation is a long-term process which can take as long as 10 years to complete It is possible that certain large units may never be privatised."

That's not to say Louw's announcement this week of the intended creation of a statutory company, is not a significant one. It is. After years of talking about privatisation, government has created a structure to actively assess it

The latest activity is the result of the Wim de Villiers report on privatising Sats. Fears had been expressed that the report, presented to government in 1986, was being left to gather dust. Instead, Louw says Cabinet has accepted all the report's main recommendations, bar two contrary to De Villiers' suggestion, the statutory company will pay company tax and the Transport Affairs Minister will not become chairman of the control board.

Assuming the plan passes safely through parliament, Sats' five divisions will be separated into autonomous units under the umbrella of the statutory company. Current management of the divisions will remain in place, reporting to a board of management made up of Sats officials.

They, in turn, will report to a government-appointed board of directors comprising government and private sector members. The chairman will also come from the private sector.

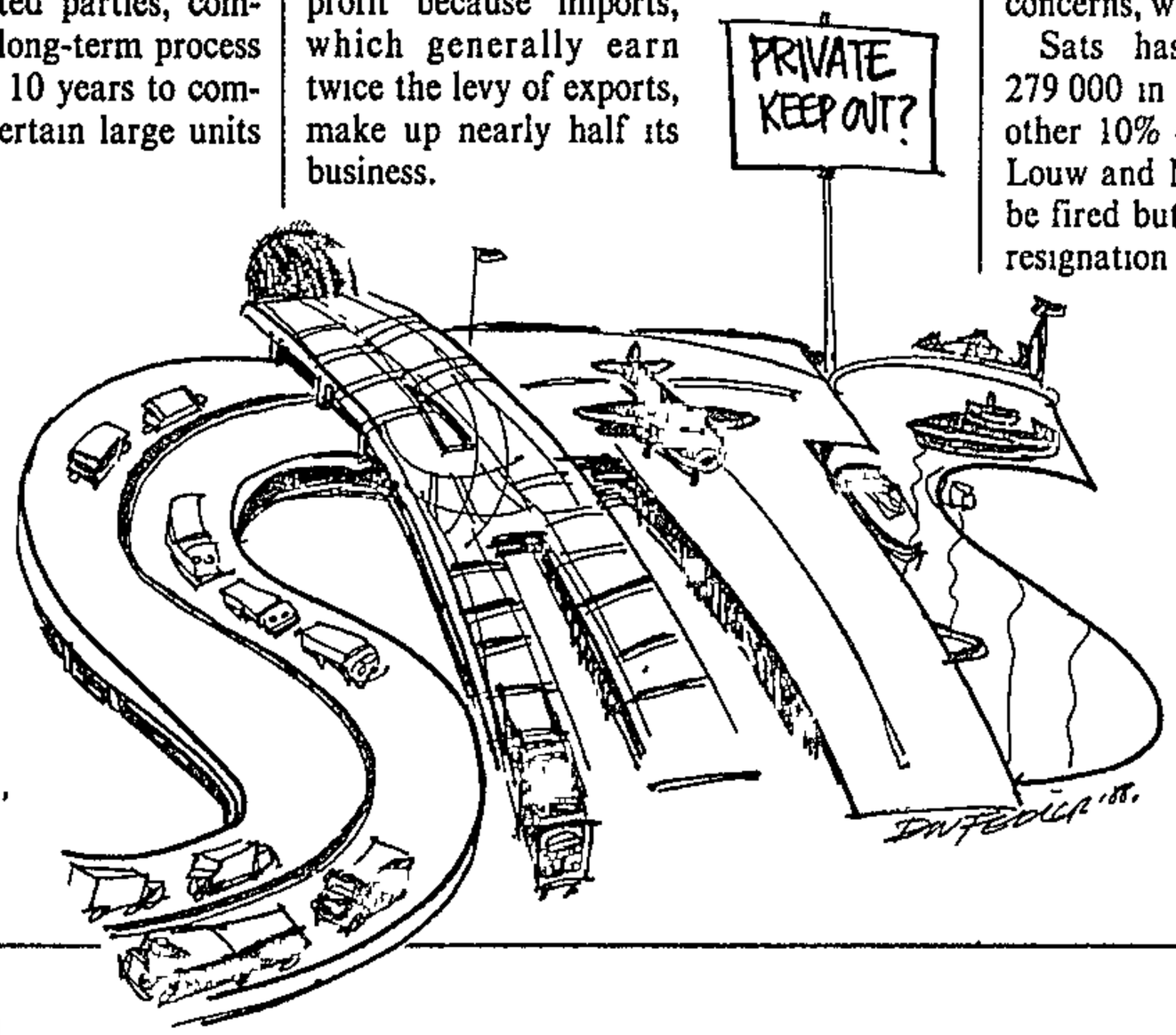
No one has been sounded out for the job yet, although Louw says he is looking for "a man with good business experience."

Each division will be charged with maximising existing profit centres and tightening up on loss-making activities.

The profitable harbours division, for instance — it cleared more than R134m in 1983-1984 — makes most of its money on import wharfage fees but suffers losses on other services.

Wharfage levies on expensive imported goods earn far more than bulk exports, which is why SA's busiest port, Richards Bay, loses money nearly every year while Durban makes profits.

In 1983-1984, says the De Villiers report, 97,5% of cargo handled at Richards Bay, was high-volume, low-value exports and the harbour lost R10m, Durban, with a fraction of Richards Bay's cargo, made a R224m profit because imports, which generally earn twice the levy of exports, make up nearly half its business.



Under the new Sats dispensation, says Louw, divisions must try to eliminate losses in all operations. In the case of harbours, this will include freeing individual ports to compete with one another on rates and services

Other divisions will also be required to maximise profits. In the case of the railways, current regulations forbidding freight services from refusing contracts — even uneconomic ones — will be scrapped. Published freight tariffs for rail and road, allowing competitors to see what they can undercut, will disappear and rates will become negotiable.

Sats promises its rail and road operations will both compete flat-out against private transport operators.

Changes like these will enable the statutory company's board of directors to see how each division will shape up in a competitive world. Only then will a decision be made on what can feasibly be privatised

No decision has been made yet on what stake government will retain in privatised Sats undertakings, although Louw says "To make a proper privatisation, the private sector must have a majority shareholding"

A fundamental change under the new dispensation is that each division will retain profits. Cross-subsidisation, by which profitable ventures help pay for loss-makers, will disappear.

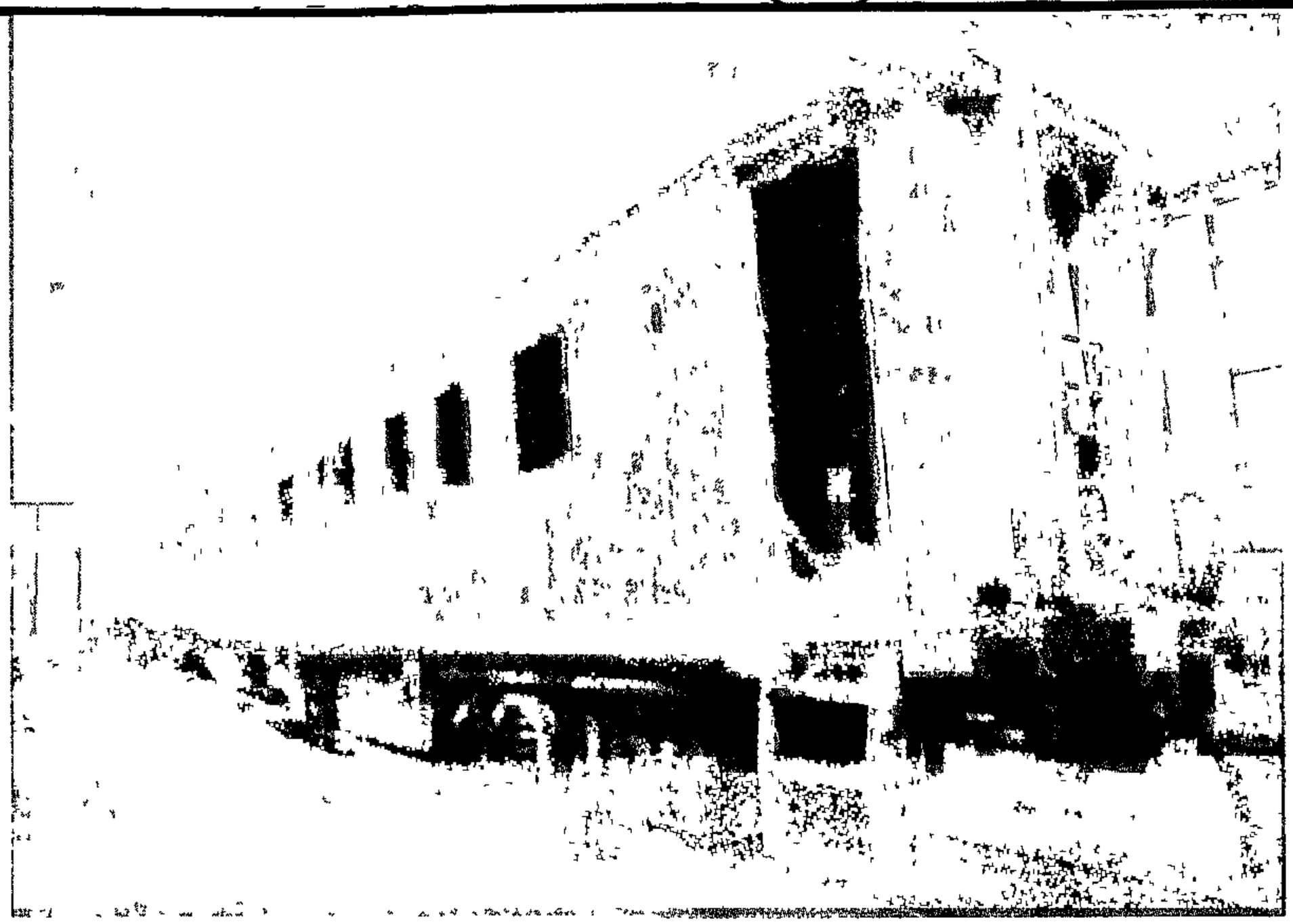
Commuter rail services, Sats' biggest loss-maker and major beneficiary of cross-subsidisation, will in future be subsidised direct by government. The services will still be managed by Sats, but only on a contractual basis.

Where operations can be privatised, says Louw, they will be made available as going concerns, with management and staff intact

Sats has already pruned staff from 279 000 in 1982 to 185 000 today and another 10% could go in the next two years Louw and Moolman both insist no one will be fired but that reductions will be through resignation or retirement

Sats has current assets of R18,8bn at book value and R50bn at replacement value. Liabilities total about R10bn

It's a huge enterprise and one that can't lightly be tossed on to the market. Privatisation may not be an instant process but neither should it be an endless one Having surprised us all by taking the first step, government can't afford to be sidetracked any longer.



The two gutted carriages from the Trans-Natal express at the Newcastle station workshop after catching fire near Mount Prospect on Monday night. Damage has been estimated at R400 000 and the carriages are unlikely to be used again. ● Picture by Etienne Rothbart.

Carriages gutted by fire on the Trans Natal

Staff Reporters

Four people were slightly injured while jumping to safety after two carriages of the Trans Natal express caught fire near Mount Prospect, Natal, on Monday night

The fire gutted the carriages, causing damage estimated at R400 000

A Newcastle Satsspokesman said his station was alerted in the middle of the night and workers spent until dawn extinguishing the fire

A Sats spokesman said the carriages would probably have to be scrapped because damage was extensive.

INVESTIGATION

The cause of the fire was not known and would only be revealed after a full investigation, a SA Transport Services spokesman said.

The train was travelling from Johannesburg to Durban.

The two carriages gutted by the fire had been carrying national servicemen.

According to Sapa, they had been sleeping when the fire broke out and used blankets to fight the flames after they found that none of the fire extinguishers worked.

A red signal alerted the driver to stop near Mount Prospect about 60 km from Newcastle

269 29/6/88

Jo'burg metro out of reach — chairman

By Shirley Woodgate, Municipal Reporter

The massive cost of an underground railway meant there was little chance that Johannesburg would ever get its mass transit metro, said management committee chairman Mr Francois Oberholzer.

Projected traffic increases had not materialised and the ordinary citizen would not be able to afford a car in the future.

"It should have been started years ago when it was first mooted. I do not see central government having the money now after it has subsidised defence and education

"If private enterprise was involved it would never pay," he said.

053-2341

Star 30/6/88

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Increase in bus fares delayed

A Johannesburg City Council-approved increase in bus fares of 7,5 percent on July 1 has been delayed, and will probably only take effect from August 1.

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A spokesman for the city's transport department said the application for new fares was still to be considered by the local road transport board, which was to hold a meeting on July 15

"They (the new fares) then have to be gazetted and 21 days must elapse before the new fares can come into effect," he said

The council this month approved an increase in cash fares for white, coloured and Asian services from Zone 1 through to Zone 4, and R2 increases for peak monthly season tickets

Students' quarterly off-peak season tickets would be increased by R2,60 and cash fares on some black, coloured and Asian services by 5c.

Proposed fares are

Season tickets — 52c for Zone 1 (within city centre), 75c for Zone 2 (to Westdene, Greenside, Rosebank etc), 90c for Zone 3 (to Linden, Mondeor, Claremont etc), and R1,20 for Zone 4 (Randburg, Sandton, Edenvale, Germiston etc)

Cash fares — R1 for Zone 1, R1,20 for Zone 2, R1,40 for Zone 3 and R1,60 for Zone 4

All-day (monthly) season tickets — R26 for Zone 1, R38 for Zone 2, R45 for Zone 3 and R60 for Zone 4

Off-peak (monthly) season tickets — R14 for Zone 1, R20 for Zone 2, R24 for Zone 3, and R33 for Zone 4.

[redacted]

More space for farmer air exports

CAPE TOWN — Additional air freight space for agricultural exports would be made available in peak export season, the Minister of Transport Affairs, Mr Eli Louw, has announced.

Following a meeting with a SA Agricultural Union delegation in Cape Town, he said he also agreed with the delegation that it was essential to make long-term, fixed arrangements for air freight exports.

The delegation also emphasised the implications of possible increases of international air freight tariffs.

Police dogs scatter angry SATS patrons

By CHRIS BATEMAN

POLICE with dogs dispersed hundreds of people at Bellville station yesterday when scores of frustrated up-country-bound ticket holders tried in vain to secure third-class train seats for the second consecutive day.

Passengers later angrily confronted SATS officials and demanded alternative transport or their money back after the Trans-Karoo left about 11am, its three third-class coaches filled to capacity.

The crowded platforms were the result of black schools reopening after mid-year holidays yesterday and weekend trippers returning home.

One man was bitten by a police dog as people scattered on the platform

The SATS superintendent of passenger services for the Western Cape, Mr "Boeti" Roux, admitted that the volume of ticket carriers had "caught us with our pants down" and that too few coaches had been provided.

He said an extra Trans-Karoo train with 12 third-class coaches had been laid on and broadcast for 7.40pm yesterday

Third-class tickets were usually valid only for day of issue, making it "impossible to know in advance what demand is — they buy them at 101 stations on our system", he said. Other classes could be booked in advance, he said.

All Saturday's tickets were accepted as valid yesterday, he said

Mr Michael Fortuin of Ravensmead said his aunt from Britstown would "now have to apologize on behalf of the railways" for arriving a day late at the Britstown Old-Age Home where she worked.

Mrs Vivienne Van-Ster , of Eerste River, said it was the third time she had travelled to Bellville station since Saturday.

"If only they'd admit and say sorry, we are wrong — that's all we ask."

Mr Roux said he knew of 39 people who were "left behind" on Saturday but was unable to quantify yesterday's stranded passengers.

He said yesterday was the first time the problem had arisen and promised that SATS would have extra coaches on standby at the same time next year

● A police spokesman confirmed that "police were called in after complaints were received" and said he would investigate the complaint of a dog-bite and witnesses' claims that dog-handlers dispersed the crowd.

STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

REPUBLIC OF SOUTH AFRICA

GOVERNMENT GAZETTE

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VOL. 277

KAAPSTAD, 6 JULIE 1988

CAPE TOWN, 6 JULY 1988

No. 11395

KANTOOR VAN DIE STAATSPRESIDENT

No. 1330. 6 Julie 1988

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word·—

No. 80 van 1988: Wet op Deregulering van Vervoer, 1988.

STATE PRESIDENT'S OFFICE

No. 1330. 6 July 1988

It is hereby notified that the State President has assented to the following Act which is hereby published for general information:—

No. 80 of 1988: Transport Deregulation Act, 1988.

STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

REPUBLIC OF SOUTH AFRICA

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VOL. 277 KAAPSTAD, 6 JULIE 1988
CAPE TOWN, 6 JULY 1988
269
No. 11389

KANTOOR VAN DIE STAATSPRESIDENT

No. 1324. 6 Julie 1988

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word·—

No. 74 van 1988· Wet op die Suid-Afrikaanse Padraad, 1988.

STATE PRESIDENT'S OFFICE

No. 1324. 6 July 1988

It is hereby notified that the State President has assented to the following Act which is hereby published for general information·—

No.74 of 1988: South African Roads Board Act, 1988.

AIR TRANSPORT

Slow to Act

Despite suggestions to the contrary, major moves to privatise and deregulate the air transport industry are unlikely for at least another two years.

Last week's announcement by the Department of Transport (DoT), that a study team has been appointed to come up with a new Air Services Act by the end of next year, means enabling legislation — assuming deregulation and privatisation proposals are accepted by government — will get through parliament in the first half of 1990 at the earliest.

The study team, representing all air industry interest groups, has been asked to:

- ☐ Review current air transport policy "within the framework of the government's current economic policy,"
- ☐ Propose principles for a new policy;
- ☐ Evaluate the effect the new principles will have on government's international air transport policy, and
- ☐ Propose a new Air Transport Act

The team will base its study on guidelines laid down in government's White Paper (WP) on Privatisation and Deregulation. According to the DoT, this means existing regulatory measures will be investigated to see if they meet the requirements laid down in the WP. If they don't, amendments to the Act "should be made as soon as possible."

The programme has already been discussed with, and accepted by, industry representatives and other private sector interest groups, says the DoT. A steering committee has been established to facilitate consultations and is expected to publish an interim report this month. ■

Sats' message taking time to filter through

Star 13/7/88

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By Noel Ndhlovu

The wind of change carrying news of a Sats about-face on segregated train carriages failed to carry to all stations yesterday.

The first evidence of this came in the form of the big white man blocking my entry to the 1 45 pm to Randfontein

An attempt to explain the new regulations fell on deaf ears "I don't know about this new law Try again tomorrow"

The doors slid closed

The next carriage was more accessible, but not much friendlier The two young men sitting there eyed me with suspicion

I asked them if they knew that everyone was entitled to use any carriage in the train

"I don't know and I don't care," said one

I changed carriages until I got to the last one A ticket examiner, who was obviously in the know, asked me if anyone had given me any trouble

I told him about the man who refused me entry to the coach at Johannesburg station He warned me that the new regulations could offend some conservative people

I encountered no hostility in any of the other carriages but was told politely by one man that other passengers might object to my presence

When I disembarked at Grosvenor station to catch another train, a black ticket examiner, who like most of his black colleagues was not aware of the new system, advised me to go to a "mixed" carriage

If anything happened to me there would be other (black) people to help me.

None of the carriages I visited carried a "whites only" sign but each of the trains I boarded still had two ticket examiners — a black one, presumably for "black first class" and a white one for all the other first class passengers

Mr Jeremy Mnyanyi of Randfontein said he thought the opening of carriages to all races was "a good thing" but warned that it could cause racially inspired fights

"One can expect lots of fights in the train because of lack of trust between people of different races," he said

Another passenger, Mr Rob Fox, who believed it was a step in the right direction, said "I hope we do not have racial problems"

If someone could afford to buy a first-class ticket, that person should also be able to choose where to sit, without regard to race, said Mr Jarome Morough.

"We are all South Africans and we should be treated alike," Mr S Hoosen said

Sats takes economic path (269)

PWV drops race barriers on commuter trains

S Tmes 13/7/87

By Sue Valentine

Racially segregated carriages on suburban commuter trains in the PWV area were abolished yesterday — and South African Transport Services (Sats) personnel have been instructed to remove all "Whites Only" signs.

The signs have already been removed in Natal, where the same deresstriction rules have come into operation on all suburban trains

The acting regional manager for Sats in the Transvaal, Mr J C van der Merwe, said seating would now depend on what tickets were bought.

"From now on segregation will be based only on economic principles," he said. "Sats is a business enterprise, and we will conduct our business on a purely economic basis."

He said facilities at Park Station in Johannesburg had been open to all races for three years, and it was logical that trains should also abolish racial discrimination.

He added that South African Airways and the Blue Train had always operated on an economic basis — "without any problems".

Mr van der Merwe said the latest decision applied only to suburban trains. He could not comment on whether overnight trains would follow a similar policy

Under the new system, whites who wish to travel third-class, and blacks who want to travel first-class, may do so

Bus colour bar

Miss Helena Mwale, a spokesman for Welcome Johannesburg, the city's publicity association, welcomed the move and said she regretted the same did not apply to bus transport.

Bus segregation was felt intensely by visitors to Johannesburg, she said. "It is very difficult for me to explain to black tourists that they may not be allowed to catch certain buses."

The Natal regional representative for Sats, Mr Alan Lubbe, said the new policy would also apply to other regions.

"This is part of a gradual process being carried out within Sats to remove all discrimination measures — for example, racial job reservation and pay levels."

PFP calls for desegregated buses

He added ... ways and the Blue Train had always operated on an economic basis — "without any problems"

... for example, racial job reservation ... pay levels."

PFP calls for desegregated buses

(219)

By Shirley Woodgate
Municipal Reporter

The scrapping of apartheid on all PWV commuter trains has prompted a Progressive Federal Party call for the total desegregation of Johannesburg's buses as well as an urgent call by the Conservative Party to oust the Government, which was hellbent, it said, on the total integration of South African society

The South African Transport Services announced yesterday that suburban trains were open to all races and that the cost of passenger tickets for first or third class coaches would determine where travellers sat

Mrs Claire Quail, one of the PFP's most persistent voices in favour of open buses, said it was now obvious that Mr Danie van Zyl, leader of the National Party in Johannesburg, was flying in the face of his own party's decision to open up transport to all races

"His flat refusal to desegregate buses is a clear indication that he is looking at the situation from a racialistic and not an economic viewpoint," she said

ROBBERY

Mr Fred Rundle, chairman of the Conservative Party in Johannesburg, warned that commuters would have to brace themselves for a new wave of robbery, muggings and rape on trains — exactly what commuters on the Soweto route were experiencing.

"If the Nats are returned in October we will not only have integrated buses but integrated municipal councils. The voters must see that this will be the last white election and after October the name of the game will be integration while the fat cat bureaucrats can afford to buy their apartheid," he warned.

Mr Danie van Zyl, chairman of the Transportation Committee, said he had asked Pretoria to speed up the report on the experimental service on the three mixed bus routes but his hands were tied until the final results were published

'Positive' reaction to desegregation of urban trains

Cape Times 13/7/88 (269)

Own Correspondent

JOHANNESBURG — Racial restrictions on suburban train services in South Africa are now a thing of the past following the desegregation of services in the Transvaal and Natal yesterday.

SATS spokesman Mr Leon Els said that, as services in the Cape were desegregated last month, suburban trains were now segregated only on the basis of differences between first and third class — passengers could travel where they wished if they had the right ticket

A first-class ticket cost, on average, about a third more than a third-class ticket, he said About 42 million tickets had been issued for suburban trains in Johannesburg last year.

Mr Els said reaction to the decision had been very positive, "even from the overseas media", and very few passenger complaints had been received.

No decision had yet been reached on the desegregation of inter-city main line trains, he said, as there were different factors to consider. Main line train journeys usually took place overnight and passengers slept over in their compartments.

The Natal public relations manager for SATS, Mr Alan Lubbe, said the removal of segregation "will put the Transport Services in a position to operate .. more effectively", reports Sapa.

"It is part of a gradual process being carried out to remove all measures of discrimination, as, for example in other fields, job reservation according to race, and pay levels," he said

Train apartheid comes to an end 'without much fuss or incident'

Star 14/7/84

269

By Peter Fabricius and Tim Cohen

Train apartheid has ended on all commuter lines throughout the country apparently without great fuss or incident

Mr Leon Els, spokesman for the Minister of Transport Mr Eli Louw, said the apartheid signs had come down on Tuesday with only two complaints received by his office. Both had come from Conservative Party supporters

CONSIDERATIONS

Mr Els said the move had been based on economic considerations but conceded that the economic advantages would not go very far in diminishing passenger services's R650 million per year loss.

He said it was impossible to estimate the saving desegregation would entail because it remained to be seen how consumers would react. It was quite possible that more first class tickets would be sold, he said

In addition, desegregation meant that the passenger coaches would be more efficiently utilised and the services would not have to be duplicated

How much this would save the industry must still be ascertained, Mr Els said.

However, these economic factors were only one of the reasons passenger coaches on commuter lines have been desegregated, Mr Els said.

The move was in line with the Transport Services's move away from racial discrimination, which included the desegregation of stations two years ago The move was also a step towards running Transport Services in a more business like manner, he said.

No incidents were reported and the move had been widely welcomed by business and especially the tourist industry, he said

TRAIN COLOUR BAR REMOVED

Soweton (41 7188.

269

By THEMBA MOLEFE

RACIAL segregation on suburban trains in the Transvaal and Natal has been abolished, the South African Transport Services has announced.

The move means that black and white commuters can use the same coaches on suburban journeys

SATS spokesman, Mrs Jenné Zilz, yesterday said the desegregation of suburban trains is in line with a similar decision taken in the Cape last month.

She said the desegregation phases out a 1985 decision by SATS which classified certain first class coaches "open" for all races and others reserved for the different races

"It must be noted, however, that the decision was taken purely on an economic principle because SATS is a business enterprise geared at making profit," Mrs Zilz said

The majority of commuters interviewed at Johannesburg Station yesterday gave the decision to desegregate trains the thumbs up.

Mrs Anna Moeletsi of Randfontein, who was not aware of the move, said she was going to buy a first class ticket immediately

Miss Pam Deetliefs said the decision was long overdue because it made no difference which ticket one wanted to buy. "There is going to be a better service and overcrowding will ease as coaches will be open to all," she said

Mr Mario Meijsen said. "It is not a bad idea because it is no privilege for anyone to buy a first class ticket and sit where one wished to It is a right."

Miss Razia Abrahams of Bosmont said desegregation would ease overcrowding and that there would be more sitting space on the trains

Miss Abrahams said. "Integration would unite people of all races because we would learn to know each other better"

Mixed coaches, mixed feelings

FOCUS

By THEMBA MOLEFE

MRS Anna Moeletsi, a regular commuter on suburban trains, is excited by the abolition of apartheid on coaches but fellow traveller, Mr W C de Beer, is not impressed and wants racial lines to be strictly tightened

Both commuters, one black and the other white, were interviewed almost at the same time at Johannesburg Station after the South African Transport Services announced the removal of racial segregation on the trains this week

Mrs Moeletsi, who normally uses the third class coaches between Johannesburg and Randfontein was so happy on hearing the news that she immediately bought a first class ticket

"This is good news and today I am going to sit among the whites," she said

Mr de Beer said "I am not happy with the decision In fact, the trains should be divided into three sections — for those who want to mix, for blacks and for those who do not want to mix I do not want to sit among blacks"

Contrast

The contrast is clear despite claims by Sats that research it has done since it began phasing out petty apartheid on its trains — three years ago — showed that there was very little resistance to integration

Although the trains became open to all from Tuesday, meaning that even whites could buy third class tickets if they so wished, there was no immediate rush to the "other" coaches

A reporter who travelled from Vereeniging yesterday morning said only two whites sat in the last first class coach of the train One just looked at him and slept the whole journey through while the other passenger buried his face in an Afrikaans newspaper as soon as he entered

Nobody spoke to anyone on that coach



THE heavens did not fall when people of different races boarded the same coaches together for the first time this week.

The rest of the other coaches formerly reserved for whites were empty

Third and first class coaches formerly reserved for blacks were as overcrowded as always The black passengers seemed less interested in "mixing" despite regular announcements by the ticket examiners on the train

Another reporter travelling from Randfontein to Johannesburg said that up to the time he got off, he counted 52 white passengers boarding the train

He said "I entered the coach with an open mind knowing that the West Rand is conservative One white woman greeted me heartily and another woman seemed to sneer at me

"There were no other blacks on the coach and I thought as I got off that the heavens did not fall and that the whites should have also realised that"

The reporter said the six coaches reserved for whites or declared "open" were running about 60 percent empty

Left

A *Sowetan* employee who embarked at Johannesburg Station said two white women and a man left the coach after realising he was there

He said "Although I did not expect anything to happen to me at the time, I do not think I can travel in the same coach with whites at night after reports that there had been racially inspired skirmishes in the past"

Police this week patrolled trains between the East Rand and Johannesburg, searched blacks sitting with whites in the first class coaches and demanded their tickets

Routine

Sats spokesman, Mrs Jenné Zilz, said that was routine procedure aimed at ensuring commuters had paid to travel first class It did start this week and was not aimed only at blacks, she said

Asked whether the empty coaches meant whites were resisting integration on the trains, Mrs Zilz said that although Sats had not physically monitored the carriages since 1985, the whites were probably unsure and were reacting slowly to desegregation

"We believe the feeling is temporary and people will get used to it in time," she said

She emphasised that Sats was a business organisation and the decision to integrate was taken on economic principles

"Anyone who buys a first or third class ticket is entitled to travel according to what he has paid for, that is Sats policy"

Decision

Mrs Zilz could not say whether the decision to desegregate was due to losses suffered by Sats or that it was taken after realising that blacks actually subsidised the train services because of their numbers.

She said about 285 000 commuters travelled on Sats trains between Soweto and Johannesburg at peak periods

Mrs Zilz said it was not possible to estimate the number of black or white passengers using the trains daily save that Johannesburg Station, the largest on the Reef, had a daily traffic of 171 335 passengers

Police

• South African Police liaison officer for the Witwatersrand, Lieutenant Pierre Louw, yesterday said the presence of police on the trains was to ensure the protection of passengers

He said the patrols were conducted on a random basis and that both blacks and whites would be searched from time to time

Lt Louw denied that the police asked black commuters for tickets as it was not their duty to act as ticket inspectors



Political comment in this issue by Aggrey Klaaste and Joe Thloloe Sub-editing, headlines and posters by Sydney Matlhaku All of 61 Commando Road, Industria West, Johannesburg

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TICKET TO

argus
16/7/88

THE RISE AND DECLI

(269)

by FRANS ESTERHUYSE, Political Staff

THE ease with which train apartheid on all South Africa's suburban services has finally been scrapped has astonished commuters and officials of SA Transport Services (Sats) alike.

Contrary to dire warnings from Nationalist apartheid ideologists over 40 years, there have been no racial incidents, no friction, no tensions and the skies have not fallen

This has led to the inevitable, and politically painful, question Was it ever necessary? And, with shattering hindsight, the answer is NO

Life on the suburban trains continues as usual, with many passengers still sitting on the same seats as they always have when travelling to and from work The only difference is that race no longer matters — and there are more seats and coaches to choose from when trains become full

SATS spokesmen this week described the change-over as "very smooth" and "completely painless" And they said they now saw no reason why anybody should have worried in the past about racial mixing on trains

The Western Cape, where suburban train apartheid was successfully abolished about six weeks ago, provided the green light for extending the move to the rest of the country this week.

And the next step will be to scrap remaining apartheid on mainline trains, but the officials say there are still some problems to be solved before this can be achieved

Transport Ministry spokesman Mr Leon Els said this week public reaction to the scrapping of all suburban train apartheid had been "very positive, both locally and internationally"

The move had been praised by community leaders, tourist organisations, commuters and many other people So far no incidents had been reported on trains, but a few complaints had been received from supporters of right-wing groups The Conservative Party had also expressed its disapproval.

"On the whole, however, the response has been 99 percent positive," Mr Els said

THE scrapping of apartheid on suburban trains in the Western Cape last month had been carefully monitored before a decision was taken to go ahead in the rest of the country

Mr Els said the situation was still being examined on mainline trains The situation on these trains was somewhat different as people had to stay together for 24 hours or more and it involved sleeping in the same compartments

To some extent, however, racial segregation had already been abolished on mainline trains Some "open" carriages for all races had been provided, and dining saloons had been opened to all races At present a certain number of mainline carriages were still being reserved for whites only, but these would be done away with in due course

The same bedding was also being supplied to passengers of different race groups Racial segregation at stations had been abolished

"We are very optimistic The response has been excellent and Sats is functioning increasingly as a business organisation"

A Sats spokesman in Cape Town said the situation on Western Cape suburban trains had been monitored by ticket examiners and other officials Virtually no negative reaction had been found There had been no incidents related to the desegregation of trains

Most commuters had fixed travel customs and usually travelled every day in the same coach and even in the same seats

WHITE passengers were free to travel third class and by doing so they could bring down their travel costs by about two-thirds

The new mode of apartheid-free suburban travel is a far cry from the days when Nationalist politicians warned that racial integration on trains would result in serious tensions and even violence

Train apartheid, in fact, was one of the first apartheid measures introduced by Prime Minister D F Malan soon after the National Party came into power in 1948

The policy was rigidly applied over the years In 1957 sweeping changes based on the race of passengers was introduced in the ticket system for suburban trains

The system was continued for decades in the face of objections voiced mainly by those worst affected

When opposition speakers in Parliament challenged the system in the 1970s they came up against a stone wall

Trav Clas big ca

THE scrapping of t wake a bonus in to pay for apartheid slashed by two-third

A spokesman for others were making ey on train tickets.

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IN 1979, Progressive F al Party MP Mr R Lorimer told Parliament a good case could be out for the immediate duction of open-design burban trains in whic races would share day accommodation

He argued that ther been considerable racial gration in other tra systems in Cape Tow "the sky has not fallen

His plea was reject the then Minister of port, Mr Lourens Mull other National Party some of whom accuse Lorimer of racism

In another opposition for the scrapping of r apartheid, Dr Alex Bo then Progressive Fe Party MP for Pineland Parliament in 1979 apartheid signs at st were a daily remind thousands of commuter they were being discri ed against

"They are reminded time that they are no class citizens in thei country That is what

ET TO RIDE

ISE AND DECLINE OF TRAIN APARTHEID

SE, Political Staff

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When opposition speakers Parliament challenged the stem in the 1970s they me up against a stone wall of government resistence to their complaints

The Government's justification of train apartheid was often linked with group areas, residential apartheid and the Nationalist apartheid programme in general

IN 1979, Progressive Federal Party MP Mr Rupert Lorimer told Parliament that a good case could be made out for the immediate introduction of open-design suburban trains in which all races would share day-time accommodation

He argued that there had been considerable racial integration in other transport systems in Cape Town and "the sky has not fallen in"

His plea was rejected by the then Minister of Transport, Mr Lourens Muller, and other National Party MPs, some of whom accused Mr Lorimer of racism

In another opposition plea for the scrapping of railway apartheid, Dr Alex Boraine, then Progressive Federal Party MP for Pinelands, told Parliament in 1979 that apartheid signs at stations were a daily reminder to thousands of commuters that they were being discriminated against

"They are reminded all the time that they are not first-class citizens in their own country That is what obsession with race has done and that is what the Railways are doing " Dr Boraine said

His plea was also dismissed by the Government

The Government's hardline attitude of that time was outlined by Minister Muller in these terms *"There is such a great difference of opinion between us and the PFP that it is not worth arguing about it at any length"*

Mr Muller then resorted to a stock Nationalist argument that the PFP was only a small party and that the Government had the support of the majority of the white electorate

Defending apartheid, he said *"The Government came into power by an overwhelming majority on the basis of a policy which it spelt out to the people Moreover, the Government has not only spelt out its policy, but has been applying it in practice for the past 30 years On the basis of that policy it was elected to this House, and now the hon member comes along, with the meagre support they enjoy, and he demands certain things from the Government "*

After claiming that certain apartheid measures had been abolished, Mr Muller went on *"But I should like to ensure the hon. member that where apartheid measures are necessary in order to avoid friction between population groups, we have to continue with the implementation of those measures They have paid dividends repeatedly during the past 30 years The hon member is sitting in the opposition, of course, and therefore he can act absolutely irresponsibly by asking for anything, irrespective of what the consequences would be"*

IN 1984 PFP pleas for the scrapping of railway apartheid were again rejected by the Government, then under pressure from the Conservative Party to adhere to apartheid

The then Minister of Transport, Mr Hendrik Schoeman, said *"If one wants to travel separately one can do that Why should our people be obliged to travel in a mixed compartment?"*

Mr Schoeman argued that racial minorities had to be protected and then added *"I say Sats does not want crowding out The fat cats who ask these questions do not travel by train at 11 o'clock at night old ladies working at night are saying 'Please protect us' . The hon. members opposite have no grasp of the problem"*

At that time Mr Schoeman, like his predecessors, gave an assurance that the Government would continue "to adhere to the situation of separate residential areas"

Yet, in September 1985, Sats took its first step towards removing train apartheid It then introduced "open" first, second and third-class carriages on mainline trains, while retaining whites-only first and second classes

Travel Third Class for a big cash bonus!

THE scrapping of train apartheid has brought in its wake a bonus in hard cash for those who used to pay for apartheid — their travel costs can be slashed by two-thirds if they travel third class.

A spokesman for Sats said many students and others were making use of this facility to save money on train tickets.

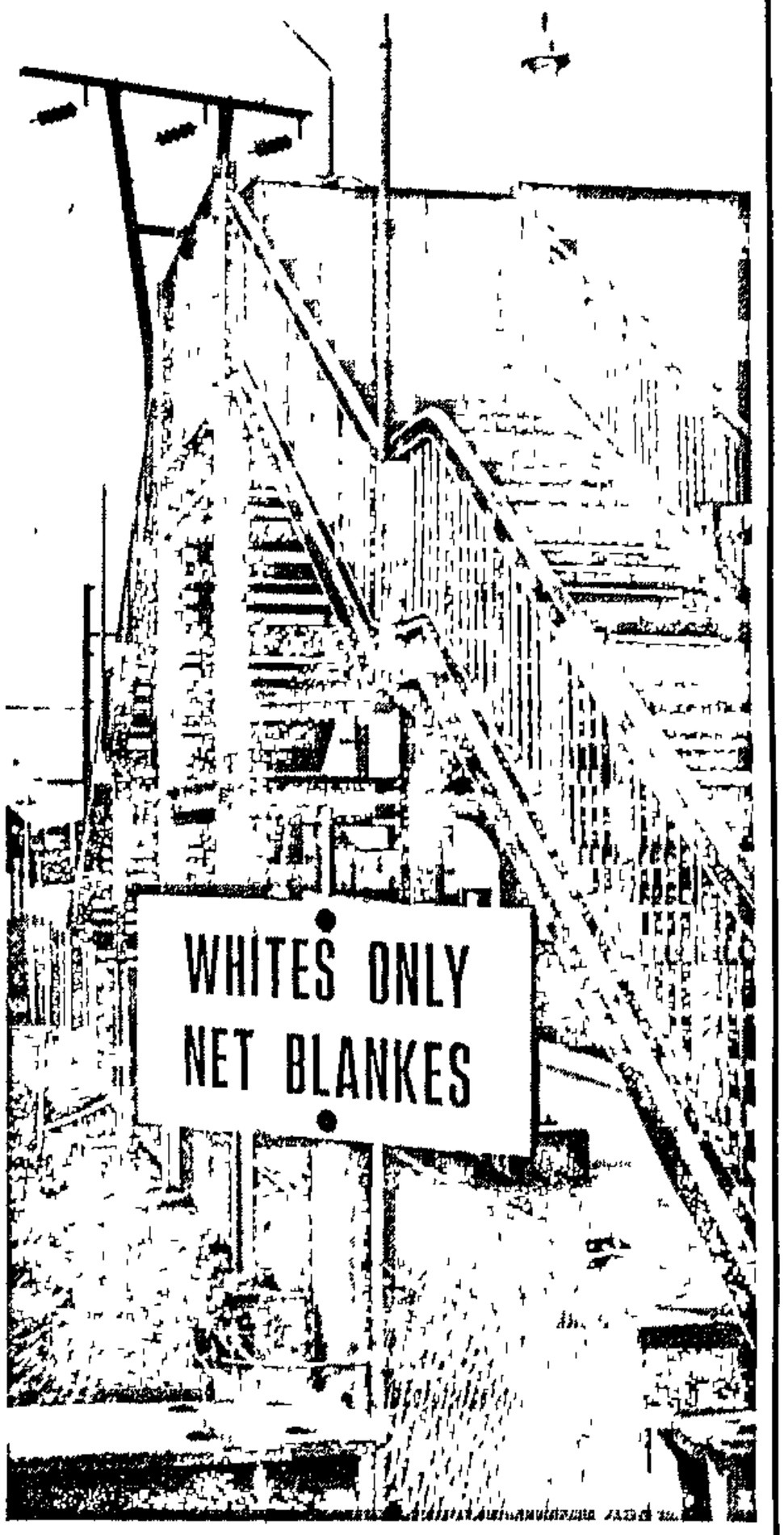
On suburban trains the choice was between first and third-class, irrespective of race, and carriages were clearly marked. The price of a third-class ticket was about one-third of that paid for a first-class ticket.

On mainline trains there was a choice between first, second and third class.

Although there were still whites-only carriages, there were also "open" carriages which could be used by people of any race group.

Many whites — especially students — were now travelling third-class to bring down their travel costs.

On mainline trains the holders of first and second-class tickets could use dining-car facilities, irrespective of race.



END of the line for signs like these. This sign was put up at Lakeside on the Simon's Town line.

All aboard the white train

Star 16/7/85 (269)

Life rolls on, in spite of the new black faces

STAN HLOPHE

FOR MANY, perhaps most black commuters desegregation of trains is still a luxury they cannot really afford.

This is the picture I got when a team from the Saturday Star took a ride from Johannesburg to Germiston on a first-class coach during the off peak-hour period.

When the team took the 40-minute ride very few black faces were seen occupying seats in the former "whites only" coaches.

It seems many are not fully aware of the new move, or cautious of rushing into the formerly reserved coaches If not, they feel it is a luxury they cannot afford and prefer "reasonable" third class coaches nothwithstanding the overcrowding, the cold and the discomfort

No queues evident

This week I had the opportunity of riding in the once "whites only" coaches and, after an eight-year "lay off" from boarding trains, it was an eye-opener

To start with there was no queue at the booking office which is just the opposite of the situation for the black section I bought three first class return tickets to Germiston from the white booking clerk for R8,40

The service was quick and friendly save for the clerk being taken aback just a wee bit at first and addressing me in Afrikaans while I replied in English

We asked a white lady ticket examiner from which platform the Johannesburg-Germiston train left

"Platform eight," she told us with friendly politeness

With no queue to contend with down we went and the lady ticket examiners clipped our tickets with a friendly smile On the platform we stood together with a number of white passengers and there were no black faces

It was one of the days for the railways It wasn't long before a voice announced on the public address system that the Germiston-bound train would leave from Platform 10

There were few passengers compared to the crush one is used to when boarding "black trains" There was no shoving or pushing But for one long, disapproving face not a murmur was raised as we boarded the coach and sat opposite some white passengers

Hardly 10 minutes into the journey, the ticket examiner came round, clicking his punch without saying a word

The train passed Jeppe, Denver, Toronga and Driehoek, and then we slid into Germiston station

On the platform we passed a couple of white passengers waiting for a train to Springs and proceeded to the opposite platform. The conducter did not even bother to ask for our tickets

A Randfontein via Johannesburg bound train arrived inside two minutes

Took no notice

It was the same routine except that I sat adjacent to three English-speaking boys They seemed to be more worried about a problem they had had with buying their tickets than my presence — they paid for returns but were given only singles

I later sat next to a young Afrikaans-speaking mother who was preoccupied with a book on breastfeeding

She took no notice at all of me next to her on the seat

On my left, but on the opposite seat, a white man paged through an Afrikaans magazine

Finally the train arrived back at Park Station A mere 50 km by rail — but a journey to remember

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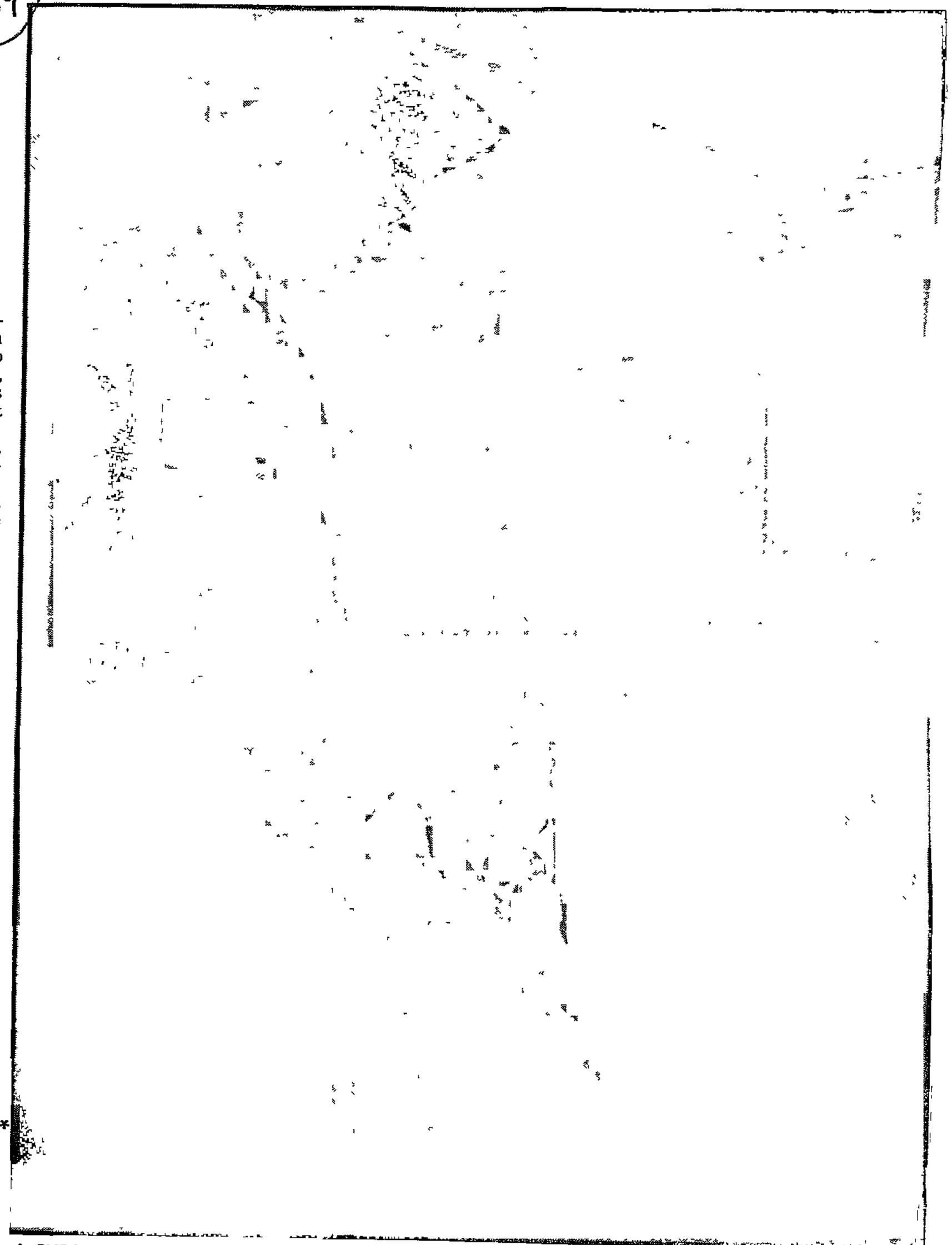


A CURSORY CLICK: The ticket examiner came and went without a word. © Photograph. Alf Kumalo

20 cents national worker

It's mixed feelings and a few crossed lines on 'open' trains

By IVOR CREWS and MANDLA TYALA

SOUTH AFRICA's train commuters took a tentative step towards "mixing" this week as racially segregated carriages on suburban trains in the PWV area were scrapped.

The latest move ends train apartheid on all commuter lines throughout the country and went off without any major incidents, according to Mr Leon Els, spokesman for Minister of Transport Eli Louw.

The decision was based on economic considerations by the South African Transport Services (Sats) but is unlikely to go far in diminishing passenger services' R650-million a year loss

The introduction of the desegregation is in line with Sats' move away from discrimination, which included the desegregation of stations two years ago, and the move has been widely welcomed by business and especially by the tourist industry

But the many years of entrenched apartheid made the dividing line between black and white carriages a bridge too far for the thousands of commuters who were officially allowed to cross the racial divide.

Many commuters in the PWV area were unaware that rail apartheid had officially ceased to exist as "whites only" signs were removed from trains and stations this week. Only two complaints were received — both from Conservative Party supporters.

Facilities at Park Station have officially been open to all races for three years, but blacks, hesitant to venture into "white areas" without being humiliated, have not been making much use of open facilities.

At the station's Blue Room ladies bar there were quizzical looks from some whites when a black patron walked in, but after a while attention was focused elsewhere.

Suspicion and fear were the overriding emotions, although segregation now is largely economic with a first-class ticket costing on average about a third more than a third-class ticket On the Johannesburg-Germiston train, for instance, the fare is 60c for third class and R1,40 for first class.

This week the Sunday Times discovered the experiences of a lifetime are not easily erased by the official stroke of a pen

Attempts to buy a third-class ticket at the ticket office in the main concourse proved futile.

"You can't get third class here — go to the the east side entrance of the station," said a surprised white ticket seller.

The eastern entrance of Park Station is a hive of activity where hawkers ply their wares to thousands of black commuters.

The black ticket seller handed the Sunday Times team three third-class tickets to Germiston.

"About six whites have bought third-class tickets so far but quite a few blacks are using first class," he told us

And although whites and blacks leave from the same platforms from different entrances, there was little mixing on the platforms

Disbelieving black commuters said they were unaware they could now travel in previously "whites only" carriages.

"The white inspectors will throw us off and, anyway, we can't afford the fare," said one despondent commuter.

The carriages in the third-class section bear no resemblence to the luxury first class. Uncomfortable bucket seats face each other, and even in off-peak times commuters sit packed tightly together.

A lay preacher delivered a rousing sermon but was largely ignored. Hawkers sold a wide range of goods. The babble of voices was deafening. A black ticket inspector clipped our tickets and curious fellow passengers wanted to know what we were doing there.

The consensus among black passengers was that although mixing was a "good thing", the lack of trust between the two race groups could lead to confrontation.

They confided that at peak hours the trains were almost impossible to get on to and almost as difficult to get off.

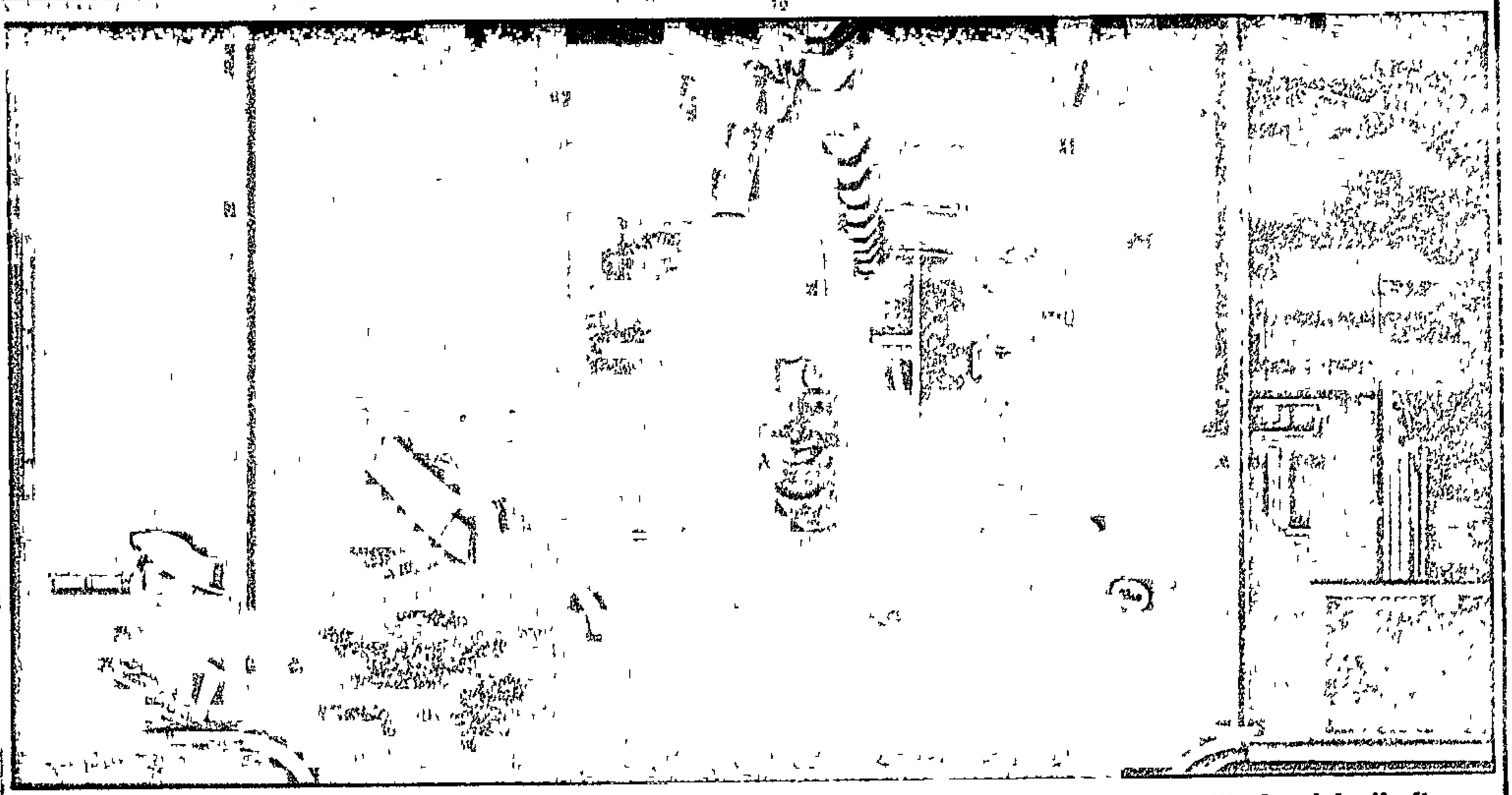
In the formerly white carriages there were a few black passengers. But there was enough room for everybody. People seemed to mind their own business, but when interviewed some whites expressed apprehension.

"Yesterday a drunk black man got onto the first class and shouted 'Good Morning South Africa' to everyone," said one woman. "He didn't even have a ticket and the inspector put him off at the next stop."



PASSENGER PALS: Reporter Crews waits for a seat on the third class

ANC Met Library
Not Due



City Press **staffers Charles Mogale (left) and Kerry Cullinan were among the first people to go "train-mixing" after Sats' desegregation announcement. Sats has announced that in future train segregation in the PWV area would not be based on colour, but on "economy". Read about Mogale and Cullinan's experiences in a desegregated train in *City Press* on Sunday. Mogale went for a ride in a formerly whites-only coach in a train to Pretoria, while Cullinan sampled a previously blacks-only third-class train trip.**

Pic: BP SETUKE

CPress 269 17/7/88



City Press staffers Charles Mogale (left) and Kerry Cullinan were among the first people to go "train-mixing" after Sats' desegregation announcement. Sats has announced that in future train segregation in the PWV area would not be based on colour, but on "economy". Read about Mogale and Cullinan's experiences in a desegregated train in *City Press* on Sunday. Mogale went for a ride in a formerly whites-only coach in a train to Pretoria, while Cullinan sampled a previously blacks-only third-class train trip.

PIC. BP SETUKE

CPress 269 17/7/88

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THE City of London Anti-Apartheid Group, which has had a non-stop 24-hour picket outside the South African Embassy in London the past 30 days, will now focus its attention on South African Airways.

More than 50 members of the group have appeared in court on several occasions for obstructing business at the London offices of the company

"We normally raid SAA offices posing as tourists We enter and then start education tourists waiting to be served, of the evils of apartheid We warn them that by going to South Africa they are giving credibility to the apartheid regime

"We are going to use other strategies in our campaign at the SAA but cannot detail what we will be doing But SAA can expect a lot of attention from us and that is for sure," a spokesman for the group said

He said as soon as officials of the SAA became aware that there were anti-apartheid activists in their offices they locked all doors and called the police Some of the activists have been manhandled while the offices are locked or when the police arrive

On March 4, 10 of their members were arreted in the offices of SAA and then later discharged On March 12, another 11 were charged with obstruction, but the case was dismissed Five other groups were arrested on March 29, April 7, May 7, June 4 and June 14 The group arrested on June 4 included two councillors of a local city council — the Camden Council

These groups face a variety of charges and the largest, arrested on June 14, consisted of 15 members of the group Well-known anti-apartheid activist, Norma Kitson, has been in several of the groups

According to her she has lost count of the number of times she was arrested since the picket started outside the embassy "Just as I fought against apartheid while still in the country, so am I detemined to continue the struggle here in England until this evil system is scrapped," she said

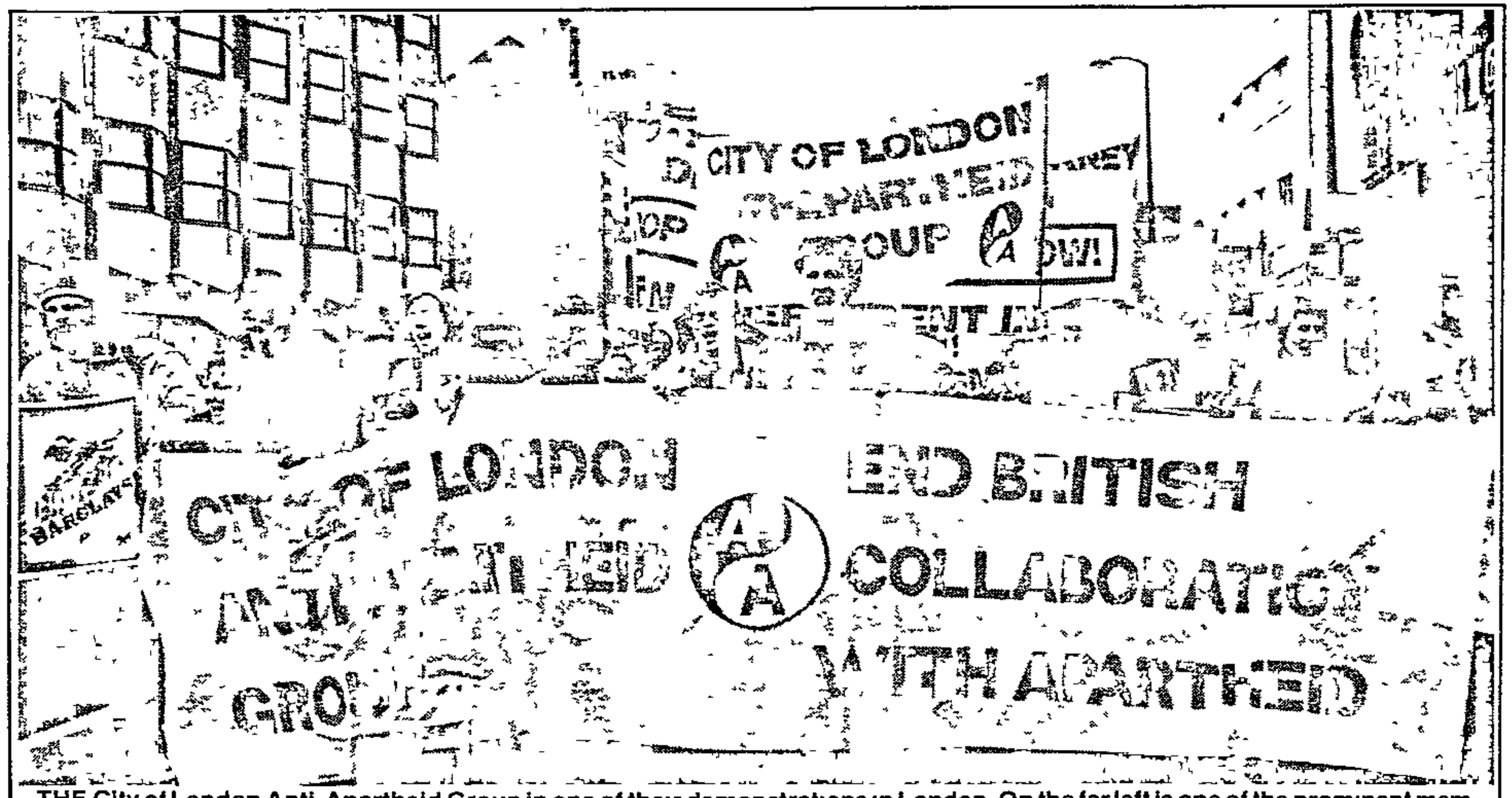
The non-stop picket is organised by the City of London Group, a split of the broader-based Anti-Apartheid Movement in Great Britain led by Bishop Trevor Huddleston The split came after there were objections from various people that the AAM refused to recognise and accept the Pan Africanist Congress and Black Consciousness organisations as representative of the struggle

"There was a meeting here in London to protest against the execution of the Sharpeville Six A member of the African National Congress was allowed to speak, but when somebody from the PAC wanted to speak he was refused"

"Can you believe that a South African political activist was denied the right to speak by British people on an issue that affects him directly For all we know that PAC man who was refused was closer to the Six than the other British speakers who spoke," another member of the group said

Started

The non-stop picket started on April 16, 1986, and has continued day and night without interruption Members of Parliament and prominent politicians in London and other parts of Britain have taken part in it It has focussed on burning issues in the country but according to the organisers it is dedicated to Nelson Mandela and Zephania Mothopeng, the grand-old-men of the liberation struggle in the country



THE City of London Anti-Apartheid Group in one of their demonstrations in London. On the far left is one of the prominent members of the group, Andy Higginson.

CAPE Times 28/7/88

Millions spent on bus subsidies

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Own Correspondent

JOHANNESBURG. — The government's policy of homeland settlement is costing the taxpayer hundreds of millions of rand each year in bus subsidies for people who, in many cases, have been resettled up to 130km from where they work

Last year Pretoria spent R280 million — 80% of its bus subsidy for the year — to transport commuters, according to CSIR research

In the case of KwaNdebele, every commuter was subsidized to the tune of R1 500 last year.

There are close on 20 000 commuters that travel up to 130km to Pretoria for work, CSIR transport research says.

And transport consultant Mr Paul Brownign says highly unprofitable bus companies have been kept in business by subsidies and regulation.

In urban areas unsubsidized micro-bus taxis have taken passengers from the bus companies, which have in the past three years closed down most of their short-haul routes and now have an overcapacity.

Meanwhile they demand higher subsidies every year because their overheads of running large head offices have not been reduced, he says.

Phasing out

However, the CSIR researcher points out the general trend in government is to a greater acceptance of deregulated urban settlement and public transport, coupled with the gradual phasing out of subsidies

But doing away with "wasteful" subsidies and planning for the movement of settlements can be justified only if the measures are directly affordable to the people involved

He suggested that settlement closer to town could be encouraged by subsidizing fixed assets such as housing rather than transport and that the subsidy should be user-directed — rather than to the producer.

But he conceded it was not feasible politically to phase out subsidies overnight to industries for transport, housing or food.

One way to phase out the excessive subsidies to the remote areas would be to offer weekend subsidies to commuters and concurrent housing subsidies for settlement closer to their place of work, over a five-year period.

The transport specialist at the Southern African Development Bank added that bus subsidies on very long distances should be removed

However the change in urbanization patterns could be achieved only if there were no constraints in settlement through the Group Areas Act.

20/4/88

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NEWS

Privatisation of the Blue Train is now in the offing

JEREMY DOWSON

CAPE TOWN — The Blue Train could become part of an international railway empire that includes the Orient Express, if the new owners of the Mount Nelson Hotel have their way.

Sea Containers Ltd and its subsidiary, Orient-Express Hotels, own the two historic Orient Express trains, which operate between London and Venice

And recently they were given the go-ahead by the governments of Malaysia and Thailand to run a luxury rail service between Singapore and Bangkok

Sea Containers president Mr James Sherwood said this week his company would approach the Government about taking over management of the Blue Train

The company approached the Government a few years ago but was turned down

However there seemed to have been a "change of heart" and it was hoped the company could add the Blue Train to its operation, he said

Department of Transport spokesman Mr Leon Els said yesterday: "We are looking at the possibility of privatising aspects of the operations of South African Transport Services (Sats) However no decisions have been taken yet"

Mr Els said he was not aware of any talks between Sea Containers and Sats officials

Orient-Express Hotels Inc owns six deluxe hotels in North America and Europe and manages the Turnberry Hotel and golf courses in Scotland and the Hotel Quinta do Lago, a golfing resort near Faro in Portugal

The company owns the two historic trains of the Venice Simplon-Orient-Express, which operate twice weekly between London and Venice

Its train division operates three Lake Windermere, England, cruisers and retails train-related gifts through its Collection Venice Simplon-Orient-Express subsidiary

It also holds a half-interest in Harry's Bar, a private dining club in London, and owns a travel agency and tour operator, Fairways & Swinford (Travel) Ltd, also based in London.

Sea Containers, based in London, has total assets of about R3,5 billion. It is listed on the New York and London stock exchanges and at current share prices the group is valued at about R700 million.

Its main business is leasing marine containers, container ships and cranes and it has operations in 95 countries

It also runs ferry services between Britain, Ireland and Europe with a fleet of 44 ships and hovercraft

Last year the group acquired a 42 percent stake in Orient-Express Hotels

Mr Sherwood, who is chairman of Orient-Express, said in the hotel group's annual report in June that the company's proposed luxury tourist train service had been approved by the railways of Malaysia and Thailand

"We are seeking to complement this investment with small super-deluxe hotels in Singapore and Bangkok"

He added that there could be opportunities for investment in South America — "a region largely devoid of small, deluxe hotels".

SMM 22/4/88

'Hollywood would snap him up'

SAA chief has a tough role, says magazine

South African Airways chief executive Mr Gert van der Veer is playing a very tough role indeed — a sort of Clint Eastwood of the upper airwaves — writes Peter Younghusband in the latest issue of the news magazine *Inside South Africa*

In a wide-ranging interview, Younghusband grilled Mr van der Veer on the criticisms levelled at SAA over the past few months.

SAA had had an unprecedented package of problems which had affected the quality of its services, said Mr van der Veer

"But we have overcome them — and I am happy to say that SAA has survived, with a profit, and will continue to survive"

Younghusband writes "If Gert van der Veer wore a cowboy suit and strolled into MGM's Hollywood studios rolling his own cigarettes, he would never come out They would snap him up and write him a contract he couldn't refuse

"Right now, he's playing a very tough role indeed, in which he has to play the part of both good guy and bad guy That's not an unfamiliar role for someone who has to turn a business around from loss into profit

"Inevitably, you lose some friends and make some enemies Van der Veer has had to live with this — and he has converted the R67 million loss declared by SAA in 1986 into a profit of R165million in 1987"

Replying to questions about much-publicised disputes with air traffic controllers and with the airline's pilots, Mr van der Veer said that as far as he knew everyone was now happy

'NONSENSE'

Allegations of hostility between himself and the pilots were "nonsense" and he held the pilots in the highest regard

He was in favour of full privatisation, he said in reference to the offer by the SA Airline Pilots Association to buy the domestic services of the airline

But in real terms, under SAA, fares had dropped by 30 percent in four years, and "I don't know if privatisation could improve on that"

SA in need of a 'Gorbachev' to get rid of regulations

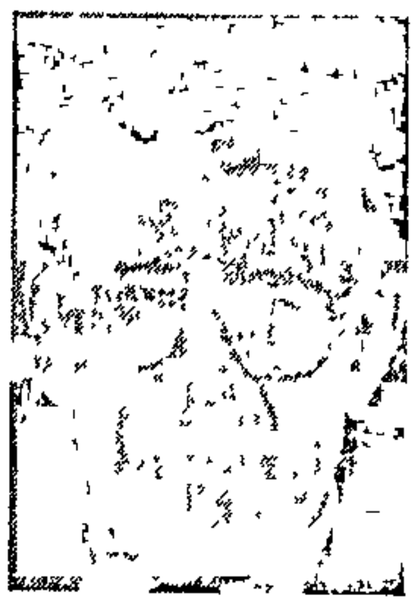
By Paula Fray

Philosophy lecturer, presidential candidate and international speaker, American Professor John Hosper, believes 95 percent of government regulations impede prosperity rather than enhance it

Professor Hosper was the keynote speaker at the Libertarian International conference in Swaziland this month when he spoke on the history and success of the American Libertarian movement, which promotes a free market system

A respected Libertarian, Professor Hosper "wears two caps" — he is also regarded as one of the foremost academic philosophers in the world and lectures on philosophy at the University of California

He is the editor of the international philosophi-



Professor John Hospers . believes South Africa needs a 'Gorbachev'

in America has aims similar to those of the Free Market Foundation of southern Africa, which is headed by Mr Leon Louw, co-author of "South Africa, the Solution" The party aims to remove government regulations and restrictions

Professor Hosper has set views on the government's role in the economy — it must be mini-

Light industries		
In use	5,4 ha	29%
In construction	0,3 ha	2%
Vacant	2 2 ha	12%
Sub-total	7,9 ha	43%
General industries		
In use	5,4 ha	29%
In construction	0,2 ha	1%
Vacant	5,0 ha	27%
Sub-total	10,6 ha	57%
Total	18,5 ha	100%

(2) *Margate industrial area* is not under consideration as a development point Until such time as the investigation of the Regional Industrial Development Scheme is completed, no further development points will be considered

Grey's Hospital: patients/doctors

1341 Mr C J DERBY-LEWIS asked the Minister of National Health and Population Development

(1) How many (a) Whites, (b) Coloureds, (c) Indians and (d) Blacks were treated at Grey s Hospital during each of the latest specified five years for which figures are available

(2) (a) how many (i) White, (ii) Coloured, (iii) Indian and (iv) Black doctors are employed at this hospital and (b) in respect of what date is this information furnished?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

Admissions

	1983	*1984*	*1985*	*1986/87*	*1987/88*
(1) (a) Whites	16 073	16 076	18 177	20 319	23 303
(b) Coloureds	—	—	—	—	33
(c) Indians	—	—	—	—	513
(d) Blacks	—	—	—	—	99
*Total, Non-Whites	—	—	19	88	645
Total	16 073	16 076	18 196	20 407	23 948

Out-patients

	1983	*1984*	*1985*	*1986/87*	*1987/88*
(a) Whites	81 940	82 465	90 048	93 322	70 533
(b) Coloureds	—	—	—	—	379
(c) Indians	—	—	—	—	488
(d) Blacks	—	—	—	—	2 321
*Total, Non-Whites	—	—	—	952	3 188
Total	81 940	82 465	90 048	94 274	73 721

* Prior to the financial year 1987/88 statistics for Coloured, Asian and Black patients were not reported individually but as total non-White patients A more detailed patient admission analysis has been introduced with effect from the 1987/88 financial year

(2) (a) (i) 68
(ii) 1
(iii) 3
(iv) none

(b) 27 June 1988

Karl Marx Selected Works, Volume I not undesirable

1344 Mr C J DERBY-LEWIS asked the Minister of Home Affairs

Whether he will furnish the names of the persons who requested the Directorate of Publications to set aside a Publications Appeal Board decision that the publication *Karl Marx Selected Works, Volume I* was not undesirable, if not, why not, if so, what are their names?

The MINISTER OF HOME AFFAIRS

The publication *Karl Marx Selected Works, Volume I*, was examined in 1977 by a committee of publications in terms of section 11(2) of the Publications Act, 1974 and found to be undesirable under section 47(2)(e) of the Act In April 1988 the Directorate of Publications caused this publication to be submitted on

review in terms of section 15(1)(a)(ii) and a committee of publications which examined it under section 15(2)(a) decided under section 15(2)(b) of the Act that it was not undesirable

Passenger tariffs rail services/air travel: Johannesburg to Cape Town

1345 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

What were the passenger tariffs from Johannesburg to Cape Town for (a) rail services and (b) air travel during each of the latest specified five years for which figures are available?

The MINISTER OF TRANSPORT AFFAIRS

(a)	First-class	Second-class	Third-class
1 January 1983	R111,00	R 74,00	R35,50
1 August 1983	R111,00	R 78,00	R39,00
1 April 1984	R120,00	R 88,00	R46,00
6 February 1985	R156,00	R110,00	R55,00
17 November 1985	R171,00	R121,00	R61,00
1 April 1986	R197,00	R139,00	R70,00
1 July 1987	R230,00	R163,00	R82,00

(b)	First-class*	Business 0 class	Economy class
1 January 1983	R202,00	—	R155,00
1 August 1983	R209,00	—	R161,00
1 April 1984	R222,00	—	R171,00
1 November 1984	—	R197,00	—
1 February 1985	R247,00	R219,00	R190,00
1 October 1985	R272,00	R240,00	R209,00
1 March 1986	R299,00	R265,00	R230,00

The tariffs furnished under parts (a) and (b) of the reply became operative on the dates indicated Various discounted air and train fares also exist

* Service withdrawn on 1 June 1987
0 Service introduced on 1 Nobember 1984

Telephone services

1351 Mr A E NOTHNAGEL asked the Minister of Communications †

(1) (a) How many telephones are there in (i) private homes and (ii) business undertakings in Rietfontein, Villieria Rietondale, Wonderboom South and Riviera, respectively, at present, (b) which telephone exchanges serve each of these suburbs (c) how many (i) private homes and (ii) business undertakings in each of these suburbs are waiting for telephone services at present and (d) in respect of what date is this information furnished

(2) whether extensions to the above-mentioned telephone exchanges are envisaged, if so, (a) when and (b) at what cost in each case?

The MINISTER OF COMMUNICATIONS

(1) (a) and (b) As subscriber records are only kept in respect of exchange areas, it is unfortunately not possible to furnish the number of telephone services in respect of each of the suburbs referred to by the honourable member With the exception of a portion of Riviera which is served by the Pretoria Central exchange, all the suburbs referred to are provided with telephone service from the Rietfontein exchange On the date mentioned in (d) below there were 7 756 residential and 1 240 business telephones connected to the Rietfontein exchange For the reason already mentioned, the number of telephones in Riviera that are connected to the Pretoria Central exchange is also not readily available,

(c) (i) one each in Rietfontein Villieria Rietondale and Wonderboom South and none in Riviera, and

(ii) none

CATCHING THE TRAIN
Khayelitsha passengers changing trains at Philippi junction







On the train to Khayelitsha . . .

Argus 24/8/88

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Travelling on this train is an education for someone accustomed to using the other suburban services EDWARD MOLOINYANE reports.

MORE than 25 000 commuters a day use the Western Cape's newest train service, the Khayelitsha-Cape Town line, and the number is growing rapidly, according to a South African Transport Services spokesman.

The service, which started operating in February this year, now provides an average of 67 trains a day, said Sats public relations officer, Mr Jannie van Zyl.

Travelling on the Khayelitsha-Cape Town train is an education for someone accustomed to using the other suburban services.

If you travel during peak hour, the chances are you'll be "entertained" by a preacher on your journey, like it or not

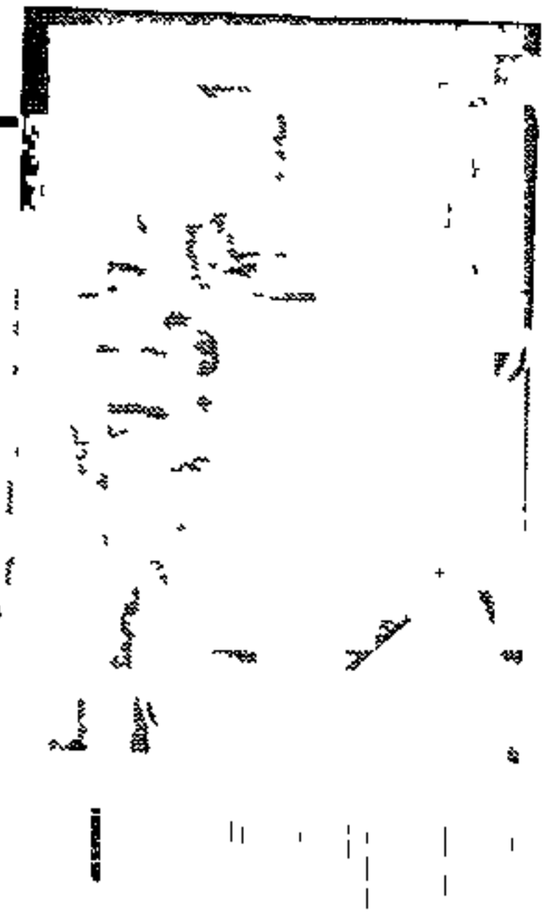
The preachers — usually men — travel mostly in groups of two or three and deliver their sermons in English, Afrikaans or Xhosa.

Their message is usually a call to humanity to repent because "Christ is coming" and the warning that, when he arrives, he will deal individually with both the oppressed and the oppressor.

Occasionally a passenger may disagree with what a preacher is saying. But for the most part they listen in silence

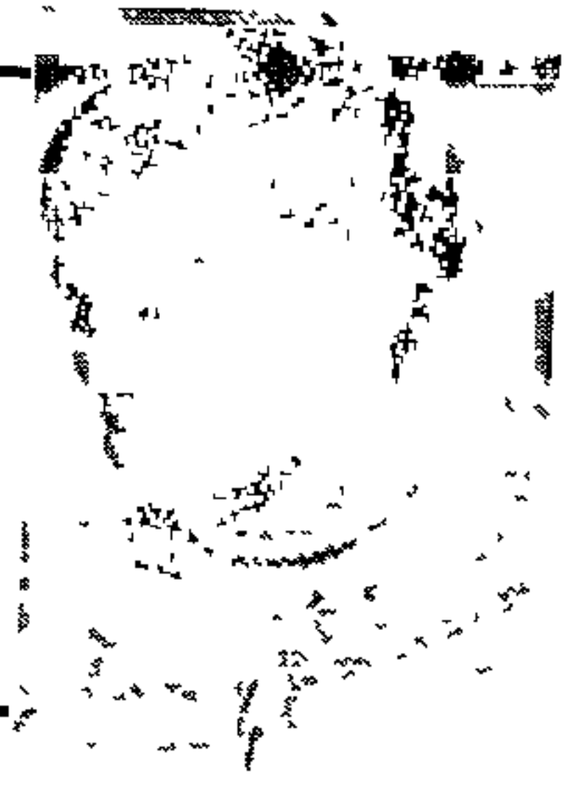
Vying with the preachers for the attention of passengers on the Khayelitsha train are the money collectors. They are usually in one of two categories.

There are those who carry a piece of paper bearing the stamp of one of



'Some ticket collectors beat you up when you forget your ticket.' —

Zakhulu Mgxaji, 20, of Guguletu.



'Changing at Philippi is awful, especially in the cold weather.' —

Miss Beaula Bosch, 29, of Site B, Khayelitsha.



'The service is fine.' — *Mr Justice Mbaleki, a regular commuter from Site B.*

24/8/88

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the many burial societies in the township who announce to all in the carriage that a close relative of theirs has died. They appeal for a "helping hand" in the form of a cash donation.

The other groups collect in the names of trade unions, claiming their "comrades" have been dismissed from firm so-and-so because they heeded a stayaway call. There is usually more sympathy for these collectors than the burial group.

Although the Khayelitsha service is only seven months old, most of the trains and stations are by now liberally splattered with grafitti."

The majority of commuters appear to be reasonably satisfied with the service, a snap survey revealed.

The most common complaint was that Khayelitsha commuters have to change trains at Philippi, causing considerable inconvenience, especially in wet weather.

There are three stations on the 10,5km of track between Philippi and the terminus at Khayelitsha, namely Nonkqubela, Nolungile and Mandalay.

Some students who were interviewed complained they were sometimes beaten up by ticket collectors if they left their monthly tickets at home.

Commenting on the complaints, Mr van Zyl said the change-over at Phillipi was "unavoidable" because the number of passengers was not sufficient to warrant a direct service.

He said Sats personnel were not allowed to assault passengers. When commuters could not produce tickets a "slightly higher than normal" fare was charged for administration costs.

Sats faces a twisty track before viability

DISTORTIONS in the government-dominated transport industry could only be corrected though deregulation and privatisation, Standard Bank GM André Hamersma said at the Privatising Privatisation conference this week.

Speaking on the privatisation of transport services, he said distortions had occurred because government had used the transport network for reasons other than transport. It had been used as a way of implementing social policy, for strategic reasons and to win political credibility.

SA Transport Services (Sats) had recently adopted a more businesslike approach and was working towards making a profit and increasing its return on capital, but a remaining problem was the considerable losses it incurred in providing rail passenger services.

Total losses on these operations in 1986/87 were R923m. To alleviate Sats' burden, government paid R751m in compensation, leaving a cost of R172m for Sats' own account. Before Sats could be privatised, its future commitments in "this highly politicised area" would have to be clarified.

Another sensitive issue was government's responsibility for the solvency of Sats' pension fund. When the fund was last evaluated on an actuarial basis in 1979, there was a shortfall of R2 097m, which in current rands was more than R6bn. A further actuarial evaluation was under way and there was reason to believe a "grave situation" would again be indicated.

Sats' forex losses also posed a problem, and responsibility for them would also have to be clarified before privatisation.

Realistic

Much had already been achieved in "levelling the playing field" in transport, said Hamersma. More realistic road user charges were being introduced, wharfage charges were now being based on tonnages rather than on an ad valorem basis, and although they were still high, the change would enable coastal shipping to play a more meaningful role. The deregulation of domestic air routes was also being investigated.

One important issue which had not been resolved was whether Sats should be privatised as one big conglomerate providing services in all transport modes, or whether it should be broken up.

"From a competitive point of view it seems sensible to break Sats up along modal lines and privatise its parts separately. Only then will all the transport modes be seen to compete openly, and users be able to choose between the modes on the basis of true relative costs and efficiency," he said.

TRANSPORT COSTS

Boost for railways?

Road transport operators are convinced government's recent heavy increases in fuel and licence fees are aimed at boosting rail traffic — and not at making operators pay for the damage their vehicles do to roads

Deputy Transport Minister George Bartlett last week virtually admitted this, saying that the low price of diesel fuel — which will rise by 13c/*l* on September 1 — has increased road usage to the detriment of rail transport

That trend is likely to be reversed. The increases are so large that private sector hauliers will have to pass them on to their clients, many of whom will find it expedient to switch to rail transport

Sats has anticipated this and intends absorbing the increase, without raising its rail tariffs It pays licence fees on a basket of road transport vehicles, which gives it a price cushion enabling it to absorb the R50m/year increase in its fuel bill Fuel is one of the few things Sats is not fully subsidised for.

In private sector accounting, the fuel increase is enough to warrant a 1% general increase in tariffs. But, says André Heydenrych, Sats director of sales promotion, "while we may have to increase our road transport tariffs, the hike is not sufficient to force us to increase our rail rates.

"We don't raise rates merely because our competitors do so"

Chairman of the Public Carriers' Association (PCA) Phil Erasmus is convinced government's intention is to boost rail traffic to the detriment of road haulage and accuses government of "over-recovering."

"The White Paper on Transport states that owners of heavy commercial vehicles (above 4 000 kg unladen) must pay an additional R253m/year as compensation for the damage their units do to the country's roads

"But, starting in November, they will have to pay nearly R750m/year, in terms of the increases structured by the Department of Finance. An extra 2c/*l* was added to the fuel price in July last year, allegedly to be allocated to the now defunct road fund. We estimate that brought in an additional R135m in the year to June 30. All that would have been needed to bring the total up to R253m would have been to increase licence fees by 80%-90%.

"Instead, they will be increased by up to 300% in November which will bring in an additional R400m. In addition the extra 3c/*l* tax we will have to pay on fuel after September 1 will pour yet another R200m into the State's coffers."

Erasmus calls the new system "another form of general sales tax. We are talking of an additional R735m, not R253m A transport operators' margin is about 6%. They won't be able to absorb an increase of that order, so will have to pass it on to their users." He adds if users are forced to switch to less flexible rail transport, inventory costs will be increased and productivity levels reduced.

Industry spokesmen say the multiplier effect of the increased cost of transport could add 9% to the price of goods at retail level.

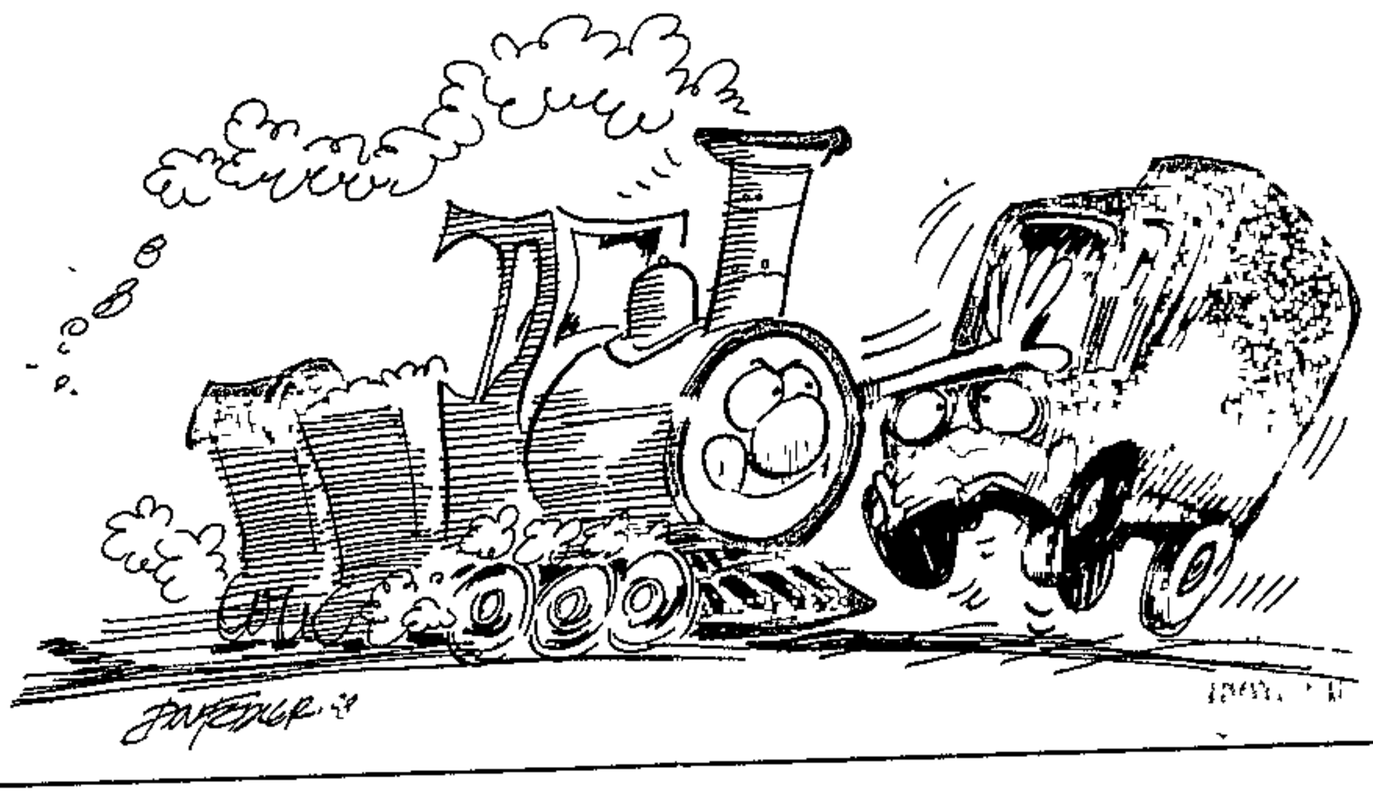
Wynand Pretorius, dean of the faculty of transport economics at Rand Afrikaans University, claims the industry was not consulted and "government rode roughshod over it. Government is not trying to deregulate transport, it is trying to control it by price. In short, it is substituting legal requirements with price requirements," says Pretorius.

"The State also uses the sector to cross-subsidise expenditure that has nothing to do with transport or roads, such as the war in Angola, housing for coloureds and schooling."

Government must realise SA's economy is in a developing stage and most of its products are still low value, high mass. Depending on value, the transport element in the cost of most items ranges from 10% to 50%. "It would be very little on a diamond, but 80% of the cost of a load of sand goes on transport.

"Those increases will cause a distortion in the price structure and distort inter-modal competition," says Pretorius.

"Government is so out of touch with reality that we no longer know where we stand. It deviates from the White Paper, which it accepted, without consulting the industry, which it undertook to do. And it does its calculations in such a strange way that one must accept there is a lot of truth in the saying that there are 'lies, damn lies and statistics' " ■



SATS tariff structure 'obsolete'

Cape Times 30/8/88 269



Dr Wim de Villiers

From CHRIS CAIRNCROSS

IF SATS had continued along its previous traditional operational lines — and not been split up into separate entities managed along business principles — the state would have had to continue subsidizing money shortages at an ever-increasing rate.

And, considering the expected magnitude of these shortages, it is extremely doubtful whether the state would in the end have been able to make a meaningful or adequate contribution, top industrialist Dr Wim de Villiers has concluded.

In his investigation into SATS's strategic planning, management practices and systems, Dr De Villiers declares that SATS's existing approach has clearly resulted in a considerable distortion of the transport market, and it is obvious that a deregulation of this market will be in the interest of the SA economy

The cross-subsidization taking place within SATS has not only created these distortions, but has also influenced the economy detrimentally, evident from the fact that despite rebates introduced to promote decentralization, the tariff structure of rail goods and the subsidization of urban passenger transport encouraged industries to settle in existing growth areas.

The additional capital investment in rail passenger and low-rated rail goods traffic, as well as in certain harbours and international services of airways on which insufficient return on capital is obtained, brings about additional capital-related costs which are spread across all tariffs — contributing to the increase in tariffs on traffic which gains no direct advantage from the specific investment

Dr De Villiers concluded that the two-level tariff structure established for cross-subsidization purposes and the protection of market share, particularly in respect of high-rated traffic, is an obsolete system which should be dismantled

His report states that a stage has now been reached in the SA economy where the actual cost in connection with unprofitable socio-economic services must be considered whenever a decision is taken in this regard and be seen as a burden on the general taxpayer before it is introduced or continued with.

The evaluation of SATS's existing and future strategy indicates clearly that the pursuit of a general market share is not of predominant interest to SATS.

In fact it should concentrate on those market sectors where it has a competitive advantage and capital investment in services where it has no competitive advantage must be avoided

Dr De Villiers concluded that if SATS is to be successful in a deregulated market, it must be put on a sound business basis If this occurred, considerable reserve capacity would be available for future use

Transport market the key — report

THE whole reorganization of SATS — now being split into five separate operating divisions — rests on the deregulation of the transport market in SA so that free market forces can be allowed to function virtually unimpeded.

And, if any advantages are to be derived from the privatization of SATS or any of its components, this is also only likely to be obtained through deregulation and affecting competi-

SAA's huge international loss

Cape Times 30/8/88 269

By BARRY STREEK
Political Staff

SOUTH AFRICAN Airways (SAA) lost R343,3 million on its international service, particularly on its South American and European routes, over six financial years, the De Villiers report found.

It also found that the domestic services had subsidized the international services every year between 1975/6 and 1984/5, except for the 1979/80 financial year when losses of R28,4 million were incurred on the domestic service.

A condensed report of the study by Dr Wim de Villiers into the strategic planning, management practices and systems of the South African Transport Services was tabled in Parliament yesterday.

The relative importance of the international services was shown by the fact that they constituted 75% of the total ton kilometres and about 60% of the income and costs of SAA.

The regional services constituted a small percentage, less then 5%, of total income but they recovered their costs every year between 1975/6 to 1984/5.

"The tariffs of the domestic services increased by 65,7% more than those of the international services over the entire period 1970/1 to 1984/5, while the increase in tariffs of regional services was 38% higher than that on international services over this period."

Since SAA's domestic services had a dominant share of the market and because of "almost monopolistic conditions", domestic tariffs could be increased more easily.

If the European services did not show a profit in three years, alternative routes over Africa should be negotiated, possible partnerships with other airlines to fly directly to Europe via Africa should be considered.

Pipeline profits boost subsidies

Political Staff

PIPELINES operated by SATS were the largest source of subsidization of losses by other SATS services, says the De Villiers report.

These subsidies "must be terminated as soon as arrangements can be implemented to deal with losses in another way".

"The exploitation of the almost-monopolistic situation of pipelines is an essential requirement of the current cross-subsidization pattern"

SATS takes private line

269

Cape Times 30/8/88

By CHRIS CAIRNCROSS

LEGISLATION is to be introduced next year transforming the South African Transport Services (SATS) into a statutory company operating five separate business units, each of which may eventually be listed on the Johannesburg Stock Exchange (JSE), Transport Minister Mr Eli Louw announced yesterday

He said the cabinet decided this last Wednesday. It was in line with previous announcements concerning the

More reports on SATS, PAGE 5

eventual privatization of SATS and the steps being taken to deregulate the transport sector.

Mr Louw gave assurances yesterday that SATS employees would in no way be worse off

They would be fairly treated, pension funds would continue and the creation of a statutory company would not lead to any personnel dismissals

The new company, which will strive to operate on profit-making lines and will be liable to be taxed on the basis of any ordinay company,

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From page 1

SATS report

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Cape Times 30/8/88

will have total assets of R19 billion (R50 billion on a replacement basis) and carry total liabilities, including long-term debt of about R10 billion.

The cabinet decision is derived from the report and recommendations made by Mr Wim de Villiers, the government's main adviser on privatization The recommendations were accepted in their entirety, according to Mr Louw.

A condensed version of the De Villiers report was made public for the first time yesterday.

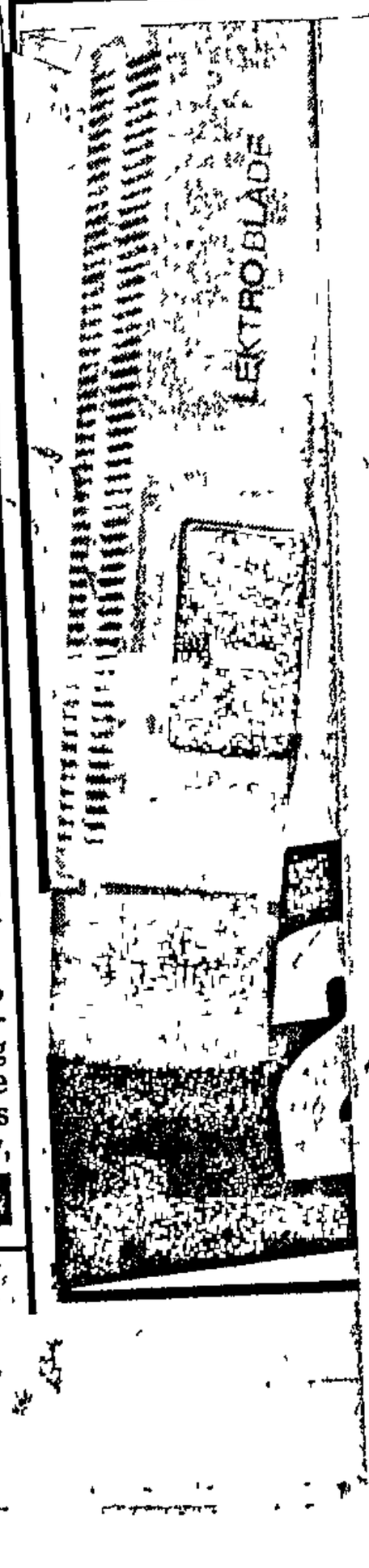
The report was first submitted to the government two years ago.

Mr Louw said yesterday that the decision to transform SATS into a statutory body would create the sort of structure which would facilitate the possible privatization of all, or parts, of the transport utility through the sale of shares to the public.

It was intended that the Minister of Transport Affairs would retain his role as co-ordinator of all transport modes in SA.

Meanwhile, the Bermuda-based consortium Sea Containers — which recently bought the Mount Nelson Hotel — has expressed a wish to buy the world-renowned Blue Train from SATS.

Transport Ministry spokesman Mr Leon Els yesterday said SATS had not yet been approached by the international consortium.



Unions welcome Sats restructuring

ALAN FINE

THE Federal Council of Sats Trade Unions yesterday welcomed the announcement on the restructuring of Sats as a move towards privatisation.

Council general secretary Abraham Koekemoer said the unions' positive approach was made possible by a written assurance received yesterday from Transport Minister Eli Louw that no employees would be retrenched and that the pension fund would remain in operation.

He said the council had been kept informed of developments since the original report was issued

Koekemoer said members, presently involved in a bitter wage dispute with Sats, "can only benefit" from privatisation.

Privatisation would mean employees would be covered by the Labour Relations Act which would extend to them many collective bargaining benefits from which they are now excluded

These included the right to take allegations of unfair labour practices to the industrial court and, although it was not yet clear, possibly the right to strike

SATS into new plan

SOUTH African Transport Services will be transformed from a State business undertaking to a statutory company soon, the Minister of Transport, Mr Eli Louw, announced yesterday.

He said the Cabinet had decided on this step which was the culmination of long and intensive investigations over a number of years.

In Parliament a report of a study by Dr W J de Villiers on the Strategic Planning, Management Practices and Systems of Sats was tabled.

Mr Louw said the step was in line with announcements that were made regarding privatisation of Sats separate business units.

This made provision for members of the private sector and personnel to obtain participation on a share-holding basis in a possible future privatisation action.

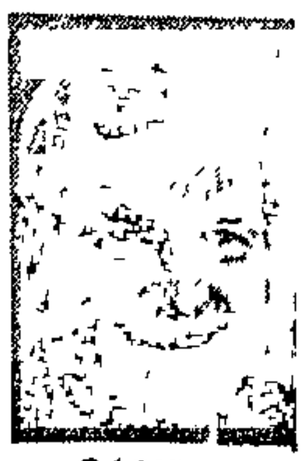
Explaining the top management structure of the new company, Mr Louw said that a board of directors comprising Government and private sector members and the general manager of SATS would control the strategies and financial results of the company.

Shares could be listed on JSE

Govt yes to Sats being split into five

CAPE TOWN — Legislation would be introduced next year to make Sats into a statutory company operating five separate business units, each of which could have the potential of eventually being listed on the JSE, Transport Minister Eli Louw said yesterday.

He said that decision was made by the Cabinet last Wednesday and was in line with previous announcements concerning the eventual privatisation of Sats and the steps being taken to deregulate the transport sector.



● LOUW

The new company, which would strive to operate on profit-making lines and would be taxed on the basis of any ordinary company, would have assets of R19bn (R50bn on a replacement basis) and liabilities, including long-term debt, of about R10bn.

The Cabinet decision flowed from the report and recommendations made by Wim de Villiers, government's main adviser on privatisation, which were accepted in their entirety. A condensed version of the De Villiers report was made public for the first time yesterday.

CHRIS CAIRNCROSS

That report was first submitted to government two years ago and steps have already been taken to implement several of its recommendations. They relate to the splitting up of Sats into five separate business units.

Louw said the decision to transform Sats into a statutory body would create the sort of structure that would facilitate the possible privatisation of all or only parts of the transport utility through the sale of shares to the public.

● See Page 3

The Transport Affairs Minister would retain his role as co-ordinator of all transport modes in SA. But the Sats new board of directors — to be appointed by government — would comprise private sector as well as government representatives with Sats' general manager controlling its strategies and financial results.

Supplementary to government's powers to exercise control as a shareholder over Sats, more parliamentary

● To Page 2

Govt yes to Sats being split into five

● From Page 1

control over the company would comprise the tabling of its annual statements in Parliament for debate, with the Minister further provided with powers to ensure the company did not act contrary to the strategic and economic interests of the country.

Louw said Sats employees would not be worse off as a result of the new arrangements They would be fairly treated, pension funds would continue and the creation of a statutory company would not lead to any personnel dismissals Salary claims would, in future, be dealt with according to a negotiation process in terms of the Service Conditions Act of 1988

As the privatisation process developed and shareholding became a reality, provision would be made for employees possibly to acquire shares.

As regards the financial consequences of the creation of a statutory company profit and loss accounts would be compiled in accordance with the Companies Act, the company would handle its own investments, it would pay taxes, tariffs would be negotiated, cross-subsidisation would be phased out, and investments would be made only in assets which would render a reasonable return

AL and CAPE 80c (71c + 9c tax)

269 B/Day 30/8/88

A TIN

International flights lost SAA R343m

CAPE TOWN — SAA lost R343,3m on its international service, particularly the South American and European routes, over six financial years, the De Villiers report has found.

It also found the domestic services had subsidised the international services every year between 1975/6 and 1984/5, except for the 1979/80 financial year when losses of R28,4m were incurred on domestic services.

A condensed report of the study by Wim de Villiers of the strategic planning, management practices and systems of Sats was tabled in Parliament yesterday.

Political Staff

The relative importance of the international service was shown by the fact that it constituted 75% of the total ton-kilometres and about 60% of the income and costs of SAA.

The regional services constituted a small percentage, less then 5%, of total income, but they recovered their costs every year between 1975/6 and 1984/5.

The international services made a profit in 1975/6, 1977/8 and 1978/9, but in the six years between 1979/80 and 1984/5, the international services lost a total of R343,7m.

"The international services were thus clearly responsible for the losses shown by the airways from 1979/80 to 1982/3.

"The fact that domestic and regional services mostly had to subsidise international services also had an influence on the tariff increases in respect of domestic, regional and international services."

The service to Australia made a profit every year.

SAA admits spares are harder to fly to SA

MANDY JEAN WOODS

SAA aircraft are flying on "borrowed parts" because the loss of US landing rights was impeding the flow of spares to SA, sources in the airline's technical ranks said yesterday.

SAA spokesman Francois Louw yesterday confirmed SAA took components from one aircraft for use on another but said this was a common practice among airlines.

Technical sources said. "This has only become a common practice over the past 18 months because sanctions have affected the delivery of spares."

Louw agreed that since SAA lost its US landing rights, delivery of spares had been hindered.

"Spares do take some time to get to SA because we have to charter planes or buy freight space on other airlines for the New York-London route.

"On the London-Johannesburg route we have to balance the revenue cargo with the non-revenue cargo — like spares," he said.

Kite flying

Louw added 97% of spares most often required were always available.

Technical sources said the practice — known as kite flying — involved a lot of unnecessary work.

The source added: "Recently SAA had to rent an Airbus engine from another airline because it did not have the right spares to repair its engine. It took about four months to get the spares."

Sources claimed there were about 38 tons of spares in the US awaiting shipment to SA.

An SAA spokesman said there were always spares in the US waiting to be shipped to SA.

"It is a seasonal issue. It all depends on the freight capacity of the carriers we use to get the spares to London," he said.

(2) No,

(a) each local authority is fully responsible for smoke control in its area of jurisdiction and is not required to provide this Department with such statistics,

(b) statistics can be obtained directly from the local authorities controlling smoke in their areas of jurisdiction

(i) falls away

(ii) falls away

Main line rail passengers

1425 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

How many (a) first and (b) third class rail passengers travelled on the (i) Johannesburg/Durban and (ii) Johannesburg/Cape Town main line during each of the latest specified five years for which figures are available?

The MINISTER OF TRANSPORT AFFAIRS

		1986/87 Financial year	1987/88 Financial year
(a)	(i)	80 311	70 153
	(ii)	90 178	76 351

Information prior to 1 April 1986 is not available

(b) (i) and (ii) Information is not available

Pension fund benefits: State commitment

1432 Mr C J DERBY-LEWIS asked the Minister of National Health and Population Development.

(a) What, in rand terms, is the commitment of the State regarding pension fund benefits to existing White, Coloured and Indian State employees and (b) in respect of what date is this information furnished?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(a) As employer, the State is committed to contribute to the following pension funds

The Government Service Pension Fund (GSPF)

The temporary Employees Pension Fund (TEPF)

The Associated Institutions Pension Fund (AIPF)

Contributions are made in respect of all population groups who are members of the funds Particulars of the contribution in respect of each population groups is not available

The State's commitment for the 1986/87 financial year was

GSPF· R1 304 800 568 (including contributions by Provinces and Post and Telecommunications)

TEPF. R123 440 433 (other contributions paid by various institutions from own funds)

AIPF. R322 152 (other contributions paid by various institutions from own funds)

(b) 1/4/86 to 30/3/87

Pension fund benefits: State commitment

1433 Mr C J DERBY-LEWIS asked the Minister of National Health and Population Development

(a) What, in rand terms, is the commitment of the State regarding pension fund benefits to existing Black State employees and (b) in respect of what date is this information furnished?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

Particulars of the contributions in respect of each population group are not available The Honourable Member is referred to the reply to question 1432

(a) Falls away and

(b) falls away

State/parastatal pension funds: contributions

1434 Mr C J DERBY-LEWIS asked the Minister of National Health and Population Development

What was the total contribution to State and parastatal pension funds in respect of State and parastatal employees during each of the latest specified 10 years for which figures are available?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT.

YEARS	TOTAL CONTRIBUTION (by employers and employees) R
1977/1978	412 459 698
1978/1979	479 733 715
1979/1980	540 640 518
1980/1981	729 997 349
1981/1982	914 001 263
1982/1983	1 153 798 683
1983/1984	1 385 605 499
1984/1985	1 780 210 390
1985/1986	1 955 912 889
1986/1987	2 337 298 700

These figures are in respect of the following pension funds

Government Service Pension Fund
Temporary Employees Pension Fund
Associated Institution Pension Fund

Johannesburg shunting yard: fire

1439 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) What was the cost of repairing the damage caused by a fire allegedly started by vagrants at the Johannesburg Shunting yard on or about 15 July 1988,

(2) whether any additional security measures are being applied to prevent recurrences of this nature, if not, why not, if so, what measures?

The MINISTER OF TRANSPORT AFFAIRS

(1) Two main line passenger coaches with an outstanding capital value of R65 242 were damaged to such an extent that both are destined to be scrapped The cost to repair the three other coaches is estimated at R30 000

(2) Yes, inspectorate and personnel were again requested to be on the alert for vagrants trespassing in shunting yards and to report all instances to the SA Police immediately

The SA Police has been requested to visit shunting yards more frequently at irregular intervals in order to investigate possible instances of trespassing

SAA: resignation of pilots

1445 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(a) How many pilots resigned from the South African Airways (i) during each of the latest specified five financial years and (ii) in 1988 as at the latest specified date, for which figures are available and (b) what were the reasons given for these resignations in each case?

The MINISTER OF TRANSPORT AFFAIRS.

(a) (i)	(b)	
1983/84	Other commitments	1
	Unknown	2
	Started own business	2
		5
1984/85	Personal	1
1985/86	Started own business	1
	Emigrated	1
		2
1986/87	Political	1
	Religious	1
	Unknown	1
	Emigrated	1
		4
1987/88	Personal	6
	Emigrated	1
		7

(ii)		
1 April 1988 to 31 August 1988	Emigrated	1
	Joined other airlines	3
	Unknown	1
		5

Krugersdorp Prison: decision on old prison buildings

1466. Mr C J DERBY-LEWIS asked the Minister of Justice

Whether a decision has been taken on the future use of the old prison buildings at Krugersdorp Prison if not, why not, if so, what is this decision?

CAPE TIMES 13/9/88

Union Wine doubles profits

Financial Editor

UNION WINE, which returned to profitability in 1986 and more than doubled profits in 1987, has resumed paying dividends after a lapse of seven years

A final dividend of 5c a share has been declared — the first since a payout of 9c in December 1981

The company lifted net profit for the year to June to R2,1m (R1,9m). Earnings at share level rose to 16,2c (15c)

Operating profit rose to R7,5m (R7,1m) The interest bill rose to R4,5m (R4,3m), but the tax bill fell to R1 000 (R2 000) leaving after-tax income of R2,9m (R2,7m)

Turnover was not disclosed but the directors said it had risen by 17,26% compared with a rise of 10,75% the previous year

They said the wholesale division continued its constant improvement of its operating results and new products would further contribute to profits in the current financial year.

Drastic action had been taken in the retail division to eliminate loss-making units and acquire minority interests in existing stores and other profitable stores

This would cause "a dramatic R1m turnaround in the retail division".

It had been decided to pay a dividend this year "in view of the improved results and future prospects".

...allegations that heavy insid-

● To Page 2

...yesterday.
Perez de Cuellar will meet State President P W Botha this morning.

● See picture Page 3

SAA buys five Airbuses

SAA announced yesterday it would spend R688m on five new Airbus 320 aircraft.

Transport Affairs Minister Eli Louw said SAA had taken an option negotiated when an initial two airbus aircraft were ordered earlier this year.

The new airbuses would meet SA's domestic flight needs well into the next century, he said.

Louw said SAA had decided to exercise its option because of the nearly 17% surge in passenger growth on the domestic network over the past year.

Although SAA did not anticipate future growth to remain so high — it was expected to be above the traditional 3,5%.

SAA spokesman Nick Venter attributed the growth in domestic flights to three factors — no increase in domestic airfares in the past two years, which made it increasingly cheaper to fly locally; discount packages which attracted new passengers such as servicemen and pensioners; and an economic upswing which created a further demand.

"The A320 is expected to ensure excellent returns on SAA's capital and be most suited to our economic needs.

"It fills the gap exactly between the smaller Boeing 737 and larger Airbus A300," Venter said.

SA stays in nuke agency

VIENNA — African states yesterday backed down from a bid to oust SA from the International Atomic Energy Agency (IAEA) after the Soviet Union failed to support the move for the second year running.

African diplomats said the Nigerian-led group withdrew a call to delegates at the IAEA's conference to suspend Pretoria after Moscow indicated it wished to keep SA in the UN body.

The group said it had withdrawn its resolution until next year's conference after Soviet delegates indicated they believed Pretoria would soon sign the 1970 Nuclear Non-Proliferation Treaty (NPT).

DIANNA GAMES reports that Foreign Minister Pik Botha and Mineral and Energy Affairs Minister Danie Steyn met in August in Vienna with US, UK and Soviet Union representatives to discuss SA's concerns regarding membership of the NPT.

Sources said there was not total conformity of views on the issues and another SA team went overseas earlier this month for more t .lks. — Sapa-Reuter.

SAA to buy 5 more 'hi-tech' planes

Cape Times 23/9/8

269

Staff Reporter

SA AIRWAYS will go on a R688-million spending spree and buy five A320 Airbus aircraft in addition to the two it has already ordered.

SAA had "taken up its option" to buy the five aircraft which, together with the two Airbus A320s already ordered, will be delivered between 1992 and 1997, Minister of Transport Affairs Mr Eli Louw announced yesterday.

The aircraft features revolutionary computer technology, controlling its functions and which runs continuous checks to prevent pilot error.

Passenger growth rate on the domestic network in the past year was nearly 17% up, and the projected growth rate indicated a need to buy the additional aircraft now, said Mr Louw.

● A French A320 crashed in June this year with the loss of three lives, resulting in Air France and British Airways suspending all flights of their newly acquired A320s.

But the French Minister of Transport, Mr Louis Mermaz, said at the time that the hi-tech computer technology controlling the Airbus was not to blame

269 B/day 28/9/88.

PROPERTY/Edited by Terry Meyer

Go-ahead to develop Sats's railway land

DEVELOPMENT of prime Sats land in the Johannesburg CBD has been given the green light with the approval of three sets of guidelines by city council.

Until now, Sats has been held back in its plans to sell decked-over land above railway tracks to developers through a lack of developmental guidelines from the local municipality.

The new guidelines now approved by council will cover.

☐ The decked over railway tracks to the east and west of the main railway station between the Queen Elizabeth Bridge and End Street;
☐ Developments on the main railway station site itself, which runs roughly between Rissik and Wolmarans Streets, and
☐ Development in general on Sats property in the general Johannesburg area.

No set height

In terms of council's new policy, developers will be able to build on the decked-over land up to a bulk (FAR) ratio of 3,6 with no set height restrictions Transfers of bulk will also be allowed in certain cases.

Council, for example, is anxious for the railway lines to the south of its newly-revamped art gallery to be decked-over and turned into an extension of Joubert Park In return, says acting deputy director of town planning Japie Hugo, developers will allow a transfer of these rights (which allow much greater bulk and height) on to an adjacent site.

How soon the private sector will react to the situation now that guidelines have been established remains to be seen Sats's deputy director of business development Johan Malherbe admits that he has not yet been overwhelmed

TERRY MEYER

by requests to develop land in the decked-over areas.

Interest has, however, been shown in development on certain parts of the main station site, such as the north-west corner opposite Wesbank House where a chapel is currently sited.

A serious proposal has also been put forward for the use of the Rotunda building but has yet to be discussed with SAA head Gert van der Veer

"There are some interesting proposals, including one to develop a multi-tiered parking garage on part of the railway station site," Van der Veer says

"However, we have to consider the rehousing of SAA staff and equipment, which requires longer-term planning"

Malherbe points out that the Sats land is leased for periods of between 20 and 99 years and that, until six months ago, not even this was possible

"We have had to thrash out a mechanism enabling developers to register their leases with the Registrar of Deeds. Previously this was not possible under the Roman Dutch concept of law.

"Developers were obviously reluctant to develop on land without such registration to protect their assets," he says

Malherbe has also been approached by the private sector for the redevelopment of the old portion of the station, which includes the historic Blue Room restaurant and museum

"However, we are not is a position yet to talk development of any section that will in any way impact of the travelling public," he says A detailed report on such developments is being compiled, but Malherbe says it will be some time before it is published

'Transport hub'

"We do not want to have to make ad hoc decisions on any proposals affecting the travelling public — hence the reason for having developed guidelines

"Long-term plans for the station area will include making it a transport hub for trains, airline buses and the inter-city road transportation network

"There is considerable development potential for the main station area, since some 250 000 commuters pass through that area daily," he says.

Selling power

A COMMERCIAL property advertised last week in Business Day's property section was sold within 24 hours, according to Mel Abrose, of Abhold Brokers It was the second time within months that Business Day had proved such a successful medium The property, a warehouse in Johannesburg's Durban Street, was sold for R420 000 It was fully tenanted and bought by an investor

In his 30 years in property, says Abrose, Business Day has proved to be by far the most effective medium for selling property

☐ The All Media and Products (AMPS) figures released this week show that Business Day's readership has grown to 92 000 — well ahead of other publications, such as Finance Week and Finansies & Tegniek.

19/9/88(26)

TOLLROADS

At the charge

Transport operators say they will check for themselves whether tollroad companies are charging motorists the correct levies.

Amid continuing controversy over tollroad charges and the adequacy of alternative routes, the Public Carriers' Association (PCA) will conduct tests to establish whether toll operators are justified in setting tolls at current levels

PCA technical manager Hugh Sutherland says all tollroads will be checked, starting with sections of the Johannesburg-Durban N3, run by Tolcon

"We are giving top priority to the project The aim is to assess toll charges objectively," says Sutherland

Tollroad operators are entitled to charge motorists up to 75% of the estimated savings effected by using their roads The problem is the operators themselves make the estimates

The PCA will run fully laden trucks with recording instruments in both directions, both on tollroads and the untolled alternate routes It will check if savings claimed by the operating companies are bona fide

"The same drivers will drive the same trucks, loaded with the same loads, in both directions at least twice," says Sutherland He explains that commercial vehicles' earning rate is measured in tons-kilometres per hour (t-km/hour) "If a 20 t truck travels at 50 km/hour on an alternate road its earning rate is 1 000 t-km/hour which, at the going rate of 15c/t-km, is R150/hour.

"If it averages 56 km/hour on the tollroad it would earn R168/hour. If the tollroad charge is R15/hour, the extra R18/hour may make it a proposition."

Horst Kohlberg, MD of Tollway which will toll the Springs-Krugersdorp highway, won't comment on charges. He says Tollway will start tolling only next year and hasn't decided yet what it will charge.

Tolcon CE Ron McLennan is more forthcoming. His company is tolling some of the N3, and the N1 between Uncle Charlie and Kroonstad. This includes the section between Ennerdale and Johannesburg — the source of much controversy.

In fixing average car occupancy at 2,22 people, and their combined earnings at R14,40/hour, he says Tolcon has used data from the CSIR's National Institute for Transport and Road Research, the PCA, the AA and its own surveys.

McLennan uses a hypothetical example of a 100 km tollroad and a 120 km alternate road to bolster his claim that Tolcon is charging too little.

He says, based on the AA rate of 67c/km for the total running and fixed costs of a car, the 20 km saving is worth R13,40 and the 28 minutes saved in travel time is worth R6,68 to the occupants — a total of R20,08.

The 75% limit on charges would make the correct charge R15,06. But because McLennan says there would be resistance at that level, Tolcon instead multiplies the 20 km saved by the AA's running cost estimate of 15,8c/km, then adds the value of the time saved. That amounts to R9,84.

McLennan claims this formula does not assess real running costs. "It is the savings motorists perceive they make in terms of time and running costs — fuel, oil and tyres. They usually ignore insurance and maintenance."

McLennan says Tolcon is a profit-making concern and must pitch its rates at levels that will attract users. Clearly, though, the perception of what a fair toll charge is varies according to one's vantage point. Road users are already aggrieved at being charged to use roads which they have, technically speaking, already paid for.

What with toll roads and increased petrol prices, it looks like the road ahead for motorists will be rough indeed.

Sats may lose on Lifegro policies

By Clare Harper

South African Transport Services (Sats) could lose hundreds of thousands of rands on the growth of its R10 million insurance policies placed with Lifegro — through Mr Basil Horwitz — if it is proved that the cessions allegedly entered into by him were forgeries.

Evidence led by senior employees at Lifegro was that in January 1987 there were only collateral cessions with Sats and that the policies were only ceded outright to Sats after the sequestration of Mr Horwitz's estate Mr Horwitz said he had no recollection of signing outright cessions.

This emerged at a complex insolvency inquiry into the business affairs of Mr Horwitz's at the Johannesburg Magistrate's Court last week

Mr Horwitz mysteriously returned to South Africa in May last year after he had fled the country in October 1986 amid allegations that he owed investors millions of rands.

His estate was provisionally sequestrated in the Rand Supreme Court in November 1986 and in February 1987 the order was made final

Evidence before the insolvency hearing last week was that Mr Horwitz gave collateral guarantees to Sats on certain insurance policies which he owned — to secure the Sats investment of R10 million — which Westrust attorney Mr David Leviton said implied that Sats had loaned Mr Horwitz the R10 million.

Sats granted search powers

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The Department of Law and Order has granted search powers to authorised officers of the South African Marine Corporation and the South African Transport Services.

A notice in the Government Gazette published in Pretoria last week states that the officers "may search persons for the purpose of granting permission to enter premises or vehicles which are the property of or are occupied or used by, or under the control of, the two organisations." — Sapa.

Sats says: We never dealt with Horwitz

Star 5/10/88 269

By Clare Harper

South African Transport Services (Sats) never made a deal with insolvent broker Mr Basil Horwitz, treasury manager of Sats Mr W Louw said yesterday

He was responding to questions put to Sats by The Star following revelations of Mr Horwitz's dealings made at an insolvency hearing in the Johannesburg Magistrate's Court last week.

Sats could lose hundreds of thousands of rands on the growth of its R10 million insurance policies placed with Lifegro — through Mr Basil Horwitz — if it is proved that the cessions, allegedly entered into by him were forgeries.

"On no occasion did Sats lend or make any deal with Mr Horwitz, and no Sats employee negotiated with him," Mr Louw said The investment was made with Lifegro

However, at the hearing, a former senior general manager of Lifegro said no business was entered into with Sats and no loan made to Lifegro

Furthermore evidence was that Mr Horwitz had paid Sats 12,5 percent through a guarantee furnished by Trust Bank of Africa Ltd, and not Lifegro.

Evidence led by senior employees at Lifegro was that in January 1987 there were only collateral cessions with Sats and the policies were ceded outright to Sats only after the sequestration of Mr Horwitz's estate.

Lifegro officials have been implicated in the "covering up" of R10 million's worth of insurance policies by altering the policies to place them outside the reach of the liquidators of Mr Basil Horwitz's estate

Mr Louw said that Sats invested R10 million on June 4 1986 with Lifegro for a return of 12,5 percent, following normal practice, with Mr Clive Owen as broker.

SAA could soon face challenger

Star 5/10/88

GEORGE — Not only is South African Airways to be privatised, it could also have opposition on its main routes (269)

Minister of Transport Mr Eli Louw announced at the National Party's Cape congress that SAA could be competing as early as next year with another airline.

It is expected that the competitor, though not nearly as large as SAA, will probably be a consortium of the airlines doing the lower-demand routes at the moment — Political Staff.

AL and CAPE 80c (71c + 9c tax)

269 B/dam 5/10/88

Privateers could share major SAA routes

GEORGE — SAA could have competition from private airlines on major internal routes by next year, Transport Minister Eli Louw said yesterday.

Louw said a group of private consultants was currently conducting an investigation into local routes on which competition should be allowed.

The consultants' report was due before the end of 1988 and the first competition should come in 1989, he said

Louw emphasised that no route had been excluded from private competition, but added that the ultimate degree

Political Staff

of competition which would be allowed would be on a limited scale

It was not feasible to have two airlines the size of SAA in the country, he said

Earlier, Louw told delegates at the NP's Cape congress that government was looking at ways in which to introduce competition for SAA and other branches of the transport services.

He said the first step in the privatisation of the transport services was deregulation

"That is why we have opened up eight transport free areas where competition can take place between Sats and all other modes of transport."

Louw said government would not let privatisation disadvantage workers.

Another possible curb on privatisation potential was the need to consider the country's strategic interests — particularly at this time, he said.

☐ Louw said Sats was considering placing 200 of its top managers on a contract basis as part of a move towards privatisation. He told the NP congress here that this meant they would have no job protection, Sapa reported

SA TRANSPORT SERVICES

Railroading the rules

Old habits die hard and SA Transport Services' (Sats) road and rail freight divisions may find the idea of free competition harder than they bargained for.

The two operations are scheduled to become separate, competing business units next year when Sats is turned into a statutory company. It is the first step towards deciding which Sats activities are best suited to privatisation.

However, despite official assurances that the two erstwhile partners will act independently and as competitive units, fears remain that the temptation to keep private sector competition from certain business, may prove too strong

Railways CE Barry Lessing states the official line when he says "We might like to help one another but we will be in competition. Once you start trying to scratch one another's backs, you are in danger of manipulating the market."

He says the changes mean Sats will no longer be the national freight carrier Instead, road and rail will be just two more operators in a competitive market

He says there's nothing to stop business deals between rail and road, but insists private road firms have as much right to deal with railways.

"I don't rule out co-operation with private firms, if they want to make a deal."

However, sources elsewhere in Sats say agreements covering what the road and rail divisions may or may not carry, are still in force.

"It hasn't been our policy to compete with rail. There is still the underlying rule that we mustn't unnecessarily take freight from them," says a source.

He says the rules won't be as strict under the new dispensation, but "there will still be a measure of co-ordination. We will still try to have close co-operation with rail, particularly on big contracts where rail and road are both necessary. It's been part of Sats' life for so long, it's hard not to see it continuing." ■

Deregulation dogfight looms for private airlines

FEUDING private airlines have been warned to join forces in preparation for the deregulation of South Africa's air routes.

And a leading academic says that if major carriers don't get their act together soon an interloper may snatch the opportunity of big profits from them.

By Roger Makings

The rivalry and suspicion between the airlines, stems from their hard-won and jealously protected routes

However, recently Comair, the biggest private passenger airline in the country, and Air Cape, now renamed Safair Lines, agreed at the often acrimonious National Transport Commission hearings on allocation of routes to co-operate rather than compete for the sought after Bloemfontein-Kimberley-Port Elizabeth service

Although airline chiefs guardedly agree that a consortium may be beneficial in competing against the might of SAA, not all are prepared to make a commitment

Welcome

The two biggest airlines, Comair and Safair, say they already have the necessary finance and infrastructure to establish a potentially competitive service to the national carrier

And SAA, in a reply this week, welcomed the opposition, vowing to remain competitive

But, Professor Jackie Walters of the department of transport economics at Rand Afrikaans University, says the private airlines would be hard-pressed to match SAA

"On the higher density routes you have to pit jet against jet if you aim to be competitive No-one is going to fly from Johannesburg to Cape Town in a 50-odd seater prop aircraft when they can do the flight in half the time in a big jet

"These jets cost millions and acquiring them is going to strain private airlines to breaking point"

All the contenders have their own support systems — managements, maintenance, bookings and equipment — but if these were rationalised the enormous savings would allow expansion and generate greater profits, said Professor Walters

He expected the report from the steering panel advising Transport Minister Eli Louw to make its findings on deregulation known sometime next year — recommendations which could be implemented as early as 1990

"And to be ready the private airlines should stop their bickering, put their pride in their pockets and get on with the task at hand — forming a single private carrrier that is powerful enough to purchase the bigger aircraft necessary for the higher density routes

"Not only will they be offering a viable and organised service to the public, but they will also generate greater profits than if they remain in competition, each supporting its own infrastructure"

Professor Walters said he favoured a system whereby, after deregulation, surplus growth was passed from SAA to the private sector

"Fantastic growth is projected for air transport By the year 2010 we could have 12-million people a year flying, with research indicating that blacks may move from cars to aircraft, missing out on the natural progression to buses and trains, when going on holidays

"The internal market by this time could be in the region of 3-million people and growing annually by between 8%-9%, all of which would be passed on to the private sector

"So instead of chopping up SAA and letting it bleed all over the place, the national carrier's growth is merely stunted Retained, however, will be existing staff and morale, while the private sector airline grows"



PIETER VAN HOVEN
Reticent



JACKIE WALTERS
Get together



PIET VAN ASWEGEN
Go it alone

The benefits to the country would mean bigger and better aircraft, more modern equipment, bringing with it advanced technology, job security, greater profits, and healthy competition which will benefit passengers

All of which will leave SAA in a more favourable position for privatisation

Capital

The consortium would be a multi-million rand organisation which would probably need the backing of finance houses and have to be floated on the JSE for additional capital

Professor Walters said of the proposed new airline that each member of the consortium should be allocated shares according to their investment, be given board representation and would retain their exisiting low-density route allocations in their present liveries and with existing aircraft

"This means a new and jointly managed airline, with a new identity, for the high-density routes which will generate greater profits that will benefit our air transport system that is so vital," he said

"Aviation is just too important to be left where it is The private sector and not the South African Transport Services, should be dominating the market

"Privatisation and deregulation go hand-in-hand — you can't have one and not the other," he said

But airline chiefs are hesitant to be drawn on the matter

Says Comair managing director, Mr Pieter van Hoven "We have never looked at rationalisation seriously, because we don't know how the Government plans to go about deregulation A consortium is feasible and could be beneficial, once the concept has been explored"

He felt however that the Competitions Board might reject a merger between the airlines

Mr Van Hoven agreed that to be competitive an airline would have to operate jets, which Comair was prepared to purchase

"A lead-in time of a year after the Government's decision would be sufficient to establish a service that would be competitive We already have the infrastructure. It would merely be a question of broadening it," he said

He disagreed that there was bickering between the private airlines, "what we have is healthy commercial competition"

Trust

Less supportive of rationalisation was Dr Piet van Aswegen, recently appointed chief executive of Safair Holdings with control of Safair Freighters and the newly established Safair Lines

"Consortiums tend to be slow decision-makers You can't have between five and 10 people all trying to get their own way in a company that is operating in a highly competitive environment"

A managing director and board would overcome this, but would the other investors entrust their financial input to someone else without having their say?

He agreed that a consortium was worth investigation and could be financially viable, but not that it would necessarily generate bigger profits "It would depend on what sort of animal you end up riding," he said

"Frankly we don't need someone else's money to buy bigger and faster aircraft Safair has all the financial muscle it needs, through its parent Safmarine, to go it alone

"What we do need is the right to fly and a clearer vision of what the final deregulation picture will look like so that we can plan for the future

"We already have the finance, technology and expertise to expand our operations All we need is the go-ahead

"We have made some assumptions and based on those, things look good for us"

He added however, that Safair did not want to appear aloof and arrogant "Should a company want to join us, we would certainly consider a pooling of forces"

Replying to the suggestion that an outside organisation could step in and seize the initiative Dr van Aswegen agreed this was possible

"It's always the companies outside an industry that walk in and shake-up everything Those within the industry are blinkered to new ideas and innovations They wake up to find the rug pulled from under them — but we are watching out for this"

More supportive of rationalisation was Mr John Morrison chairman of Magnum Airlines, the third player in the game

"I'm all for the private carriers getting together There is no necessity to retain corporate identities — what we need is a completely new outfit sharing the enormous overheads that go with running a modern airline"

Whatever happens, it seems that Comair and Safair will go it alone, leaving the smaller operators to join forces with them or face being pushed out of the picture

9/10/88 (269) Times

SAA's local fares fly high

(269 ST 1 mes 9/10/88)

By CHARIS PERKINS

REELING under an eight percent increase in the price of international flights, travellers on South African Airways are in for another blow.

Domestic flight fares are also to be increased, according to chief director of domestic services Nic Vlok.

He would not say when or by how much, but added "It won't be more than eight or nine percent."

The cost of domestic air tickets had not gone up since March 1986, he said, and SAA could not avoid a price increase "much longer".

Complaints

"We operate in an environment of double digit inflation and fuel price hikes which force us to increase our fares."

SAA — dogged by complaints about passenger services and flight delays — is introducing 74 new domestic flights on November 1.

Additional services will be provided on all routes.

"More and more people are flying rather than driving or taking the train. We have had a 17 percent growth in passenger numbers," said Mr Vlok.

Responding to Transport Minister Eli Louw's prediction this week that SAA could have competition from private airlines on major internal routes by next year, Mr Vlok said SAA was ready to meet that challenge.

Sats is expected to show R100m deficit

B/day 17/10/88 (269)

GERALD REILLY

PRETORIA — Sats' deficit for the current financial year is expected to exceed R100m when the recently awarded pay hikes are taken into account.

Transport Minister Eli Louw had budgeted for a deficit of R96m and according to Sats sources the final results were likely to be close to this — until the pay increases were announced.

In the first five months of the financial year — April to August — Sats had a small deficit of R406 000 against a budget expectation of a R64,726m surplus

PFP transport spokesman Rupert Lorimer said the first five months' financial operations were, to put it mildly, disappointing.

They underlined the urgent need for a speed-up in the privatisation of Sats services

This had become absolutely vital.

There were areas in Sats which could be privatised almost immediately, among them road transport and SAA.

Until Sats was exposed to the full blast of the private enterprise competitive system costs could not be effectively controlled, Lorimer said.

Official Sats figures show for the first five months of the financial year — April to August — Sats total revenue was R4,53076bn and expenditure R4,531166bn — a small deficit of R406 000.

However, the high revenue-earning winter months are past and losses are expected during the summer months — especially in January-December.

And when actual revenue of R4,53076bn is measured against the budget expectation, the shortfall is R17,268m

Actual expenditure against budget was up R47,864m — a deficit of R65,132m.

Sats tariff hike won't end losses

18/10/88 (269) B/daily

THE Sats 7,5% tariff increase announced yesterday will generate R130m additional revenue, but unless it further reduces staff and operating costs it faces losses of R158m in the 1988/89 financial year.

Transport Minister Eli Louw called it a "great achievement" to have limited the tariff increases to a "minimal" 7,5% in light of a much higher inflation rate, but PFP finance spokesman Harry Schwartz called it an "election gimmick to announce such modest increases just before the municipal vote".

Louw said earlier this year in his budget speech to Parliament that tariff increases would be avoided this financial year.

By holding down tariffs — which would apply to rail commuters, rail freight, domestic air travel, harbours, pipeline, and road transport services — government was trying to create a favourable impression of its ability to manage the economy, Schwartz said.

Without assurance that no further increases would follow, that was invalid.

"I fear we are entering an era of staggered increases. The public should not expect this one to be the last," he said.

CHRISTOPHER TUCHER

Domestic air fares — increased for the first time since 1986 — would rise 8% on November 1. The other increases take effect a month later.

Louw blamed the increases on higher wages, following trade union arbitration that forced a salary increase of R192m, tripling a deficit already budgeted at R96m.

Higher productivity

Sats could only hope to reduce the R158m shortfall through higher productivity and lower operating costs, he said.

Some private sector sources expressed surprise that Sats intended such modest increases. Had Sats been more aggressive, however, it might have alarmed the investment community prior to possible privatisation.

Both the FCI and AHI stated their disappointment that Sats had failed to adhere to its stated intention of avoiding tariff increases this year.

Exclusions to the fare increases are high-rate goods traffic below 300km, mainline inter-city rail passengers, harbour wharfage, and certain roads services which are in competition with the private sector, such as Trans-Lux.

Increases to cover salaries — Louw

Rail and local air fares go up 7,6 pc

Star 18/10/88

269

By Norman Chandler

Increases in rail fares, local airfares and freight costs averaging 7,5 percent were announced yesterday by the South African Transport Services

The increases apply to rail freight, suburban rail passengers, domestic air travel, harbours, pipelines and road transport services

The only Sats operations to escape are the mainline rail passenger services and Translux bus routes

The new increases will affect all commuters travelling on suburban lines and to the townships. These include passenger lines in the PWV area, the Cape Peninsula, Durban and Port Elizabeth.

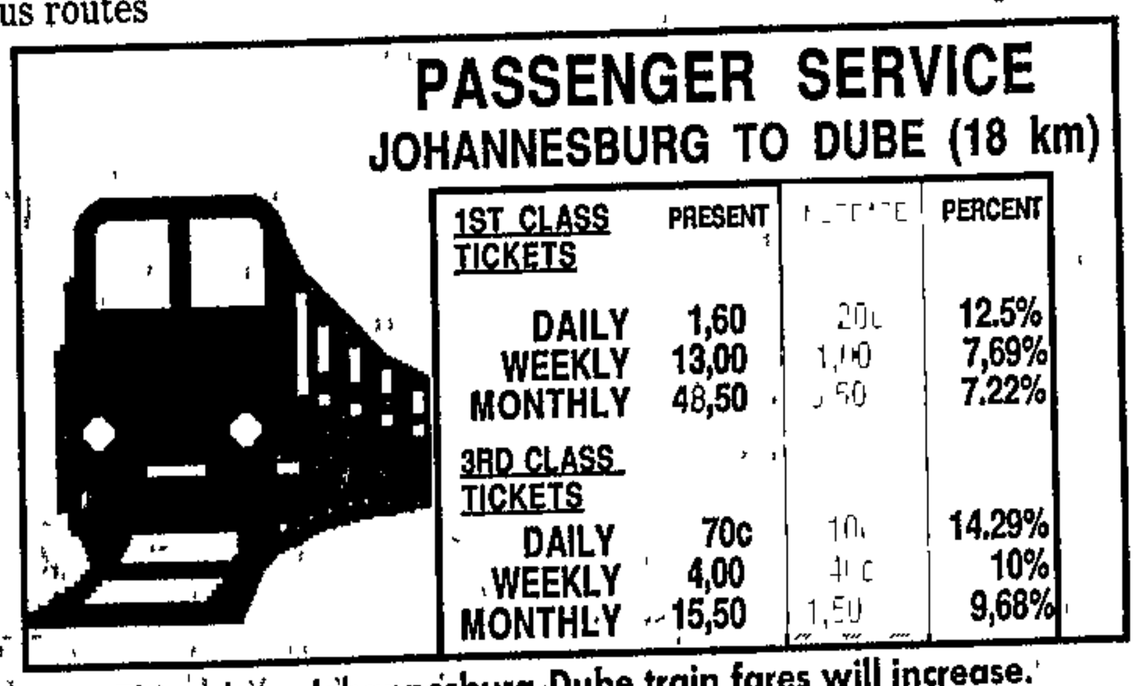
Domestic air fares go up eight percent from November 1, with the other increases coming into effect from December 1. International air fares went up on September 1 by eight percent.

"Purely and simply, it is to meet salary increases," the Minister of Transport, Mr Eli Louw, told a press conference in Johannesburg.

Sats recently lost on arbitration to trade unions over the question of salary increases.

"We need R192 million to pay for the increase in salaries. This increase in tariffs will give us an approximate income of R130 million," he said.

"That leaves us with a deficit of R62 million which will be taken care of through savings on expenditure and on higher productivity."



This is how Johannesburg-Dube train fares will increase.

Achievement

Mr Louw said Sats could be proud of itself on keeping the increase "to such a low percentage. If you took all factors into account, this increase is a big achievement, I would say The tariff adjustment is minimal if it is taken into consideration that the comparable inflation rate over 17 months was about 19 percent

"As far as South African Airways was concerned, there has not been an increase in fares for 2½ years, and for rail services, there has been no increase for 1½ years.

"Tariffs for most of the other services of Transport Services have remained constant for approximately 17 months. This is an exceptional achievement"

Charges for road transport on Sats vehicles will be almost the same below 300 km, but carriage over 300 km will rise a maximum of eight percent

Instant reaction to the latest hop in travel costs

Star 18.10.88

269

The Federated Chamber of Industries said it was disappointed that South African Transport Services (Sats) was unable to stick to its stated intention to avoid tariff increases during this financial year

"This is particularly so because the latest increase will have another across-the-board inflationary effect, which is one of South Africa's major concerns at present."

Mr Eldridge Matebula, executive director of the National Black Consumers' Union, said it was most unfair for South African consumers to have to bear the costs of a mismanaged public transport system.

OTHER TRANSPORT

Mr Matebula and other organisations were reacting to the announcement of an average 7,5 percent increase in Sats tariffs from December 1

"The state of affairs in this country is chaotic, with many black consumers unemployed and almost totally dependent on public transport," said Mr Matebula

"We will not accept this increase, and will advise black commuters to make use of other public transport such as buses and taxis.

"These two forms of transport are often cheaper than rail services, and we have not seen an increase in taxi fares for close to three years.

"The Government, which controls Sats, must find a way to curtail expenditure, and consult consumer organisations before increasing tariffs"

Organised agriculture also regretted the increase.

The chief economist of the South African Agricultural Union, Dr Koos du Toit, said that although the adjustments were relatively conservative in comparison with the inflation rate, it should be remembered that transport was an important factor in determining prices in general.

Mr Jan Cronje, director of the Consumer Council, said consumers were reaching a point where it was almost impossible to make ends meet.

He appealed to producers and retailers "to keep the consumers' precarious position in mind before just putting up prices"

"Trade union negotiations for salary increases should also be kept in mind, and the upward spiral must be stopped at any cost." — Sapa.

SAA: don't worry about Boeing cracks

169

SAL 19/10/88

South African Airways has reassured the public that aircraft are checked on a regular basis and passengers should not worry about cracks in the metal going undetected.

Reacting to reports of a 762 mm long series of cracks found on a Boeing 737 in New York this week, SAA public relations officer Mr Francois Louw said all the airline's 737s had been thoroughly checked about five months ago.

"The cracks in the aircraft in New York appear to be in the same spot as those in the Hawaiian aircraft earlier this year. After that incident, all our 737s were checked and no cracks were found. We continue to check them on a regular basis as they come in for normal service," Mr Louw said.

He said this also applied to aircraft other than the 737s.

The cracks which were found on a Continental Airlines 737 this week were in the same area as those that led to the loss of a 6 m-long roof section of a 19-year-old Aloha Airlines 737 in April. The pilot landed the aircraft safely.

The roof separated at about 26 000 feet, killing a flight attendant and seriously injuring eight of the plane's 95 passengers.

Star 19/10/88

Jan Smuts gets ready for 30-m passengers by the year 2000

269

Pretoria Correspondent

Jan Smuts airport is to undergo a R26 million face-lift, with the first contractors moving on site before the end of this year

A spokesman for the Department of Transport confirmed that some tenders had already been awarded, with others to follow shortly, for a number of projects at Jan Smuts. These are

- Thirteen modern passenger loading bridges to provide direct linkage between the international section and waiting planes.
- Linking of all existing domestic halls into one large domestic hall to make for easier handling of large numbers of passengers, and providing access by lift to this area
- Moving of all international departure activities to the first floor, and installing a bank of lifts to link this floor with all other floors — including the underground parking
- A new building including a VIP suite, coffee and lounge bar for domestic departures

Work would be complicated by the continued full operation of the airport, and it was not possible at this stage to estimate a completion date, the spokesman said

The projects form part of the R65 million modernisation programme for the airport which has already seen the building of a second runway as well as new taxiways, and the new air traffic control tower

An ambitious programme which included the building of a new domestic terminal between the parallel runways, renovation of the existing terminal for international passengers, and a tunnel beneath the runway to link the two, has been shelved indefinitely because of the high costs involved

Jan Smuts is South Africa's major airport, with more than 100 aircraft taking off and landing in a day

Although on an average day the airport can cope with its passenger and baggage load, events such as the recent Currie Cup final in Pretoria saw chaos at the airport with more than 17 000 people passing through the domestic section in three days, 4 000 of them waiting for standby flights

Planners envisage that by the year 2000 Jan Smuts will be handling some 30 million passengers a year, 20 million domestic passengers and a further 10 million international.

AIRLINES

Free skies in '89?

269

Transport Minister Eli Louw's recent statement that SA Airways (SAA) could face competition on its major scheduled routes by as early as next year, may seem a bit premature — but at least it points in the right direction

Airways and Department of Transport officials say they have yet to study the minister's statement, but doubt his speech indicates policy changes prior to the final report of a committee looking into possible airline deregulation and the privatisation of SAA

However, Comair MD Pieter van Hoven thinks the minister may announce changes to the Air Services Act next year, based on the committee's interim report Its brief includes suggested changes to the Act, which guarantees SAA security of tenure on scheduled routes

269 PM 21/10/88

"If reported correctly, the minister's statement is encouraging news Policy and legal changes could well become a reality before the committee's final report is published," says Van Hoven

But, even if the principle of deregulation and freer competition on scheduled routes is accepted by 1989, it could be some time before passengers are able to use a competing airline on major routes between Johannesburg and Cape Town, Bloemfontein, Durban and other coastal cities

"For example, should Comair be allowed to compete with SAA, we would first have to make financial arrangements to obtain aircraft and create the service This could take one to 1990 before another airline would be able to operate Based on official statements, government would then like to see the experiment continuing for a number of years (until a strong competitive element is established) before considering privatisation of SAA," he says

Privatisation may therefore not be an option before 1993/1994

Van Hoven foresees no problems in getting offshore finance to obtain wide- or narrow-bodied jets, should government allow his company to compete Nor does he expect fares to drop dramatically, once open com-

SA TRANSPORT SERVICES

Louw-level tariffs

The latest increase in SA Transport Services (Sats) tariffs will hold until at least the middle of next year, says Transport Affairs Minister Eli Louw

The average 7,5% increase is intended to meet newly implemented pay rises. Louw says the new tariffs will earn R130m towards the estimated R192m the pay agreement will cost this year The R62m difference will be made good by spending cutbacks and increased productivity, he says.

The pay increases, which took effect on October 1, have forced Louw to move away from earlier assurances that there was no need for tariff increases in the present financial year He says the decision is "purely and simply a salary issue"

However, Louw tells the *FM* the increases are intended to cover salary costs only until the end of the financial year, on March 31 Sats will then reassess the situation and further increases are not ruled out

Most tariffs will go up on December 1 The exception is SA Airways (SAA), whose domestic fares will rise by 8% on November 1 International fares went up recently

Louw says the SAA domestic increase is the first in two-and-a-half years In the case of railways, tariffs have been held steady for about 17 months, he asserts He describes the low percentage increases as "a big achievement."

Some tariffs won't be affected. These include harbour wharfage charges and intercity rail fares Rail commuter fares will rise by an average 8%.

Sats GM Anton Moolman says that in order to increase competitiveness with private sector road hauliers, Railways is holding down rates for short-distance hauls and pushing up long-distance rates

"It's a straight competitive decision," he says "We have natural advantages over longer distances but road has the edge in short distances So it makes sense to make shorter-distance prices more competitive" ▧

Sats in court over sleeper dispute

Star 22/10/84

269

A DISPUTE over railway sleepers worth millions of rands led to a civil trial which began in the Rand Supreme Court this week

Interwill (Pty) Ltd, formally known as Wilrose Timbers (Pty) Ltd, launched a claim against South African Transport Services arising from two contracts signed in June 1981.

Sleepers worth

CATHY STAGG

R1 035 817 were delivered in November 1981 and a second shipment worth R3 330 777 was delivered in January 1982 Sats were entitled to reject sleepers which did not meet their specifications.

The dispute involves how many sleepers were of the correct specifications and should have been paid for

Sats and privatisation

269



Transport Affairs Minister Eli Louw recently announced preliminary moves to privatise SA Transport Services (Sats). In an interview with the *FM*, he explains some of his reasoning.

***FM:* When will we see positive moves towards Sats privatisation and how long will it take to complete? Initial statements suggested it could take up to 10 years.**

Louw: We must be clear on the definition of privatisation It need not be the privatising of the whole issue When I introduce — with a bit of luck — the private sector into the board of directors next year, that is privatisation to a meaningful degree already

When we say 10 years and suggest that even then not everything will be privatised, there is a certain degree of speculation because we must first get our research results on the table Only then can you make a positive decision

When might one see SA Airways on the market?

I foresee a minimum period of three years.

Margaret Thatcher, after 10 years in power, has privatised huge portions of the UK economy. Here, you are saying 'Maybe we will privatise in 10 years and maybe we won't.' This suggests the same commitment is lacking.

She hasn't privatised everything, particularly the rail network. I've just returned from Britain and they still haven't got a formula for privatising railways

I should also point out that our circumstances are totally different to those of Britain. There, they had a programme of nationalisation over many years To a large extent, privatisation has meant these businesses were simply sold back to the private sector That is much easier than our situation, where we have no nationalisation and where these State corporations are being sold for the first time.

Then there is the financial factor Britain's markets are much bigger than ours and they can cope with much more

An aim of the British privatisation process has been to create a nation of shareholders and make it politically difficult to re-nationalise. Do you intend to spread Sats shares as widely as possible?

I support the idea of the nation taking part in the economic development and prosperity of the country As far as privatisation is concerned, this is just the thing to do make them shareholders; get them involved in share participation schemes That is what I have in mind

You are quoted as saying Sats jobs will be safe in the transformation to a statutory company. But for how long? If you want business units to be competitive, you can't saddle them with unproductive staff.

Our staff is already geared for high-class competition, and our results prove that We have decreased staff numbers from approximately 280 000 to 182 000 and our employees are prepared to take up the challenge of competition

But what about bad workers?

We will cut that out before privatisation because competition will force us to do so The assurance I can give is that the man who looks after his work can be sure of his job.

Several Sats operations have strategic value. Once privatised, how can you ensure private-sector decisions will match SA's strategic needs?

We will allow the State to retain a shareholding or put certain preconditions in the statutes of the company, to take care of strategic elements

The statutory company will act as a holding company for individual divisions. Will they remain answerable to the holding company after privatisation?

No I see something like SAA going out as a totally independent business unit Of course, whatever is left after privatisation could still be elements in that holding company.

Have you started looking for your chairman from the private sector?

I have started looking and I have certain people in mind I can't reveal anything at this stage If I can get this Bill through the next session of parliament, I will announce the chairman as soon as possible thereafter.

Could creation of the statutory company be delayed beyond next year?

With parliament, you can never say But I think I'll get it through in time

What will be the ratio between government/Sats and private sector on the main management board?

About 50-50, with the private sector man as the chairman

You don't see a need for government to retain a majority to ensure policy is followed?

No In the particular Bill governing the statutory body, the minister will still have authority to see that policies do not run contrary to what government envisages for SA, economically and strategically

SAA proud of its policy, says official

By Kaizer Nyatsumba

South African Airways prided itself on its policy of treating all its passengers equally, regardless of race, a spokesman for the airline said in Johannesburg yesterday.

Responding to allegations by some black passengers that SAA practised "subtle racism" on its domestic flights by making sure that black and white passengers always sat separately, SAA director of public relations Ms Alett van Jaarsveld said the airline did "not discriminate against any individual on the basis of race, creed or colour"

A black Johannesburg lawyer, who said he flew frequently, complained to The Star about what he called SAA's "subtle racism" on its domestic flights

CHECK-IN PROCEDURES

Whenever he flew he noticed that black passengers were always made to sit next to each other, regardless of when they checked in, he said.

Ms van Jaarsveld said their check-in procedures were done by a computer "which places passengers as they arrive in a manner to spread the weight and balance of the aircraft type as required"

The only exception was when passengers themselves requested certain seats or zones, she said

"This (non-racial policy of ours) is not only the policy of the airline, but it is also it's pride Therefore, the airline will certainly not instruct its staff members otherwise," Ms van Jaarsveld said

8pc hike in overseas fares

Star 8/11/88 (269)

Air fares to international destinations are to increase by 8 percent on January 1, South African Airways announced yesterday.

The rise had been necessitated by the weakening of the rand against other currencies.

The resulting lower yields for foreign carriers out of South Africa made it impossible for them to develop competitive travel packages to South Africa, in competition with other international destinations. This presented a real threat to incoming tourism as incoming passengers had to subsidise outgoing traffic, SAA said.

Examples of this were the Johannesburg-Frankfurt, Johannesburg-Amsterdam and Johannesburg-Zurich routes, where the disparities were 49 percent, 48 percent and 43 percent respectively.

"It has, therefore, become necessary, as a result of representations by all international carriers operating to and from South Africa, to adjust outgoing international tariffs for journeys commencing on or after January 1 1989 by 8 percent. This currency adjustment is part of the process to gradually eliminate an average disparity of 30 percent," SAA said — Sapa

Fares for flights abroad to rise 8%

AR645 8/11/88 269

JOHANNESBURG. — Air fares to overseas destinations are to increase eight percent on January 1, South African Airways has announced

This was due to the continuous weakening of the South African rand against other international currencies, a statement issued by SAA said.

The resulting lower yields for foreign carriers out of South Africa made it impossible for them to develop competitive travel packages to South Africa in competition with other international destinations

This presented a real threat to incoming tourism as incoming passengers had to subsidise outgoing traffic, the statement said

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"This currency adjustment is part of the process to gradually eliminate an average disparity of 30 percent."
— Sapa

Council probes alternative transport

'Midi-buses' may be introduced next year

Star 8/11/88 269

The Johannesburg City Council is investigating the use of midi-buses on its normal suburban routes and, if the move is approved, the first prototype 30-seater vehicles could be on the road by the middle of next year.

The director of the transportation department, Mr Eddie Curtis, said he would report in about two months on midi-buses to the management committee Further investigation was being undertaken.

He said the report was the result of in-depth discussions on the feasibility of smaller buses supplementing the 100 seat double decker fleet now in use.

"We have to look at the peak operation of the smaller buses

By Shirley Woodgate, Municipal Reporter

as it would be financially impractical to buy them merely for off-peak periods, only to be left standing in the depot at peaks

"It is likely the smaller vehicles will be useful over weekends when volumes are low or for private hire In peak times in new residential areas we have to provide a service

"The move into midi-buses would only be possible if it led to the reduction of our present fleet of 460 diesel buses bought at the current cost of about R320 000 each compared with about R120 000 for the lower capacity buses.

"It cannot be automatically assumed the midi-buses would reduce overall costs. The purchase price and running costs are about a third of their larger counterparts, but their capacity is less and their lifespan no longer than eight years compared with about 15 years," he said

"These midi-buses have great popular appeal overseas particularly on privatised services where the initial outlay for the small operator is lower.

"If the council approves the idea it is possible about 10 locally made midi-buses will be put on the roads on an experimental basis," Mr Curtis said

AG may probe Road Safety Council

CARG
Times
10/11/88
269

Own Correspondent

PRETORIA. — The Advocate-General, Mr Justice Piet van der Walt, is considering an investigation of the National Road Safety Council, apparently in connection with the council's "costly" promotional campaigns and alleged "unnecessary" overseas trips by NRSC officials.

The NRSC's budget this year is R19,9 million, part of which is funded by the consumer petrol price levy and the Central Energy Fund, via the Motor Vehicle Accident fund.

The AG confirmed yesterday he had sent a questionnaire to the Department of Transport, of which the NRSC is a directorate, after receiving complaints.

He is to decide whether an investigation is justified after studying the department's replies.

NRSC chairman Mr Johan Driessen confirmed last night that the AG had sent him a letter which queried "unconfirmed allegations" related to various matters, including the appointment of consultants and overseas trips taken by NRSC officials.

The latest edition of the Financial Mail (FM) reports that some of the complaints are associated with large amounts paid by the NRSC for promotional work.

Among those mentioned include a budget of R88 000 for the Pope's September visit, which was scaled down from R231 000. Of this R25 000 went to Snelco-PRO, a public relations company which handles a major part of the NRSC's publicity and promotional work, and R25 000 for the hire of an areoplane and radio network.

The NRSC also appointed a lobbyist, Mr Martin Pieterse of Forum 2000, for three years at an initial cost of about R80 000 for 1988-1989.

Other complaints were said to involve allegations of "unnecesary" overseas trips by NRSC officials.

The FM says, according to NRSC documents, NRSC director Mr Louw Dreyer, Mr Driessen, Potchefstroom's Professor Sarel Smit and their wives recently attended a traffic-safety conference in Montreal.

CURRENT AFFAIRS

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ROAD SAFETY COUNCIL

How the cash flows

The National Road Safety Council (NRSC), partly funded by a consumer levy on the petrol price, is under investigation by the Advocate General (A-G), Justice Piet van der Walt. The A-G has confirmed he is investigating complaints about the way the NRSC, a directorate of the Department of Transport, has been conducting its affairs



Van der Walt

The NRSC's annual budget for the year 1988-1989 was R19,9m — derived from the Central Energy Fund via the Motor Vehicle Accident (MVA) fund Part of that, in turn, is funded by the petrol levy Judge Van der Walt says "I've received certain complaints and have sent them a questionnaire to complete As soon as I've received their answers I'll decide whether to continue with the investigation"

The investigation has also been confirmed by Susan Nell, MD of Snelco-PRO, a public relations company which handles a major part of the NRSC's publicity and promotional work. "I received a phone call from someone at the NRSC to say they had received a letter from the A-G," Nell told the *FM* last week

Curiously, NRSC director Louw Dreyer says he has no knowledge of the matter. "It sounds strange As director I should know about it Perhaps Transport Director General Ronnie Meyer knows about it"

Meyer, however, is accompanying Transport Minister Eli Louw on an overseas trip and his deputy, Louis Cluver, was initially also in the dark about the investigation Cluver, however, later confirmed that the department had received a questionnaire from the A-G "The department will get the requested information from the NRSC and in turn hand it over to the A-G It will then be up to him whether he wants to pursue the matter," he says.

The NRSC is a statutory body and its expenditure, which is approved by Louw, is audited annually by the Auditor General, says Cluver He says the directorate of the NRSC is the executive branch of the council and falls under the Transport department Meyer sits on the advisory board which controls the NRSC

The NRSC employs some 30 publicity officers at its head office in Pretoria and eight operational regional offices. A large part of its budget, however, is paid to private public relations companies for outside work According to NRSC figures on its promotions, Snelco-PRO is earning a major slice of this cake



Driessen

It is understood that some of the complaints against the activities of the NRSC deal with large amounts of money being paid for promotional work Among these ventures

☐ The Bethlehem Model Town project at a total cost of R200 000 budgeted for 1987-1988 plus a research fee of R50 000 paid to Lynette Lombard of Markfokus, a research company

Out of the Model Town budget, about R45 000 was handed over to the city council of Bethlehem to run a competition between

P.T.O.

two white high schools in Bethlehem. This was supposed to cover accommodation, functions, prizes and educative exercises among townsfolk.

It is believed that the four winning pupils were taken on an overseas trip, along with a chaperone, the town clerk, and Chris van der Walt, deputy director of the NRSC A fee of R7 000 was paid to Snelco-PRO;

☐ The Parent-and-Child five-year project set up in January 1987 The total budget in 1987-1988 was R400 000 of which R80 000 went to a research company, Navtel, R140 000 to Snelco-PRO, R80 000 to regional offices, and R100 000 to head office.

By January 1988, some R365 000 of this had been spent. R11 000 was then budgeted for Marie Vlok of Navtel to go to Berlin She had been invited at the recommendation of the NRSC to deliver a paper at the *La Prevention Routière* conference

In April 1988, a further R400 000 was budgeted for 1988-1989. R90 000 to Navtel, R20 000 for research, R90 000 to Snelco-PRO, R100 000 to the regions, and R100 000 to head office,

☐ Resort Promotions, set up in February 1987 The project to promote road safety at holiday resorts ran during April, July and September 1987. The budget was R32 000.

The fee for five promotions included R8 000 to Snelco-PRO, R6 000 for travel and subsistence, and R4 500 for petrol. R2 000 was also budgeted for unforeseen expenditure,

☐ A Women Drivers Promotion with *Keur* magazine. Set up in July 1987 for August to October 1987, it included workshops in the four main cities and a competition in the magazine The budget was R38 000 divided into R10 000 for the workshops, R1 500 for a Snelco-PRO employee at the workshops, R15 000 for travel and subsistence for 12 winners, and an R8 500 fee to Snelco-PRO. R17 500 was paid up front for tickets and bookings;

☐ In December 1987, R3 000 was spent on four regional and one national press conference, R3 000 for a plane made available to the media; R6 000 for a rescue plane, including adverts; R2 500 for a radio jingle; R2 155 for printing, R30 000 for adverts in two Sunday papers; R2 000 for map artwork; R13 960 for printing of an information sheet plus R1 500 for artwork, R12 000 for prizes for winners of the Sunday paper competition; R27 000 to Republican Press for promotion in *Keur*; R2 400 in travel and subsistence for radio announcers; R2 000 for phone-in-competitions, R20 000 for 20 hours' helicopter flying time, R3 000 for administration; R2 000 disbursements; R4 000 travel and subsistence for Snelco-PRO personnel and a R30 000 fee to Snelco-PRO for three people from November to mid-December and then one journalist until the end of the school holidays at the beginning of January The total cost was R187 515 of which R67 000 was paid by sponsors,

☐ The Pedestrian Project in February 1988 The budget of R75 000 came from the Mass Information budget of the NRSC (an additional budget) which was paid to Snelco-PRO in two payments;

☐ A Director's Trophy for Athletics This promotion was originated by Snelco-PRO and set up in February 1988 for March 1988. It involved the Transvaal Provincial High Schools Athletics Association, on behalf of the TED The budget for the total sponsorship amounted to R43 000,

☐ Easter Weekend in 1988 had a total budget of R99 100. Of this R3 500 was allocated for a press conference on March 22, R4 000 for installation of a telecommunications network at the information centre, R20 000 to consulting engineers BKS (who also got another R25 000 from the Department of Transport), R800 for student telephone answerers, R5 000 for a computer programmer; R7 000 for negotiations with regional traffic authorities and media; R10 000 for use of a plane to take stills for TV, R5 000 for patrol flights; R7 000 for space in black publications, R7 000 for information material for the regions; R9 000 for admin work; and R20 000 for Snelco-PRO The Easter weekend budget for 1987 was R191 850,

☐ Competitions at educational institutions in April 1988. The budget for this project was R45 000. Of that, travel and subsistence costs amounted to R2 450; R10 000 for prizes, R4 500 for functions, and a R25 000 public relations fee;

☐ The Safety Belt Week in June-July 1988 with a budget of R46 028. Of this, R21 000 went to Snelco-PRO; and

☐ The Pope's visit in September 1988 was budgeted at R231 000, but scaled down to R88 000. Of this R25 000 went to Snelco-PRO, R25 000 for the hire of a plane and radio network; and some to Braddan Communications.

The NRSC has also appointed a lobbyist, Martin Pieterse of Forum 2000; he has been appointed for three years, at an initial cost of approximately R80 000 for 1988-1989.

It is also understood that complaints about the various overseas trips that officials of the NRSC took form part of the A-G's investigation.

According to NRSC documents, Dreyer, NRSC chairman Johan Driessen, Potchefstroom professor Sarel Smit and their wives all attended a traffic safety conference in Montreal.

Dreyer and Van der Walt and an outside consultant, Hennie Groenewald, accompanied Navtel's Vlok in February 1988 to Berlin for the *La Prevention Routièr* conference.

The 1988 SA Truck Drivers' team travelled to Luxembourg this year Apparently the NRSC's Eric Wise and one regional director accompany the team each year.

Last year the team was refused entry to the competition in the US but went on a three-week tour of the US instead ■

NRSC chief denies frittering funds

Cape Times 11/11/88 269

PRETORIA. — The National Road Safety Council (NRSC) has reacted sharply to reports concerning the distribution of its funds

NRSC chairman Mr Johan Driessen said in a statement last night that the reports were speculative, uninformed and untrue.

Mr Driessen's reported cost estimations had been used out of context, said the statement, and the Financial Mail (FM) had published inaccuracies of more than R150 000.

He said the reports had approached a vital matter with a shallow and short-sighted attitude.

Bethlehem town clerk Mr Pieter Olivier confirmed yesterday that about R35 000, given to the council by the NRSC, had been spent on a road-safety competition between two white schools in the town

The competition, which ran for a few months, resulted in four pupils winning three-week trips overseas, "mainly to Germany"

They were accompanied by Mr Olivier, but his trip was not paid for by NRSC funds, he said.

The NRSC spending in Bethlehem is part of a series of allegations of overspending sent to the Advocate-General, Mr Justice Piet van der Walt, for investigation

The FM reported that R200 000 had been budgeted by the NRSC for Bethlehem as part of "Project Model Town".

But Mr Olivier said he had no knowledge of the R200 000 and did not know how it had been spent. He did confirm that the council had received R45 000 for the competion, of which about R10 000 remained

SAAPA sets its sights on SAA to tune of R2bn

SAPA Times 14/11/88

269

Own Correspondent

JOHANNESBURG — The SAA Pilots' Association (SAAPA) is setting up a R2-billion cash offer to take over SAA once SATS is privatised

The vice-president of the association, Mr Colin Jordan, said the offer was made to avoid the build-up of another monopoly running air transport in SA

"Our bankers and supporters want to break away from the monopolistic tendencies of the current situation and to offer a better system to the public."

Big business, he said, supported the offer and the SAAPA believes it is the only group which has the expertise, finance and experience to take over and run SAA.

He said the privatisation programme of SATS was due to start next year and it could take another "10 years before it really gets off the ground".

Picture. ALAN TAYLOR

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Cape Times 24/11/88

269

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Topless bathing takes off in US

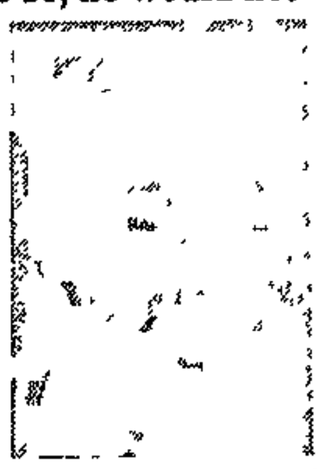
Scene set for privatisation — MD

Sats to stand on its own feet by 1990

BY APRIL 1990, Sats would stand on its own feet, accountable for profits — and taxes — like any other business undertaking, Sats MD Anton Moolman said yesterday.

He told a National Association of Private Transport Operators conference. "We will have to make a profit."

Should Sats fail to do so, he would not want to be bailed out by government "That is the axe that should hang over management's head."



MOOLMAN

The 1 000 most senior staff members had been required to give up security of tenure and now could be fired at will.

Sats incurred total losses of R923m in 1986/87, before government subsidies of R751m. A Sats spokesman said the results of this past year — to be announced next week — would be an improvement, but in spite of a R452m subsidy from government, Sats would remain in the red.

Commuter services accounted for most of the losses (R628m in 1986/87).

Moolman said the new Sats would treat commuter services as a "totally separate entity" — a service rendered to government for a fee.

As there would no longer be the need for Sats to look after the development of the economy, uneconomic services would be phased out.

CHRISTOPHER TUCHER

However, Sats would not require every branch line in its rail service to cover costs. Moolman said "We must be careful not to cut off too many branch lines, else the main lines dry up"

The new Sats, as an "institutional company", would shoot for a 50% gearing rate. Government loans of R1,4bn would be converted into share capital, and additional shares sold to public investors and Sats employees.

Moolman said. "This is not privatisation, but it sets the scene for privatisation."

Once Sats was structured as a corporation with share capital, it would become easier to privatise.

Cross-subsidisation between Sats services — rail, road, air, harbour and pipeline — would be limited. Moolman envisaged five autonomous business units competing in a friendly way.

The road-rail concept — whereby containers were moved by truck and train — would be expanded to address new markets such as overnight and door-to-door delivery.

Moolman said. "We will focus on the big clients. That is where the money is. We can send a semi-trailer from Johannesburg to Cape Town cheaper than a road carrier."

Sats road transport, a traditional loss-maker, would have to become profitable.

Report slams SATS forex management

CAPE TIMES 23/11/88 269

PRETORIA. — The specialist committee that investigated the SA Transport Services' (SATS) foreign exchange activities said in its report published yesterday, that it found it unacceptable that the SATS management had considered it unnecessary to establish policy in regard to the management of foreign currency risk.

The committee was appointed by the Minister of Transport to investigate the SATS foreign exchange (forex) activities, and specifically, forward exchange contracts.

The committee, chaired by Mr James Cross of the Reserve Bank, said it had estimated that the SATS "unrecognised potential and realised" forex losses amounted to R3 119,205 million — which closely approximated the R3,2 billion reflected in the notes to the SATS 1987 financial statement.

"In view of the size of the foreign currency exposure and the high risk profile of these liabilities, we find it unacceptable that management considered it unnecessary to establish policy in regard to the management of this risk, or actively monitor the ongoing activities undertaken to manage this risk," the committee said.

There was no evidence of guidance laid down by senior management for the allocation of dealing limits or delegated authority.

This was evidenced by the inordinately large number of transactions — up to 1 200 in one quarter — which could not be adequately controlled with the available expertise and manpower.

● SATS officials would not comment last night on the Cross Committee report.

Deputy general manager and group financial director Mr Giel Holtz said the Minister of Transport, Mr Eli Louw, had instructed them not to comment

The minister's office issued a statement that the report would soon be referred to the Joint Committee on Public Accounts. Both the committee and Parliament needed to be given the opportunity to discuss the contents of the report before the minister would comment or enter into public discussion, the statement said.

Meanwhile, PFP spokesman on transport Mr John Malcomess called for the immediate dismissal of the SATS board of directors.

81-V-23/11/88 (269)

PFP applauds 'total indictment' of top management

The Progressive Federal Party has slammed the South African Transport Services (Sats) for the nearly R3,2 billion foreign exchange losses suffered, demanding the immediate resignation of the organisation's three commissioners who were responsible for monitoring forex transactions.

By Esmaré van der Merwe, Political Reporter

The PFP's spokesman on transport affairs, Mr John Malcomess, said yesterday that the Cross committee's report published in Pretoria yesterday was a well-deserved, total indictment of Sats's top management and its commissioners.

"This is a clear example of what happens when politicians are put on the board of an organisation so integrated into business as Sats is."

All three commissioners were political appointments, being former National Party MPs, he said.

"Any private organisation which lost R3,2 billion through bad management would have gone insolvent.

Sats rebuked for lack of policy after R3-bn loss

SA Transport Services management has been rebuked for not establishing a policy on foreign currency risks after foreign exchange losses estimated at more than R3 000 million.

A specialist committee that investigated Sats foreign exchange activities says in its report, published in Pretoria yesterday, it was unacceptable that Sats management had considered it unnecessary to establish policy on foreign currency risk.

The Minister of Transport, Mr Eli Louw, appointed the committee to investigate the Sats foreign exchange activities and specifically forward exchange contracts.

The committee, chaired by Mr James Cross of the Reserve Bank, said it had estimated that Sats' "unrecognised potential and realised" forex losses amounted to R3,119,205 million, which closely approximated the R3,2 billion reflected in the notes to the Sats' 1987 financial statement.

From tests the committee had carried out it was evident that there were considerable inadequacies in Sats records of the outcome of forex transactions.

The report says: "In our opinion, profits and losses realised and unrealised in relation to both counter operations and foreign currency designated loans should be accounted for in the financial statements of Sats in the year in which they arise.

"To the extent that losses have arisen in prior years, these losses should be written off as a prior-year adjustment arising as a result of a change in accounting policy. These losses total R3 119 million as at 31 March 1987."

The report notes that there was no formally documented policy on management of the foreign currency risk exposure in Sats during the period reviewed.

"There is no evidence to suggest that those involved in the day-to-day activities relating to the foreign exchange market were subject to any direction or control in terms of a mandate to operate according to laid down maximum exposures or risk taking.

"Furthermore, we have not been able to identify any accounting policy documentation relating to the review or approval of any of the transactions entered into by those responsible for the foreign currency dealing of the Sats."

In a statement, Mr Louw said he wanted to give the Joint Committee on Public Accounts and Parliament ample time to discuss the contents of the report before public comment.

Sats declined to comment.

Sats blasted for R3bn forex loss

269

23/11/88

B/day

THE committee probing foreign exchange losses of more than R3bn by Sats yesterday issued a damning report on the state-run body's failure to manage its forex exposure

Its findings are likely to boost private sector criticism of the management of public enterprises.

The specialist investigation found Sats management had not laid down rules to guard against losses from changes in the values of currencies when handling large amounts of foreign exchange.

"We find it unacceptable that management considered it unnecessary to establish policy in regard to the management of this risk or actively monitor the ongoing activities undertaken to manage this risk," the committee said.

It estimated that Sats, which operates SAA, railways, road and water transport and oil pipelines, ran up real or potential losses totalling R3,12bn from currency dealings since 1982.

The inquiry, headed by Reserve Bank official James Cross, found that senior managers gave no guidelines for setting dealing limits.

"There is no evidence to suggest that those involved in the day-to-day activities relating to the foreign exchange market were subject to any direction or control in terms of a mandate to operate according to laid-down maximum exposures or risk-taking."

It found there was no proper reporting of foreign exchange activities to senior management and no centralised records were kept of forward contracts between 1982 and 1987.

It also found there was no system for the regular and prompt reporting of forex transactions to the accounts department, with delays of up to 18 months between transactions being concluded and the results being brought to account.

In its summary, the committee said: "We cannot condone the fact that the forward cover facilities available to public corporations were totally ignored by Sats."

Sats said yesterday it would not comment until the report had been discussed in Parliament. — Sapa-Reuter.

● See Page 6

Why Sats took R3bn forex bath

(269) B/day 23/11/88

PRETORIA — The specialist committee investigating Sats foreign exchange activities has slated the organisation for its failure to establish forex risk management policies.

The committee, whose report was published yesterday, was appointed by Transport Minister Eli Louw.

The committee, chaired by James Cross of the Reserve Bank, estimated Sats' unrecognised potential and realised forex losses amounted to R3 119,205m, which closely approximated the R3,2bn reflected in the notes to Sats' 1987 financial statement.

Guidance

"In view of the size of the foreign currency exposure and the high risk profile of these liabilities, we find it unacceptable that management considered it unnecessary to establish policy in regard to the management of this risk or actively monitor the ongoing activities undertaken to manage this risk," the committee said

There was no evidence of guidance laid down by senior management for the allocation of dealing limits or delegated authority.

This was evidenced by the inordinately large number of transactions — up to 1 200 in one quarter — which could not be adequately controlled with the available expertise and manpower.

In addition, single transactions appeared inordinately large.

As far as the management of third currency exposure was concerned, the committee felt there was an attempt to minimise hedging costs But these efforts were partially frustrated by the debt standstill in September, 1985

"However, the apparent disregard for the facility made available by the Reserve Bank pertaining to USD/ZAR is difficult to justify."

The committee said it was evident there were considerable inadequacies in the recording of the outcome of foreign exchange transactions.

"In our opinion, profits and losses realised and unrealised in relation to both counter operations and foreign currency designated loans should be accounted for in the financial statements of Sats in the year in which they arise.

"To the extent that losses have arisen in prior years, these losses should be written off as a prior year adjustment arising as a result of a change in accounting policy. These losses total R3 119m as at March 31, 1987."

The report noted that there was no formally documented policy on the management of foreign currency risk exposure throughout the period under review.

"There is no evidence to suggest that those involved in the day-to-day activities relating to the foreign exchange market were subject to any direction or control in terms of a mandate to operate according to laid down maximum exposures or risk taking," the report said

"Furthermore, we have not been able to identify any accounting policy documentation relating to the review or approval of any of the transactions entered into by those responsible for the foreign currency dealing of Sats."

Management

In addition, the committee said, it had not received any evidence to suggest there had been any ongoing reporting of the results of foreign currency management activities to allow senior management to evaluate the risk profiles being taken by employees or the results of their actions

"In view of the large amounts involved and the high risk profile of these liabilities, we find it unacceptable that management considered it unnecessary to establish policy in regard to the management of this risk, or to actively monitor the ongoing activities undertaken to manage this risk."

The committee had called for details of all forward exchange contracts entered into by Sats during the period from January 1, 1982 to March 31, 1987

"This information was not available within the financial records of the organisation maintained by the finance department, and had to be reconstructed from information available in the dealers' files and supplemented by additional information obtained from the commercial banks with which the organisation had dealings"

The composite list of transactions, from which the committee had conducted its investigation, was therefore a reconstruction of the individual transactions, summaries of which were represented by entries in the financial records of Sats

The committee found that Sats' forward exchange market activities were at a low level until the end of 1982, but picked up progressively through 1983, reaching a peak in the third quarter of 1984 when a total of 1 261 deals were executed

This "unacceptably high" activity continued through to the last quarter of 1985, which coincided with the debt standstill.

It found there was no system for the regular and prompt reporting of forex transactions to the accounts department.

It said the accounts department was not aware of transactions entered into by the dealing department and no cash flows resulted from the closing of positions.

In some instances, there were delays of up to 18 months between the transactions being concluded and the results being brought to account

Corporations

In its summary the committee said. "We cannot condone the fact that the forward cover facilities available to public corporations were totally ignored by Sats and that all efforts appear to have been confined to the management of third currency risk only"

□ The report had been referred to the Joint Committee on Public Accounts, the Transport Ministry said yesterday.

It said there would be no official comment until the committee and Parliament had studied the contents of the report — Sapa

Sats men meet govt body on loss report

269 B1 day 24/11/88

HELOISE HENNING

SATS GM Anton Moolman and deputy GM, group finance, Giel Holtz met the Joint Committee on Public Accounts at the Union Buildings yesterday over the foreign exchange losses report.

Afterwards Moolman said he was in an embarrassing situation not being able to answer questions on Transport Minister Eli Louw's instructions.

PFP transport spokesman John Malcomess said it was interesting that the Committee on Sats Finance had been abolished in September.

The accounts were now being referred to the joint committee, which Malcomess said was overburdened because it handled all government accounts.

● See Page 3

(269) B/day 24/11/88

Sats in 'good company' with forex losses

SATS was in "good company" when it lost millions on the foreign exchange markets between 1982 and 1987, Transport Consultative Committee (TCC) vice-chairman Pat Corbin said

Responding to the report of the Cross Committee inquiry into Sats' R3bn forex losses, Corbin said the financial position of Sats over this critical period was not out of line with decisions taken by leading private sector organisations which lost hundreds of millions. Among them was Tedelex, whose losses were reported to be in the region of R80m.

HELOISE HENNING

Corbin said the TCC, an unbrella body representing employer organisations and 18 other major organisations involved in transport, had high regard for the calibre of the Sats management

Former GM Bart Grové was particularly financially competent. "I'm sure he would have had his eye on the market every day."

Corbin said during 1984/85 it was difficult to contend with the volatility in exchange rates "None of us could accept that the rand could drop so rapidly and not stage a meaningful recovery.

"It is clear from the report that Sats was managing the dollar and other foreign currency exposures while it held the view that the rand/dollar rate could not be further vulnerable after the rapid decline in 1985.

"The bottom line is that had Sats taken complete forward cover they would only have transferred this loss to the account of the Reserve Bank for account of the Treasury, and then, consequently, the taxpayer."

Eli Louw holds transport talks in Mozambique

269
24/1/88
B/Jany

MAPUTO — SA Transport Minister Eli Louw arrived in Maputo yesterday for talks with his Mozambican counterpart, Armando Guebuza.

Louw told journalists that he had accepted an invitation from Guebuza "to discuss matters of mutual concern and development for our region. Naturally, we are concerned mostly with physical communication, road and rail links, harbours, and so on", he said.

Asked to comment on the recent sabotage against the railway and power lines from SA to Maputo, Louw said "these are matters that must be solved. We can't go on like this for ever".

Louw was asked if he intended increasing traffic on the Kamatipoort-Maputo railway, which has declined since Mozambican independence.

"We will certainly try to reverse that trend," Louw said. "We've come to the conclusion that economic and infrastructural development are the only basis for peace and stability."

The amount of SA traffic moving through the port of Maputo declined from about 6-million tons a year in 1975 to less than a million tons in 1987. This has had serious consequences for Mozambique in terms of lost rail and port dues. — ANO

PUBLIC FINANCES

Serious indictments

Reserve Bank officials this week in two separate incidents revealed actions that, if true, are a shocking indictment of the supervision and management of the finances of substantial undertakings, of which SA Transport Services is one, in this country

As a result of one incident, the State President has broadened the terms of the Harms Commission into alleged irregularities in transactions with neighbouring states to include the activities of a Ciskei bank and its associated companies.

The matter first emerged on Monday night when the Reserve Bank took legal steps to halt the operations of a Pretoria attorney, W A Vermaas, and three companies — Eurotrust (Ciskei), Eurobank and Verco Holdings — that had allegedly received R150m in deposits that might be in contravention of the Banks Act. A temporary interdict was granted

At the Harms Commission hearing on Tuesday more details emerged It appeared that these companies were dependent on the receipt of new funds to repay maturing capital sums and high short-term interest rates.

About 600 depositors could lose all or part of the investments, some of which individually run into several million rands. They include public servants, charities, trade unions and other, mostly Afrikaans, service associations

Hard on the heels of that matter, came the report of the Specialist Committee that investigated the SA Transport Services foreign exchange activities and forward exchange contracts. It would have been difficult for the committee, chaired by James Cross of the Reserve Bank, to be more scathing about the management — or lack of it — of Sats' foreign currency transactions, which led to forex losses of R3 119,2bn, as reflected in the notes to Sats' 1987 financial statements



Reserve Bank's James Cross ... criticising Sats forex managers

No general policy was laid down by Sats management, no guidelines were given by senior management, and there were considerable inadequacies in the recording of transactions. In addition, there was no accounting policy in relation to these forex dealings and no ongoing reporting of them.

Details of all forward transactions were not available when the committee called for them. They had to be reconstructed from dealers' notes and commercial bank transactions. In some instances it was 18 months before forex transactions were brought to account.

The management incompetence uncovered is only one worrying aspect of the report. What we find significant is that the committee said that it found Sats' level of activity in the forex markets to be unacceptably high Single transactions appeared to be inordinately large and there were an inordinately large number of transactions (1 200 in one quarter)

After the experience of the African Bank in the forex markets, the public needs to be assured now that no Sats officials were dealing for their own account The level of activity referred to above need not necessarily indicate that that was the case But a very large amount of public funds are at stake and taxpayers deserve to be assured that, despite the lack of supervision, there were no untoward transactions in this respect

And this should be done soon. Unhappily, however, instead of rapid action being taken, the report has been referred by the Speaker to the Joint Committee on Public Accounts and it will be discussed in parliament. This will no doubt mean more delay

There are now three commissions hearing evidence of alleged financial irregularities. the James Commission, the Harms Commission and the Van den Heever Commission; as well as the Cross committee ■

Exposed: Docks' beauty to emerge from grime

by MARK STANSFIELD
Weekend Argus Reporter

FOR decades their beautiful faces have been hidden by a covering of commercial mascara, the dirt and grime of business, and much of the ground around them made inaccessable to the public — by official decree.

Now — praise be to the enlightened men of the SA Transport Services, the City Council and many other interested parties — the beautiful Victorian buildings and a large part of Table Bay harbour is to be revamped, in parts rebuilt, and returned to the public

Hopefully, the romantic era of the pier to stroll upon, shops to buy goodies in and restaurants to tempt the palate, will once again appear

There could soon even be an elite residential area — with private moorings where the garden laps the waterfront and a shorefront hotel!

A private company, Victoria and Alfred Waterfront (Pty) Ltd, was launched this week to tackle the exciting job of bringing life back to an area many older residents of Cape Town will remember as a vibrant, fun-filled place — until a group of short-sighted, bulldozer-equipped men began filling-in, knocking down and severing the main arteries which connected the harbour area with the rest of the Mother City

With extensive surgery those arteries are to be re-connected

The chairman of Victoria and Alfred Waterfront — soon to start tackling the mammoth task — "abhors waste," and much of our harbour area has been wasted

He is Professor Brian Kantor, director of the School of Economics at UCT.

Although a detailed picture of the envisaged changes cannot be given yet, all those who now have a commercial interest in the harbour are willingly co-operating in the project by tossing ideas around.

Professor Kantor said the company had been given a unique development opportunity that would revitalise the heart of Cape Town

"The city's future as a tourist destination will depend critically on this development," he said at the launch on Thursday

"If we get it right we will be able to attract more business and tourists to Cape Town and make it an even more attractive location"

Victoria and Alfred Waterfront (Pty) Ltd is a private company established by SA Harbours. It will have all the powers, responsibilities and opportunities available to private companies.

Its primary asset is a 75-year lease over the land and buildings in the waterfront area, provided by SA Harbours

At present SA Harbours hold 100 percent of the shares but it is the intention to sell shares to the public when the company starts operating profitably, Professor Kantor said

The establishment of the company is a sequel to the tabling of the Burggraaf report which found a path of reconciliation between the requirments of the harbour administration, the fishing industry and redevelpment.

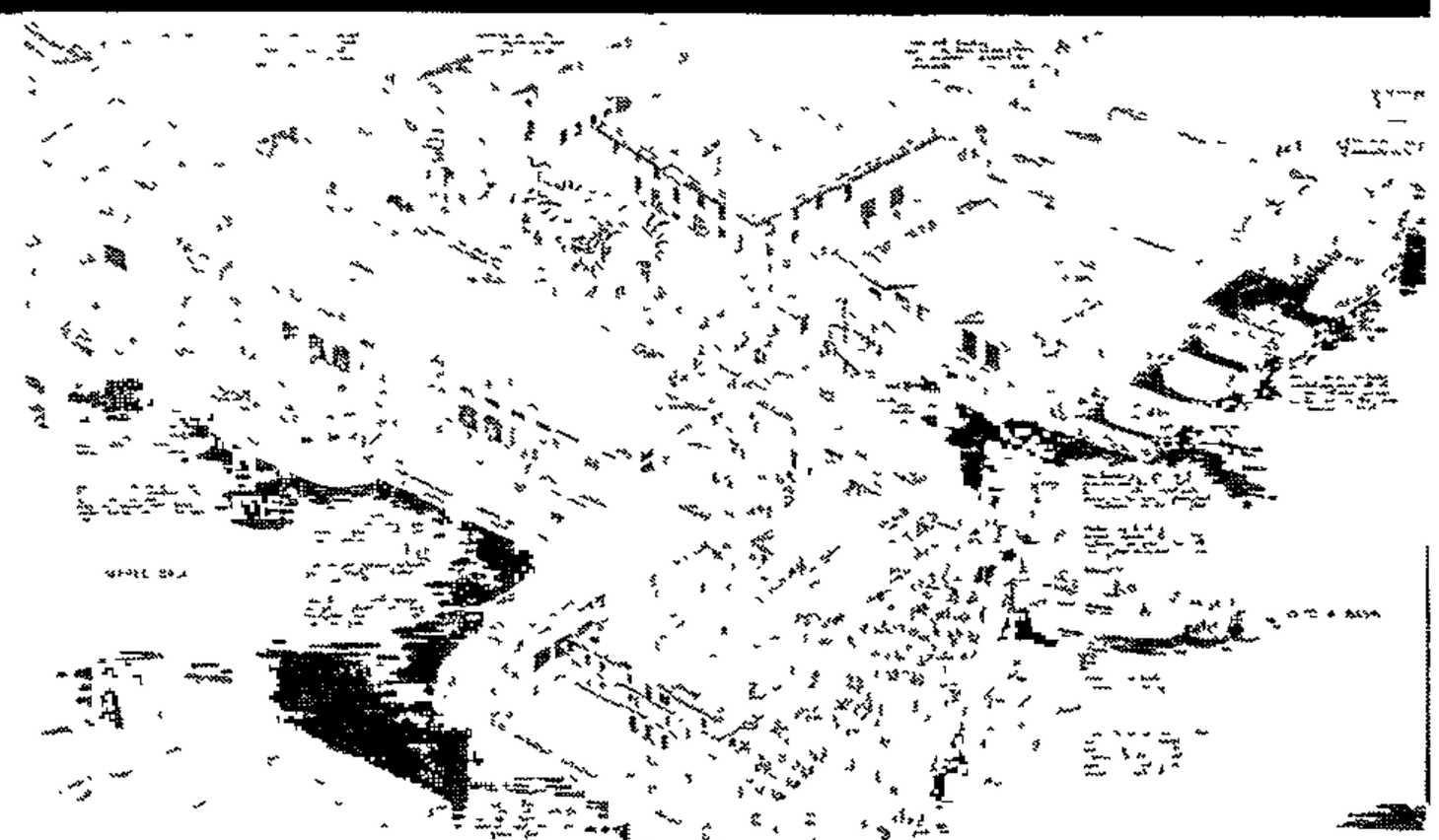
"The intention is to place the emphasis on diversity and the involvment of as many interested parties as possible. There will be a mix of activities within the context of a living, working harbour environment," he said.

The area to be developed comprises 82ha of harbour land and it is envisaged that development will comprise a series of projects identified by the company or proposed and tendered for by developers and other outside bodies

HARBOUR AS IT WAS IN 1936 . . . . . AND THE NEW PROPOSALS



THE PAST: Cape Town's harbour area was once a beautiful area completely accessable to the public — until the connecting arteries were severed by some short-sighted developers.



THE FUTURE: An artist's impression of a part of the harbour after development. Ideas for revamping the area are welcome and even a shorefront hotel has been proposed.

Airport's 'limited services' slated

By MICHAEL MORRIS
Staff Reporter

D F MALAN Airport "is like a desert" because of the limited air services from domestic and international tourist centres, former head of the Northern Ireland Tourist Board Mr Robert Hall told Captour at its annual meeting

Mr Hall, who repeated his recent claim that South Africa's 120 000 foreign tourists a year was "peanuts", also questioned SAA's role in "limiting" air services

Chief executive of the Northern Ireland Tourist Board for 12 years before retiring to South Africa in 1981, Mr Hall was guest speaker at the Captour meeting at the City Hall last night.

He emphasised the importance of transport in tourist marketing.

Tourist attractions

"I believe we have such a well-equipped airport right here at D F Malan, but where are all the charters and international services?

"It is like a desert out there. Is it possible that the limited capacity of SAA is also limiting the growth of other services?

"Is it true that British Airways has been refused a second direct flight into D F Malan each week? And why do they have to go via Jan Smuts?"

Mr Hall said the Western Cape was fortunate to have "a wide variety of superb tourist attractions, perhaps unmatched anywhere in the world".

"The area is civilised, uncrowded and has plenty of what millions from Europe travel to seek each year — sunshine."

The Cape's tourist industry could become the region's biggest earner, but "transport and accommodation problems must be tackled and overcome".

Increased target

Mr Hall also dwelt on his experience of terrorism in Northern Ireland, concluding that "tourism can survive terrorism, and even prosper"

● Captour has launched a campaign to increase the region's share of the tourist market from 15 percent of the present South African market to 30 percent within the next five years. This would represent direct revenue of R200-million and indirect income of some R800-million

Next year's target is to increase the Cape's share of the market from 15 to 20 percent.

Captour chairman Mr Louis Kreiner said the association had achieved its founding aim of spreading the tourist season from two months to six months.

He added: "Cape Town is entering an exciting new era in which tourism will play a major role in the area's economy. Captour's board and management is now better equipped than ever to make Cape Town and its environs an all-year tourist destination, to benefit all its stakeholders and the broader community.

"In this way Captour can contribute to the solving of many of the socio-economic problems in the area."

Fund
2/12/7

SATS FOREX

SA Transport Services (Sats) is understandably tightlipped about how its **management supervised its forex** department. The Cross Committee, chaired by James **the Reserve Bank illustrated** in blow-by-blow details how Sats **incurred** forex **losses totalled** R3,2bn at the end of its 1987 financial year. **The** have risen since.

Sats **decision** on what changes have **implemented** in the division **going** forward that the matter is **sub judice**. But the Cross report **considered** by the Parliamentary **Committee on** Public Accounts.

But the *FM* understands that Sats has appointed a "committee" of **private-sector** forex consultants. Its mandate is **known** to be primarily to oversee Sats whole forex operation from **Helmut** Bank of Trust Bank, whom many dealers **SA's** forex "**guru**".

Sats — who **will** be **employ** committee — denies that him full-time **it will** be working in a consultatory capacity **but it really** has R3,2bn-plus of red ink **before** real **expertise** be consulted **enterprise** handling public funds.

Sats forex losses may total R5,4bn

2/12/88

269 B/day

HELOISE HENNING

TOTAL losses and costs related to Sats dealings on the foreign exchange markets may total nearly R5,4bn up to March last year, it has emerged from another study of the Cross Committee report into the Sats deals.

In addition to the R3,119bn in unrealised forex losses which have been extensively reported, the Cross committee estimates that Sats has written off another R2,3bn in forex losses and costs arising from these dealings in the market from 1983 to 1987.

And more losses could be incurred as it is believed Sats remains exposed on its dollar loans. Forward cover at this late stage would be extremely expensive.

The committee found that Sats management, when making the loans, had decided not to take special low-cost forward cover then offered by the Reserve Bank

Sats is expected to write off the entire R3,119bn unrealised foreign exchange loss when it releases its annual results this month. This is expected to give it a nil or even negative bottom line.

This serious drain on Sats income will put more pressure on tariffs

While this should be seen as an attempt by Sats to wipe clean its slate in one painful swoop in the run-up to privatisation, a careful reading of the Cross report indicates it might not be the end of the corporation's losses

Interviews with committee members showed that interest on the loans accounted for R1bn of the R2,3bn losses, while at least R1,3bn was lost in counter transactions and other costs related to the dealings in the forex markets. But there is an argument that Sats management could not be held responsible for the interest costs.

However, the committee found Sats failed to keep a separate ledger for forex dealings, that records were inaccurate in recording the timing of transactions and, in some cases, costs were incorrectly allocated

Auditors, who sat on the committee, have confirmed that in addition to the

● To Page 2

Sats forex losses may amount to R5,4bn

2/12/88

● From Page 1

269 B/day

R3,119bn loss, Sats will have to write off more costs due to interest and losses on uncovered loans, as these matured.

The losses and costs already accounted for were related to counter transactions, realised losses, forward cover premiums, forward cover interest and interest on loans already paid off

Meanwhile, it is believed Sats has covered forward on its third currency loans. Sats refused to comment on its cover arrangements. An official said these details would be reported to Parliament

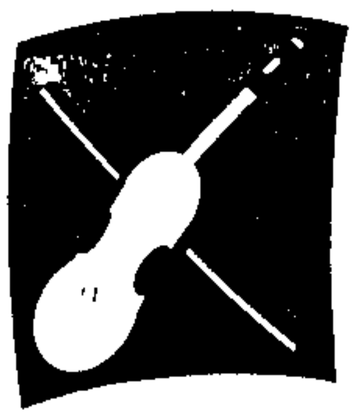
Uncovered loans are at the mercy of another decline in the dollar/rand exchange rate — unless, unexpectedly, the rand strengthens against the dollar.

Since March 31, 1987, when the unrealised Sats losses were put at R3,119bn, the rand has lost another 15% against the dollar

PUBLIC ACCOUNTABILITY

All the deals that fit

■ Sats's forex losses, Eurobank, alleged corruption — is there a common factor?



One should be cautious in drawing comparisons between the clearly declining managerial standards of our public corporations — let alone private forays into the realms of greed and gullibility — and what popular history records, often inexactly, as the Decline of the Roman Empire. But it was perhaps irresistible that this week many should think of Nero fiddling while Rome burnt.

Corruption should never be confused with stupidity. But both, perhaps, have found a seedbed in what might be termed a general laxity — of norms, of a robust sense of justice, and of plain commonsense — that has come to pervade the final years of the P W Botha administration.

The immediate symptom of this malaise is a bloated bureaucracy; which in turn hampers change at economic and political levels because it has a vested interest in *no* change; and which therefore must be funded through inflation, and which in turn manifests itself not only in a new argumentativeness about consumerism, but in odd financial schemes

South Africans find themselves confronted daily by a mounting number of commissions, committees and other investigations dedicated to unravelling allegations of corruption, fraud, graft, bribery and the mismanagement of public funds Perhaps the most sensational is the Harms Commission into cross-border irregularities, which has thrown into the spotlight the extraordinary Eurobank affair

As the *FM* went to press, the Harms Commission was postponed to a "future date" Judge Harms said the reason for the delay was that an attempt had been made to limit the scope of the commission. The commission had returned to Cape Town to hear evidence from ex-Cape Town mayor David Bloomberg on evidence arising out of the Alexander Commission report (dealing with corruption and maladministration in Transkei) which found that R2m was allegedly paid by either Bloomberg or Sun International's Sol Kerzner, or both, to ex-Chief George Matanzima for exclusive gambling rights in Transkei.

Meanwhile, the interim report on the Palazzolo-De Pontes affair — concerning the alleged falsification of documents by an MP on behalf of a wealthy man with a criminal record — is believed to be nearly ready The report will be submitted to Botha, who "will decide whether to publish it and what recommendations will be accepted." (The president can decide one way or another — and does not have to give reasons)

These are matters on which executive action may yet be taken — and investors in Eurobank wait in dread to hear of what has become of the savings of widows, orphans, unionists and other plain folk whose deposits may be at serious risk Nor should one forget the evidence to the Van den Heever Committee in Cradock, into alleged irregularities in the Department of Education and Training. And the long-running James Commission in Durban, attending to alleged irregularities in the House of Delegates, is to be written up as a comedy by some playwrights.

Again, as the *FM* went to press, Botha appointed former Transvaal Judge President Justice Wessel Groenewald chairman and sole member of a Commission of Inquiry into, inter alia, allegations of mismanagement of funds in KwaNdebele.

It is reasonable to suggest that in such a climate of laxity, true-blue crooks will put in an appearance Latest SA Police stats show that in 1985-1986, cases of fraud, forgery, unlawful appropriation and embezzlement grew by 11,4% to 34 000. The number of theft cases in the same period increased by 10,9% to 346 000; robbery by 16,9% to 46 000, housebreaking 18,3% to 197 000; motor vehicle theft 22,3% to 59 000, and stock theft 8,1% to 22 000. There were also increases in shoplifting, theft of firearms and receiving stolen goods. So we are both under-policed and underskilled at detection or prevention.

But if one is talking of sheer bungle, any scams — yet to be proven — must pale into insignificance against Sats's forex losses of R3,2bn (at the end of its 1987 financial year), the subject of a report by James Cross of the Reserve Bank. That came in the wake of the Wool Board's forex losses of R281m — disclosure of which coincided with the resignation of certain senior officials

Were such spendthrift ways inevitable?

Latest official statistics show that the public service (as defined by the Commission for Administration) swelled from 865 000 in 1986 to 944 000 in 1987 — nearly 10% "With the size of SA's public sector," comments one analyst, "it is surprising that there are not more commissions of inquiry sitting at the moment"

All the evidence emerging from the various inquiries shows an alarming lack of control by the authorities — and this in a country where even the authorities admit we are heavily over-regulated

The Cross Committee was unequivocal·

☐ It was "unacceptable that Sats's management had considered it unnecessary to establish policy in regard to the management of foreign currency risk *or* actively monitor the ongoing activities undertaken to manage this risk";

☐ There was no evidence of guidance laid down by senior management for the allocation of dealing limits or delegated authority, and

☐ There was no evidence to suggest that those involved in the day-to-day activities relating to the forex market were subject to any direction or control in terms of a mandate to operate according to laid down maximum exposures or risk-taking.



Harms



Cross

The committee said it could not "condone the fact that the forward cover facilities available to public corporations were totally ignored by Sats . . ." Quite an indictment

Of course, it is not uncommon for large enterprises to deal for profits in the foreign exchange markets Anglo American, for example, has a forex department "which is a profit centre, but in the sense that a professional dealing desk offsets the cost of administrative services provided to Anglo divisions and group companies."

The costs of providing such administrative services, an Anglo spokesman tells the *FM*, are "mainly in the areas of staff salaries, systems and communication." Three main administrative services are provided:

☐ Recording commercial forex exposures,

☐ Advising and consulting on the management of such exposures; and

☐ Effecting payments

This is a far cry from the systems that were evidently in force — or not — at Sats. Small wonder that the Cross Committee report has been referred to the Joint Committee on Public Accounts

What, specifically, went wrong?

Foreign exchange dealers, recalling the days when Sats was so excessively overtraded in the forex markets, mention Eskom as trading similar volumes Sats and Eskom

dealt through a commercial bank which has since had significant changes at executive level Dealers say that, at the time, foreign banks perceived that the Reserve Bank had little or no control over the commercial bank in question

Dealers also say that it's spurious to include large corporate forex losses — such as those at Tedelex — in the same category as those who qualified for government-subsidised forex cover. One comments: "The Tedelex losses were made because no forward cover was taken out for foreign loans, simply because everyone thought the rand would strengthen. But the Sats saga was also about high-volume trading on a daily basis Tedelex did not trade for their own account in foreign currency All they really did was to misinterpret the market

"Even Reserve Bank Governor Gerhard de Kock said the rand was going to get stronger. Sats was not only incurring losses on uncovered positions, it was also losing on trading. Sats, of course, acted as if it were a bank. It's also true that if Sats had made use of Reserve Bank facilities, the Bank would have had to take the knock, and therefore the taxpayer, but that's not the point — Sats dealt with currency on a daily basis, tied into the commercial bank. It was trying to make profits, and it could conceivably have made R3,2bn. It lost it instead."

Possible forex irregularities in the Eurobank saga are yet to be investigated. What is known at this stage is that the man behind the "bank" was Pretoria attorney Albert Vermaas The unravelling of events suggests that an ambitious man managed to operate beyond legal limits — *with the knowledge of the authorities* — for more than a year before the bubble burst Thus:

☐ In July 1987 the Reserve Bank first became aware of deposit-taking by Vermaas, in his own name. It called him in, and he agreed to phase out the business;

☐ Early in February 1988 the Bank was told that "Reef Acceptances" was taking deposits, and linked the business to Vermaas. Again, Vermaas agreed to terminate the marketing of the debenture in question by September, this time giving the Bank written assurances; and then

☐ A "new" institution, "Eurobank," appeared before end-September. The Bank established it was registered in Ciskei, and again was able to link it to Vermaas

On July 22, when new investigative powers for the Bank were promulgated, it released a statement that effectively cautioned *anyone* against Eurobank (see **illustration**). Yet the deposits flowed in their millions from businesses, State corporations and welfare organisations.

Anyone who made a decision to invest in Eurobank — particularly public money — must answer the question of why the Bank's statement of July 22 was not given exhaustive attention While some have likened the Eurobank saga to the Kubus scandal, where investors threw millions into rotten milk, the only apparent connecting factor is human greed

Eurobank had a surface glamour for a number of reasons. First, its agents were very successful in recruiting new investors — whether in return for a commission or not. For example, one of the "marketing" tools was a letter saying that Eurobank was an "internationally registered bank" True — but also extremely misleading, since SA is the only country in the world which recognises Ciskei as a sovereign state

The "international" registration provided some kind of comfort to investors, though it was not specifically stated that Eurobank was registered in Ciskei. And during the commission's hearings, it was confirmed that the bank's name could be misleading to investors

Eurobank offered returns far in excess of those of secure financial institutions in SA. The answer to questions on this point was that Ciskei's tax haven status offered a zero-rated corporate and financial institutions tax, allowing higher returns than in SA.

In fact Eurobank appears to have been paying interest out of funds from new deposits

If it is true that SA's systems allow these things to happen, Justice Minister Kobie Coetsee's suggestion of a "mechanism" in the Advocate General's office to allow for "speedy action" in investigating corruption and maladministration is welcome.

The worst outcome of the call would be the creation of a body similar to the Harmful Business Practices Committee. This, despite its sweeping powers, and abundance of material for investigation, has not done anything significant in the months since it was created. And remember that the *FM* pointed out at the time that the limp-wristed official justification for the committee was to "protect" the public from Kubus-style rip-offs.

In any event, legal fundis such as Wits's Harold Rudolph would welcome wider powers for the Advocate General, to make the office a "full-blown ombudsman" One of the problems is that the Advocate General is only authorised to look into cases of *dishonesty* involving State funds The suggestion is to include *maladministration*

In the case of Vermaas, the authorities were aware of the situation for more than a year before firm action was taken — though, to be fair, they did take what action was possible on their part. The point is elementary: corruption and maladministration has never been stopped by laws and courts; it is stopped by a change in attitude

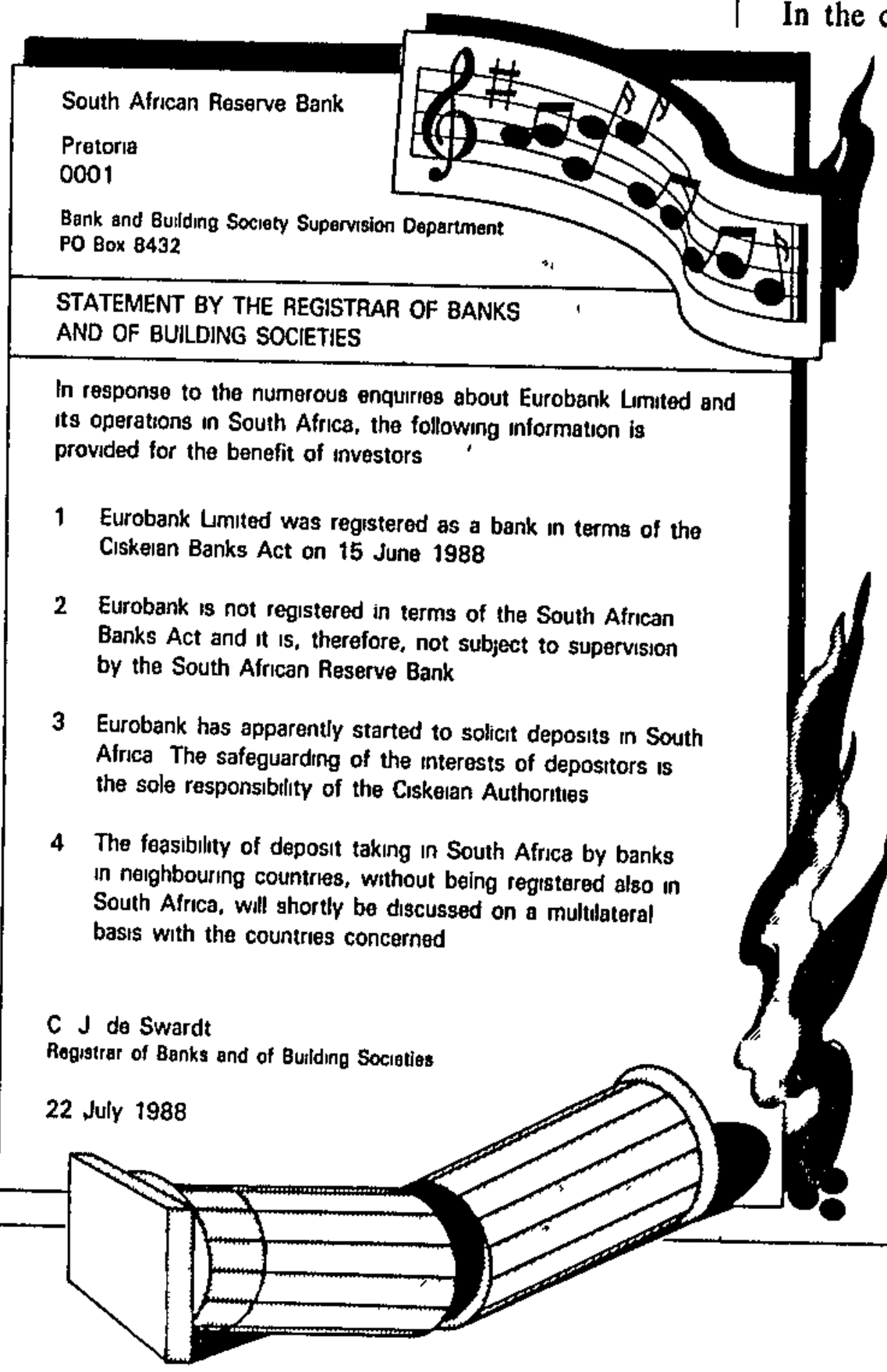
Such a change would only significantly occur when government starts to materially shrink its size and consumption of national product. In the meantime, yes, we do need an Advocate General with more muscle; and we do need a vastly improved system of public accountability, as the Sats debacle has shown

But judging by trends in the growth of government, and the lack of visible privatisation, which would ipso facto reduce corruption and maladministration through more public scrutiny of accounts, the chances of avoiding the sound of Nero's fiddling is minimal indeed ■

INVESTMENT SURVEY

This week the *FM* publishes a supplement containing the detailed addresses of the speakers at its international investment conference on the outlook for 1989 held in Johannesburg three weeks ago. The supplement is being mailed separately and may not reach subscribers at the same time as the *FM* itself.

The *FM*'s guest speakers from abroad were transported while in Johannesburg in cars provided by courtesy of Mercedes Benz, to whom the *FM* would like to record its thanks.



South African Reserve Bank

Pretoria
0001

Bank and Building Society Supervision Department
PO Box 8432

STATEMENT BY THE REGISTRAR OF BANKS AND OF BUILDING SOCIETIES

In response to the numerous enquiries about Eurobank Limited and its operations in South Africa, the following information is provided for the benefit of investors

1 Eurobank Limited was registered as a bank in terms of the Ciskeian Banks Act on 15 June 1988

2 Eurobank is not registered in terms of the South African Banks Act and it is, therefore, not subject to supervision by the South African Reserve Bank

3 Eurobank has apparently started to solicit deposits in South Africa The safeguarding of the interests of depositors is the sole responsibility of the Ciskeian Authorities

4 The feasibility of deposit taking in South Africa by banks in neighbouring countries, without being registered also in South Africa, will shortly be discussed on a multilateral basis with the countries concerned

C J de Swardt
Registrar of Banks and of Building Societies

22 July 1988

R5,4-bn Sats forex losses revealed

Finance Staff

The Cross Committee into foreign exchange dealings at Sats has uncovered far higher forex losses than originally anticipated.

The Committee said that losses might have totalled R2,3 billion between 1983 and 1987 in addition to the R3,119 billion in unrealised foreign exchange losses which were reported last month.

And it is feared that this total figure could soar even higher for 1988 as Sats did not take cheap forward cover offered by the Reserve Bank to guard against foreign exchange losses this year.

Since the beginning of the year the rand has fallen by about 15 percent against the dollar and by around 10 percent against other major currencies, so that loans taken out in the beginning of the year will have increased by those percentage figures just on the rand's decline alone.

Of the newly uncovered R2,3 billion loss, R1 billion was accounted for by interest payments on loans, while the remaining R1,3 billion was lost in forex counter-transactions and costs related to forex dealings.

But its woes will not be over as interest payments on original loans continue to drain reserves. Industry sources fear that these losses could force Sats to once again raise tariffs on many of its operations.

THE PG GROUP

Estcon Holdings 1666 Ordinary Shares 11 Value $4 000
Shares Sold Wednesday from Thursday's Issue and Prices Since Last Report

ROLLERCOASTER '88

S Times 4/12/88 (269)

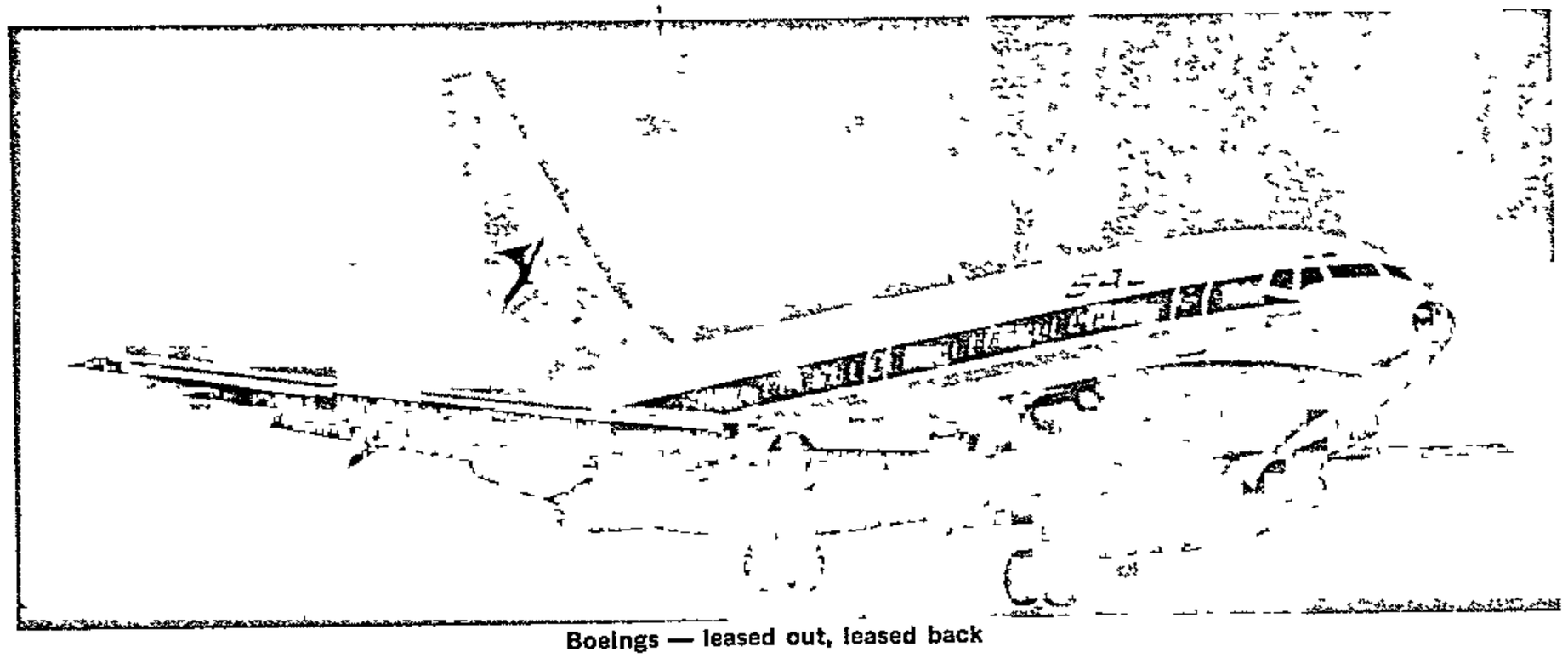
WE ARE now approaching the close of a momentous year for the SA transport industry A year marked by the start of radical change, and by much controversy

Both change and controversy have affected virtually every sector of the industry from air transportation to rail and road — and even the roads themselves

Almost forgotten, in the clamour over deregulation of road transport and the introduction of toll roads have been the economic and "political" events that have provided a rollercoaster ride for civil aviation.

In the air, on the roads — controversy dogged every transport industry sector

By IVAN PHILIP



Boeings — leased out, leased back

To begin with, pressure for privatisation in this sector began years ago and has been pursued relentlessly by private carriers whose eyes were fixed covetously on the inter-city routes dominated by SAA. This year, the pressure has mounted and concessions have been granted to privateers on routes that bridge substantial cities.

Historically, the role of private airlines was seen to be the transportation of passengers or freight from outlying areas to centres where SAA operated. Hence the commonly used description, feeder lines.

Favour

The privateers don't like that description any more. It seems to lock them into a role that they no longer wish to be confined to

Public sentiment took a turn in their favour this year through circumstances in 1987 and early 1988 that reflected badly on SAA but, in fairness were not due to any blameworthy error of judgement on the part of the national carrier

The fact is that in 1986, with smoke still drifting over the townships, with the sanctions campaign getting into high gear and with debt problems darkening the horizon, hardly a sane forecaster would have nominated 1987 as a boom year

Acting (in concert with many other local enterprises) on the assumption that things could only get worse in the short term, SAA leased out some of its (then surplus) aircraft to foreign carriers.

When, to the astonishment of all, the economy took a sudden upturn the national carrier was caught with its pants down. Yet, given the circumstances, the decision to lease out aircraft was rational, indeed prudent.

Nevertheless, businessmen who wanted to exploit the opportunities provided by the upturn were understandably upset to find their mobility constricted. What had previously been subdued muttering about privatisation in the air became a well-orchestrated chorus And, not surprisingly, no small part of the orchestration came from the independent airlines, even if they too were astonished to find the economy in an upswing

Though SAA, further wounded by the loss of North American and Australian routes, was at the recieving end of most of the mud, due to its high public profile, exactly the same drama was being acted out in another important sector of the transport industry

Truck manufacturers, experiencing drastic cut backs in orders, and expecting more of the same, passed on their perceived future requirements to engine-maker Atlantis Diesel. Atlantis cut its cloth accordingly — then faced difficulties when an engine shortage developed.

Signs

Scrambling into double shifts, Atlantis battled to make up the backlog Meanwhile, with opportunity knocking, another trend appeared.

As the market for trucks had shrunk so had the number of truck manufacturers in the country The first signs of a reversal came this year when a couple of famous names re-appeared Not least of these was Foden, assembled now in Cape Town, with fully imported engines.

Another shock was to be felt this year Under pressure from the US, Japanese exporters were pressurised by their own government to at least avoid increasing exports to SA. That would lock Japanese-sourced trucks into production levels that reflect depressed market demand in SA.

If this should happen it will create a ripple effect throughout the local truck business. Indeed, in anticipation of this possibility there has already been condiderable activity in the truck refurbishing and rebuilding sector

Turmoil

All this turmoil in the product sector has formed a background to equal turmoil in the transportation sector itself First moves towards deregulation, leading to fears of chaos on the roads; impending tough quality standards that will apply to drivers as well as vehicles; the struggle between SATS and the rest, the impact of inter-city coaches on rail passenger services; the quick footwork of the courier companies and their impact on air freighting; the economic effects of toll roads and massive licence fee hikes. These are some of the main ingredients of the turmoil.

Road hauliers, long restrained by tight regulation, were among the most vociferous champions of deregulation. They still are. But this was the year they discovered that there were, after all, some worms in the can.

First, it became apparent that government would not render up the kingdom at the stroke of a pen There were conditions Among these was the provision that truckers should, in tandem with their new-found freedom also feel free to pay a large part of the bill for road building and maintenance This policy was based on the concept that heavy vehicles are responsible for most wear and tear on the roads In practice the policy materialised in the form of fuel levies and sharply increased licence fees

Moreover, if freedom was to flourish in commercial terms, it should not degenerate into a free-for-all on the roads that could jeopardise public safety Hence the preparation of stiff new quality standards.

Welcomed

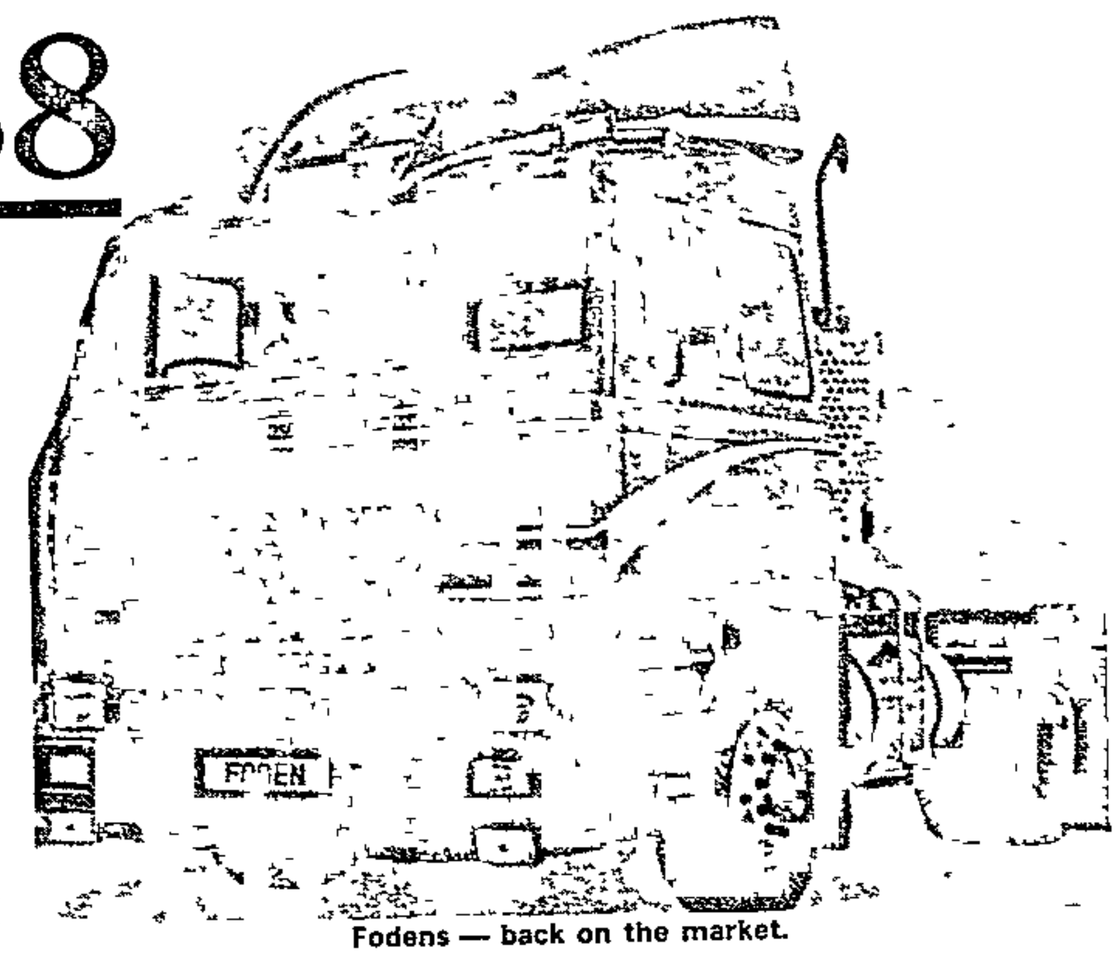
In fact, though costly to implement, this provision has been generally welcomed by the trucking fraternity — for two reasons (apart from their own concern for safety)

First, at a conference in Swaziland early this year, delegates from the trucking industry heard American speakers outline the chaotic conditions that had followed deregulation in their country

Cut-throat competition had reduced the industry to a handful of big survivors battling with hundreds of very small operations that pressured drivers into 18-hour shifts and despite that, went broke at an alarming rate. Worse still, the accident rate soared.

Mindful of that, established SA truckers welcome stiff safety standards that bid fair to keep fly-by-night's out of the game

Besides that, public carriers believe that the new regulations will persuade a number of companies to dispense with 'in-house" fleets which have, up till now not been subject to such stiff requirements Under the new dispensation they will have to comply with the same demanding regulations as the public carriers.



Fodens — back on the market.

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They have railed at the continuance of permits that forced them to carry uneconomical one-way loads and return empty

Occasionally, the darkness has been lightened by flashes of hilarity — mostly provided by SATS.

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And SATS has not been slow to point out that while truckers had the roads built for them by general taxpayers its rail services had to build track, maintain it and police it.

Momentous

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Meanwhile, this was the year when SATS rail passenger services felt the full impact of the burgeoning inter-city coach services and the continuing preference for air travel

It also marked the full flowering of a trend that inflicted injury on airfreight services and on traditional airfreighting companies that sensed the winds of change too late.

The truckers hit airfreight services when they were freed enough to install overnight road freight services between such centres as the Reef and Durban. Only truly emergency deliveries needed to be faster than that — a point which was not lost on the air courier companies, to whom SAA owes some congratulation.

Being by nature fast movers the couriers found little difficulty in adapting to super fast freighting operations and they rapidly invaded the territory of traditional bulk airfreighting companies Besides they were themselves being driven away from much of their original business (documents) by the arrival of fax.

Thus, 1988 has been a momentous year for the transport industry It has seen much projected change translated into reality

It has seen crisis in the availability, and cost, of transport equipment, and it has seen a succession of role changes so fundamental that they will radically alter the pattern of the industry for the foreseeable future. And the game is far from over yet.

5 Times 4/12/88 (269)

ROLLERCOASTER '88

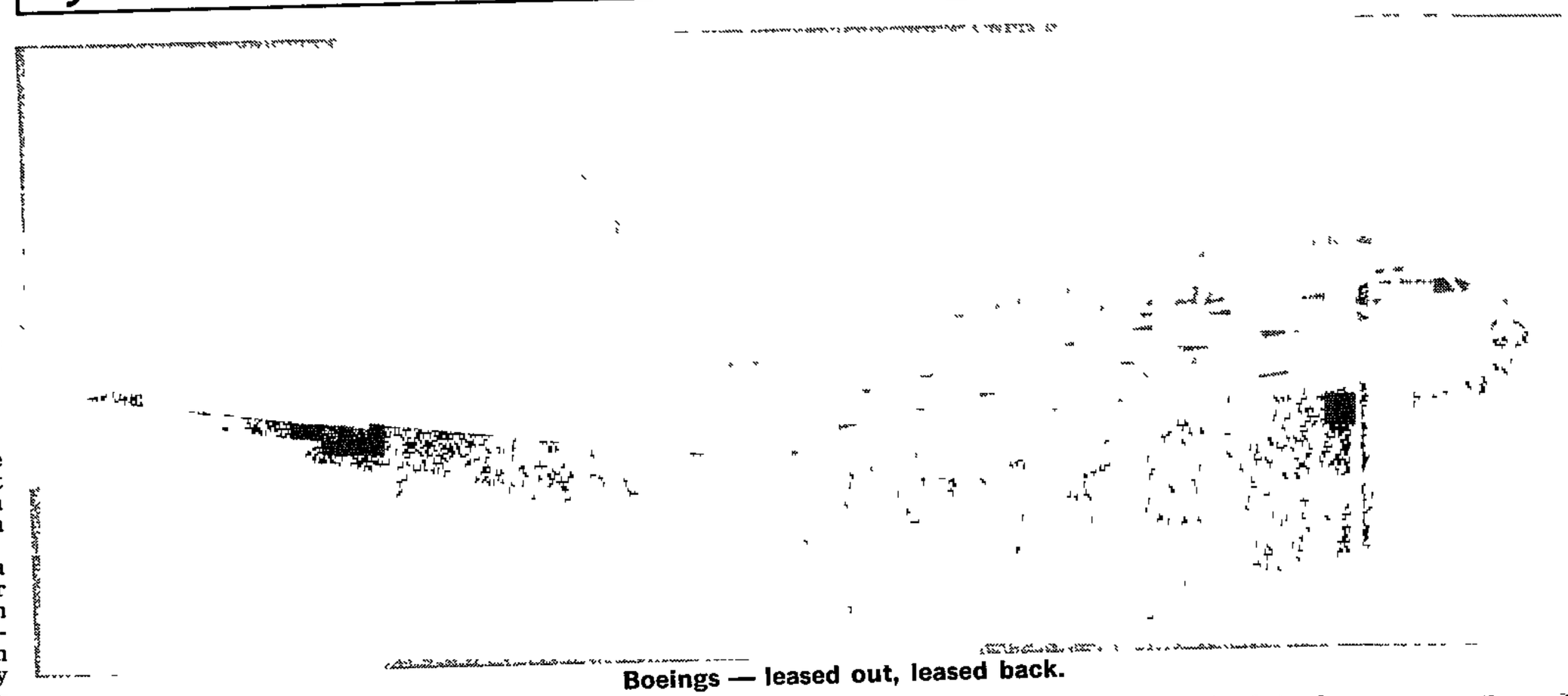
In the air, on the roads — controversy dogged every transport industry sector

WE ARE now approaching the close of a momentous year for the SA transport industry. A year marked by the start of radical change, and by much controversy.

Both change and controversy have affected virtually every sector of the industry from air transportation to rail and road — and even the roads themselves.

Almost forgotten, in the clamour over deregulation of road transport and the introduction of toll roads have been the economic and "political" events that have provided a rollercoaster ride for civil aviation

By IVAN PHILIP



Boeings — leased out, leased back.

To begin with, pressure for privatisation in this sector began years ago and has been pursued relentlessly by private carriers whose eyes were fixed covetously on the inter-city routes dominated by SAA This year, the pressure has mounted and concessions have been granted to privateers on routes that bridge substantial cities

Historically, the role of private airlines was seen to be the transportation of passengers or freight from outlying areas to centres where SAA operated Hence the commonly used description, feeder lines

Favour

The privateers don't like that description any more It seems to lock them into a role that they no longer wish to be confined to

Public sentiment took a turn in their favour this year through circumstances in 1987 and early 1988 that reflected badly on SAA but, in fairness, were not due to any blameworthy error of judgement on the part of the national carrier

The fact is that in 1986, with smoke still drifting over the townships, with the sanctions campaign getting into high gear and with debt problems darkening the horizon, hardly a sane forecaster would have nominated 1987 as a boom year

Acting (in concert with many other local enterprises) on the assumption that things could only get worse in the short term, SAA leased out some of its (then surplus) aircraft to foreign carriers

When, to the astonishment of all, the economy took a sudden upturn the national carrier was caught with its pants down Yet, given the circumstances, the decision to lease out aircraft was rational, indeed prudent

Nevertheless, businessmen who wanted to exploit the opportunities provided by the upturn were understandably upset to find their mobility constricted What had previously been subdued muttering about privatisation in the air became a well-orchestrated chorus And, not surprisingly, no small part of the orchestration came from the independent airlines, even if they too were astonished to find the economy in an upswing

Though SAA, further wounded by the loss of North American and Australian routes, was at the recieving end of most of the mud, due to its high public profile, exactly the same drama was being acted out in another important sector of the transport industry

Truck manufacturers, experiencing drastic cut-backs in orders, and expecting more of the same, passed on their perceived future requirements to engine-maker Atlantis Diesel Atlantis cut its cloth accordingly — then faced difficulties when an engine shortage developed

Signs

Scrambling into double shifts, Atlantis battled to make up the backlog. Meanwhile, with opportunity knocking, another trend appeared

As the market for trucks had shrunk, so had the number of truck manufacturers in the country The first signs of a reversal came this year when a couple of famous names re-appeared Not least of these was Foden, assembled now in Cape Town, with fully imported engines

Another shock was to be felt this year Under pressure from the US, Japanese exporters were pressurised by their own government to at least avoid increasing exports to SA That would lock Japanese-sourced trucks into production levels that reflect depressed market demand in SA

If this should happen it will create a ripple effect throughout the local truck business Indeed, in anticipation of this possibility, there has already been condiderable activity in the truck refurbishing and rebuilding sector

Turmoil

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Fodens — back on the market.

SATS reports R3,6bn deficit

Own Correspondent

JOHANNESBURG — SA Transport Services has reported an accumulated deficit of R3,62 billion for the year to March 31, 1988, according to its annual report released at the weekend

The huge deficit arises from SATS writing off its unrealised foreign exchange losses incurred between 1983 and 1987.

The year to March was further marred by the loss of lives in strikes and the Helderberg crash, says the report

The report shows that the R3,62 billion deficit has knocked SATS's reserves down to R3,2 billion from last year's R5,6 billion, despite improved performances by most of the divisions.

Because of a change in accounting policy adopted to deal with the unrealised losses, SATS has restated its 1987 accounts, increasing 1987's deficit to a restated shortfall of R3,556 billion. This, with the 1988 deficit of R64,3 million, reached after financing costs of R1,997 billion (R1,8 billion), brings SATS's bottom line to an acculumated deficit of R3,62 billion at the end March

Despite a net income for the year of only R73,613 million, SATS has carried over an amount of R138 million to its reserves. The R138 million is the insurance payout for the loss of the Helderberg.

The income statement shows turnover of R9,264 billion (R8,445 billion) on which operating expenses of R1,672 billion (R1,651 billion) were incurred. Interest of R397 million (R332 million) was received, giving a net income before interest payments of R2,070 billion (R1,984 billion).

No cover-up, says Moolman

Forex fiasco: Sats writes off billions

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● MOOLMAN

Sats MD Anton Moolman says in the report that although there had been insinuations in the Press about the R4bn forex losses, there had been no attempt on the part of Sats to cover up the facts or protect its employees. The results of the Cross Committee, he says, had not been received when the annual report went to press.

The year to March was further marred by the loss of lives in strikes and the Helderberg crash, says the report — ironically, the first glossy presentation of Sats annual results. In previous years it was printed by the Government Printer

Moolman says the restructuring of Sats into business units that would eventually comply with the Companies Act, a new, sophisticated financial accounting system and the Cabinet's decision that Sats become a tax-paying, profit-making business, are encapsulated in the glossy business-like reporting style that Sats has now adopted.

HELOISE HENNING

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Apart from the railways, which had an operating deficit of R908m (R806m), the other operating divisions were profitable SA Harbours earned R362m (289m), SA Airways R302m (R77m), while the pipelines contributed R217m (R187m)

Moolman, who took over as MD from Bart Grové at the beginning of February, says increased economic activity

● To Page 2

Minister linked to 'misuse' of resources

● From Page 1

claimed he had The judge declined to comment

He is investigating a property deal involving Du Plessis junior and said he hoped to submit his report to Parliament by early next month

The investigation followed a complaint of possible improper advantage or enrichment after Du Plessis bought a building for R2m in June last year

Rapport said the documents it held also referred to dealings with certain officials from the Education and Training Department, and to Defence Force personnel who were allegedly required to search several buildings related to the Du Plessis companies for listening bugs

□ Sapa reports that CP MP for Lichtenburg Ferdie Hartzenberg yesterday called for Du Plessis' resignation "in the interests of good government and legislation"

SATS RESULTS (269) FMML 9/12/88

Standing a-loan

SA Transport Services' (Sats) 1987-1988 annual report is notable for the new basis of recording unrealised forex losses Previously, foreign loans were converted into rands at the rates prevailing when the obligation was incurred, now, GAAP 112 has been adopted

"Nominal" foreign loans of R932m outstanding at the March 31 year-end thus become a total of R4,76bn, bringing on to the books total unrealised losses at that date Improvements in the rand-dollar rate will not help the rand value of these foreign obligations, which are denominated in a mix of D-marks, Swiss francs and ECU.

The vexed issue of Sats' astronomical foreign exchange exposure which brought about this heavy loss has already been the subject of the Cross report It notes that Sats now follows "a management policy in relation to foreign exchange risk in terms of which term cover is taken out on a selective basis."

Even without exchange rate losses, the next few years will see a heavy bunching of foreign loan repayments (**see chart**), peaking at R2,8bn in 1991 Repayment is subject to the 1987 Second Interim Arrangement.

The latest year saw significant repayment of foreign debt, which has fallen in nominal value from R1,17bn to the R932m already quoted, and in market value from R4,95bn to R4,76bn. After the forex "big bath," the balance sheet reflects capital of R5,91bn, reserves of R3,21bn and loans of R10,1bn.

Capital investment remains at a low ebb of R731m, down 23,3% on the previous year, and a real decline of 64% since 1985-1986.

Though Sats achieved an aggregate surplus of R74m (R184m), this conceals grave problems with the railways, both mainline and commuter passenger services. The problem will have to be resolved before any steps towards privatisation can be contemplated.

The average tariff increase was 9,7%, compared with an internal inflation rate of 13,1% Railways showed a deficit of R788m (R429m), compared to an SA Airways surplus of R163m, and SA Harbours surplus of R362,5m.

Falling revenue

Sats attacked loss-making mainline services in November 1987, announcing a 58% cut in services Trains were reduced from 601 a week to 225 Despite two fare increases each of 15%, mainline passenger revenue dropped by 28% on the previous year.

Sats notes that no commuter train service worldwide operates without substantial losses. To eliminate the negative internal influence of cross-subsidisation to meet commuter service losses, it is "necessary to obtain compensation from third parties."

This principle has been accepted by the National Transport Policy Study and by government. Discussions are under way with the Department of Transport, aiming at an agreement which would bind Sats to stipulated standards and services in exchange for compensation for losses.

Commuter services also appear to have suffered from diminished use, as the total number of journeys diminished during the year to 570m (599m). ■

Star 15/12/88

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Frantic efforts to save fruit

By Dan Side

Five planeloads of export-grade fruit and cut flowers worth millions of rands in foreign exchange, are claimed by anxious freight agents today to be in danger of perishing

The fruit and flowers were in storage in packing houses around the country because South African Airways was unable to arrange charter transport to European markets in time, the Johannesburg-based agents claimed

Mr John Diviani, a spokesman for the country's three major perishable freight forwarding agents — Perishable Cargo Agencies, Rohlig and Safcor — described as "enough but too late" SAA's efforts to organise planes of the necessary size to get goods to Europe in time for the Christmas spending spree.

Cancelled

SAA announced last night that it had confirmed five charter flights with a total freight capacity of more than 175 tons and that it was awaiting confirmation of another flight capable of carrying about 35 tons.

The crisis was mainly caused by unseasonably cold weather. Fruit ripened later than expected and, at the request of the cargo agents, at least three of the original eight flights were cancelled

A SAA spokesman said that arranging a new schedule at short notice, together with the fact that many cargo aircraft were carrying supplies to the Soviet Union following the earthquake, was difficult

SAA has sole traffic rights for South Africa

See Page 11.

SAA is giving us a rotten deal, say the fruit exporters

Star 15/12/88

By DAN SIDE

The local fruit industry struggles to get its product to overseas markets because SAA has limited cargo space, and fruit exporters are not allowed to arrange their own charter flights

Fruit exporters are calling for an 'open skies' policy to allow freight agents to arrange their own charter flights to place extra South African fresh produce on European markets during the free-spending Christmas season

South African Airways, which has sole traffic rights in and out of South Africa is unable to meet transport commitments and 200 tons of prime produce around the country is rapidly becoming unexportable

Overseas fruit sales earn R200 million a year in much-need foreign exchange, and exporters are concerned that a hard earned reputation for reliability and quality will be lost

It's become a perennial problem — and a very serious one — says Mr Louis Kriel chief executive of Cape exporters Unifruco The two weeks before Christmas are vital because they give our top-quality fruit a head-start to dominating the main part of the marketing season in the new year"

The three main freight agents involved — Perishable Cargo Agencies, Rohlig and Safcor — have called for changes to the antiquated Air Services Act of 1949 to allow freight consultants to freely arrange their own charters

Normally, they say, available space on scheduled passenger flights is sufficient to get goods such as choice fruits, cut flowers and lobster tails to European markets, although this space is rapidly being reduced as airlines increasingly cater to passengers with non-stop flights

'Non-stop flights mean airlines sacrifice cargo space for extra fuel,' says Mr John Diviani, chief executive of Perishable Cargo Agents, who also serves as spokesman for the other two major companies

Another complaint against parastatal SAA, currently under governmental pressure to become more profitable prior to privatisation is that it will not arrange northbound charters of perishables unless there is reason to bring in a southbound consignment, which usually consists of higher-paying goods such as electronic equipment

RATES KEPT HIGH

Mr Pat Corbin, who represents a cargo airline operating DC8s and has been a member of several commissions, says it is no secret that southbound rates are deliberately kept higher by SAA Short capacity ensures higher rates

"Southbound rates cover the costs of round trips ' he says

Mr Kriel says he does not blame SAA for being profit-minded 'But at the same time they are being shortsighted as far as the rest of the country is concerned

'Their passenger service is in good shape and I can't understand the current tendency to be greedy

The freight agents must do the chartering I don't think that would harm the IATA Carriers at all '

DELAYED HARVEST

Mr Kriel says that 75 percent of the produce exported during the Christmas period is from the Cape and it has to be sent to Jan Smuts Airport before being forwarded to its European destinations

"An open-sky policy would mean that it would be possible to ship directly from D F Malan Airport, not taking up valuable space on domestic Airbuses, not keeping delicate fruit standing on steamy-hot tarmacs, and eliminating some handling costs '

Mr Diviani says SAA has been offered northbound charters, but has lost the opportunity because it takes too long to come to a decision The unseasonal weather has delayed harvest of many agricultural products and made some innovation necessary, he adds

He says freight agents should be given the opportunity of arranging southbound flights

The 1 000-ton air charter limit for the current season is insufficient as export markets could take that amount each in melons and deciduous fruit, with tons of litchis, mangoes, sweetcorn and asparagus in reserve says Mr Diviani

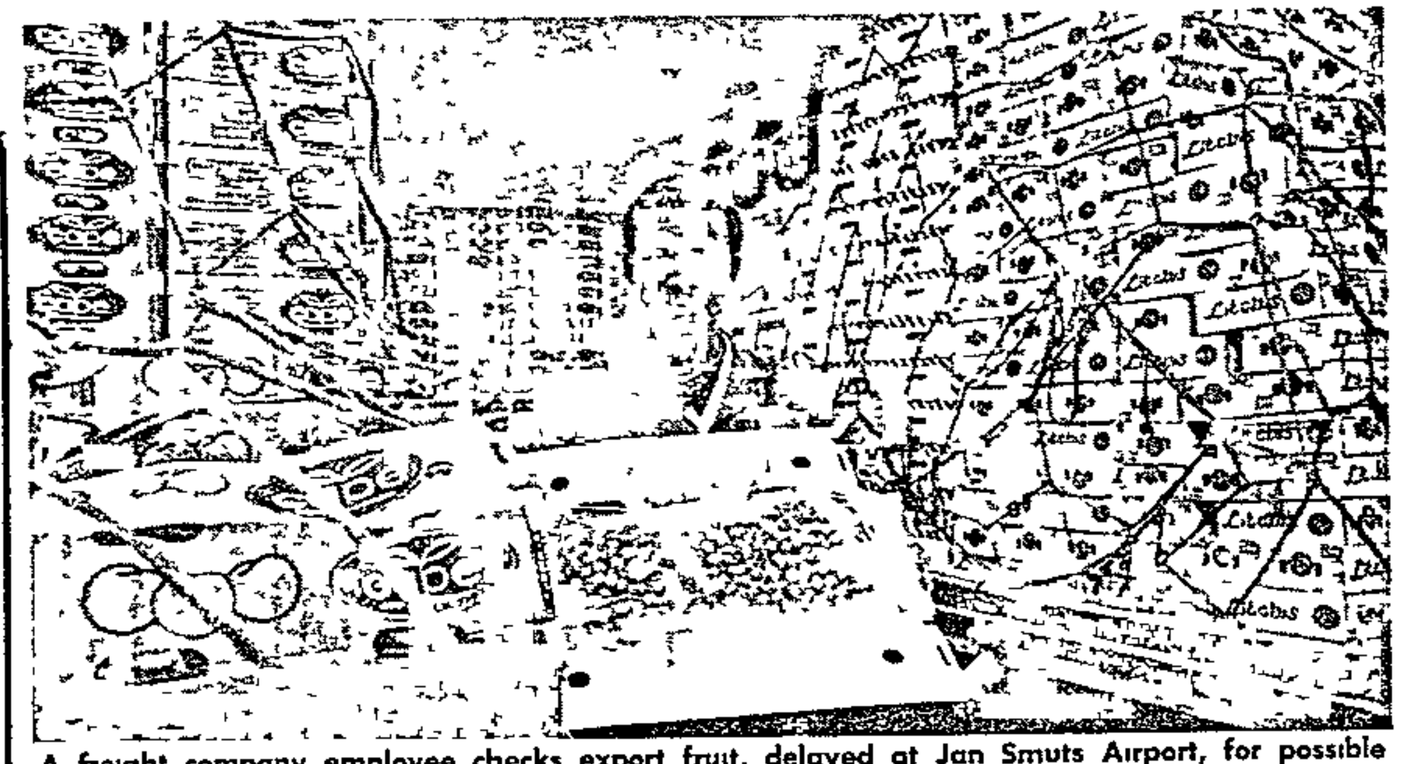
Mr Corbin says legislation changing the Air Service Act could probably not be passed until 1990

In the meantime, he says, 'SAA should split freight away from passenger service, like the Australians did with good success

Mr Urs Jucker, of flower exporters Bergflora in Cape Town, says: SAA gives passengers the first priority, then general cargo, flowers and fruits and vegetables They are trying to cut expenses to make it profitable

On the other hand, we're told to start exporting because of the need for foreign currency Yet we can't get our products out to market.'

SAA invited to comment, did not do so by the time of going to press



A freight company employee checks export fruit, delayed at Jan Smuts Airport, for possible damage Behind him are boxes of fruit picked last Thursday which, because of lack of air cargo space, only reached their European customers today

R7-m for new Jo'burg buses

stev 16/12/87 269

Municipal Reporter

Johannesburg City Council plans to spend about R7 million, or R350 000 each, on 20 new buses to replace some of its old vehicles, which are to be auctioned

Transportation manager Mr Eddie Curtis says tenders will be invited for the construction of suitable bodies on the chassis, to be delivered by about mid-1989.

"The chassis are of the same type operated successfully on 90 single-deck and 355 double-deck buses at present used by the department

"They are fuel efficient and popular with passengers because of the high number of seats, low noise and the comfort of air suspension

"The drivers favour them because of the low fatigue qualities of the hydraulic servo-assisted steering, automatic transmission and handling capabilities

"Running costs are low, and spares and service facilities excellent. Because of their greater capacity, fewer of this type of bus are needed to operate a given service at peak periods."

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US declares SAA's new Airbus 320 'safe to fly'

Own Correspondent

LONDON. — Europe's "fly-by-wire" Airbus A320 — which South Arica has ordered two of — has been cleared as safe to fly in the United States after the most detailed airworthiness investigation ever made by the Federal Aviation Administration (FAA).

Last year South Africa ordered the aircraft at a cost of R96 million each. The deal was clinched by former Bavarian prime minister Mr Franz Joseph Strauss. They are due to be delivered in 1992.

Shortly after South Africa announced the deal, British Airways said they were dissatisfied with the aircraft's performance, saying the A320s burned 9% more fuel than expected and were overweight by as much as a ton

Now the A320's computer-driven fly-by-wire controls have successfully met all of the FAA's requirements, including resistance to even more severe electro-magnetic interference from radio and radar broadcasts than that specified by Europe's safety authorities

The United States certification of the A320, powered by two US-French CFM International CFM56-5 engines, paves the way for the 150-seat airliner to enter service with the first American operator, Northwest Airlines, next year.

FAA certification of the A320 powered by the International Aero Engines V2500, in which Rolls-Royce has a 33% stake, is planned for May 1989

The FAA's evaluation covered flight-testing of the A320 by its own pilots, extensive review and analysis of data by France's airworthiness authority, and the creation of its own special conditions

Firm orders for the Airbus A320 now stand at 410 from 23 customers. Fifteen have been delivered so far to four customers — Air France, Air Inter, Ansett Airlines and British Airways

Plans to tame the Sun City 'hell run'

S/ Times 25/12/88

269

SUN CITY and the South African Transport Services are involved in delicate negotiations to run a train service next year from Johannesburg and Pretoria to the gambling resort

If the scheme gets the green light motorists won't have to cope with heavy traffic, straying livestock, poor signposting, and irresponsible and drunken driving every time they take the "hell run" to Sol's Sun palace

In a spate of recent incidents, mobs from villages inside the borders of Bophuthatswana, which line the road, have gone on the rampage — stoning cars and buses en route to southern Africa's premier gambling extravaganza

Signposts

Now, in an effort to make the journey safer for motorists, Sun International, which owns and manages the luxury resort, has several contingency plans in the pipeline These include

● A train which will leave Johannesburg, pick up passengers in Pretoria and ferry them to a terminus only 9km from Sun City. From there

By IVOR CREWS

they will be met by luxury coaches which will take them to the resort.

● Luxury coaches which will transport passengers directly to Sun City by bypassing built-up areas and trouble-spots.

● More signs to be erected on national roads to direct motorists to the resort by the shortest and safest route

A spokesman for Sun International said plans for the train were still being negotiated with the South African Transport Services (SATS) and it was hoped the operation would come into effect next year.

And Mr Edgar van Ommen, manager of the Sun City complex, said "We are very worried about the incidents Both the SAP and Bophuthatswana police are cooperating in the crackdown on violence"

Col Steve van Rooyen, of the SAP public relations division in Pretoria, warned that the SAP would not tolerate violent acts against motorists

"People guilty of these offences will be charged with public violence and, depending on the circumstances, offenders could be charged with attempted murder. The penalties carry long jail sentences," he added

● This week nine people appeared in the Rustenburg magistrate's court on charges of public violence in which one person died and 31 were injured after a mob of about 4 000 rock fans went on the rampage last weekend causing damage estimated at R250 000

● In November, two buses travelling from Sun City to Johannesburg were stoned near Rustenburg. Nobody was hurt, although the buses were damaged.

Regular

Mr J D Visser, Impala Ranch coach tours operations manager, said that stone throwing was "a regular occurrence," and their buses were frequent targets, although nobody had been injured in previous attacks

● In October, four youngsters were forced to flee for their lives after they were attacked and their car stoned by a mob in Bophuthatswana's Thlabane township outside Rustenburg

Artisan's Aid									
0.00	0.00	0.00	0.00	0.00	0.00	0.00	73.00	81.00	98.21
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39.93	37.53
1	1	1	1	1	1	1	46	46	46
Security Guard									
0.00	0.00	0.00	0.00	0.00	0.00	0.00	65.50	73.00	90.39
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	35.83	33.83
1	1	1	1	1	1	1	60	60	60

PUBLIC SECTOR - TRANSPORT - GENERAL

1989

JANUARY - MAY.

1/1/89.

Package tours to Mozambique in sight

The Star's Africa News Service (43) 269.

South African Airways is looking into the possibility of organising package tourist tours to Mozambique

However, an SAA spokesman said the standards of hotel accommodation would have to be raised before package tours can go ahead

The airline's marketing manager, Mr F Dippenaar, visited Maputo and Inhaca island late last year to assess the possibility of package tours.

POTENTIAL IS HIGH

"There is a lot of potential in Maputo and Inhaca but we found that the Mozambicans will have to raise the standards of the hotels before package tours can be sold," the spokesman said

Hotel buildings in Maputo and on Inhaca island were in poor state, the official confirmed.

A South African-based company is selling package tours to Margarupe in the Bazuroto archipelago north of Maputo

The tours have been in operation for a few months but accommodate only a few people at a time

Price of airport parking to climb 60%

B/Daily 4/11/89

CAPE TOWN — Motorists, already punch-drunk from numerous price hikes, will face further hardship with a 60% increase in the price of parking at airports countrywide.

This was confirmed yesterday by G D Hedges, GM of Interpark Pty Ltd — which controls parking at Cape Town's D F Malan and Port Elizabeth's H F Verwoerd airports — who said parking facilities were owned by the Transport Department, which had recently announced the revised tariffs.

Own Correspondent

The costs of running the outlets and the recent salary increases for civil servants were some of the reasons prompting the increase, he said.

He said the new tariffs for uncovered parking were one hour (80c), one to two hours (R1,20), two to four hours (R1,80),

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Price of airport parking to climb 60%

B/Daily 4/11/89

⇦ ● From Page 1

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four to eight hours (R2,50), eight to 12 hours (R3,00), 12 to 16 hours (R3,50) and 16 to 24 hours (R4,00)

After 24 hours had expired, R2 for 12 hours or part thereof would be charged

The price increases would affect all major airports throughout the country, but it could not be established last night how parking fees at Johannesburg's Jan Smuts airport would be affected

Hedges said the tariffs for lock-up garages at D F Malan had also been increased to R9 a day and thereafter R5 for every 12 hours or part thereof

A spokesman for the Transport Department said a joint committee of his department and the Finance Department had agreed on the revised tariffs after a comparison with other parking facilities in the vicinity of the airport

Privatised airlines 'are more efficient'

BRUCE ANDERSON

PRIVATISED airlines generally operated more efficiently and profitably than they did prior to privatisation, said a research report on airline privatisation recently published in SA.

The report, The Scope and Implications of Airline Privatisation, was submitted towards an MBA at Wits University by MBA graduate Jacobus Dietzsch.

Dietzsch says although SAA has recently been suggested as a prospect for possible privatisation, his research report does not cover specific issues with regard to the possible privatisation of SAA, but rather considers issues regarding the airline industry in general.

He stresses the privatisation process for an airline must be carefully planned and managed

"In particular, a project team consisting of airline managers, as well as external experts, must be appointed to actively drive the implementation of the privatisation process," says Dietzsch

Among the conclusions Dietzsch reached after his wide-ranging world-wide study were:

☐ Governments pursue a privatisation policy for different reasons The characteristics of a particular privatisation initiative are crucially influenced by the motivations and objectives of the privatising government,

Performance

☐ The extent of political involvement in the affairs of an airline is reduced as a result of privatisation However, the role of government does not entirely disappear;

☐ The public image of a airline improves as a result of privatisation In particular, privatised airlines are evaluated on the basis of their financial performance rather than on the basis of being a branch of the government;

☐ Airline privatisation cannot be considered without the issue of airline deregulation being addressed Public opinion will generally not tolerate the privatisation of a public monopoly to a private monopoly;

☐ Governments consider their privatised national airlines to be strategic national resources Although a limited foreign shareholding is regarded as highly desirable for a privatised airline, few, if any governments, will allow their privatised national airline to be controlled by foreign interests,

☐ Employee share ownership is an important consideration for an airline which is being privatised,

☐ The flotation of an airline's shares on one or more stock exchanges is generally accepted as the essential form of airline privatisation,

☐ A government will not allow its national airline to become insolvent A privatised national airline is, therefore, only partially subject to market disciplines

Coal producers meet Sats

269

REINIE BOOYSEN

BT Daily 5/11/89

WITCOAL chairman Allen Sealey said yesterday at the company's annual general meeting that Transvaal coal producers had started discussions with Sats about tariffs on the Richards Bay line for the fiscal year starting in April 1989.

Producers failed last year to persuade government to amortise the costs of constructing the Richards Bay railway line over a period longer than 20 years, in order to give them relief from the 50%-70% increase in tariffs imposed in 1987.

Analysts said this decision had a huge impact on the SA coal export industry, which was already constrained by sanctions and the weak coal market. In January Frankel Kruger Vinderine coal analyst Keith Bright said the tariff "could be the death knell for an industry already reeling from collapsed prices and volumes".

But Sealey said the negotiations were not entirely fruitless: "At least we now know how the tariffs were arrived at. It took us about 18 months to find that out."

Revolutionary rail service for Cape soon?

w/LETTERS 7/1/89

by TOM HOOD
Business Editor

A REVOLUTIONARY light railway commuter service for the Western Cape is being investigated by Tramway Holdings, a leader in the field of bus transport.

Using new technology, a light-rail system could transport 250 passengers in an electrically driven train at a top speed of 80km/h.

It would provide transport for between 5 000 anbd 20 000 commuters during peak hours.

"We are investigating this kind of transport mode," said Mr Hennie Diedericks, chairman of Tramway Holdings, a subsidiary of Cape-based Tollgate Holdings

Pilot scheme

"We are starting a pilot project in Port Elizabeth this month and, hopefully, areas like Cape Town, Johannesburg, Pretoria and Durban will follow. The Western Cape is ideal for a light rail service."

The use of new light-rail technology is seen by the company as a way of solving the problem of swift, reliable and cost-effective commuter transport.

It is used overseas — in London, the Docklands Light Railway runs between the City and the rejuvenated Docklands development area

Mr Diedericks said. "Heavy railways are outdated, buses are becoming very expensive and black taxis have their limitations."

The Tramway team investigating the Port Elizabeth light-rail project is headed by Dr Wessel Pienaar, a transport economist and executive director of the Southern African Bus Operators' Association.

The formation of the investigating team is seen as a logical move in the face of accelerating urbanisation, the establishment of regional service councils and the move towards privatisation, particularly by SA Transport Services (Sats).

First phase of the development is the planning of a 20km light-rail system between the business centre of Port Elizabeth and the residential area of Motherwell

There is no public transport apart from buses between residential areas in Port Elizabeth and the city centre.

A decision about this project is likely to be taken next month, according to Tramway, and the project could be completed within four years if approved

"Land for the proposed line is already available and appropriated," said Mr Diedericks

An underground rail service in Johannesburg had been discussed for years, but the cost was too great, he added. A light-rail service could be a second choice.

"We have not studied the Western Cape in detail, but we would obviously serve the existing areas first and add on to the developing areas later"

Longer routes could be run as express services with few stops, while shorter routes could have more stops

No company could provide the capital for a light-rail system, so the support of the government and regional councils would be needed.

"You would be replacing in a big way the Sats services and cutting off the involvement of black taxis."

Decision soon

Growth of Blue Downs and Khayelitsha near Cape Town was encouraging for the transport industry and a decision should be taken soon about a system for those areas.

It would take four or five years to get the line going from the time the decision was made.

Mr Diedericks said: "In our environment we need a mass transport system which is flexible Fuel prices and other prices are skyrocketing.

Heavy railways are out of date, buses are becoming very expensive and black taxis have their limitations."

travelled to Cape Town from the Transvaal after his daughter's death on Wednesday night, said

accepted the lift was because Mr Van der Merwe was alone in the car.

when told his daughte ber Mr Le that is one

Man dies 'escaping'

PRETORIA. — An awaiting-trial prisoner, Mr Daniel Qobolo, 33, of Sebokeng, who appeared in the magistrate's court here on Tuesday on a charge of housebreaking and theft, died yesterday while police were conducting in loco investigations, a police spokesman said.

Mr Qobolo's death occurred during the course of investigations which included the pointing-out of certain spots in Sebokeng to police.

Police claimed Mr Qobolo, whose hands were handcuffed behind his back, attempted to escape. "While running away he fell and lost consciousness," a police statement said.

SAA Helderberg's 'black box' found

BY CHARL DE VILLIERS

SALVORS yesterday made maritime history — and may have obtained vital clues to unravel the mystery of the Helderberg jet disaster — when they recovered the doomed Boeing 747s cockpit voice recorder from the Indian Ocean seabed.

Experts hailed the find, nearly 4,5km under the waves where the downed airliner disappeared in November 1987, as a major breakthrough.

All 160 people on board Flight 259 perished when the aircraft lunged into the sea, apparently in a ball of flames, and disintegrated.

The black box (CVR) — one of the three performance-monitoring devices installed in Boeing 747's — was found more than 4 000m down at 9 30am yesterday, at the site of most of the plane's wreckage 134 nautical miles northeast of Mauritius.

The chairman of the commission of inquiry into

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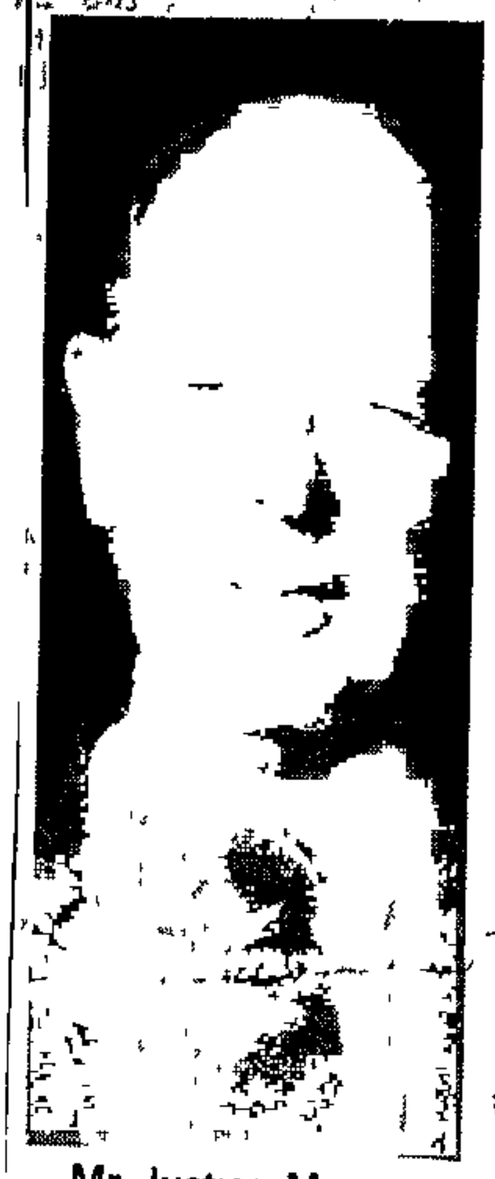
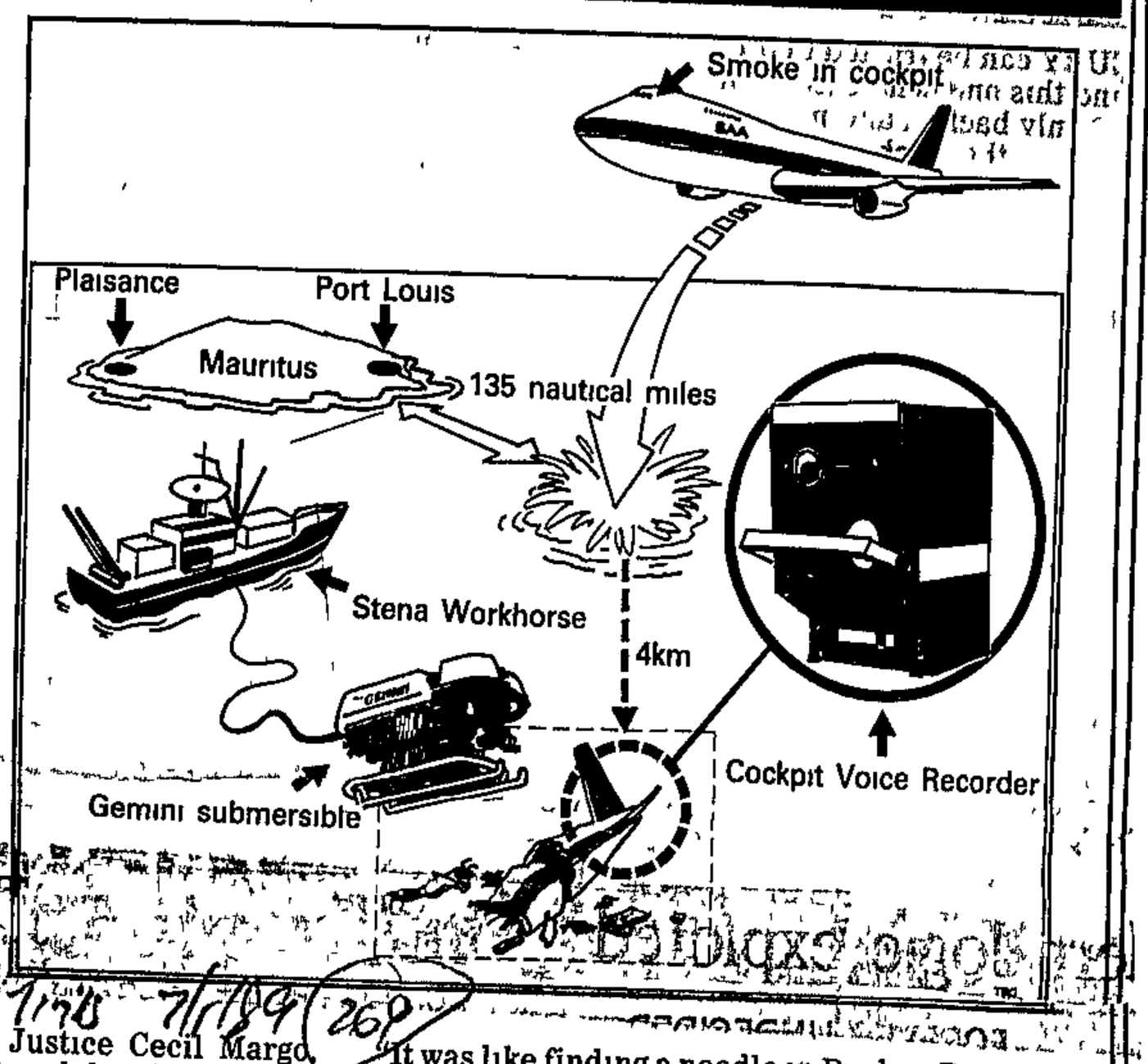


Mr Justice Margo



the Helderberg disaster, Mr Justice Cecil Margo said the device had been found by the remote-controlled Gemini recovery craft in "pitch-black" conditions while searching a pre-determined grid pattern.

Describing the discovery as a "technological triumph of the first order", Mr Justice Margo said the information so far received from the search was "already worth the money (R15 million) spent" on the operation

The Helderberg went down off the coast of the Indian Ocean island minutes before it was due to land at Mauritius in the early hours of November 28 while on a flight from Taipei to Johannesburg.

A spokesman for the Minister of Transport, Mr Eli Louw, yesterday said the CVR, transported on the Gemini's surface control vesssel, was expected to arrive in Port Louis late last night.

"It will be put aboard the first available flight to South Africa and a press conference is to be held at Jan Smuts airport when the recorder arrives," he said

He said both the Minister and Department of Transport were "very optimistic" that the tape would be intact and "not too badly damaged", though the recorder might have been corroded by its 13 month exposure to seawater

The CVR records all the speech on the plane's flight deck for the 30 minutes before the crash, Mr Justice Margo said.

"It was like finding a needle in Durban Bay It is of the utmost importance and it is the first time that such a thing has happened after so long a time and at those depths"

He said the find was unique as the Gemini had such a large area to search before it found the wreck of the Boeing and was having to deal with the wreckage in visibility between three and four metres at a depth of more than four kilometres.

Mr Justice Margo said he was optimistic that the other information system stored in the aircraft's tail section with the CVR, the digital flight data recorder (DFDR), would also be found.

The DFDR records the operation of more than 100 of the plane's parts, including monitoring the aircraft's controls, speed, temperature, wind and other information which could provide valuable clues to the cause of the crash.

"If all data are recorded, the DFDR could provide a running story of what happened in the 30 minutes immediately preceding the crash," he said.

Another monitoring device, the "quick access recorder", was stored in the aircraft's nose cone, which was devastated on impact with the water

Mr Justice Margo said the photographs and video footage recently taken by the remote controlled mini-submarine Gemini, had also provided valuable clues as to what happened during the last minutes of the Helderberg flight

The pictures provide information on what damage was caused and the fire path before the crash and one photograph has shown the trim code for the horizontal stabilisers — indicating they were set in the cruise position, Mr Justice Margo said.

More than R7 million had been spent so far on the underwater search by the remote controlled mini-sub the Gemini and its carrier the Stena Workhorse, the Department of Transport spokesman said. The initial phase of the operation to locate the crash site and map the area cost over R8 million

The Department of Transport on Wednesday extended the Stena Workhorse's contract for 20 days with another 20-day option depending on the results of the first phase of the extended period.

SAA flight has problems

Own Correspondents

JOHANNESBURG. — More than 300 irate passengers landed at Jan Smuts Airport early yesterday after a 48-hour delay and two abortive take-offs at Heathrow Airport outside London at the weekend.

South African Airways flight 235 from London had technical problems with its number one engine, and was forced to re-land twice after attempted take-offs, having to jettison 100 tons of fuel each time to lighten the aircraft for landing

Mr Mark Bonning, an American businessman holidaying in South Africa, said yesterday that there was great consternation among the passengers when the engines malfunctioned after take-off.

SAA changed the aircraft being used for the flight to Johannesburg, which caused further complications as it created a 24-hour delay for those booked on a flight to Cape Town.

Mr Bonning said they eventually left Heathrow at 4.30pm on Saturday and landed at Jan Smuts about 7.30am yesterday.

He said a lot of the passengers were going to ask for refunds or be reissued with air return tickets

The Public Relations Manager for SAA, Mr François Lowe, said the flight had been delayed because of two completely unrelated technical problems in the same engine

"At no time were the passengers in any danger, as we don't compromise on safety matters — we would rather be safe than sorry."

Start of Sats' privatisation

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Star 10/11/89

Legislation providing for the first privatisation phase of South African Transport Services into a public company with the State initially the only stockholder was published in Cape Town yesterday.

The Legal Succession to the South African Transport Services Bill makes provision for the separate creation within the company of a corporation to run rail commuter services "in the public interest".

The other functions of Sats — SAA, harbours, pipelines and road transport, will fall under the public company

Commuter services, to be operated by the South African Rail Commuter Corporation Limited, will be managed by a seven-member board of control appointed by the Minister of Transport.

LABOUR

This phase requires establishing Sats as an enterprise run on a profit and loss basis, competing on a "substantially equal footing in the transport market; fully liable to taxation, and sufficiently flexible to make participation by the private sector possible".

The company, still to be officially named, will have the State as its only shareholder at first, although provision is made for employees to acquire shares, and for further restructuring.

Although Sats' divisions will fall under the jurisdiction for the first time of the Labour Relations Act, with the repeal within two years of the Sats Conditions of Service Act 1988, the Minister may impose similar prohibitions on lock-outs and strikes "in the public interest" — Sapa

NATIONAL

Bill for private Sats is published

LEGISLATION providing for the first phase of the privatisation of the Transport Services, as a public company with the State initially being the only stockholder, was published today.

The Legal Succession to the South African Transport Services Bill also makes provision for the creation within the company of a corporation to run rail commuter services "in the public interest."

The other functions of Sats, SA Airways, harbours, pipelines and road transport, will fall under the public company.

Commuter services, to be operated by the South African Rail Commuter Corporation Limited, will be managed by a seven-member board of control appointed by the Minister of Transport

Time ripe

According to a memorandum accompanying the Bill it appeared from various studies, particularly one by Dr Wim de Villiers on the possible privatisation of Sats, that "the time is ripe for entry into the next phase of development" following the establishment over the last 75 years of Sats as "a sophisticated transport infrastructure in the interests of the country"

This phase requires the establishment of Sats as an enterprise run on a profit and loss basis, competing on a "substantially equal footing in the transport market, fully liable to taxation, and sufficiently flexible to make participation by the private sector possible."

The company, still to be named, will have the State as its only shareholder at first, although provision is made for employees to acquire shares, and for further restructuring.

A number of clauses provide for the maintenance of the status quo of Sats employees' service and pension conditions within the new company.

The Bill also makes provision for the tabling in Parliament of the annual reports and financial statements of both the company and the corporation — Sapa.

New SATS bill provides for advisory council

Cape Times 11/1/89

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Own Correspondent

JOHANNESBURG. — The impending South African Transport Services (SATS) budget to be read on February 22 could be the last to be voted by Parliament

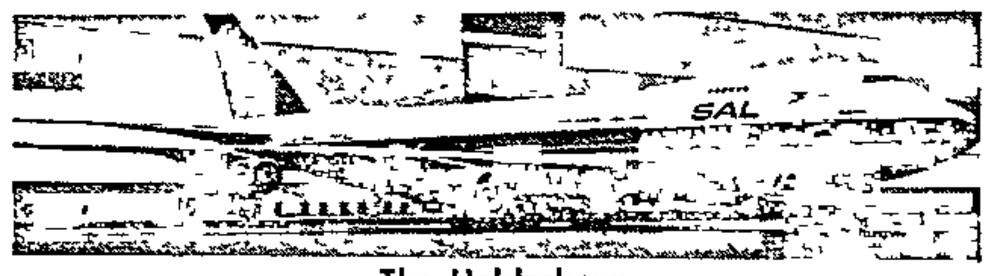
The bill, which depoliticises SATS, makes provision for an advisory council, similar to that of Eskom, to be appointed.

The nine-member council will consist of the SATS MD, a non-executive chairman with private sector management expertise, four non-executive directors with general economic interests in South Africa and three with expertise in private business

The other major renewal in the Legal Succession to the SA Transport Services Bill is that it provides for the formation of a sixth business unit, namely the commuter services, to accommodate the loss-making socio-economic service

Fire on Helderberg, tape reveals

ARGUS 11/1/89
269



The Helderberg

The man with the latest nudes!



The Argus Correspondent

PRETORIA. — The first scientific evidence that an explosion or fire caused the Helderberg air disaster has been disclosed after an inspection of the cockpit voice recorder (CVR) tape, which has now been cleaned and dried.

The cleaning and drying process was completed yesterday under the supervision of Department of Transport personnel

Work began on the tape at the weekend and according to a statement by the department today, the CVR tape was clearly subjected to intense heat.

All 259 people on board the Helderberg died after it plunged into the Indian Ocean shortly before it was due to land at Plaisance Airport

Cockpit sounds

The CVR records the crew's conversation and all sounds in the cockpit This first "black box" from the Helderberg was recovered from a depth of more than 4 km by the remote-piloted submersible, Gemini, last week

The statement said that there was no obvious damage to the tape and that it was still considered feasible that the data on the tape could be extracted without major problems

However, due to the crucial importance of the data on the tape, it will be flown to the United States, where working copies of the original will be

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The statement said that there was no obvious damage to the tape and that it was still considered feasible that the data on the tape could be extracted without major problems

However, due to the crucial importance of the data on the tape, it will be flown to the United States, where working copies of the original will be made at the National Transport Safety Bureau in Washington

No attempt will be made to listen to the tape until the copies have been made

Evidence that the tape was subjected to intense heat confirms reports that the pilot said there was "smoke in the cockpit" to the Plaisance air traffic controller in the final moments of Flight 295

Rinsing process

After the CVR was recovered and flown to South Africa immersed in sea water at below 12 deg C, the rinsing process began immediately and the temperature was gradually raised to room temperature

The outer casing was then cut away and the inner tape casing was exposed.

The entire operation was performed in a vacuum chamber and no part of the recorder was allowed to dry in order to avoid harmful deposits forming

The tape was wound off its continuous-loop reel on to a working reel while it was carefully checked for damage

It was continuously rinsed in de-ionised water and once saline tests proved negative, the drying process began

Every 20 minutes the tape was purged with dry nitrogen and after 24 cycles it was finally taken out of the vacuum chamber

The Gemini has resumed the search for the second "black box," containing the flight data recorders

● Unravelling the secrets of the black box — page 17

Page 10.

Bill sets out new infrastructure

The 'last' Sats budget going to Parliament

269

B/DAY 11/1/89

THE Sats budget to be read on February 22 could be the last to be voted by Parliament

The Bill, which depoliticises Sats, makes provision for an advisory council, similar to that of Eskom, to be appointed. Sats management will be responsible to the council

The nine-member council will consist of the Sats MD, a non-executive chairman with private-sector management expertise, four non-executive directors with general economic interests in SA and three with expertise in private business

The other major renewal in the Legal Succession to the SA Transport Services Bill is that it provides for the formation of a sixth business unit, namely Commuter Services, to accommodate the loss-making socio-economic service

It is not envisaged that this unit will be hived off to the private sector in the foreseeable future Instead the Bill makes provision for guarantees that it be run at the expense of government (central or regional), which is "obliged" to provide essential services

When enacted, Sats will be registered under the Companies Act as a public company with certain exceptions. It will have share capital, be able to issue financial instruments such as equity, set its own tariffs, control its own budget, earn profits and become a taxpayer

Until now Sats has been protected from competition on routes through permits. This is expected to change with deregulation, says deputy director of public relations Tienie van der Berg.

HELOISE HENNING

The Bill gives extraordinary powers to the Registrar of Deeds and exempts the transfer of assets from duties

Investigations to establish the separate asset structures for the five business units — namely Sats, SAA, Harbours, Pipelines and Road Transport — were continuing, Van der Berg said Certain anomalies needed to be cleared, such as overlaps of ownership of, for instance, Sats rails on harbour property

It has not yet been decided whether Commuter Services will merely be a service or whether it will own assets.

The Minister is also given certain powers to prevent the company from acting in contravention of the country's "economic interests"

Beneficial

□ GERALD REILLY reports from Pretoria that the federal council of Sats trade unions had been assured by Sats management no jobs would be lost because of the moves towards privatisation, council general secretary Abe Koekemoer said yesterday

"Initially we feared like trade unions abroad that jobs would be wiped out in the privatisation process and staff would be laid off." However, after two study tours abroad and discussions with British unions "we were convinced this could only be beneficial not only to workers but to the entire country"

Koekemoer said the draft legislation had been submitted to the federal council for comment.

SAA to send tape to US for copies

PRETORIA. — The tape of the last 30 minutes of conversation on the flight deck of the doomed Helderberg Boeing 747 is to be sent to Washington for working copies to be made, according to a spokesman for the Department of Civil Aviation.

The National Transport Safety Bureau in Washington will do the work and the tape will not be played until the copies are finished

The copies will be returned to South Africa to be transcribed and only then will it be possible to search for clues to the cause of the crash.

According to sources, the copies are to be made by an impartial agency to avoid any suggestion, should anything go wrong, that SAA had deliberately damaged the tapes.

The recorder, recovered from the seabed last week, arrived in South Africa on Sunday.

Department of Transport sources said it showed no signs of damage after it was cleaned and dried. — Sapa

127 hurt as trains collide near Durban

ARGUS 13/1/89 269

The Argus Correspondent

DURBAN. — A Durban-bound passenger train hit a stationary train near Umlazi early today, injuring 127 people.

Five, including the conductor on one train, are in a serious condition. The injured were ferried to two hospitals.

The collision happened at 6.20am when the Durban-bound train emerged from a tunnel and rammed the back of a passenger train held up by a signal between Lindokuhle and Mnyandu stations.

Although the train driver escaped injury, the conductor from the stationary train, identified only as Mr van der Linde, had serious head wounds.

BOARD OF INQUIRY

Dozens of paramedics and ambulancemen converged on the scene. Injured passengers were ferried to the King Edward VIII and the Prince Mshiyeni hospitals.

Mr Alan Lubbe, public relations manager, said a board of inquiry would be held to establish the cause of the crash.

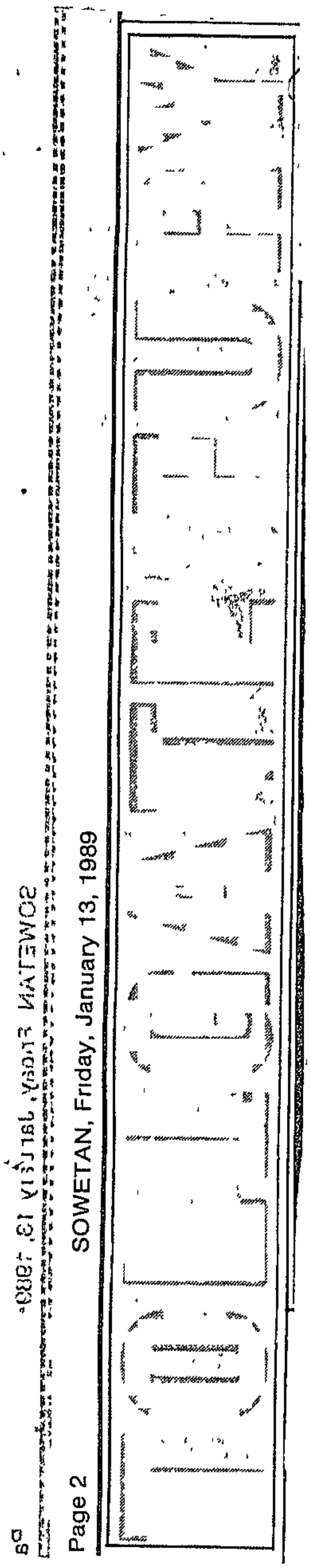
"Fortunately the train did not derail, otherwise the casualties would have been far higher," he said.

Mr Lubbe said the wreckage was being cleared and trains would soon be running to schedule.

Mr Sandile Sibiya, who lives nearby, said: "All I heard was the train and people shouting. I saw quite a number of people running away from the train."

Another man, Mr Fana Ndhlovu, said he knew there was something wrong when he heard people screaming. He said he rushed out of his house and saw chaos as people tried to climb out of the train.

Mr M Bhika, deputy medical superintendent of the Prince Mshiyeni Hospital, said about 200 people were being treated for minor injuries. Most would be discharged today.



We'll stop it, say residents

By JOSHUA RABOROKO

IRATE Greater Soweto community leaders and residents yesterday vowed to stop the building of a tollgate near their townships as this could mean spending an added R100 a month in toll fees.

Tempers are already running high as the leaders and residents said they were planning to see the Government and officials concerned in order to voice their grievances

Lost

The chairman of the Soweto Taxi Association, Mr Pa Mbatha, said the builders of the tollgates was planned to compensate for the income lost by cancellation of the Winchester Hills tollgate on the N13 last year.

He said "The construction of the new toll plaza indicates the frustration whites suffered Now they want to take it out on poor and exploited blacks"

It is believed the Department of Transport has reacted to the enforced halt to the N13 toll by deciding to toll Soweto traffic on a newly constructed link between Commando Road and the N1

Meanwhile a spokesman for Transport Minister, Mr Eli Louw, said although the Government was not prepared to abandon its policy of toll roads, it would be receptive to alleviating any hardships caused to local residents

Catering rating is the pride of SA Airways

Star 13/11/87

(269)

By JOE OPENSHAW

SAA came only seventh on a list of the top 10 best catered airlines, but the organisation is proud of being rated with the world's best

Although South African Airways was rated in London this week seventh out of the 10 best-catered airlines in the world by the influential Business Traveller magazine, SAA public relations officials believe they have reason to be proud

A panel of judges sampled typical meals and wines offered on the airlines at a contest held at the Savoy Hotel in London on Tuesday and SAA was ranked only seventh out of 10 for food and wine in both business and economy classes, with a total 168 points out of a possible 350 in the magazine's 1989 Food and Wine Awards

The winner, Singapore Airlines, chalked up 274 and British Airways and Virgin Atlantic were ranked respectively second and third

SAA did even worse in the overall wine judging, with only Japan Airlines considered worse And the wines offered in the economy class were rated absolute bottom of the league

Mr Francois Louw, public relations manager for SAA, said yesterday "We are proud to have been chosen among the 10 best airlines"

He said the 10 best catered-airlines are chosen on their past record and SAA had a good record for catering

"We are obviously not very happy at not being tops but we will strive to improve and we will enter the contest again next year," said Mr Louw

The business class wine list was marginally better, coming in at No 9 although business food and wine together came seventh

Food and wine in economy class, though, was second last

The only other airline to do worse than SAA was KLM Royal Dutch whose economy food and wine came last.

All but five of the main international airlines took part in the survey Pan Am withdrew because of the Lockerbie disaster

Mr Louw said some years ago the South African wines served in first class were judged not to be of the highest standard

"But we improved them and wines served in the first class cabin are now considered to be tops internationally"

Mr Louw said Air Chef RSA, a branch of Fedics, does the catering from Johannesburg for SAA and other caterers based in London catered for the carrier from there

Mr Ed Marchand, managing director of Air Chef RSA, said as far as he was aware the food judged at the Savoy was from the London-based caterers

'We were not involved in the competition," Mr Marchand said

269 FMAIL 13/1/89.

PUBLIC TRANSPORT

Tram-sports of delight

Electric trams are about to make a comeback in SA Port Elizabeth is preparing to become the first to instal a European-style, single-decker light rail transit system (LTS)

A feasibility study into introducing the system to Johannesburg will begin shortly

PE is likely to call for tenders in May 1990 for the building and operating of a 15 km line linking its CBD with the black township of Motherwell. The system should be operating by the middle of 1993.



Trams have become an increasingly common sight in cities around the world

Two hurdles have still to be overcome A current investigation must prove that LTS is the best mass passenger system on that route. Officials say the result is a foregone conclusion

And Transport Affairs Minister Eli Louw must give his approval. That is expected soon He was told recently the Department of Transport (DoT), the National Transport Commission (NTC) and the inter-departmental Committee for Commuter Rail Facilities have agreed in principle to the project.

Government expects the private sector to pay for rolling stock and to operate the line. However it has, through the NTC, undertaken in principle to pay for construction of the line at an estimated R155m.

The DoT's Malcolm Mitchell, chief director of national roads and urban transport, will chair the PE project steering committee. He says the Motherwell line is considered a demonstration project.

"A lot of analytical work still has to be done We want to prove that LTS is a public transport system that can work in SA if government provides the infrastructure and the private sector takes responsibility for the operating costs"

Three private sector consortiums, led by Industrial Machinery Supplies (IMS), Siemens and GEC, have been been formed and will bid as soon as tenders are called.

Tollgate Holdings, which operates PE's bus services, says it has been advised not to join a construction consortium because it will probably be asked to run the service. Wessel Pienaar, former executive director of the Southern African Bus Operators' Association (Saboa), recently joined Tollgate (*Business* January 6) as its LTS project leader.

City engineer Arthur Clayton says PE is the only metropolitan area with buses as its sole mass passenger system. Its tram system was scrapped 30 years ago for the same reasons Johannesburg, Cape Town and Durban scrapped theirs they were considered noisy, uncomfortable, inflexible and expensive to maintain Many people also believed fuel prices would remain low, making buses a more economic alternative

Clayton says a study by his department identifed LTS as the most suitable mass passenger transport mode for the area.

"We studied all modes, including ordinary commuter trains and upgraded bus services running on dedicated bus lanes, and decided there was nothing to beat the passenger-carrying capacity, economics, comfort and flexibility of LTS"

The cost/km of transporting a passenger by diesel-powered buses is 5c-7c, adds Clayton The estimated cost by LTS is 3,1c/km. With a difference of that magnitude, he argues, "private sector operators will be able to set viable and competitive fares and reduce the State's commuter subsidies."

Louis van Ass, of IMS's railway division, says LTS trams are cost-effective for between 3 000 and 20 000 passengers an hour More than two carriages can be linked together in peak periods and only one need be used in off-peak hours Their use in many old European cities with narrow streets demonstrates the vehicles can negotiate steeper gradients and tighter turns than old-fashioned trams.

Mitchell has set his sights on introducing LTS to Johannesburg, "one of the few cities of its size in the world that does not have a good rail-based mass transit system"

The NTC conducted a "pre-feasibility study" in 1987, which Mitchell says showed the viability of an LTS With Eli Louw's approval, it will now carry out a full R5m feasibility study, due to start in the next two months.

If Johannesburg does install an LTS, it is unlikely to run to Soweto because of the mass bus, taxi and train services that already operate there It is more likely to finish closer to Johannesburg, possibly running as far as the black township of Alexandra, adjoining Sandton Ivo Carlisle, the city's director of metropolitan planning, regards the NTC investigation as "an investigation into mass passenger transport, not only into LTS. However, it's their study and they haven't started yet" ■

MILLER WEEDON TRAVEL

An uneasy truce

Miller Weedon Travel (MW) chairman Jack Walsh and former MD Mike Menof have reached an "amicable agreement" in their legal battle

Neither man will confirm the terms of the agreement but it is understood that Walsh has dropped his claim for R72 000 against Menof, and that Menof has agreed not to sue Walsh for alleged wrongful arrest

However, it is clear that the agreement has not patched up all differences. Walsh flew from Cape Town to Johannesburg on Tuesday for talks with Menof on their future relationship. Walsh says the meeting was in response to Menof's request to return to MW Menof says Walsh asked him to rejoin the company.

Whoever made the first move, both agree that a fruitful working relationship will be difficult after the past few weeks.

Until the parties reached agreement this week, there was no middle ground between the two men Walsh insisted he was due the full R72 000, for the difference between stated assets at the time he led the MW takeover and what a final audit apparently showed those assets to be Menof, who was 22%



Menof ... insists he never owed MW a cent

A STEP FORWARD

SA Transport [illegible] has taken [illegible] publication of the Legal Succession to the SA [illegible]ort Services Bill The Bill [illegible]ich provides for the formation of a holding company to take over [illegible] activities, contains no surprises Essentially it [illegible] blueprints for the Transport [illegible] announced [illegible] privatise SATS operations

[illegible] include

[illegible]sion for an employee share ownership scheme

[illegible] the right to tell [illegible] industry activity [illegible] logic of economic [illegible]

[illegible] the company to provide unprofitable services In such cases the [illegible] subsidise the service and [illegible] SA [illegible] commuter Corp under the direction of the ministry A legislation that rail commuter services [illegible] profit potential in [illegible] operation

[illegible] company will be run "in accordance with the principles of profit and return on capital" and [illegible] liable to [illegible] tion

shareholder, MD and financial director before the deal, insists he never owed Walsh or the new management a cent.

Relations between Menof and Walsh were strained even before Christmas Day, when an urgent application by Walsh's attorneys resulted in Kempton Park's deputy sheriff arresting Menof at Jan Smuts Airport at 6.30 am as he returned from the United States where he is contracted to a Dallas, Texas, travel company until May.

Only a frantic phone call to rustle up an R80 000 guarantee prevented Menof spending Christmas behind bars A judge subsequently cancelled the guarantee and ordered Walsh to pay full costs of the hearing — understood to total more than the R72 000 MW claim

The months leading up to the incident had witnessed increasing frustration between the two men, with each accusing the other of obstruction in trying to settle the claim.

Walsh, now chairman and largest shareholder of the MW group, says the R72 000 relates to warranties standard in the purchase of a company. These include indemnities for litigation unsettled at takeover; tax provisions where MW's liability to the Receiver is higher than the figure provided in the balance sheet; assets recorded in the balance sheet which don't exist; and other warranties relating to the state of the company's current assets

Bankorp, majority shareholder in MW before the takeover, paid about R300 000 in terms of the warranties and Walsh maintained Menof should accept similar responsibility. Menof insisted he was not responsible for the R72 000 sought from him, but that it was the result of poor management by the new team Both men said they were willing to submit to arbitration

This week's agreement wipes out the need for arbitration. Whether it also wipes out the ill-feeling — particularly arising from the Christmas Day incident — is doubtful

Walsh says Menof's arrest was the result of a misunderstanding by MW The interdict that led to the arrest was an honest attempt to bring Menof to the negotiating table and there was no question of personal malice He says the Christmas Day arrest was the result of unfortunate timing on the part of the deputy sheriff.

This doesn't appear to be borne out by a December 23 letter to the deputy sheriff from Walsh's attorneys, which stated "We confirm that you have been advised that the respondent is arriving at Jan Smuts Airport on Sunday morning, December 25 1988, at 6 am on the Sabena flight No SN325 We confirm further that you will be present at the airport in order to affect the arrest and to convey the respondent to the prison"

Walsh acknowledges that the last sentence appears malicious, but denies there was any such intent He says the letter was drawn up by his attorneys and the wording was no more than "legalese," allowing the deputy sheriff to act as he saw fit

Menof returns to the US on Sunday to complete his Dallas stint But don't imagine that will be the last you'll hear of the affair.■

CAR TELEPHONES

Coasting slowly

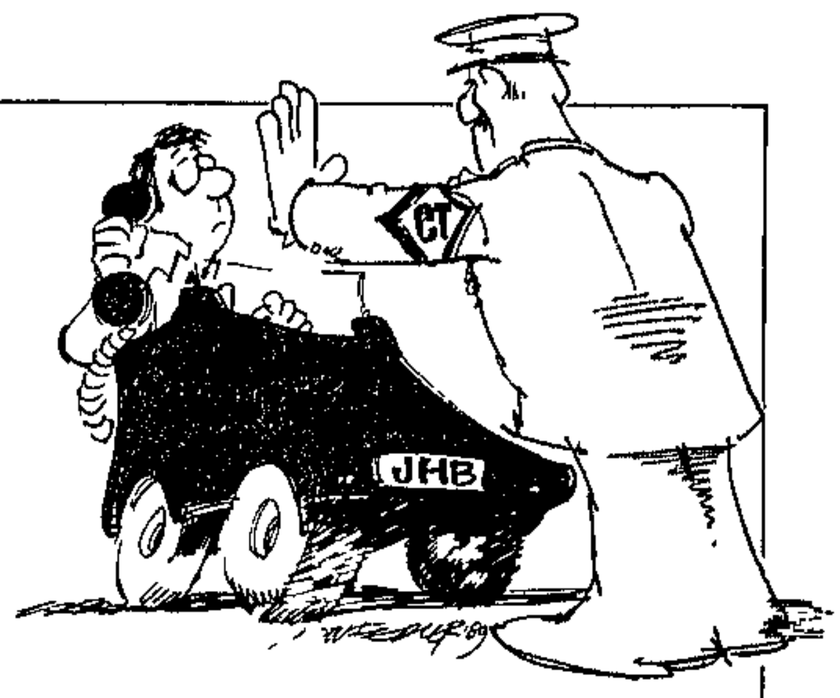
Coastal businessmen are becoming impatient over the introduction of a car telephone service in their regions.

The Posts and Telecommunications (P&T) car telephone service, which provides 2 990 lines in the PWV region, is expected to be fully allocated by the end of the month But potential users elsewhere think it's about time the service reached them

A R20m expansion programme is already under way in the PWV to increase the number of relay base stations from seven to 21. The first 500 lines under the programme will be available around mid-year By 1991, about 10 000 car telephone lines should be operating in the PWV

But despite growing demand, and evidence that it could be commercially practical in the long term, P&T still has no firm plans to expand the service to other regions.

The cellular car telephone service was introduced in the PWV in May 1986 after P&T spent R10,3m on infrastructure Supply and maintenance of the units — which currently cost R14 650 each — is handled by Siemens and Philips Monthly rental, payable to P&T, is R75 and call costs are 13,5c



for a 14-second unit Trunk calls cost more. The service is believed to earn about R750 000 a month for P&T

P&T spokesman Ben Rootman says investigations into extending the car telephone service to other metropolitan areas, including Cape Town and the Durban-Maritzburg region, are continuing

Siemens sales manager Keith Wood says surveys show demand for the service in Cape Town and the Durban region is 200% higher than is needed to justify the creation of an infrastructure

He says his company is receiving "two or three" inquiries a week from Cape Town and Durban, but doubts if the service will be introduced before 1991 Provision of infrastructure in the mountainous Cape area, in particular, could be costly.

Wood says there has been a "massive" increase in the popularity of car telephones. However, he says earlier assessments of a potential market of 400 000 telephones in SA now seem ambitious because of cost.

While they wait, businessmen can still make use of radio telephone services. The service usually costs R100-R150 a month to rent from radio page companies The disadvantage is lack of direct dialling and relative lack of privacy.

The service can be coupled to the normal telephone service by channelling calls through the paging company's base station. ■

STAINLESS STEEL

Waiting for the word

Samancor is about to announce plans for its new stainless steel plant. Details of the size, location and capacity will be released "within the next week or two," the company says.

Chrome division GM Fred Boshoff says the project is a "must" for SA.

"It fits in with our philosophy of adding value to SA's minerals. But we will not cut back on ferrochrome supplies to our existing clients A new plant will have to be supplied from additional ferrochrome production and will be focused on meeting strongly growing demand for stainless steel," he says

Samancor's view is that the world stainless steel market will keep expanding and a new plant will help meet the demand.

As well as having to expand its 560 000 t/year ferrochrome capacity to meet additional demand from its own stain-

(269)

Hangar nosedive costs SAA more than R1-m

5/Times 15/11/89

By ROGER MAKINGS

A SOUTH African Airways jet took a costly nosedive recently when the landing gear was accidentaly retracted during an inspection.

The multi-million-rand wide-body Airbus A-300 fell flat on its face in the hangar, causing more than R1-million damage.

In fact, the aircraft was so badly damaged that a consultant from the Airbus factory in Toulouse, France, had to be flown out to help with repairs.

And the 250-seater liner is not expected to be operational before the end of this month.

The expensive accident occurred while technicians at Jan Smuts Airport were testing the aircraft's hydraulics about 2am on Christmas morning.

A steel gear pin was inserted into the landing gear to prevent it from retracting when the hydraulics were tested.

But, as red-faced technicians found after the Airbus collapsed, the pin (which has a red flag on it), had been incorrectly placed.

SAA spokesman Zelda Roux said that the nose section of the aircraft had been cracked and would have to be replaced. There was no question of repairing the damage.

She added that technicians would be taking extra precautions in future to ensure a similar accident did not happen

The mishap had not caused delays as a Boeing 747 was in place of the Airbus.

Black box 'missed vital information'

Own Correspondent

JOHANNESBURG. — Two members of the team from the Department of Transport investigating the Helderberg flight disaster returned from Washington today amid allegations that the last 30 minutes of the flight were not picked up by the aircraft's cockpit voice recorder (CVR).

However, it could not be confirmed yesterday with the Department of Civil Aviation that the CVR had shed no light on the final moments of the crash.

Chief director of civil aviation Mr Japie Smit said the two South African members of the team, Mr Rennie van Zyl, chief of aviation safety, and Mr Roy Downes, a top accident investigator, had processed the tape with experts at the National Transport Safety Bureau in Washington.

Mr Smit said he did not know what the tape contained and could not comment on newspaper reports that the last 30 minutes of the flight were not recorded.

The CVR functions only in 30-minute spells, erasing at the end of each spell what it recorded earlier, Mr Smit said.

Weekend newspapers reported that the tape only contained the words spoken during an earlier stage of the flight from Taiwan and did not contain any information relating to the fire on board or the cause of the crash

Mr Smit said he could not comment on reports that the recorders had stopped functioning through a fault in the electrical system on board hours before the Helderberg crashed.

However, he said a preliminary analysis of information extracted from the master tape had revealed that the contents did not reflect all the information that was hoped for

The captured data had been transferred onto working copies in Washington and a detailed analysis and transcription will be made by a specialist in South Africa, Mr Smit said.

"On completion this transcription will be submitted to the Accident Investigation Board for evaluation, which will decide whether to release the contents," he said

Experts return after US lab tests

Helderberg black box 'may not be useless'

Argus 16/11/89 269

The Argus Correspondent

JOHANNESBURG. — Mr Justice Cecil Margo, chairman of the commission of inquiry into the SAA Helderberg crash off Mauritius, does not agree that voice recordings on the aircraft's black box may prove useless to investigators.

The box was recovered last weekend from its position four kilometres down on the seabed.

Mr Justice Margo was commenting on reports that cockpit voice recorders had not picked up the final 30 minutes of the aircraft's flight.

"I don't know the source of the information used in the reports, as no word has yet been received by us from Washington.

"I was told earlier that some portion of the relative period was on tape, but unfortunately not all.

NOT PICKED UP

"There is reason to believe this portion of the tape will yield information useful to our investigations."

Newspapers reported Washington sources as saying the last 30 minutes of the ill-fated flight, during which the aircraft burst in flames before plunging into the sea, were not picked up on the cockpit voice reporters

The reports said the recorders were not operating at the time of the crash. This was shown by the presence on the tape of a previous 30-minute cycle recorded soon after departure from Taiwan.

This should have been wiped off and replaced by the final 30 minutes of cockpit conversations.

Sunday newspapers said the last minutes of conversation had never been recorded because a fire which raged in the cargo compartment destroyed connecting wires before the airliner crashed.

HIGH-TECH

Mr Justice Margo said he could offer no comment until the tapes arrived from Washington, where they were transcribed at the high-technology laboratories of the National Transport Safety Bureau.

He expected the transcriptions to be in his hands today

He said attempts were still being made to interpret a conversation between the aircraft and the tower at Mount Plaisance Airport, Mauritius.

Experts have disagreed about what was said in the vital moments before the crash because portions of that tape were badly garbled

SATS: First steps towards privatisation

CAR Time 17/1/89 269



John Turner has been appointed manager and deputy head of Rand Mines base metals, property and metal marketing division and joint MD of Rand Mines Properties.

JOHANNESBURG — SA Transport Services (SATS) has taken the first steps towards privatisation

Thomas Greef, assistant GM finance and head of the Corporatisation and Privatisation committee said that the organization was to be divided into two groups

One would be a public company, while the other would be a corporation.

Initially both would be fully controlled by the government.

Changes

However, Greef said that within the next few years shares in the public company would be made available to investors

He said a bill was to be presented to Parliament shortly which would embody all of the changes

The corporation would retain responsibility for the commuter sector of SATS services while the company would run other services

In terms of the bill to be placed before Parliament, the public company will be able to form seperate public companies to incorporate divisisons such as SAA.

The new company will take control of about 90% of SATS assets of R15bn

Greef said the main reason for placing all the shares with government was that SATS wished to establish a proven track record as far as profits and dividends went before issuing the shares to the public

He said that the name of the new company will be announced shortly and that the board will consist of nine members

There will be an independent non-executive chairman with managerial background in the private sector.

Four non-executive directors possessing expertise and experience in the general economic interests of SA.

Three non-executive directors possessing expertise and experience of management in the private sector and a MD.

Transfer

SATS states "In addition, the bill provides for the transfer of the whole commercial enterprise of the state currently known as the SA Transport Services to the company, with the exception of certain rail commuter assets All employees of Transport Services shall be employees of the company"

Greef said that SATS would, once the bill has been passed, become subject to all the legislation that applies to transport operators

He said that about 120 laws that Sats was exempt from would apply to the organization once the bill was passed.

He also stated that while current agreements with the unions regarding labour agreements would hold for a while, they would have to be re-negotiated in future to fall in line with current legislation.

There is also a provision for issuing of shares in the company to employees. — Sapa

Rand closes lower

JOHANNESBURG — The rand continued to lose ground against a strong dollar yesterday, with a consequently weaker gold price adding to the pressure, dealers said.

The rand gained ground against other major currencies

The rand closed at R2,3985/4000 after opening at R2,3950/65 against Friday's R2,3880/95 close,

The financial rand rallied to R3,88/96 from R3,92/4,00.

Against other currencies the rand closed at.

USA: 2,3985/4000
UK. 4,2235/85.
Germany. 0,7730/40
Switzerland: 0,6590/600
France. 2,6340/70
Netherlands: 0,8725/40
Japan: 53,30/40 — Reuter

Sats to go public on April 1 1990

Star 17/11/89

By Stan Kennedy

D-day for Sats, excluding certain rail commuter services, becoming a public company is April 1 1990.

The move can be seen as the setting-up of the mechanism for privatisation of certain parts — harbours, railways, airways, pipelines and road transport — although an official decision on privatisation has not yet been made.

It can almost be taken as read that after two years — around April 1992 — when the public company and its various divisions have a track record of success and the Johannesburg Stock Exchange is an attractive proposition, the company will offer shares to the public and Sats workers.

The company will compete on an equal footing in the transport market. It will be liable for tax and will be sufficiently flexible to make participation by the private sector possible.

Dr Anton Moolman, the general manager, will head the company as MD.

The board will consist of nine members: an independent non-executive chairman with managerial background in the private sector; four non-executve directors with expertise in and experience of SA's general economic interests; and three non-executive directors with expertise in and experience of management in the private sector.

At a press conference in Johannesburg yesterday, Mr Thomas Greeff, assistant general manager, financial services, explained various aspects of the Bill for Sats' legal succession as a public company.

Although a public company and still to be named, the shares will be held by the Government, as at present. The assets of the company will be about R12,5 billion, or 90 percent of Sats' current assets of R15 billion.

The balance will go to the part of Sats that is not incorporated in the company and which will be called SA Rail Commuter Corporation.

Mr Greeff said it would be improper for Sats to discuss the merits of the Bill or any of the policy matters because of great sensitivity over the matter.

The state corporation would be an instrument of the state and not a successor to Sats and would provide a rail passenger service.

"The new company will carry on business in all areas of transport and in certain harbour facilities. The state corporation will have a limited staff and will conclude contracts with outside companies.

"The public company will form other companies and will transfer business units, such as forestry, track maintenance, workshops and construction, to such companies."

The Bill is expected to be debated by the standing committee on Transport Affairs in January and to pass through the normal processes of Parliament before the end of the session.

● Competition Board chairman Mr Pierre Brooks says it appears there are no strong objections to the privatisation of Iscor, writes **ROY COKAYNE.**

Clearance from the Competition Board is likely to overcome the final hurdles in the run-up to the privatisation of Iscor.

An announcement about privatisation can be expected soon, possibly by State President PW Botha at the opening of Parliament on February 3.

New airline second only to SAA

269 Star 17/1/89

Pretoria Correspondent

A new airline group which will be majority-owned by an unlisted Pretoria-based investment company and will incorporate Magnum Airlines, City Airlines and two smaller commuter airlines, is about to be formed.

The new airline will be the largest domestic airline after South African Airways (SAA) in the number of routes operated and passengers carried. It is being formed in view of the possible privatisation of SAA.

Mr Ivan Jackson, general manager of Magnum Airlines, said it was premature at this stage to make any announcement about the new airline because the overseas shareholder could change, although this shareholder would still be part of the same overseas group.

"As soon as this is finalised we will make an announcement," he said.

Mr Jackson refused to name the Pretoria investment company under whose umbrella the new airline would fall.

But, he said, the overseas company would have only a minority shareholding in the new airline.

Mr Jackson said they also had to finalise contracts with two smaller commuter airlines. He did not want to name them.

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FAA to tell airlines to modify 737s

By MALCOLM FRIED

UNITED STATES aviation authorities are to direct airlines to modify their Boeing 737 fleets, and a spokesman for SAA said yesterday that the airline would act immediately on any such directive.

Following the near-breakup of an Aloha Airlines 737 last year, a Boeing official has said "there is evidence that we should be doing maintenance rather than inspections"

The official, Mr Ben Cosgrove, said a series of airworthiness directives would be issued by the US Federal Aviation Administration (FAA) as a result of the work of task forces examining problems with older aircraft.

Mr Francois Louw of SAA said the airline was in constant contact with Boeing and the FAA and complied with all their directives, which were enforced by the local Directorate of Civil Aviation

Mr Cosgrove said a question for airlines was whether they would want to buy new aircraft or shoulder the extra maintenance cost of the modifications, which could run to up to 10% of an aircraft's original cost.

SAA would pay whatever was necessary to ensure aircraft safety, said Mr Louw, as "we don't play with lives".

Mr Louw said SAA had a fleet of 17 737s, and conceded that the cost of modifying the aircraft could be "very great", but said that a portion of these expenses might be paid by Boeing.

"If the company is responsible for the faults, they might pay part of the costs. But, in any case, the changes will certainly be made"

Mr Louw said SAA would probably be able to do the necessary work locally, as it had developed its own system of aircraft inspection and could carry out 98% of modification work in South Africa.

Mr Cosgrove said that Boeing had been training 150 inspectors in finding tiny fuselage cracks and evidence of corrosion.

SAA would accept any inspection of its fleet by Boeing personnel, said Mr Louw

A white yes, a black no

269 W/mail 20-26/1/89

By EDDIE KOCH

PLANS to privatise services run by the SA Transport Services (SATS) have sparked widely conflicting responses from trade unions operating in the public sector.

The militant South African Railways and Harbour Workers' Union (Sarwhu) says SATS plans pose a threat to the jobs of their members as well as the welfare of black township residents.

On the other hand, the Federation of SATS Trade Unions (Fedsats), an umbrella of "moderate" unions officially recognised by the government, has hailed privatisation as a move towards profitability and higher wages in the sector.

"At our congress last year, members expressed an in-principle rejection of privatisation because it usually involves staff cuts and a pruning of services to the community in the interests of profit," said Sarwhu education secretary Mike Roussos.

"We also believe government plans for the railways are designed to release more funds to finance militarisation and reform programmes which our members have rejected."

Despite these general reservations, Sarwhu is prepared to consider the details of the privatisation programme in formal negotiations with Sats. "But so far, management has only spoken to Fedsats — even though our members and the communities they live in are likely to be most heavily affected," said Roussos.

Sarhwu claims to have signed up more than half the industry's 90 000 black workers, and is in the process of negotiating a recognition agreement with SATS The Fedsats unions have 130 000 members of all races.

Abraham Koekemoer, general secretary of Fedsats, said. "Residential segregation creates heavy transport costs and the government has been prepared to accept these losses for the sake of an ideology.

"We have always opposed this, because we believe workers have been forced to subsidise the ideology through their low wages. Privatisation will now lead to greater efficiency, more profitability and higher wages."

Koekemoer said his organisation had visited the United Kingdom to examine the effects of the privatisation of British Rail and had come back convinced that it contained considerable benefits for workers.

"We especially welcome the announcement that SATS workers will be able to buy shares in the new company. Many English railway workers are getting more in dividends from their shares than from their pensions."

Asked to comment on the fact that the railways has traditionally been a source of sheltered employment for unskilled white workers, who make up the bulk of Fedsats' membership, Koekemoer said they were satisfied with a written guarantee from SATS that no employees would be retrenched in the privatisation process.

Meanwhile Sarhwu, an affiliate of the Congress of South African Trade Unions (Cosatu), has joined three other unions operating in the public sector to form a private sector co-ordinating committee. This forum plans to launch a major campaign in February which will include mass rallies to discuss the implications of privatisation.

Other unions in the committee are the Postal and Telecommunications Workers' Association (Potwa), the SA Municipal Workers' Union (Samwu), and the National Education, Health and Allied Workers' Union (Nehawu).

A quarrel with the boss, a few beers ... and white Johan joins a black union

With the wage squeeze hurting black and white alike, there's a small, but significant trickle of white workers to black unions. One of them is Johan Beaurain. EDDIE KOCH reports



Sarhwu member Johan Beaurain: 'I got a disease you can call apartheiditis — an overdose of apartheid'

Picture: ANNA ZIEMINSKI, Afrapix

WHEN Johan Beaurain, a young white electrician, wandered into the office of the South African Railway and Harbour Workers' Union (Sarwhu) during the bitter strike by black railwaymen in 1987, he could tell from the expression on people's faces that they thought he was either lost or a police spy.

A union organiser, busy writing out receipts for membership fees from workers who had crowded into the room, jokingly asked whether he had come to join

"I just said 'Yes'. I think he realised immediately that I was serious and began speaking to the other workers in English, saying that it was not the policy of Cosatu to discriminate on the grounds of race," Beaurain told the *Weekly Mail* in an interview

As an affiliate of the Congress of South African Trade Unions (Cosatu), the railway union had always endorsed the labour federation's non-racial principles. But not many of its members really believed that a white worker on the railways would one day sign up.

Since Beaurain took out his membership card, a small but significant number of white workers have been making their way into the offices of progressive, mainly black trade unions and asking if they can join.

Last year more than 30 white artisans at the Volkswagen assembly plant in Uitenhage — former members of the ultra-rightist Yster en Staal Werkers' Unie (Iron and Steel Workers' Union) — defected to join Cosatu's National Union of Metalworkers' of South Africa (Numsa)

This week, hundreds of black workers at the VW plant elected three white shop stewards to represent them in negotiations with management.

And in another development, black members of the Commercial Catering and Allied Workers' Union (Ccawusa), another affiliate of Cosatu, will meet this weekend to consider industrial action at the Johannesburg Stock Exchange in support of demands for the reinstatement of white security guard who the workers say was sacked for joining their union

The reasons for this surprising trickle of traditionally conservative white workers into South Africa's militant labour movement are varied and complex.

An explanation favoured by many unionists is that the government's wage freeze, which squeezes whites and blacks alike, has created the objective conditions for non-racial worker solidarity At the same time Cosatu and Nactu have attracted whites by demonstrating that they are more effective than timid white unions in fighting for improved wages and working conditions.

Economic self-interest was clearly one of Beaurain's reasons for joining Sarwhu. "The day before I had a fight with the bosses about the way they gave out merit awards to workers, which I thought was very discriminatory," he says "That night I went out and drank a few beers and thought to myself 'F. it Let me just go and join those black guys'."

But Beaurain says the major factor was a desire "to build a fair society for my fellow workers" that grew out of his experiences early on in life

The young man's father, a typical Afrikaner patriarch, began working on the railways as a labourer during the depression He joined the Spoorbond (a conservative union for white railwaymen), worked his way up to become *lootsvoorman* — the overseer of a locomotive yard; and was loyal to the government of the day until he died in 1985

Johan grew up in the Orange Free State town of Bethlehem He did his matric at the Witteberg High School, excelled at athletics and never questioned the values that this father instilled in him.

"But my father had a great sense of fairness and morality," says Beaurain. "He would never tolerate a wrong being done to anyone and I think it's because I inherited this that I was later able to see the gap between apartheid and the way it impacts on reality."

This growing awareness of injustice was transformed into open dissidence when the young man did his national service. Beaurain volunteered to become a member of South Africa's elite reconnaissance commando. But after passing the rigorous training programme he was rejected because he got a bad "buddy rating" from the others on the course

"I was unconsolable," says Beaurain. "I became a parachute packer in the unit and began to see how black soldiers were badly treated even though they were prepared to fight and die together with the white soldiers. That's when I got a disease you can call apartheiditis — an overdose of apartheid."

After completing his military service, Beaurain went to the railways and a year later call-up papers arrived notifying him that he was due to attend a three-month camp The young man resolved not to go.

"My brothers tried to talk me into it But I just said I wasn't going. When they realised I was prepared to go to jail they phoned up the army and said 'You better come and fetch our brother There's something wrong with him'.'

An army officer arrived on the farm and persuaded the young man to go to the military base on the understanding that he would not be required to do any training. Beaurain says that after arriving at the camp he was sent to a mental ward in the army hospital.

After a week he was called to a hearing and questioned by a panel of doctors and officers who eventually told him to go home A few weeks later a certificate arrived on the farm saying he was exempted from military duty because he was "medically unfit"

Beaurain's mood of defiance was magnified by the indignation he felt at being treated in this way. Back on the railways he tried for five years to persuade his colleagues to respect the rights of black workers — and lost most of his friends The feeling of isolation was another reason for joining the union when it exploded on to the scene in 1987.

"Now I feel as if I have hundreds of friends, whereas before I had almost no friends," Beaurain says.

However, his decision to join Sarwhu has not been without cost. "I unexpectedly became a victim of the racist policies of South African Transport Services myself by being unable to attend work due to the degree of intimidation and victimisation towards me by other white workers."

Beaurain now plans to institute legal proceedings against the management of Sats for allegedly refusing to discipline whites for racist behaviour and failing to implement the company's commitment to racial parity.

The young electrician's spirit of defiance is unusual among the white workers, who have joined black trade unions mostly out of economic self-interest.

But the election of white shop stewards to represent black workers at VW shows that a larger process — the breakdown of racism in the workplace — can be set in motion.

(269)

Can the railways go private without putting up taxes?

W. MAIL

20-26/1/89

If the railways go private, they'll have to show a profit. What will that mean for the long-standing fare subsidies for black workers, designed to ensure that they get to work from distant townships?
By HILARY JOFFE

THE first steps towards South African Transport Services' possible privatisation have highlighted the issue of subsidies for black commuters

The Legal Succession to the Sats Bill provides for the formation of a public company, of which the government will be the sole shareholder, to which about 90 percent of Sats' R15-billion worth of assets will be turned over The idea is to create a company run on commercial principles which could be privatised eventually

The company is to be established by April 1 1990. It will then have to show a "track record" of profitability which would attract private sector investors before the company, or some of its business units, can be considered for privatisation.

But no-one expects the rail commuter services, which carry South Africa's black workers from their township homes to their jobs, will ever make anything but a huge loss

The rail commuter services are to be run by a non-profit public corporation, which will contract with Sats or other agencies to run the services

Sats main business units — harbours, airways, pipelines, road transport and the mainline inter-city railways — will be the units of the public company which is to be established, along with around 25 smaller units such as catering and workshops.

The airways, the harbours and the pipelines are the ones which have been making the profits. In the financial year ended March 1988, harbours showed a surplus of R362-million, the airways, R302-million and the pipelines, R217-million.

But the commuter services showed a loss of R1,12-billion

The profitable Sats units have always cross-subsidised the loss-making ones The government makes direct grants to Sats to subsidise commuter transport Last year there was a R600-million shortfall after the government grant

Under the new structure, cross-subsidisation will fall away, so the government will have to subsidise commuter services directly and in full The government has been steadily increasing its direct subsidy of commuter transport.

The need to get black workers to their places of work from the distant townships where they live has always been the reason for the commuter subsidies — black workers could not afford transport otherwise — and the cost has steadily risen. It's one area of government spending that cannot be cut, not without affecting the economy severely.

The De Villiers report on Sats published last year estimated that Sats would have to raise third class rail tariffs by 203 percent and first class tariffs by 364 percent in order to break even on its commuter services.

There are about 2,3-million black daily peak hour commuters in South Africa, almost 1,8-million of whom use public transport A further 1,2-million black commuters travel at off-peak times.

According to research by the National Institute of Transport and Road Research (now the Institute of Transport and Road Technology) published last year, subsidies for bus and rail commuters have been increasing at 14 percent a year in real terms over the last 10 years Fares have risen too, despite the increase in subsidies.

The subsidy for commuter rail transport rose by an average 22 percent a year in real terms over the period 1977/78 to 1986/87.

The subsidy on buses rose by 7 percent percent per annum over the period.

Rail subsidies rose faster even though the number of rail commuters dropped in this period The government has, however, been subsidising a steadily higher percentage of Sats' losses on commuter services In 1977/78 the government subsidised 13 percent of the loss: by 1986/87 it subsidised 78 percent of the loss

The bus subsidies particularly demonstrate the effects of the "homelands" policy, township geography and the impact of these on government spending As the NITRR researchers cautiously put it, "the high level of subsidy .. is provided to ameliorate the costs of long journeys caused by settlement policies."

The bus subsidies are calculated on distance Pretoria commuters, for example, travel an average 52km one way to get to work, since many have to live in Bophuthatswana and kwaNdebele The annual subsidy per commuter per year is R740. Commuters spend more time travelling than they do sleeping.The figure is much lower for the Witwatersrand excluding Pretoria — a mere R200 per commuter per year.

●The public company which is to be formed will employ all of Sats' workers and Sats assistant general manager (finance) Thomas Greeff said this week he did not think there would be rationalisation of staff given the present situation. However, the labour legislation which governs Sats employees, the South African Transport Services Conditions of Service Act of 1988, would be retained for two years. Amongst other things, the Act prohibits strikes on the grounds that Sats provides strategic services. Greeff said trade unions would be consulted on the introduction of new labour provisions to govern the new company.

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A white yes, a black no

20-26/1/89

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By EDDIE KOCH

PLANS to privatise services run by the SA Transport Services (SATS) have sparked widely conflicting responses from trade unions operating in the public sector.

The militant South African Railways and Harbour Workers' Union (Sarwhu) says SATS plans pose a threat to the jobs of their members as well as the welfare of black township residents.

On the other hand, the Federation of SATS Trade Unions (Fedsats), an umbrella of "moderate" unions officially recognised by the government, has hailed privatisation as a move towards profitability and higher wages in the sector.

"At our congress last year, members expressed an in-principle rejection of privatisation because it usually involves staff cuts and a pruning of services to the community in the interests of profit," said Sarwhu education secretary Mike Roussos.

"We also believe government plans for the railways are designed to release more funds to finance militarisation and reform programmes which our members have rejected."

Despite these general reservations, Sarwhu is prepared to consider the details of the privatisation programme in formal negotiations with Sats. "But so far, management has only spoken to Fedsats — even though our members and the communities they live in are likely to be most heavily affected," said Roussos.

Sarhwu claims to have signed up more than half the industry's 90 000 black workers, and is in the process of negotiating a recognition agreement with SATS. The Fedsats unions have 130 000 members of all races.

Abraham Koekemoer, general secretary of Fedsats, said: "Residential segregation creates heavy transport costs and the government has been prepared to accept these losses for the sake of an ideology.

"We have always opposed this, because we believe workers have been forced to subsidise the ideology through their low wages. Privatisation will now lead to greater efficiency, more profitability and higher wages."

Koekemoer said his organisation had visited the United Kingdom to examine the effects of the privatisation of British Rail and had come back convinced that it contained considerable benefits for workers.

"We especially welcome the announcement that SATS workers will be able to buy shares in the new company. Many English railway workers are getting more in dividends from their shares than from their pensions."

Asked to comment on the fact that the railways has traditionally been a source of sheltered employment for unskilled white workers, who make up the bulk of Fedsats' membership, Koekemoer said they were satisfied with a written guarantee from SATS that no employees would be retrenched in the privatisation process.

Meanwhile Sarhwu, an affiliate of the Congress of South African Trade Unions (Cosatu), has joined three other unions operating in the public sector to form a private sector coordinating committee. This forum plans to launch a major campaign in February which will include mass rallies to discuss the implications of privatisation.

Other unions in the committee are the Postal and Telecommunications Workers' Association (Potwa), the SA Municipal Workers' Union (Samwu), and the National Education, Health and Allied Workers' Union (Nehawu).

Yankee tourists eye our 'safer' Republic

Star 21/1/89

AT least nine major United States travel companies have decided to re-enter the South African tourist market

The manager of the SA Tourism Board's New York office, Mr Dick Garstang, said the move had been necessitated by increasing public demand

Mr Garstang, in a telephone interview, noted that the US was usually one year behind Europe in tourism trends.

The increase in tourists from West Germany, France and Britain — riding high on the weak rand — was now being mirrored by the US market.

Mr Garstang also said the so-called "safety factor" had until now kept Americans away.

They were well-known for their preoccupation with their safety as opposed to Europeans who were less concerned

An example of this was the Achille Lauro hijacking which resulted in Egypt and Morocco getting *one million* fewer US tourists the following year.

Mr Garstang pointed out that the US travel companies which had started to remarket South Africa aggressively were facing a lot of pressure from anti-apartheid groups.

Hunting

Many African countries with similar facilities to those of the Republic were also exerting pressure.

He added that Americans' fascination for Africa was intensified by films about and political events on the continent. The hunting market was also booming with many attracted by the excellent infrastructure and wide selection of trophy animals

- More than 510 000 people used the SAA domestic flights during December.

The busiest day in the history of Jan Smuts Airport was December 9, when 8 035 domestic passengers departed.

A SAA spokesman said the domestic services carried 517 802 passengers during December 1988 — 14,5 percent more than December 1987.

Jan Smuts Airport alone handled more than 175 000 outgoing domestic passengers — 34 percent of all domestic passengers for the month. — Staff Reporters, Sapa.

SATS AND POST OFFICE TARIFF HIKES IN THE PIPELINE

PRETORIA — Sats and Post Office tariffs are certain to be raised in the new financial year, according to sources here.

Sats is heading for a deficit in excess of R100m and PO tariffs, not raised at all during the current financial year, will be forced up by inflated costs, including the 15% pay hike for its 100 000 workers.

The expected increases will, with last Monday's big fuel price hike and other administered price rises expected in the first half of the

GERALD REILLY

year, give a powerful punt to inflation, economists warn.

Transport Minister Eli Louw budgeted for a total deficit of R96m for the whole of the 1988/89 financial year, and the authorities say it will be at least that.

Sats tariffs were increased from December by an average of 7,5%, while SAA raised domestic tariffs by 8% in November.

Louw has indicated that the December tariff hikes will add only R130m to total revenue for the current financial year — not even enough to cover the surpriseR192m in salary increases.

The 1989/90 budget will have to make provision for an additional R400m for salary increases.

The 15% pay hike for postal workers will add R60,5m to expenditure this financial year, and another R250m for 1989/90.

Communications Minister Stoffel Botha budgeted R1,1bn for wages and salaries this financial year.

IN BRIEF

Bush's hostage call

WASHINGTON — President George Bush, in a clear message to Iran, said at the weekend efforts to win the release of US hostages in Lebanon would ease the diplomatic strains that have dominated relations between Washington and Teheran.

Bush said the 10 Americans held captive in Lebanon would not be forgotten and he wanted his message "heard around the world".

Scrum over the ANC

CAPE TOWN — Sarb president Danie Craven paid a snap visit to Brig Roy During, Divisional Commissioner of Police for the

Students may test provision

LONDON — Conservative students may take their university to court in a test case of the freedom of speech provisions in the 1986 Education Act after a controversial visit by an SA diplomat was banned for the second time

Liverpool University gave permission for SA Embassy second secretary Jan Casterlyn to speak to a meeting organised by Tory students on Friday, provided there was no advance publicity. However, anti-apartheid demonstrators planned a demonstration to greet his arrival, after news of the trip leaked out.

Worried by the threat of disturbances, university registrar Peter Gayward withdrew permission for the visit and his decision was upheld by vice-chancellor Professor Graeme Davies yesterday.

Two SA diplomats were originally due to attend a similar meeting last term,

Own Correspondent

but that was also called off amid fears of public order problems

With financial backing from the right-wing Freedom Association, Tory students then proposed to use section 43 of the 1986 Education Act, which guarantees freedom of speech at institutions of higher education, to force the university to revoke its ban.

They did not go to court at that stage, after reaching the compromise that the meeting could go ahead if there was an embargo on advance publicity

However, after receiving confirmation yesterday that the visit had been banned again, Liverpool University Conservative Association chairman Joe Baldwin said there was a "strong possibility" they would go to court this time

NEWS

Now Sats can build castles in the air

B/Day 24/11/89 269

GERALD REILLY

PRETORIA — Sats Department of Business Development has overcome legal barriers to the leasing of air-space above railway stations and lines, director of business development Fuzz Loubser said yesterday.

Until recently air space could not be sold or rented as it could in other countries.

And as a consequence of the removal of the barriers private sector interest on air space development — including over the Johannesburg station — was increasing

Preliminary discussion were in progress and as the cost differential between development of on-land and on-a-deck above ground narrowed, this interest would escalate, Loubser said

It seemed prospective developers were holding back waiting for the first of them to make the jump into the unfamiliar field of air space development

Negotiations with the Chief Registrar of Deeds had been completed and a mechanism had been worked our whereby long term lease transactions could be notorially registered, he said

Total air space available above Sats ground in Pretoria, Johannesburg, Cape Town and Durban amounted to about 25ha.

Total Sats land available for development by the private sector amounted to substantially more than 400ha.

The exploitation of air space was, therefore, only a part of the total project to lease unused or under-used land and buildings

Currently the leasing and sale of Sats land was bringing in an income of about R50m a year

Big private development was in prospect on surplus harbour land at most SA ports, Laubser said

Sats surplus falls R30m short

B Day 24/11/89 269

GERALD REILLY

PRETORIA — Sats's below-expectation performance in the first eight months of the current financial year resulted in a surplus that was R30m less than that budgeted for by Transport Minister Eli Louw Louw expected a R60m surplus.

Instead revenue over expenditure surplus was R30,4m.

In the April-November period railways ran up a deficit of R571,5m against a budget deficit estimate of R344,8m.

However, the other services performed well, with revenue substantially above expectations.

Helderberg: 'All information open'

ARGUS 24/1/89

269

The Argus Correspondent

PRETORIA. — Mr Justice Cecil Margo, chairman of the commission of inquiry into the Helderberg disaster, wants all material and information about the accident to be scrutinised in public.

Some pilots have said they would disconnect their recorders if a full transcript of the conversation between the Helderberg crew were released to the media

Mr Justice Margo said he wanted to assure the public nothing was being hidden.

"I know how rumours develop and we want to expose all our information to public scrutiny"

Mr Justice Margo said he had not received a request from the SAA Pilots' Association asking for the release of the transcripts to be restricted However, the board would review a request and the reasons supplied and act accordingly

"Most of the tape on President Samora Machel's crashed aircraft was made public, though a certain purely personal conversation by the pilot was not released

From what he had heard there was not much personal conversation on the tape of the Helderberg's last moments, he said

The Boeing crashed 134 nautical miles north-east of Mauritius on November 28 1987, killing all 159 people on board

Fragile piece

Two large items were salvaged from 4km beneath the surface at the weekend, according to a spokesman for the Department of Civil Aviation

A 5m rugged piece of structure and a fragile piece of cabin exterior were recovered Special care was taken in recovering the cabin piece and the remotely operated Gemini ascended to the mother ship slowly

The spokesman said the emphasis of the remainder of the operation would be on the recovery of debris originating from the aft cargo area of the aircraft.

The interest was focused on items such as cargo or aircraft structure displaying fire or heat damage.

A question mark over minibuses

BY CONRAD BERGE

News that serious study is being given to the introduction of "light rail" passenger transport in major South African cities raises the question of what will happen to minibus taxis which have burgeoned throughout the country in recent years.

Many whites, who have never been prisoners of SA Transport Services (Sats) and Putco, and who see minibuses as a traffic hazard, would probably not mind minibuses being muscled out.

It is unlikely that the authorities have this in mind, but the results of today's planning idleness may influence attitudes in the future

Light rail may not succeed on merit alone. Restrictions on competition may become necessary to salvage the fortune invested in it. In Johannesburg, the cost of implementation will be about R2 billion.

Preliminary studies for Johannesburg show the light rail tentacles extending mainly to the northern and old southern suburbs.

No lines are proposed to Soweto, probably because they would compete with Sats investment in heavy rail commuter services.

Light rail can be expected to have comfort and image standards acceptable to whites, and this in turn means that Soweto rail commuters may have to make part of their journeys in smart light rail carriages and part in the relatively primitive conditions that characterise Sats

This unhappy marriage could destroy light rail unless Sats, or its privatised passenger successor, does something radical with heavy rail commuter services. An alternative is that minibuses can take over at the end of the light rail tentacles.

Subsidised

Minibuses will almost certainly remain cheaper than light rail unless the latter is heavily subsidised

It seems unfair that minibus operators who are not subsidised, who built up their businesses against harsh odds in earlier years, and who have moved mountains of restrictions since then, may have to face yet more obstacles. Restrictive legislation already exists.

Minibus operators cannot rely on the defence of moral and emotional arguments They should strive to make their services indispensable through quality. They, too, have comfort and image problems

To defend their position, minibus operators will have to take more notice of their passengers, manage their resources better and work together better

They will have to weigh their continued emphasis on mass peak-hour transport against spreading their services throughout the day and to the yet untapped market of transporting whites

Government and the white establishment also have decisions to make

Can they really accept the contribution of minibuses to vehicle manufacturing, the highway industry (via tolls) and the petrol industry while excluding them from important areas of public transport?

Surely the safe path is negotiating an equitable place in public transport for minibuses and cutting them in on the expertise and material support that seems in such free supply

AIRLINE DEREGULATION

Flighting fit

Private airlines are beginning to jockey for position, ahead of deregulation. Transport Affairs Minister Eli Louw has ordered a committee, set up last year to amend the Air Services Act of 1949 and improve airline competition, to speed up its investigations

"The committee is to submit an amended Air Services Act by September, to be promulgated in 1990," says Louw's spokesman Leon Els

Magnum Airlines, backed by foreign investors, is negotiating the takeover of several smaller airlines in SA, which it claims will make it "the largest domestic airline after SAA in route structure and potential passengers."

Comair MD Pieter van Hoven, however, says his airline, formed in 1949, is the only private airline in SA recognised by the International Air Travel Association.

"Our four, 44-seater F27s flew about 148 000 passengers last year, compared with 125 000 in 1987 We have the experience, financial backing and track record to qualify as a scheduled competitor to SAA, as soon as the Act allows it," says Van Hoven.

Lurking in the background is Safair, owned by shipping giant Safmarine It operates a 180-seater Boeing 707, a 52-seater Convair 580 and "one of the largest Hercules fleets in the world." Though its passenger services for the Defence Force put it in the major league, these are charter operations. It also operates Hercules freight services into Africa and around the world.

"We prefer to keep a low profile at this stage But our scheduled Cape passenger services are well-known and the Safair route application for the Bloemfontein/Kimberley/PE scheduled air route was approved by the National Transport Commission," says a Safair spokesman.

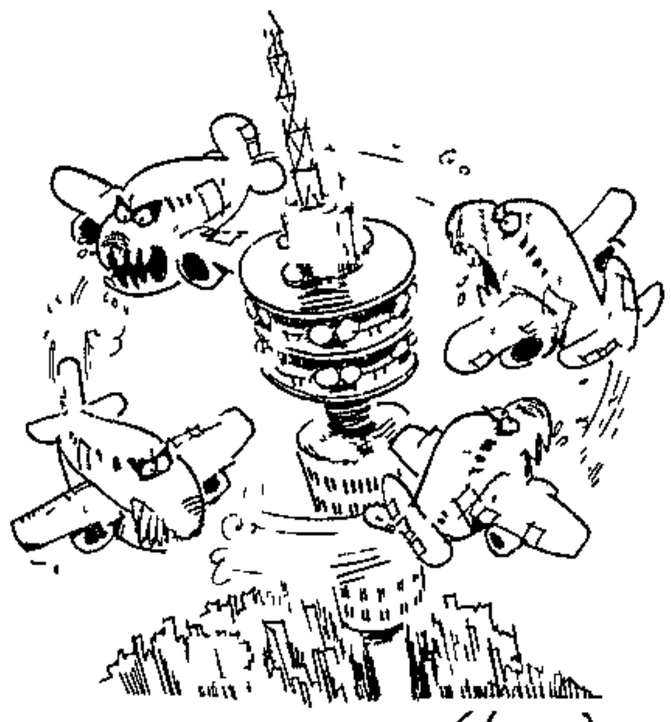
With SAA controlling about 94% of airline business in SA, its eventual privatisation forms the essential background to pending airline deregulation. But few people expect fireworks before 1993.

"Pressure must be exerted for privatisation from 1990 onwards, as changes to the Air Services Act could enable major competitors like Safair to get their act together, while SAA would still be hampered by its official connections," says Colin Jordaan, vice-president of the SAA Pilots' Association (SAAPA).

SAAPA will make its own offer for shares in SAA, as soon as the latter is privatised "Employees should get an option to buy 25%-40% of SAA," he says.

SAA's domestic services showed an 18% growth in paying passengers in the period April to November, 1988, against 1987, and it expects a further 5% growth in 1989 There is scope for increased competition. And SAA's R180m profit last year shows it's worth vying for.

Not everyone, however, is in favour of unbridled competition Jordaan says SA can't afford the free-for-all that occ l in the US. Safety standards plunged as . ines went for maximum profits, rather than optimum safety I foresee an extended role for the Division of Civil Aviation in a deregulated environment"



Comair's Van Hoven says SA should initially allow one airline to compete directly with SAA on a limited percentage of its scheduled routes Should this be successful, the percentage could be increased

"Rather than going the US route, we should follow the Australian example where first one, and later two airlines were allowed to compete with the national carrier. All local airlines should be allowed to tender for this service by 1990 in a climate of controlled deregulation," he says

'Obvious' need for an extra transport system

Star 26/11/1987 (269) (269A)

By Shirley Woodgate,
Municipal Reporter

Latest traffic projections, coupled with development in Johannesburg, made it obvious that an additional form of mass transport would be necessary by the year 2000, Mr John Griffiths, chairman of the Central Witwatersrand Regional Services Council, said yesterday

His comment followed the recent appointmemt of RSC chief executive, Dr John Mortimer, to the steering committee which will conduct a R5 million feasibility study of a mass transport system for Johannesburg

Mr Griffiths said the nature of the system would be established once the results of the study were made public

"At this stage, we do not know whether a light rail, underground metro or surface system will be recommended," he said.

Original investigations into a mass transit system extended only to the borders of Johannesburg, but a suggestion by the Minister of Transport that the area was likely to be redefined to coincide with the Central Witwatersrand RSC area has been backed by the council

The area of investigation is now likely to include Johannesburg, Roodepoort, Soweto, Sandton, Randburg and Alexandra

Mass transit plans for Johannesburg go back to 1970, when Johannesburg, in co-operation with the London Transport Executive, prepared a proposal for a fairly large rail-based scheme

It was partly shelved because of the cost, which was put at about R500 million for a starter line and R1 600 million for the complete system circling and crossing the city

A full feasibility study was delayed until the mid-80s when a consortium of consulting engineers was appointed to carry out and report on the technical investigations

This committee reported that it was "unavoidable" that Johannesburg would have to prepare itself for a rail-based mass transit system by the year 2000

Brakpan commuters enraged

Sowetan 27/1/89

269

By ALI MPHAKI

BUS commuters in Tsakane who are using the Brakpan City Council buses for their daily travel have been enraged by the fare increase which comes into effect on Monday.

Fare for a single trip has been increased by 20 cents and commuters say that this is not justified especially when considering that the price of petrol has been increased by 10 cents.

A spokesman for the Tsakane Ad Hoc Committee, said the new hikes were a blow to the black commuters "who have to pay exorbitant fares for poor services, late schedules and reckless drivers of the Brakpan Council"

Petrol hikes

He said Tsakane commuters were aware that other bus companies had increased their fares because of the recent petrol hikes, but "what the Brakpan Council expects from us is surely going to create a big hole in our pockets."

He said the council was not offering concessions for black pupils who have to pay the same fares as workers while buses carrying white commuters normally carry one or two passengers in a 28 kilometre journey

But a spokesman from the Brakpan Transport Department said the price hikes were justified because the council did not increase its fares during last year's petrol hike.

He said it was ridiculous to say buses carry one or two passengers over a distance of 28 kilometres.

Meanwhile the fare increase comes shortly after the Tsakane Town Council has increased rent by R15.

European airline to compete in SA?

Chrt Trnsk 28/1/89 269 5002

By MALCOLM FRIED

A EUROPEAN airline is planning to enter South Africa's domestic air travel market.

Aeroleasing, based in Switzerland, was researching local conditions and had definite plans for expansion into the country — but would probably wait for local routes to be deregulated, marketing director Mr George Soutton said from Geneva yesterday.

South African Airways and private airlines have said they would not object to the European airline, but noted that a timetable for deregulation was still uncertain

Mr Soutton said Aeroleasing had a fleet of 25 small to medium-sized aircraft but had not yet applied to the Directorate of Civil Aviation to fly routes within South Africa.

It would do so "probably only" once SAA had been privatised and routes deregulated.

"This would mean a very big investment," he said, and the company had to be sure of a fair chance at competition.

Mr Soutton believed that with deregulation the local market would be underexploited.

The government has given the aviation industry no indication of exactly when deregulation will happen, although the Minister of Transport Affairs, Mr Eli Louw, said last year that he favoured such a move

A spokeswoman for the Department of Transport Affairs said yesterday that deregulation was not scheduled to begin until 1990.

Also, she said, Aeroleasing would have to get departmental permission to operate in South Africa.

SAA spokesperson Ms Zelda Roux said the company would welcome the introduction of new airlines and the deregulation of the market.

"We haven't heard of Aeroleasing, but we would not object to their being here." Effects of another airline on the industry would be difficult to judge, she said.

The general manager of Air Cape, Mr Glynn Nortje, said more competitors "would obviously have an impact — passengers would have more choice".

A director of National Airlines, Mr Brian Frankel, said the airline would welcome others, but that an investment in the local aviation market would be "risky".

Euro airline plans to fly SA routes

Own Correspondent

DURBAN — A European airline is planning to enter SA's domestic air travel market.

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Plan is still on track, but no nearer the end

B/Day 30/11/89

269

PETER DELMAR

PLANS for an underground rail system for Johannesburg are still on track, but far from realisation.

The Central Witwatersrand Regional Services Council has recently endorsed a R5m feasibility study into a mass rail-based transportation system for the city

Transport Minister Eli Louw has approved the investigation and a committee is expected to start work soon

The big question is: Who will fork out the estimated R2bn the project will cost?

The likely sources of funding are not being kept a secret. The fact is, no-one knows

As far back as 1970 the Johannesburg city council prepared a proposal for a rail-based commuter system, but the concept was not seriously considered because of prohibitive costs

In 1987 a consortium of engineers (Masstran), appointed by the Transport Department, released its report into the idea. They found a new city-suburban rail service would be needed by the year 2000

In 1985 money terms, the whole project would cost a staggering R1,6bn. Broad proposals were made on sources of finance, but the crucial question of money remained unresolved

Mushrooming

Masstran also proposed a tentative layout, with underground lines running through the CBD and surrounding suburbs and continuing above ground, or on elevated tracks, further away from the centre

The commissioning of the study has been welcomed generally. All sides acknowledge that long-term planning has to be started immediately to cater for Johannesburg's mushrooming transport problems. Indicative of the steering committee's wide-ranging brief, no mention of rail is made in a summary of the study proposals contained in the recent report to the RSC

Transport director-general Ronnie Meyer has explained that part of the study team's brief is to find funding sources

In Port Elizabeth and Inanda, the private sector has shown encouraging interest in helping to fund light-rail projects.

Meyer believes the solution to Johannesburg's growing transport crisis will unavoidably lie in heavy rail

"The Germans reckon they can develop a light rail system (which can carry a maximum of six cars per train) to carry 40 000 passengers per hour, but generally the maximum is 25 000. Even the larger number would probably not be enough for Johannesburg during peak hours."

And will government bear the full financial burden? Meyer thinks not.

"If I look at our present budget situation, we certainly can't afford the whole cost," he said.

The Urban Transport Fund which can be called on to help finance such projects has some R95m in the kitty and faces a cut of about R10m next year.

Meyer says at least some of the money will probably have to come from the RSC and the private sector.

But private investment seems far from assured. A mass transit system will require an enormous capital outlay and a 10-year wait before the system is eventually commissioned.

Meyer also doubts whether the RSC will be in a position to contribute for at least the next five years, given its obligation to spend money on infrastructural development in the areas of the greatest need (for the most part black townships).

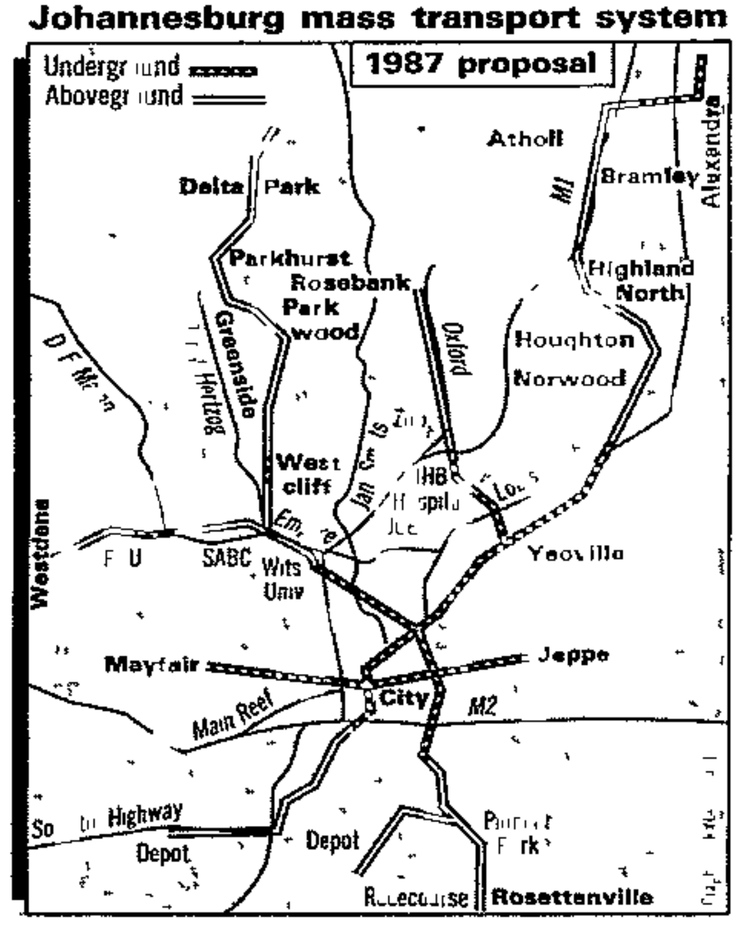
However, it can eventually "scratch together" about 20% of the cost, he believes.

CWRSC chief executive officer John Mortimer says RSC legislation makes it at least possible for the council to take over funding of a mass transit system. However, he will not be drawn on what the chances are that the RSC will have to foot the whole bill.

What is certain is that if this will be the case, payroll and turnover levies will have to be increased phenomenally — a politically unwise move which will undoubtedly unleash another barrage of private sector criticism against the fledgling RSCs.

Johannesburg CBD Association chairman Nigel Mandy welcomes the feasibility study, but points out that even Washington — the capital of the richest nation in the world — could not afford to pay for its own "Metro" system.

Johannesburg mass transport system



Recent systems built in the US have made use of a special fuel levy or diverting a portion of sales tax, he says

He says technological advances may help reduce the most exhorbitant estimates and points out that "many countries would envy our Soweto system"

Johannesburg urgently needs to start planning for its future, he says

"What we need to find is a mix of answers. There is no single solution, but certainly the last thing we need is more roads."

Meyer agrees the answer is not to build more roads. He explains it is a world-wide experience that as soon as new roads are built to supplement choked-up routes, more motorists appear to jam the new roads.

The city council's management committee chairman Danie van Zyl echoes a sentiment expressed last year by his predecessor Francois Oberholzer that the council can not possibly be expected to pay for the whole system.

A likely cost of a rail system is almost twice Johannesburg's annual capital and operating budget — the largest in SA.

Johannesburg's municipal bus service runs at an annual loss of R20m and long-term answers should be a priority, Van Zyl says.

"The city will have to make a contribution. I can't speak on behalf of the council, but I can safely predict now that it will refuse to even consider paying the whole amount."

Spokesmen for the Johannesburg Metropolitan Action Group (Jomag) are more outspoken.

Population

Chairman Joe Garmeson says various alternatives should be seriously considered first, before proceeding with plans for a rail-based commuter transport system. These include a return to trolley buses and a combination of transport forms, including buses, minibuses and the so-called medium-sized midibus.

A mass transport rail system will cost a "prohibitive amount" as well as being inflexible, says Garmeson. Another problem is that it will have to be planned according to present and projected population development which can change over time.

Jomag honorary secretary Conrad Berge says the R5m budgeted for the feasibility study indicates that "the engineering cabal is trying to grab the bucks again". The engineering brotherhood is not into solutions, they want to explore things which they can make money from".

Mandy adds a footnote: "Whatever happens, let's hope we avoid the chaos surrounding the tollroads by keeping the public informed and involved."

Light rail transport system 'the answer to SA's problems'

Star 30/11/89 (269)

Municipal Reporter

Light rail was the ideal "flexible and economic" solution to the transport needs of many South African cities, said Mr Francois Schutte, technical manager of Siemens (Pty) Ltd.

"Petrol and diesel powered transport is no answer to the problem of mass transit in the densely populated corridors and city centres. In spite of all the money lavished on the roads, the usual chaos repeats itself day after day and is ever increasing.

ATTRACTIVE

"The only way out of this situation is to have a high capacity, non-polluting transit system which is both attractive and economical," he said in an interview with the periodical *Local Government in Southern Africa*

His views are significant, coming at a time when the Department of Transport has backed a R5 million feasibility study on a mass transport system for the entire area covered by the Central Witwatersrand Regional Services Council

Last week the local RSC appointed a representative on the steering committee

"Experience in many large European and North American cities has shown that rail-based mass transit systems provide the only means of coping with high traffic volumes and at the same time reduce the danger to the population and environment," he said

The diesel bus combined with heavy rail suburban transport, which presently provided South African transport needs, were not only poles apart but limited in their use.

Buses were capable of handling about 8 000 passengers an hour, but were liable to be held up in traffic jams Heavy rail with a capacity of between 35 000 and 80 000 passengers per hour was the most expensive form of transport and could only be justified if passenger volumes were extremely high

Other advantages of light rail — normally only consisting of one to four articulated cars — was the reduction in costs of structures and size of stations.

SAA is accused over travel deal

Star 3/11/85 269

The Star's Africa News Service

GABORONE — A travel agency in Botswana, Phuti Travel, intends to sue South African Airways over allegations that it is refusing to pay R20 000 it allegedly owes the company.

A spokesman for the agency said it entered an agreement with SAA five years ago to bring in passengers on long-haul trips.

Since then it had made several attempts to contact senior executives of SAA about the money, but the airline had not paid out.

The spokesman said the matter had now been handed to lawyers and legal action was being contemplated.

A spokesman for SAA said in Johannesburg that there were "some differences between Phuti Travel and SAA".

Negotiations to solve the matter were still going on

Council 'no' to desegregated Waverley bus

Municipal Reporter

An appeal by Mrs Clair Quail (PFP) for the desegregation of the Number 10 Waverley/Norwood bus was dismissed at last night's city council meeting in Johannesburg.

Claiming she had a full dossier of racial incidents which had occurred on the route, some when the buses were running half empty, she said it was ridiculous that a black woman who provided intimate nursing care for a white was forbidden to ride in municipal buses despite being willing to pay the full fare.

Mr Jan van Blerk (NP) accused Mrs Quail of emotionalism when she dealt with bus segregation.

provide their house with services. Packing up are Mr Hassan Aziz (l
Achmat.

SA-Africa trader plans expansion

Cape Times 2/2/89

Financial Editor

AN international conglomerate which has discreetly moved huge quantities of South African exports to black African countries in recent years stepped into the limelight last night, announcing that it would expand its operations in this country.

Sicotra/Aeroleasing of Geneva, with African operations based in Kinshasa, is extending its air charter service to South Africa.

And its general manager of operations, Mr William Esson, said it would be in the forefront of expanding trade between Africa and Europe. He emphasized that his company considered South Africa to be "a vibrant part" of the continent.

The Deputy Minister of Foreign Affairs, Mr Kobus Meiring, and top officials from Zaire were among guests at a reception at the Mount Nelson Hotel at which Sicotra/Aeroleasing explained the range of its activities. It transports good with a fleet of lorries, "a small armada of riverboats", modern executive jets and cargo planes and has a huge hangar and maintenance depot in Kinshasa.

Mr Esson said the company considered the future development of Africa would be strongly linked to Europe. The distances involved and the lack of facilities had so far hindered this. His company was opening up new markets on the continent and would increase its presence in South Africa.

● **Full report — Page 11**

Pilots meet bankers in bid to buy SAA

Cape Times 2/2/89

Own Correspondent

JOHANNESBURG. — The SA Pilots' Association was holding discussions with bankers in London and South Africa to raise the preliminary R2 billion estimated to acquire SAA, a spokeswoman, Ms Barbara Bester, said yesterday.

The pilots' association had made official representations to the Minister of Transport to acquire between 30% and 40% of SAA's domestic and international operation, Ms Bester said.

The association had informed Transport Minister Mr Eli Louw of their bid for SAA on various occasions.

Transport ministry spokesman Mr Leon Els said it was premature to put a price on SAA.

Nafcoc to review transport

Sowetan 6/2/89

THE National African Federated Chamber of Commerce is to hold a major conference to focus on advantages and disadvantages of the Government's intention to privatise the transport industry.

By JOSHUA RABOROKO

Co-ordinator of the conference, Mr Steve Mokoena said the conference whose theme is *Black involvement in the Overall Transport Industry*, will be held at Claridges Hotel, Cape Town, on February 13-14.

Mr Mokoena told the *Sowetan* that transport has been one of the major events on the organisation's calendar. In view of the recent development in the transportation industry and realisation by many entrepreneurs of opportunities existing the need for such a summit could not be overemphasised.

Welcomed

He said all people with vested interests in the transport industry would be welcomed to attend.

However the largest single body in the transport industry, the Southern African Black Taxi Association (Sabta) yesterday said they were not invited and would not attend.

Sabta's communication manager, Mr Jabu Mabuza, said they were surprised that a conference of such a nature could take place without their organisation.

Issues

"We always had a working relationship with Nafcoc which is the respected body organising black business people. Fundamental issues have to be addressed regarding privatisation in the country," he said.

Mr Mokoena said "Real bread and butter issues such as finance, insurance, government contracts and others will also be discussed. An eminent group of speakers has been assembled to address the conference."

Interests

He added that companies with vested interests in the industry like motor vehicle manufacturers, petroleum companies and many others could attend.

Universities and State organisations interested in the industry's affairs will be welcomed

269 FM/PC 10/2/89

AIRLINE DELAYS

Dithering heights?

SA Airways (SAA) has no hard and fast policy regarding the treatment of passengers inconvenienced by flight delays or cancellations.

"It depends on the circumstances of each case, and on the situation at the specific airport where the delay occurs. But, in general, we will pick up the tab for overnight accommodation or for meals," says a spokesman

If possible, and if the necessary facilities are available, first-class passengers will receive first-class accommodation — "but if we are precluded from doing this by the prevailing circumstances, we can only do the best we can," he adds

The alleged shabby treatment dished out to first-class passengers during a recent forced overnight stay in London has ruffled a number of feathers — and led to accusations that SAA has a *laissez-faire* approach to VIP customers.

But as SAA explains "Hotels may be fully booked, the late hour may aggravate the situation, and the meals we can offer are often determined by the fare available from the local airport restaurant."

However, Tim Stevens, local manager of British Airways (BA), says BA "provides the best possible attention to our passengers in the circumstances," should lengthy delays occur for reasons such as poor weather or security.

"Should the delay require passengers to disembark, first-class passengers and executive card holders would be offered the use of the BA lounge at the airport. Where a telephone is available, we offer to send messages to contacts at their destinations for all passengers," he adds.



The airport wait . . . is SAA doing enough

"In the event of overnight delays we endeavour to find suitable hotel accommodation for our passengers and clearly our first-class passengers get priority," he says.

Maybe SAA could learn from BA regarding the specifics of treating its inconvenienced passengers.

With airline deregulation (and eventual privatisation) in the offing and competitive airlines already lining up to get a piece of the action on SAA's local scheduled routes (*Business* January 27), attention to detail could make a huge difference in future passenger loyalty — and eventual bottom-line results. ■

LOCOMOTIVES

Sats goes for imports

SA Transport Services (Sats) returned to the locomotive market this week — after an absence of two years — by calling for tenders for 50 Class 10E heavy freight electric locomotives

The new units should cost about R4m each, delivered, compared with the last batch of 10Es, ordered in March 1987, which will land at around R3,5m when they are handed over in June

The new order — the latest batch of locos is expected to be delivered in two years — should cost Sats about R200m This will bring Sats' total investment in new locomotives to about R1bn

The current tender ends the recession Sats caused in the locomotive market in 1986 when it announced that it was placing a temporary halt on locomotive purchases. As a consequence, all the new locos will have a high import content as SA's two strategic locomotive building plants were closed following Sats' decision

The plants were SA Traction Manufacturers (SATM) on the East Rand, part of the GEC group, which built the "electrics" (electrical components), and the GM facility in Port Elizabeth, which was part of GM Southern Africa and later became Delta Motor Corporation.

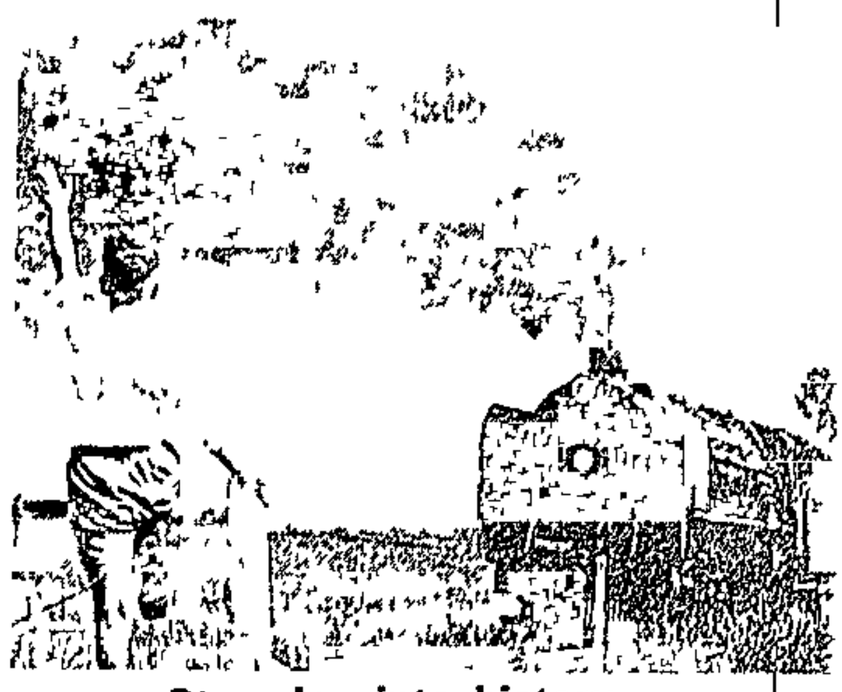
GM mainly built diesel-electric locomotives using US technology, but also ventured into the electric locomotive field when it combined locally sourced "mechanicals" with Swedish electrics to build Class 11E locomotives.

GEC Traction chairman Monty Widman describes the closure of the plants as "a pity," adding: "Fifteen years ago when Sats was worried about possible sanctions we bent over backwards to create them Now that sanctions are a reality the authorities don't appear to be too concerned "

The SATM plant will close in April when a contract to build motors for Hitachi motor coaches is completed Says Widman: "The lead times are long in this business If we get the tender it will be 18 months before we actually need it. During that time we will have to keep it shut but operational "

An immediate effect of the closure of the plants is that local content will drop from almost 70% to about 40% — mainly because the electrics, previously made by SATM, will have to be imported Dorbyl and Union Carriage and Wagon can still make the mechanicals and bodywork.

If it weren't for the unfavourable exchange rate, imported locomotives would, in all probability, be cheaper — due to lower inflation overseas. Prices of imported units do not escalate much between order and delivery date And delivery times are usually shorter



Steaming into history

Sats is reserving the right to reduce its current tender to 25 units, but says it will call for tenders for 50 dual diesel-electric locomotives by the year's end These will be the first of 200 similar units it intends placing in service to replace steam traction and its orginal diesel-electrics which are now nearly 30 years old

The dual locomotives will be able to haul trains on branch lines that are not electrified, using current generated by their on-board diesel generating sets

Sats chief engineer Willem Burger says Sats placed three contracts for 10Es between 1984 and 1987 Two, for 50 each, were placed with Mitsui of Japan and GEC In March 1987 another contract for 25 virtually fully imported units was placed with Mitsui

"Mitsui will start delivering the 25 we ordered in March in June at very good prices," says Burger

Sats' traction business is so keenly sought after that sanctions remain only a distant threat. ◙

TML'S TELERATE TRIUMPH

The purchase of the Telerate financial information service from Altron, which is still to be finalised, is Times Media's (TML) boldest acquisition move yet.

Recently it bought *Transport Management* magazine from Max Braun and Associates, as well as a stake in the *Daily Dispatch*. But Telerate is an altogether more sizeable proposition.

This international information service is a rival to the Reuters network. Although it has a smaller subscriber base, Telerate offers a wider range of optional services

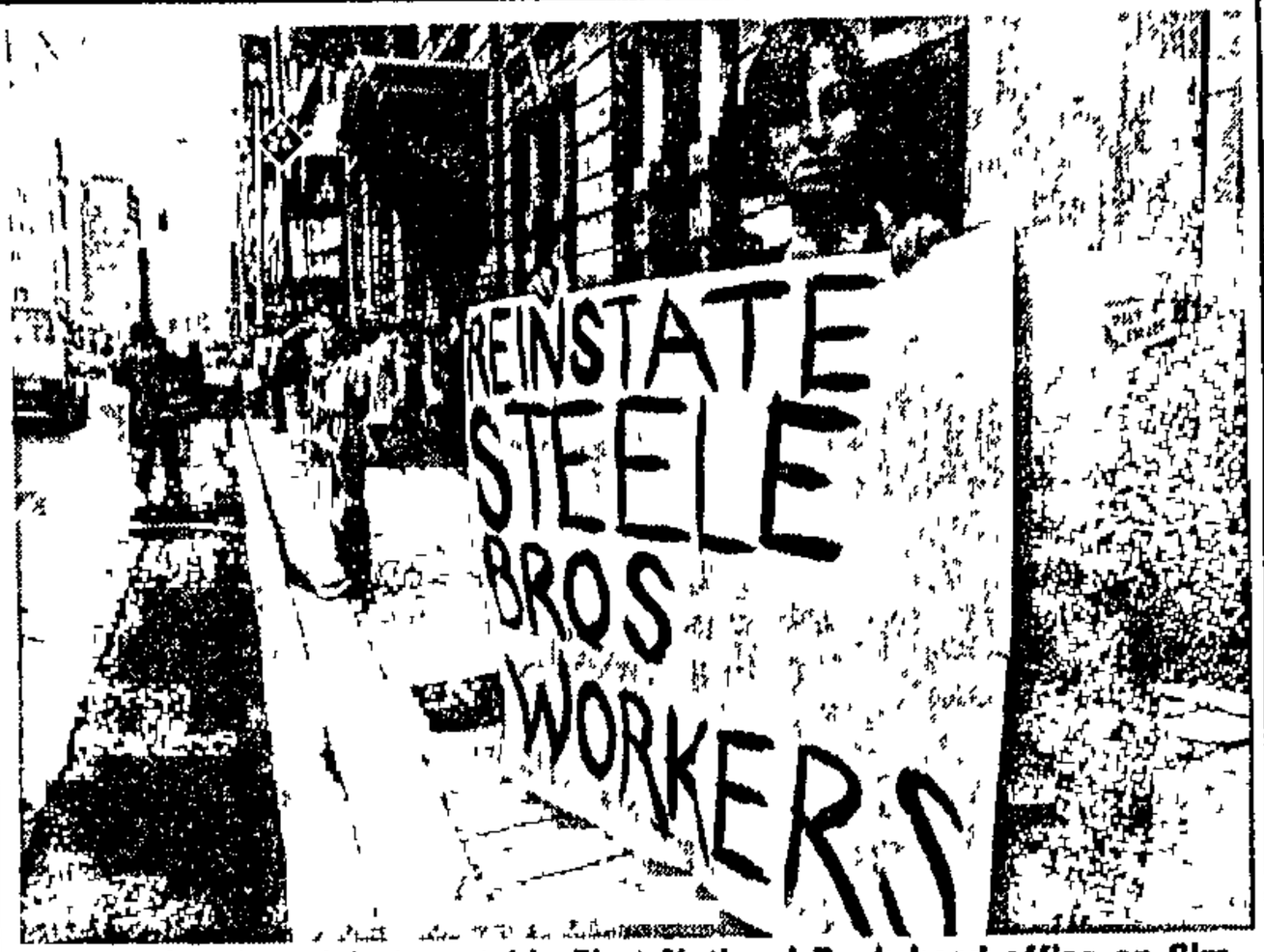
publications, of which *Transport Management* is the first. Other purchases are in the pipeline.

"But I expect the main incremental profit growth in the Nineties to come from the electronic interests," adds Mulholland.

One advantage of Telerate is that its revenue derives entirely from subscriber income — it won't be chasing the same advertising cake as the TML publications. But it will be able to draw on TML resources.

Mulholland envisages a relationship

e or VAT register and



Placard-bearing pickets outside First National Bank head office on Simmonds Street, Johannesburg, yesterday protest at Industria-based Steele Bros plans to move to Bophuthatswana. Picture. ROBERT BOTHA

Pickets 'picked wrong target'

BRENT MELVILLE

PICKETS at First National Bank's Johannesburg head office claimed yesterday it was linked to a company moving to Bophuthatwsana.

Bank executives said the demonstrators were picking the wrong organisation because FNB had no direct interest in the Industria, Johannesburg, Steele Bros company.

Paper, Printing, Wood and Allied Workers Union' members and supporters said they were dispersed by police.

Wits University SRC vice-president Anton Roskam said the picket began at 12 45pm and was broken up 20 minutes later. The SRC labour committee organised the protest

"At least one union protester was detained," he added.

SAP spokesman Frans Malherbe said no action had been taken and no arrests made.

FNB senior GM Jim McKenzie said the bank had "absolutely no interest in Steele Bros". FNB nominees owned shares "but we have no say in what Steele Bros do"

Passenger transport loss

GERALD REILLY

PRETORIA — The passenger transport sector suffered a huge loss of R16,9m in the quarter to end-September Central Statistical Service says.

This compared with a loss of R1,8m for the same quarter in 1987.

However public goods carriers (non-govermental institutions) showed a net profit of R74,9m in July-September compared with R58,9m in the same period in 1987.

Public goods carriers and public passenger transporters showed capital expenditure increases on new assets of 141,7% and 56,5% respectively. The value of new vehicles puchased by public goods carriers during the quarter was R126,2m, 91,9% of total capital spending

Passenger transporters spent R14,9m on new vehicles — 82,8% of total spending

Public Carriers Association technical manager Hugh Sutherland said tonnage carried had probably reached a peak and there would be a gradual easing off towards the end of the year.

Between 1984 and 1987 cargo volumes fell off by about two thirds. However during 1988 tonnage returned almost to 1984 levels

Cape Times 11/2/84

Shares may be offered to SATS employees

269

By BARRY STREEK
Political Staff

South African Transport Services (SATS) employees should be able to buy a percentage of the shares in the privatised South African Rail Commuter Corporation through a share incentive scheme, the Joint Parliamentary Committee on Transport and Communications recommended yesterday

Although the committee did not make any specific recommendations about the number of shares to be made available, its proposals could result in a large number of the 192 566 employees acquiring shares in the privatised SATS

Many SATS workers could become shareholders for the first time if they take up the option.

The committee's report was tabled in Parliament yesterday.

matter It is because they support what she said "Nelson Mandela as the head of South Africa " [Interjections]

Mr J B DE R VAN GEND Mr Chairman, I would like at the outset to correct one thing the hon the Minister said and that is that this was in fact a demotion She was transferred from the position of Chief Superintendent of Groote Schuur Hospital to the position of Senior Superintendent, which is a lower post The fact that she retained the same benefits was a concession made to her, possibly because the administrators realised they were doing a wrong thing by her

What I really want to know is, throughout all the inquiries that we have made about this—I have spent long hours speaking to the MEC and Dr Watermeyer about this matter—and throughout all the inquiries that were directed to them from various sources, they could not come up with any reason for transferring Dr Kane-Berman, other than this silly little article in *The Argus* That was the only reason The fact that she, in lighthearted fashion, made certain political remarks

Now, I happen to know this woman personally and I happen to know that she keeps herself away from politics as far as she can [Interjections] This is the first incident [Interjections] yes! This is the first incident that anybody can point to where she has even expressed a political view publicly Now, after 28 years of service to this province, is this the way to treat a person who has devoted her life [Interjections] to the hospital services in this province?

Does one ruin a woman's career just because politicians feel sensitive about her suggesting that some sort of absolutely hypothetical government should replace this Government? The whole thing was hypothetical!

The trouble with this Government is that it has become so arrogant, it has become so petty, and if I might add, so stupid, that it looks just as stupid as it is [Interjections]

*Dr M S BARNARD Mr Chairman, it is clear from the hon the Minister's inability to answer this question properly without quoting from previous statements and other people's letters, that this instruction came from the hon the State President

The hon the State President instructed his subordinates, who include the hon the Minister, to get rid of that official That official is respected and provides the best medical service, but now after 28 years, she has to be dismissed because she made a statement to a newspaper When one reads this in the broader context, one sees that she apologised She did everything possible to see to it that this was done properly and that justice prevailed. The Government made this decision for political reasons, not medical reasons, but they are very holier-than-thou when it comes to medical and ethical standards This decision is contrary to any medical and ethical standards

As always I accuse the Government of putting politics before anything else Racism in South Africa is more important than the health of the people in the Groote Schuur Hospital That is what is most important to the Government

I want to ask the hon the Minister to give me any reason for questioning Dr Kane-Berman's ability All she did was to suggest people as possible Ministers After listening to the hon the Minister, I recommend that the hon the State President seriously consider her suggestion for a new Minister of National Health and Population Development, because that could only be an improvement

*The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT Mr Chairman, I should like to reply by referring to the hon member for Parktown The hon member himself put this question to me I have it before me in his handwriting Here it is very clearly "The Minister of National Activity " That is how he changed it [Interjections] That is the first point

Secondly, I want to tell the hon member that the hon the State President or the hon the Acting State President has absolutely nothing to do with this matter Thirdly, I want to tell him there is no doubt that the patients of Groote Schuur complained These are patients who cannot choose their own doctors, they have to go there because it is the only place where they can go to, and there were many

On 12 January I personally conveyed it to the Medical Association of South Africa and they accepted the fact that a patient who had to go to a general hospital could not select his own doctor They had accepted, therefore, that for those patients her words were a very serious matter What were her words? I quote as follows

I am not in favour of women only in charge of the country, I'd like people purely on merit—men or women Perhaps Nelson Mandela as Prime Minister

†This is really what they are talking about I would like to tell the hon member for Groote Schuur I think she is a very good doctor I think we should see whether the University of Cape Town is going to appoint her as Dean For that we will have to wait and see

Dr M S BARNARD Will you approve?

The MINISTER If she is appointed as Dean we will approve because then she works for students and in an environment where the propinquity with the ANC is well-known, as with the PFP [Interjections]

Mr D J N MALCOMESS Mr Chairman, on a point of order The hon Minister misinformed the House The relevant question is not in fact in Dr Barnard's handwriting

The CHAIRMAN OF THE HOUSE Order! That is not a point of order That is something the hon member can debate

Debate concluded

QUESTIONS FOR ORAL REPLY

†Indicates translated version

General Affairs

State President

Mr V Palazzolo. contact with State President

*1 Mr C J DERBY-LEWIS asked the State President

Whether he has had any official or unofficial contact with a certain person whose name has been furnished to the State President's Office for the purpose of his reply, if so, (a)(i) when and (ii) for what purpose, in each case and (b) what is the name of this person?

†The ACTING STATE PRESIDENT

No to my knowledge there was no official or unofficial contact between me and Mr V Palazzolo Due to the nature of my office, people greet me in passing and persons are introduced to me in the normal course of events It could therefore be possible that informal contact in fact took place I am however not aware of such a meeting

Ministers

***Flying Springbok*: percentage of contents in English/Afrikaans**

*1 Mr J H VAN DER MERWE asked the Minister of Transport Affairs †

(1) Whether the South African Airways is involved in the determination of the editorial policy of the publication *Flying Springbok*, if so, what percentage of the contents of this publication was in (a) English and (b) Afrikaans in the latest specified period of six months for which information is available,

(2) (a) what is the policy of the Airways in respect of bilingualism in its publications and (b) what are the names of these publications?

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) Yes

(a) 70 per cent

(b) 30 per cent

(2) (a) Every endeavour is made to maintain as far as practicable a sound balance in respect of bilingualism in publications which is determined by the language spoken by passengers

(b) Flying Springbok
Air Partner
SAA News

Mr T LANGLEY Mr Chairman, arising from the hon the Deputy Minsiter's reply, I do not wish to talk politics with him but it is an issue that is very important to me English and Afrikaans must be treated on a footing of equality in South Africa [Interjections] I put the question arising from his reply to the hon the Deputy Minister

†Mr F J LE ROUX Is he the Chairman?

†Mr T LANGLEY Yes, he is everything The hon the Chief Whip of Parliament thinks he is the Government and Mr Speaker and everything else these days [Interjections]

I am talking about the equality of rights of

Afrikaans' I ask the hon the Deputy Chairman whether he and his hon Minister are satisfied that there are equal rights for Afrikaans in the SA Airways, not on a 70 30 basis I want to ask him whether he has ever when he walks through there — the hon, the Deputy Minister doesn't walk where the public walks — been addressed in Afrikaans by a policeman or a ticket lady [Interjections]

†The CHAIRMAN OF THE HOUSE Order! The hon member must ask a question [Interjections]

†The DEPUTY MINISTER Mr Chairman, the question put by the hon member in fact concerns the publications I should like to say to the hon member that we have done market research in respect of the *Flying Springbok* and the other publications that I mentioned, but mainly in respect of the first-mentioned The percentages I have mentioned here were the ratio between English and Afrikaans-speaking passengers [Interjections] As such we give preference to articles in the language that a particular group wants

As far as publications such as the Afrikaans *Air Partner* are concerned, the publication is done internally in the department itself [Interjections] There the ratio is 60 40%, and that is because many of our own employees are overseas In order to also serve these people this ratio occurs

Mr H H SCHWARZ Mr Chairman, further arising out of the hon the Deputy Minister's reply, I would like to ask him, firstly, whether the *Flying Springbok* is not made available on the overseas service of SAA, secondly, what percentage of people who are foreign tourists speak English and what percentage speak Afrikaans, and thirdly, I would like to know whether it is not intended to encourage an interest by foreign tourists in South Africa

The DEPUTY MINISTER Mr Chairman, the implication inherent in the question put by the hon member is quite correct — that the majority of our overseas passengers coming here and going there are obviously English-speaking We are trying our very best to encourage tourism to South Africa so I think that the hon member must agree that it is to the advantage of South Africa [Interjections]

†Mr S C JACOBS Mr Chairman further arising out of the hon the Deputy Minister's reply, can he inform us what the constitutional provisions are in respect of the use of Afrikaans and English

†The CHAIRMAN OF THE HOUSE Order! It does not arise out of this question

Shareworld, Johannesburg: cost/provision of road

*2 Mr J J S PRINSLOO asked the Minister of Transport Affairs

(1) Whether the Department of Transport is committed to any cost involved in providing a road to Shareworld in Johannesburg, if so, what is the (a) nature and (b) amount of such cost,

(2) whether the State intends introducing a toll in respect of any section of this road, if so, (a) why and (b) in respect of what section, if not, in what manner will the cost involved be recouped?

†The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) No
(a) and (b) Fall away

(2) No
(a) and (b) Fall away

Brits: vacancies in hospital board

*3 Mr A GERBER asked the Minister of National Health and Population Development †

(1) Whether any vacancies occurred in the hospital board of the Brits hospital in 1988, if so, when,

(2) whether the MEC charged with hospital services in the Transvaal has approached any persons and/or institutions with a view to making recommendations in respect of these vacancies, if so, (a) what persons and/or institutions have been approached, (b) (i) who was recommended by each of these persons and/or institutions and (ii) what was the motivation in each case and (c) which persons have been appointed to the vacancies concerned?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

(1) Two vacancies occurred during 1988 as the 3-year term of office of the members concerned expired on 31 July 1988

(2) yes

(a) (b)(i) and (ii)
the Hospitals Ordinance places no obligation on the Administrator to consult before he appoints a Hospital Board However, as a matter of courtesy and for practical reasons, the practice developed to approach specific persons in such instances for nominations From the nature of the matter, the information obtained in this manner is of a confidential nature as it concerns people personally For this reason it is not considered in the public interest to disclose the information,

(c) both the serving members Mrs M E van der Westhuizen and Dr J de la Rey Conradie were re-appointed to the Hospital Board because of the excellent services they rendered and because no reasons were supplied why they should not be re-appointed

†Dr M S BARNARD Mr Chairman, arising out of the reply of the hon the Minister, may I ask the Minister whether there are Black persons on the Brits hospital board?

†The MINISTER Mr Chairman, the reply is yes, not only at Brits but also at other hospitals

Mr H H SCWARZ Mr Chairman, further arising out of the hon the Minister's reply, may I ask the hon the Minister whether he has made sure that the people he is appointing there have not made political statements of any kind, in case any patients object to them [Interjections]

The MINISTER Mr Chairman, I will let the hon membet for Yeoville know personally if they do so

Mr K M ANDREW Mr Chairman, further arising out of the hon the Minister's reply, may I ask the hon the Minister whether the hospital board at Brits is 50% English-speaking and 50% Afrikaans-speaking? [Interjections]

SARB/ANC: investigation of liaison

*4 Mr A GERBER asked the Minister of National Education ?

(1) Whether he has instructed his Department to investigate the alleged liaison of the South African Rugby Board with the ANC, if not, why not if so, (a) what was the result of this investigation and (b) what action has to be taken in this regard,

(2) whether he will make a statement on the matter?

†The MINISTER OF NATIONAL EDUCATION

(1) Yes

(a) The investigation revealed that discussions were held on 15 October 1988 in Harare between certain members of the South African Rugby Board (SARB), the South African Rugby Union (SARU) and the African National Congress (ANC)

(b) On 19 October 1988 discussions were held with the Executive Committee of the SARB During the discussions I clearly stated the Government's view regarding negotiations with the ANC Furthermore, the SARB was formally requested to take an official standpoint as a Board on contact with the ANC and on the contents of the Harare statement issued jointly by the SARB, the SARU and the ANC on 16 October 1988

(2) I stand by the statement I made after discussions with the SARB, which was released in Pretoria on 19 October 1988 I may add that in a statement made by the SARB on 10 November 1988, the Board undertook to have no further negotiations with organisations that are committed to violence

Boycotts/disturbances: schools/pupils affected

*5 Mr K M ANDREW asked the Minister of Education and Development Aid

How many (a) schools and (b) pupils under the control of his Department were affected by boycotts or disturbances in 1988?

The DEPUTY MINISTER OF EDUCATION

(a) 917 (255 secondary schools and 662 primary schools) This total mainly represents schools which were involved in two stay-away actions namely the Cosatu action (6–8 June 1988) and the municipal elections (24–26 October 1988)

(b) 420 801 secondary school pupils It is im-

SA Freight lifts earnings by 49%

By Sven Forssman

SA Freight's earnings of R4,4 million for the six months to December were 49 percent up on the corresponding period last year

Earnings per share rose from 13,9c to 20,2c The tax bill rose by 60 percent to R4,6 million.

Operating income was R9,7 million (R5,7 million).

An interim dividend of 10c has been declared

The company said yesterday the profit improvement was derived from the international clearing and forwarding operations

An increase in profits of domestic activities was noted

SAA to keep Perth office

Star 16/2/89 (2)9

PERTH — South African Airways will not downgrade its Perth operation while it continues to make money, according to the manager, Mr Trevor Henry.

Before leaving after six years in Western Australia to manage SAA's South-West Pacific office in Sydney, Mr Henry said the Perth office was keeping its end up.

The office was bringing in about 50 percent of what it had done before SAA lost its Australian landing rights in October 1987 — The Star's Foreign News Service.

Commerce seeks Sats flexibility

B.Day 17/2/89 (269)

CAPE TOWN — Organised commerce has asked Sats to introduce more flexible and differentiated rail tariffs, saying such a move could encourage better utilisation of port and rail facilities.

Cape Town's Chamber of Commerce says Sats representatives have thus far not been swayed by this argument

The argument put forward by commerce is one advocated by Wim de Villiers, government's chief privatisation adviser and architect of Sats's recent efforts to split its activities up into separate business units operating on profit-orientated lines

In his study of Sats practices, De Villiers

CHRIS CAIRNCROSS

said a core problem of its record of unprofitability was that it was not managed according to sound business principles

Losses on unprofitable Sats services were increasing rapidly but, De Villiers said, if free market forces were applied, with rail making better use of its comparative advantages and giving up traffic where it did not have an advantage, these services could be run at a profit

One of the key problems identified by De Villiers is Sats's current fixed tariff policy, which favours short routes.

Road transport under govt fiscal pressure

HELOISE HENNING

FISCAL measures were being used to regulate road transport and were forcing freight back onto rail in order to make rail more profitable before privatisation, industry sources said.

Public Carriers Association CE Ian Moss said while on the one hand government was committed to deregulating the licensing of road transport to allow freer competition between road and rail, with the other hand it was introducing taxes that made road transport uncompetitive.

The fiscal measures included a 100% hike in licence fees for commercial road users to be introduced by April 1 accompanied by another increase in the price of diesel. This was preceded by two increases in the petrol price last year and toll road levies Government had also indicated it would regulate driver times.

In 1988, the costs on road transport rose by between 25%-30% putting pressure on the private-sector road carriers to pass the costs on to consumers.

Tollgate planner Wessel Pienaar said the dice was now loaded against road transport to divert freight back to rail.

Moss and Pienaar said consumers who chose road transport because of speed, convenience and reliability, were "now having to think twice about using such transport".

World tendencies were for road transport to grow while rail transport shrank. Moss said "We must not interfere with the natural development of user choice"

Government interference in transport, a critical and central sector to the economy, would have a detrimental effect on the economy as a whole

SAA to buy five Airbuses — R688-m

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News 17/2/89

Parliamentary Staff

SOUTH African Airways is to buy five Airbus A320 airliners costing R688-million to meet the passenger demand

The Minister of Transport, Mr Eli Louw, said in Parliament today that R2,9-million had been set aside as a down-payment.

There was initial controversy about the aircraft because of a highly sophisticated computer piloting system which overrode the pilot's manual control, and one of the first A320s crashed during a demonstration flight in France last year.

However, after an inquiry into the cause of the crash, it was identified as pilot error and the A320 was cleared of doubt

Mr Louw also announced that R1,2-million had been set aside to preserve steam locomotives at Krugersdorp and Port Elizabeth The eventual cost would be R5-million



SAPA 17/2/89

Sats needs R406,2-m

South African Transport Services will need an additional R406,2 million for the 1988/89 financial year ending on March 31, according to the Transport Services Additional Appropriation Bill which was tabled yesterday.

The Bill is to be introduced in the Chamber of Parliament today by the Minister of Transport, Mr Eli Louw. (269)

R372 million is required for revenue services in addition to the sum of money appropriated in the main transport services budget.

A further amount of R34,2-m is needed for expenditure of an exceptional nature for which provision was not made in the Budget — Sapa.

2 big parastatals aim to overspend by R604m

BDay 17/2/89

CAPE TOWN — The country's two largest parastatals earmarked for eventual privatisation, SA Transport Services (Sats) and Posts and Telecommunications, are planning to overspend their collective budgets by more than R604m in the financial year ending March 31

This was revealed in draft legislation tabled in Parliament yesterday in the form of additional appropriation Bills

Posts and Telecommunications is asking for an additional amount of R198,4m to cover expenditure not catered for in its budget.

Transport Minister Eli Louw is requesting an additional R406,1m for Sats for this financial year

Of this total, R372m is required to cover expenditure in respect of maintenance of rail services and rolling stock, road transport and airports

CHRIS CAIRNCROSS

An amount of R34,2m is described as being allocated to a capital expenditure programme of an excerptional nature for which provision was not previously made.

Subsidies

In a schedule attached to the relevant Bill, this amount is to be or has already been spent on the construction, purchase or takeover of railways, new rolling stock and pipelines

Most of this amount, accounting for some R25m, goes to Sats employee housing subsidies

More than half of the Post Office's additional appropriation of R198,3m was needed for staff expenditure, the Minister, Stoffel Botha, said yesterday

Introducing the appropriation in Parliament, he said R110,9m was for staff salaries and benefits

He said increased staff expenditure was mainly as a result of

- ☐ The general salary increase of 15% from January 1,
- ☐ Higher expenditure on service bonuses, leave gratuities and pension contributions,
- ☐ Higher housing subsidies arising from increased interest rates, and,
- ☐ Higher departmental contributions to medical schemes as a result of the increase in membership fees.

"This will increase total expenditure on staff to R1 873,1m, which is 6,3% higher than the original estimate of R1 762,2m," he said

Bill to prepare Sats for transition — Minister

CAPE TOWN — Sats could not be privatised immediately as the PFP wanted because the organisation had to be prepared for its entrance into the free market, Finance Minister Eli Louw said on Friday.

Replying to the second reading debate on the Legal Succession to SA Transport Services Bill, he said it was not a privatisation Bill.

The formation of a company with the state as the only shareholder as an interim phase was aimed at easing the growing pains which would arise.

Sats was being prepared to move out of the sheltered environment of the state into the rigid norms of competition in the private sector.

Fanie Jacobs (CP Losberg) said the CP's principal objection to the Bill was that accountability to Parliament was being done away with.

Opposing the Bill, he said parliamentary control over any public service organisation was one of the cornerstones of democracy.

Turning Sats into a private company meant the public would no longer be able to resort to Parliament if they felt they were being unfairly treated. The Bill amounted to an infringement of the rights of citizens.

Other reasons why the CP was opposing the Bill were:

- ☐ As a private company no longer subject to parliamentary scrutiny, Sats's standards of service would inevitably drop;
- ☐ There would no longer be any checks and balances to ensure tariff increases were kept as low as possible; and
- ☐ As a private company, Sats could become totally racially integrated.

Rupert Lorimer (PFP Bryanston) argued in turn that Parliament was being asked to approve the Bill without real knowledge of what government's true intentions were

Opposing the Bill he said the PFP agreed with almost all the aims of the legislation, but felt government could go about it more expeditiously.

The PFP agreed Sats should be operated in accordance with the norms of profit and yield on capital and that it should be restructured

"But in the final analysis we believe ... faster and more efficient methods could and should be used to bring about the expressed aims and objects of the Bill" — Sapa.

Pay and fuel boost budget

CAPE TOWN — Transport Minister Eli Louw wants another R372m for the transport budget.

The extra cash is to cover Sats pay rises, higher aircraft fuel costs and higher commission payments by SAA because of the increase in passengers.

Louw, presenting the Transport Services Additional Appropriation Bill last week, said costs had been hit by a weaker-than-expected rand

On October 1 Sats's paybill rose by 12% to add R192m to expenses.

Other factors contributing to increased expenditure were the provision of supplementary pension payments, higher aircraft fuel consumption because of increased air traffic and fuel price increases.

The expenditure increase was partly counteracted by a R353m improvement in income

"As a result of the wage increases for Sats staff, I was obliged to increase domestic flight tariffs by 8% on November 1 and other tariffs by 7,5% on December 1. These increases will realise a further income of R131m during the 1988/89 year," Louw said

This would not cover the costs of the pay increases.

Improvement in the value of imports and exports, and the increase in air service passengers, would bring in a further R140m and R180m.

- ☐ Our political staff reports government has budgeted an additional R13,1m in the additional estimates for the Helderberg air disaster

Another R3,3m is provided for extension work at P W Botha airport at George. — Sapa.

Sats slated for R3bn forex loss

CHRIS CAIRNCROSS

CAPE TOWN — Sats has been strongly criticised by the Parliamentary Joint Committee on Public Accounts for allowing foreign exchange losses to reach more than R3bn without taking timeous corrective action.

In its report tabled in Parliament yesterday, the committee says in view of the size of Sats' forex exposure and high risk profiles of these liabilities, as well as the considerable accumulated losses over the past few years, it is "extremely perturbed" that:

☐ Sats failed to establish timeously adequate administrative machinery to ensure efficient management of this risk and exercise control over it;

☐ Forward cover facilities were largely unused;

☐ Generally accepted accounting policy for losses was not followed, and

☐ There were considerable inadequacies regarding the timeous recording of forex transactions.

The timing of the release of the report is particularly inopportune for Sats, which is scheduled to table its 1989/90 Budget in Parliament today.

Expectations are it will be of record proportions.

Sats is also likely to give notice of the need to raise tariffs sharply.

Cape Times 22/2/89

SATS slated for R3-bn forex losses

Political Staff

A JOINT committee of Parliament has severely rapped South African Transport Services (SATS) over forex losses totalling more than R3 billion which were disclosed in the SATS annual report last year.

The report of the committee on public accounts appointed to investigate SATS's foreign exchange activities states that it is "extremely perturbed" at the size of the foreign currency exposures and at the "high risk profiles" of these liabilities as well as the considerable losses which have accumulated

It says that

- SATS failed to establish timeously adequate administrative machinery to ensure efficient management of the risk and exercise control over it,
- the facility in regard to the dollar-rand exchange rate cover available from the Reserve Bank was largely unused,
- the accounting policy generally accepted for exchange losses was not followed and
- there were considerable inadequacies in the timeous recording of the results of foreign exchange transactions into the financial records of SATS.

Sats will hold increases to 'under 10 pc'

By Peter Fabricius, Political Correspondent

Rail, air and road tariff increases of under 10 percent are likely to be announced for SA Transport Services. Star 24-2-89

Minister of Transport Mr Eli Louw is expected to announce them when he presents the Sats budget to Parliament today.

Sources say a tariff increase is unavoidable. The last across the board increase, averaging 12,5 percent, was in April 1987. Last November domestic air fares were put up 7,5 percent, and certain goods tariffs on rail by 7 percent.

CONSULTATIONS

Today's announcement would be of a single digit percentage increase, sources said.

They said that Mr Louw had consulted commerce and industry last month about the coming tariff increase.

All accepted that an across the board increase had to come. Their request had been that it must not be above the inflation rate — currently about 14 percent.

They would be "pleasantly surprised with the budget tabled today," the sources added.

Loss of more than R1,3bn likely

CAPE TOWN — Sats is expected to show a loss of more than R1,3bn on its rail passenger operations in the coming financial year, in spite of a planned 10% fare hike on April 1

Delivering his budget, Transport Minister Eli Louw asked Parliament to approve the state paying R644m to offset these losses

The remainder would be offset by internal cross-subsidisation.

With the impending transformation of Sats into a public company, Louw said this was the last year losses on passenger services would be offset by internal cross-subsidisation

MIKE ROBERTSON

From next year, all subsidies would be paid from the Treasury.

He disclosed that rail passenger services had shown a loss of R1,27bn in the 1988/89 financial year.

The state paid R644m in compensation, while the balance of R633m would be offset by means of internal cross-subsidisation

The number of main-line passengers decreased by 40% Revenues, however, were down by only 17%

Revenue from commuter services was down by 11%.

Going private: Sats' last budget before the House

B/Day 23/2/89 269

CHRIS CAIRNCROSS

CAPE TOWN — Yesterday's Sats budget was the transport giant's last to be tabled before Parliament as legislative steps are being taken during this session to transform the parastatal into a state-owned private company — paving the way for the privatisation of parts or all of the organisation.

This was confirmed yesterday by Transport Minister Eli Louw

Draft legislation has already been tabled in Parliament to provide for the creation of a private company, and for Sats to be divided into separate, semi-independent business units required to operate along profit-orientated business lines in a deregulated transport market

● LOUW

If the Bill is passed, as expected, it will mean the end of the distorting cross-subsidisation practices adopted by Sats in the past that have caused much irritation in the private sector.

It also means the end of any extra appropriations being brought before Parliament by Sats should expenditure exceed the year's budget estimates — as was the case in the 1988/9 financial year.

Henceforth, any public monies required by Sats will have to be requested from the Treasury through the national Budget.

Sats will also have to fund its capital requirements by competing with the private sector in the capital market for loans.

Louw said that provided the legislation was passed, Sats would no longer lay its accounts on the table for scrutiny by Parliament

Strategy

Instead it would, through him as the responsible minister, submit its annual accounts to its board of directors — as was the case with Iscor

□ Contrary to the recommendation of government's privatisation advisers, Sats has chosen not to go the halfway route of merely appointing an advisory board, with the minister as chairman, to oversee its policies and strategies.

It has opted to distance itself even further from it political masters in this initial transition stage by deciding on the formation of a private company with a board of directors under the chairmanship of a prominent businessman — still to be appointed.

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Air fares set to go up on April 1

MIKE ROBERTSON

CAPE TOWN — Domestic air fares would increase by up to 13,7% on April 1, Transport Minister Eli Louw said yesterday

Business class fares will increase by 13,7%, economy class fares by 9% and air freight rates by 10%

This means the cost of a single business class fare from Johannesburg to Cape Town will rise from R285 to R324 A single business class fare from Johannesburg to Durban will increase by R21 to R176

Business class fares are being increased by a bigger percentage because there is a "big demand" for seats

Louw said SAA had made profits of R102,7m in the period from April to the end of December last year

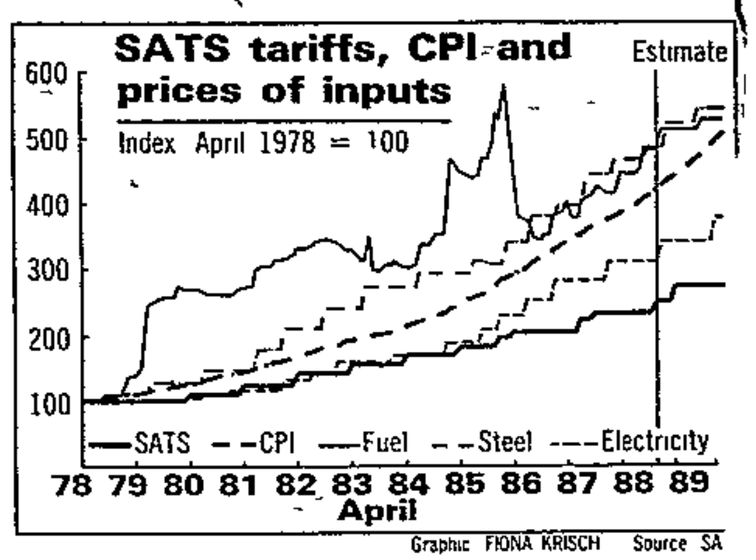
He said the main reason for the fare hikes was to enable SAA to switch to a new generation of aircraft He also expected the rand to come under more pressure during the year which would lead to higher prices for spares and fuel

The present international fleet was being fully utilised and an announcement would be forthcoming on the purchase of new aircraft later in the year. SAA planned to buy at least two new planes at a total cost of between R700m and R900m

Louw would not give details on how many planes were still out on loan, but a sufficient number had been returned to enable SAA to cope with domestic demand

Passenger traffic on international services had decreased by 1,6% last year as a result of the loss of the Australian services

The number of passengers conveyed on domestic services increased by 17,5%.



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Transport fares up 8,7pc — Minister

269 By Peter Fabricius, Political Correspondent Star 23/2/89

CAPE TOWN — Domestic economy-class air fares are to go up by 9 percent, business-class fares 13,7 percent and passenger and commuter train fares 10 percent from April 1

Minister of Transport Mr Eli Louw announced yesterday that all Sats fares and tariffs would go up by an average of 8,7 percent

Presenting his Sats budget to Parliament, he said the tariff and fare increases were needed to turn a R493 million deficit into a R2 million surplus for the coming year.

From April 1 a third-class single fare on the commuter line from Johannesburg station to Naledi — a distance of 28 km — will rise from R1,10 to R1,20 The weekly fare for the same journey will jump by 50c to R5,90

A first-class single fare from Johannesburg to Dube will rise 20c to R2 and a weekly ticket by R1,50 to R15,50

A single economy-class air ticket from Johannesburg to Cape Town will rise from R248 to R270, and from Johannesburg to Durban from R135 to R147 A single business-class ticket from Johannesburg to Cape Town rises from R285 to R324, and from Johannesburg to Durban from R115 to R176

A single rail ticket from Johannesburg to Durban will rise from R116 to R128 (first class), R82 to R90 (second class) and R41,50 to R45,50 (third class)

Some other increases are:

- Road transport for passengers, goods, parcels and post up 14 percent
- Rail goods up 6 percent
- Fuel transport by rail up 8 percent
- Heavy unit train containers. up 11,8 percent
- Empty unit containers up 5,6 percent.
- Countrywide containers up 5 percent
- Mini-containers on unit trains no change
- Mini-containers on non-unit trains. up 5 percent
- Storage and demurrage charges. up 10 percent
- Low-rated rail traffic up an average of 10,5 percent
- Harbour tariffs average of 8,5 percent
- Marine services 13,5 percent
- Cargo-handling charges 9 percent
- Cargo services 1,2 percent
- White products conveyed by pipeline 8 percent
- Crude oil by pipeline 12 percent

Mr Louw said as a result of the big demand for business-class air travel and the quality of service, these fares were being increased more than economy-class fares

He pointed out the increase was much lower than the rate of inflation

The fare increase was necessitated by the working deficit for the 1988/99 year of R493 million

The estimated deficit for mainline and commuter rail passenger services was R1 332million of which R645 million would be made good by the State.

A total of R687 million had still to be offset by cross-subsidisation This had to be done by tariff increases.

Road, rail, air tariffs to rise

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ALL rail passenger fares are to increase by 10 percent from April 1 while SAA business class and economy fares will go up by 13,7 and nine percent respectively.

Tariff increases averaging 8,7 percent were announced by the Minister of Transport, Mr Eli Louw, when he delivered his budget speech to a joint session of Parliament yesterday

The increases were expected to realise a R2 million surplus for the soon to be privatised service, he said

Other tariff increases include rail goods (8,6 percent), road transport (14-percent), pipelines (8 percent white products and 12 percent crude oil), airfreight (10 percent), marine services at harbours (13,5 percent) and cartage (11 percent).

Pressure

Mr Louw said that notwithstanding cost pressure and the effect of salary increases granted recently, the budget was only 10,5 percent higher than the revised estimate for 1988/89

The estimated working deficit amounted to R493 million and the deficit in respect of mainline and commuter rail passengers R1 332 million

The State made good R645 million of this latter deficit and the balance of R687 million therefore had to be offset by means of cross-subsidisation.

"This working deficit necessitates an adjustment in tariffs from April 1 in order to balance the transport services' books," he said

Parliament and politics

SATS 'will show loss of R1,3bn'

Political Staff

SA Transport Services is expected to show a loss of more than R1,3 billion on its rail passenger operations in the coming financial year despite a planned 10% fare rise on April 1.

Delivering his budget to Parliament, Transport Minister Mr Eli Louw asked Parliament to approve the state paying R644 million to offset these losses. The remainder would be offset by internal cross-subsidisation.

He disclosed that rail passenger services had shown a loss of R1,277bn in the 1988/89 financial year. The state paid R644m in compensation while the balance of R633m would be offset by internal cross-subsidisation.

The number of mainline passengers decreased by 40%. Revenues, however, were down by only 17%. Revenue from commuter services was down by 11%.

Tariff rises in detail

These are the tariff rises announced by the Minister of Transport Affairs, Mr Eli Louw:

Economy class airfares — 9%; business class — 13,7%

Rail passenger fares, all classes mainline and commuter — average 10%

Goods, passengers, parcels and mail conveyed by road — average 14%

Rail goods tariffs — average 8,6%

Petrol and diesel conveyed by rail — 8%

Harbour tariffs — average 8,5%

Cargo handling tariffs — average 9%

White products conveyed by pipeline — 8%; crude oil — 12%

Storage and demurrage charges — 10%

Low rated tariff rail traffic — average 10,5%; manganese ore from Postmasburg to Port Elizabeth — 14%

Traffic conveyed by truck — 12%; timber — average 10,6%; specific exempted traffic — 12%

Vote of success for SATS

Political Correspondent

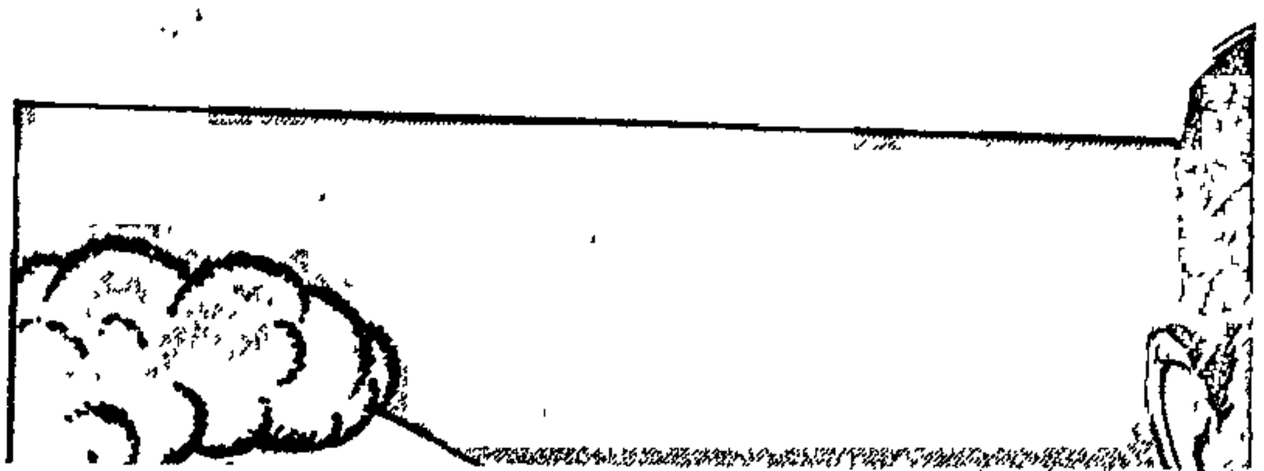
SATS had managed a successful entry into the competitive market, the Minister of Transport, Mr Eli Louw, said yesterday.

"It has been a historic year. For the first time in 75 years we have done business in the competitive market," Mr Louw told a pre-budget press conference.

He said about 85% of the transport market had been deregulated in December 1986.

"I am glad to say that Transport Services basically remained within its budget, and just to have achieved this is good going."

Mr Louw said that while the inflation rate had averaged over 13% over the past 10 years, SATS increases were up by less than 9% a year.



Star 23/2/89

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SAA profit offset by railway losses

Political Correspondent

South African Airways made a profit of R102,7 million between April and December last year, **the Minister of Transport, Mr Eli Louw,** said in his Sats budget speech to Parliament yesterday

Reviewing the past year, he said the loss on rail passenger services had been R1 277 million

Compensation from the State was R644 million, which meant that the balance of R633 million had to be offset by cross-subsidisa-tion from profitable services

The number of passengers conveyed on domestic air routes increased by 17,5 percent

International air passenger traffic decreased by 1,6 percent, largly because of the loss of the Australian service

Mainline rail passengers' numbers decreased by 40 percent largely because of rationalisation of the service in 1987.

Revenue decreased by 17 percent

Revenue from commuter trains increased by 11 percent



Goods tonnage hauled by train increased by 5,9 percent because of the general rise in economic activity

The total revenue from road goods traffic had increased by 11,1 percent, he said

Revenue from petrol and crude oil pumped by pipeline increased by 12,5 percent

The value of imports through harbours increased by 12,9 percent and that of exports by 6,4 percent

Sats staff numbers were reduced by 12 955, or 6,71 percent, to 179 611 although no-one was dismissed in the process

Sats to write off forex loss

Political Correspondent

South African Transport Services (Sats) is to write off its R3,1 billion foreign exchange loss, **the Minister of Transport, Mr Eli Louw,** announced yesterday

Presenting his 1989/90 budget, he said he had decided to follow the recommendation of the Cross Specialist Committee on the Sats foreign exchange loss

The nett book value of Sats assets was about R14 billion on March 31 1988 and the replacement value of fixed assets, excluding land, would be about R56 billion

Mr Harry Schwarz, PFP finance spokesman, said the huge loss would now disappear from Sats accounts, but the taxpayer would eventually have to foot the bill

The re-evaluation of certain major assets to offset the effects of a single write-off of the forex loss was recommended by Parliament's joint committee on public accounts this week

The committee criticised Sats for failing timeously to establish administrative machinery to manage and control the foreign currency risk efficiently.

It said Sats had hardly used the dollar/rand foreign exchange cover facility provided by the South African Reserve Bank

SAA to buy new fleet of jets

Political Staff

South African Airways is to buy a new fleet of long-distance jets for international flights, **Minister of Transport Mr Eli Louw** announced yesterday

"The present international fleet capacity is already being fully utitilised," he told Parliament in his Budget speech

"If SAA wishes to maintain its competitive position, a new generation of aircraft is required," he said "Several new types of aircraft are being considered, and an announcement will be made in time"

The envisaged long-distance carriers are over and above five new Airbus A320s being delivered for internal use in November 1991 and July 1992 at an estimated cost of R688 million

Commenting on rail services, Mr Louw said two things were being developed to overcome rail's disadvantages against road transport

"One is the piggy-back truck concept, where a loaded vehicle or semi-trailer is piggy-backed by rail on a low-bed truck"

There is also the "roadrailer" idea, consisting of a semi-trailer with ordinary road wheels, which could be fitted with a rail bogie and hauled by rail.

The prototypes of the roadrailer would be tested this year

Challenge to operate 'as a business'

Sats asks Govt for higher budget of R14 110-million

By Peter Fabricius,
Political Correspondent

The Minister of Transport, Mr Eli Louw, yesterday asked Parliament for a Sats budget of R14 110 million — 10,5 percent up on the revised estimates for last year.

He asked for R1 710 million for capital works and R12 400 million for revenue services.

The economy would probably cool down to a growth rate of only two percent in the 1989/1990 book year, he said.

This would decrease the demand for transport and present a challenge to Sats to manage itself on a competitive basis.

Decline

Mr Louw said some of the reasons for the likely economic slow-down were an expected decline in consumer spending, a higher rate of inflation and the effect of financial control measures.

International pressure would also dampen exports which would have a detrimental effect on growth.

The demand for transport would also increase at a lower rate, he said.

This, and the virtually deregulated transport market, presented a challenge to manage Sats according to sound business principles.

He said Sats budget for 1989/1990 was based on an inflation rate of 14 percent.

Because of the inflation differential between South Africa and its trading partners he expected the rand would remain under pressure.

This could result in an increase in overseas payments for aircraft fuel, for instance.

Estimated revenue increase was 7,1 percent or R786 million.

The working deficit was R493 million. The estimated deficit on mainline passenger and commuter train services was R1 332 million of which R645 million would be made good by the State.

Cost increases and 14 percent inflation would push up the price of material and energy inputs by an average 13,3 percent.

As a result of the average 8,7 percent tariff increase, Sats revenue would increase by R495 million, or 4,2 percent.

Fuel, fares to rise in April

B/Day 23/2/89 269

MIKE ROBERTSON

CAPE TOWN — The fuel price, air and rail fares are all set to rise in April after Transport Minister Eli Louw announced sweeping tariff increases yesterday.

Delivering what will be the last Transport Services budget speech, Louw asked Parliament to approve a sum of R12,4bn for revenue services and R1,7bn for the capital programme. The budget is 10,5% higher than the revised estimate for 1988/89.

Louw said that prior to tariff increases a working deficit of R493m was estimated After average tariff increases of 8,7% were applied, Sats was expected to produce a surplus of R2m.

The main increases which come into effect on April 1 are:

☐ A 12% tariff increase for the conveying of crude oil by pipeline, which Louw says will result in a fuel price hike,

☐ Business class domestic air fares are to go up by 13,7% and economy class fares by 9%,

☐ Rail passenger fares on mainline and commuter trains are to increase by an average of 10%,

☐ Rail goods tariffs are to rise by 8,6%.

Sats rail services are expected to make a loss of R469m in the coming year (-R656m), commuter services a loss of R405m (-R298m), road transport services a loss of R12m (-R42m), harbours a profit of R575m (R505m), airways a profit of R144m (R128m), pipelines a profit of R319m (R257m), catering and bedding services a loss of R10m (-R12,6m) and Sartravel a profit of R2m (R4,6m).

Total revenue is expected to increase by 11,6% to R12,40bn while total expenses are set to rise by R1,1bn to R12,4bn.

Louw said that after the report of a specialist committee into Sats foreign exchange losses it was decided to write off the sum of R3,1bn by means of a single entry against revalued assets.

The net book value of Sats assets amounted to R14bn on March 31 1988, while the replacement value of fixed assets was estimated at R56bn.

● See Page 4

☐ GERALD REILLY reports that SA Agricultural Union president Kobus Jooste said the higher tariffs would have a direct cost-increasing impact on production and marketing and, therefore, an adverse effect on agriculture's competitiveness.

Although the average increase amounted to 8,7% certain sectors of agriculture were taxed extremely heavily, including the increase of 13,5% in the transportation of livestock and 14% in goods transportation.

The increase would accelerate the

● To Page 2 ⇨

Fuel costs and fares set to rise in April

B/Day 23/2/89 269

● From Page 1

tendency for farmers to make lesser use of Sats' services.

The Transport Consultative Committee (TCC) has criticised the hike in domestic airfares and pipeline charges.

The committee consists of a large number of private-sector organisations including Assocom, the AHI and the FCI

In its reaction to the Sats budget, the TCC said the average 13,7% increase in SAA business class fares was regretted against a background of the record number of passengers carried on domestic flights and SAA's overall profit of R102,7m from April to December last year.

On Sats privatisation, the TCC said it welcomed the appointment of a board of directors under the chairmanship of a private-sector businessman.

However, the need for Sats to demonstrate its ability to operate within its budget was important This would contribute towards an improvement in private-sector confidence in Sats prior to privatisation

☐ Sapa reports that PFP transport spokesman John Malcomess said the widespread increases were once again going to cause an upward trend in the inflationary spiral.

CP spokesman J J S Prinsloo said the tariff increases would hit consumers hard

NDM leader Wynand Malan said the passenger fare increases were going to hit the poorest section of the population the hardest

☐ Also adding to the wave of costs will be higher interest rates after yesterday's increase in Bank rate. Lending rates, including mortgage rates, are to rise across the board.

Sats, Sabta link up for door-to-door service

269
B/Day 24/2/89

HELOISE HENNING

SATS and Sabta are planning a novel "door-to-door" service for commuters.

A traveller will be able to buy a single ticket which will include a taxi ride from the station to his/her destination.

Talks were initiated by Sats passenger services chief director Gerhard Booysen, who first approached Sabta officials at a conference There have been three rounds of discussions.

At a meeting this week, Sats presented its proposals to Sabta's board

Booysen's deputy Charles Wright said.

"We feel there is a need for a one-stop service and we would like to develop a ticket system with Sabta, whose taxis are already acting as a feeder to our train services."

A similar service involving buses and trains has been operating, but the bus services have lost business to the mini-bus taxis.

Most major bus companies, including transport giant Putco, have seen their commuter business steadily eroded over the last four years with a concommitant drop in operating profits in spite of government sudsidies.

Sabta transport consultant Paul Browning said what was commonly referred to as a "taxi" was actually an unscheduled mini-bus service with operational efficiencies dependent on the tight margin the operators were under through rising costs

He said Sabta was seeking new business for its members and the Sats proposal provided such an opportunity.

Telsaf, Randburg, wins three major Sats contracts

Industrial Beat

STAN KENNEDY



Telsaf of Randburg, designers and manufacturers of telecommunications systems for the public and private sector, has won the last three major telecommunication transmission contracts awarded by SA Transport Services (Sats).

Telsaf is a subsidiary of Telettra of Italy, which had a turnover of more than R2 billion last year.

All three contracts comprise a multi-million-rand project for 34 Mb digital transmission systems to improve the quality of Sats' national communications network and to conform with the international trend towards digitisation.

The first contract was for the provision of optical line terminating equipment (Olte) and time division multiplexers (TDM) for junctions between a new digital exchange in Johannesburg.

The link will include channels for data and voice encoded by pulse modulation (PCM).

Telsaf will also supply and instal digital transmission equipment to work on existing underground coaxial cables between East London and Queenstown.

About 20 stations will be provided with AC immune communications in this recently electrified section.

Olte, TDM and PCM equipment will be connected to new digital exchanges at Pretoria, Capital Park and Koedoespoort in a triangular configuration with inherent alternative routing

' The contracts will be administered by the Telecommunications Buisness Units of SATS.

Renold

The manufacture of large gearboxes at Renold's Benoni plant has shown the ability of local industry to beat the mounting surcharge and sanctions problems.

Custom-designed and built to exacting specifications set by the customer, Dorbyl, the single helical reduction units made up a contract worth R306 000.

"We are finding that the South African customer is beginning to look at locally made helical gearboxes with renewed interest," says Mr David Russell of Renold.

"Previously, the general approach was to use a standard imported unit and try and make it fit the application

"Now we work out a way of tackling the same problem with local technology by designing a specific solution," he says.

Ferodo

Ferodo, South Africa's largest manufacturer of automotive friction materials, achieved a record turnover last year.

In 1987 sales increased by 100 percent over 1986 and last year they were up again by 50 percent.

Now in its 25th year in South Africa, the company is confident it will reach more than R100 million in turnover at the retail level this year.

Marketing director Mr David Jones says: "The phenomenal growth over the last three years has been the result of a buoyant market and our substantial investment in all aspects of the business."

In the past three years, more than R1 million has gone into the research and development department.

This has enabled the company to become pro-active in the local supply of material previously imported

The marketing department has been expanded and two large warehouses, one in Johannesburg, the other in Cape Town, have been opened to improve service to Transvaal and Western Cape customers.

Plasma

New plastic pretreatment machinery, designed by Plasma Electronic, Stuttgart, West Germany, means that plastic components can have their surfaces activated so that print, varnishes and foam rubbers cam be applied directly.

The new treatment for plastics is a major advancement for plastic manufacturers and users.

Up to now plastics, while offering many advantages over their more conventional sisters, glass and metal, in areas such as packaging have had one serious drawback.

Most common-grade plastics have surfaces to which print, varnishes, metal components and other materials cannot easily adhere.

Currently, specification details and trade names have to be extruded into the die or printed onto labels.

The units have a plasma chamber into which plastic components, such as capacitators in the electronics industry, cosmetic containers, toys and automotive components, are placed

Once activated, the parts can be varnished, covered or printed.

"DOW THEORY AND THE JOHANNESBURG STOCK EXCHANGE"

★ Dow Theorists in the USA accurately predicted the end of the bull market in 1987, and sold their shares well before the October 1987 crash

★ In this 37-page illustrated book, Bernard Joffe explains how he has adapted the Dow Theory for use on the JSE and the strategy investors should follow in the present situation

★ The book is a "must" for anyone owning shares or mutual fund units, or

S/Times 26/2/87

TRUCKS AND TRUCKING

New rail links a threat to bus firms

By UDO RYPSTRA

BUSES are to make way for light rail transit systems in many metropolitan centres over the next decade, bringing a sharp decline in growth for bus and minibus manufacturers

Business will take a dive — unless bus manufacturers diversify and sub-contract components required to establish the LRT systems

Until now, many manufacturers have regarded the introduction of LRT as a remote possibility But — like Mosgas — metropolitan railways are to become a reality

The first R350-million system — in Port Elizabeth — is due to be fully operational by 1992 Tender specifications are expected to be sent out in the second half of this year

Rather than fight against the inevitable, South Africa's main transport operators — such as Tollgate, Putco and the SA Black Taxi Association — have expressed an interest in becoming partners in LRT systems

Extend

Likewise, major companies involved in the manufacture of heavy vehicles and components for the trucking industry no longer see LRT as a threat, but rather as an opportunity to extend their expertise and influence in the sphere of transport

A perfect example of this is Industrial Machinery Supplies (IMS), a leading South African manufacturer and supplier of fifth-wheel couplings and truck and trailer components

With privatisation looming in the transport industry, it has now formed a consortium with Genrec, EMS and the French company Alsthom — manufacturers and operators of LRT systems — to provide turnkey systems locally

Siemens and GEC are other manufacturers and suppliers in the running

The initial outlay for the systems being planned in Port Elizabeth, Durban, Pretoria, Cape Town and Johannesburg will be well in excess of R2 billion

Bus row — Nats given a chance

Star 27/2/89

By Tim Cohen

The Progressive Federal Party (PFP) opposition in the Johannesburg City Council has decided not to publicise complaints about the victimisation of blacks on the city's buses for three months in order to clear the way for a non-racial bus service

Leader of the PFP in the council, Mr Tony Leon, said last night that as a result of this moratorium the party expected the ruling National Party (NP) to come forward with proposals to end bus segregation

He said the PFP would continue to monitor the numerous reports which it received about the victimisation of blacks on the bus service but that these would be dealt with internally.

Mr Leon said the PFP municipal caucus had been divided into several policy groups and that the caucus would soon be presenting papers in conference form on their areas of concern

The privatisation and deregulation group report would include a projection of the cost benefit for ratepayers of an aggressive programme of privatisation for the city, he said

The Group Areas Action Committee was liaising with affected communities and would soon produce a pamphlet explaining tenants' rights.

SATS IN ON THE ACTION

SATS, as owner of large prime land areas in central Cape Town, is destined to become a major player in the redevelopment and revitalisation of the city's downtown area.

First, there is the 82ha waterfront redevelopment — which is to be orchestrated by the new company formed by Sats — the Victoria and Albert Waterfront (VAW).

This development is expected to act as a major catalyst for adjacent development and will bring enormous benefits to Cape Town, providing an expanded rates base and contributing to a rejuventated CBD.

Sats' other major development opportunity lies in various parcels of land in the vicinity of Cape Town Station, and within its environs — and including potential air rights.

Sats' decision to play a role in developing these sites will take the form of "landlord partner" only, leasing out the properties to private sector developers, according to Sats' regional quantity surveyor in Cape Town, Jan van Dijken.

Severeal factors have caused Sats to adopt new approaches to utilise its property holdings. This does not only hold true for Cape Town, but throughout the country, leading the parastatal to establish a Business Development Section (BDS) in 1986.

One factor was the introduction of new legislation, the Rating of State Property Act of 1984, which requires State and parastatal bodies to pay property rates and taxes to local authorities.

The second reason was an airspace development proposal for Johannesburg Station submitted by a group of developers in 1985.

It gave Sats management cause to realise its properties could be used for more than just transport, and could become an important source of additional revenue, offsetting the extra costs incurred by rates and taxes.

The SA Transport Services Amendment Act passed in 1986 enabled Sats for the first time to legally lease property to the private sector. Since then, the BDS has been actively involved in informing the private sector and local authorities of the potential development opportunities on Sats land.

Time and energy has also been spent on identifying parcels of land with development potential. This inventory apparently clearly demonstrates the immense variety of opportunities that exist for developers across the spectrum.

In Cape Town, where Sats has been working in close collaboration with the city council, some 10 areas of station land have been identified as having further development potential. A report concerning these parcels and their possible uses has been passed both by Sats management and the city council.

SADF members exceeding bounds of duty in townships

13 Mr R R HULLEY asked the Minister of Defence

(1) Whether, with reference to his reply to Question No 192 on 2 March 1988, he will reconsider his decision not to furnish statistics in future on members of the South African Defence Force who exceeded the bounds of duty while serving in Black townships, if not, why not, if so,

(2) whether, in 1988, any members of the Defence Force were (a) charged with and (b) convicted of exceeding the bounds of duty while serving in any Black townships, if so, (i) how many and (ii) in respect of what offences in each case,

(3) whether in that year, any civil actions were instituted against (a) him and/or (b) any members of the Defence Force for acts committed by members of the Defence Force while on duty in Black townships, if so, (i) how many, (ii) what were the circumstances surrounding each claim and (ii) what was the nature of the claim in each case,

(4) whether any of these actions have been finalized, if so, (a) how many as at 31 December 1988 and (b) what was the outcome in each case?

B66E

The MINISTER OF DEFENCE

(1) No The circumstances are still unchanged

(2), (3) and (4) Fall away

National servicemen requesting not to do duty in townships

14 Mr R R HULLEY asked the Minister of Defence.

(1) Whether any national servicemen requested the South African Defence Force in 1988 not to require them to do duty in any townships in the Republic, if so, how many,

(2) whether any of these requests were acceded to, if not, why not, if so, (a) how many were acceded to and (b) what were the circumstances surrounding each of these cases?

B67E

The MINISTER OF DEFENCE

(1) No

(2) Falls away

Pietermaritzburg area: SADF members deployed

42 Mr M J ELLIS asked the Minister of Defence

(1) (a) How many members of the South African Defence Force are currently deployed in the greater Pietermaritzburg area, (b) where are they stationed, (c) in which areas are they deployed and (d) in respect of which date is this information furnished,

(2) whether any members stationed in such areas have been involved in illegal practices or other forms of misconduct, if so, (a) how many, (b) in which of these areas and (c) when,

(3) whether any steps have been taken against such members, if so, (a) what steps and (b) when?

B101E

The MINISTER OF DEFENCE

(1) (a), (b) and (c) There is a number of SA Defence Force members deployed in the greater Pietermaritzburg area It is, however, policy not to divulge personnel strengths or details of operations.

(d) 15 February 1989

(2) No (a), (b) and (c) fall away

(3) Falls away

Strikes/work stoppages: workers involved

45 Mr P G SOAL asked the Minister of Manpower

(a) How many workers in each race group were involved in (i) strikes and (ii) work stoppages in 1988 and (b) what was the total number of man-hours lost in respect of workers in each race group as a result of such (i) strikes and (ii) work stoppages?

B111E

The MINISTER OF MANPOWER

(a)	(i)	Whites	138
		Coloured	15 693
		Asians	5 503
		Blacks	127 635

	(ii)	Whites	7
		Coloureds	880
		Asians	805
		Blacks	11 018
(b)	(i)	Whites	2 403
		Coloureds	630 437
		Asians	163 317
		Blacks	6 356 212
	(ii)	Whites	21
		Coloureds	5 566
		Asians	4 813
		Blacks	152 338

NOTE These figures are in respect of the notification of the discontinuance of work received in terms of section 65A of the Labour Relations Act, 1956

Farm/domestic workers. report on working conditions

49 Mr P G SOAL asked the Minister of Manpower

(1) Whether, with reference to his reply to Question No 88 on 2 March 1988, consultations concerning the report of the National Manpower Commission on the working conditions of farm and domestic workers have now been completed, if not, (a) why not and (b) what remains to be done to complete this investigation, if so, when;

(2) whether the report has been released, if so, when, if not, (a) why not and (b) who took the decision in this regard,

(3) whether any action affecting the working conditions of farm and domestic workers is to be taken as a result of the findings of this commission, if not, why not; if so, (a) what action and (b) when,

(4) (a) when was this commission established and (b) what was the total cost of the commission as at the latest specified date for which figures are available?

B129E

The MINISTER OF MANPOWER

(1) No

(a) As the consultations progress matters are identified which require further investigation and consultation

(b) The consultation still have to be concluded, after which proposals which may arise therefrom will be cleared with interested parties at regional and agricultural sector level

(2) No

(a) The Labour Relations Act, 1956, provides for the National Manpower Commission to submit its reports and recommendations to the Minister of Manpower The report concerned served as advice to the Minister and was not meant for publication

(b) The Minister of Manpower

(3) As indicated in the Minister's previous reply the question whether or not any action is to be taken will be considered once the consultations have been concluded

(4) (a) Falls away

(b) Falls away

(a) 1 October 1979

(b) The total cost of the Commission up to 31 March 1988 amounted to R6 164 000 Apart from the recommendations of the National Manpower Commission to the Minister of Manpower on labour relations in the agricultural sector, 53 others reports and investigations have also been completed during this period

Jan Smuts Airport: checks on security fences

52 Mr C J DERBY-LEWIS asked the Minister of Transport Affairs

(1) Whether regular checks are carried out on the security fences at Jan Smuts Airport, if not, why not, if so, at what intervals,

(2) whether an unauthorized person gained access to a runway at this airport on or about 14 January 1989, if so, (a) how long before the above date was the last check carried out on the section of the security fence where this incident occurred, (b) what were the circumstances surrounding this incident and (c) what was the (i) nature and (ii) cost of the damage to the aircraft involved?

B142E

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes, inspections are carried out twice during each eight hour shift over every twenty four hour period

(2) Yes, on 14 January 1989

(a) On 14 January 1989, approximately two hours prior to the person having been observed at 11h49

(b) A Black man gained unauthorised access to the runway area and proceeded to run across the take-off path of an Air Zimbabwe Boeing 737 aircraft The captain of the aircraft therefore had to brake sharply to avoid running down the person concerned

(c) (i) Two tyres required replacement, and

(ii) Approximately R1 200,00

Passenger transport: subsidies paid to bus companies

68 Mr D J N MALCOMESS asked the Minister of Transport Affairs

What total amount was paid to bus companies in respect of subsidies for the transport of passengers in the (a) Johannesburg/Pretoria, (b) Cape Town/Peninsula, (c) Port Elizabeth/Uitenhage and (d) Durban/Pinetown areas in the 1987-88 financial year?

B169E

The MINISTER OF TRANSPORT AFFAIRS

(a) R115 053 011,99

(b) R 37 211 683,61

(c) R 11 994 578,78

(d) R 55 652 221,87

The honourable member s attention is drawn to the fact that the amount reflected under (b) above includes payments in respect of commuters of the magisterial districts of Cape Town, Bellville, Simon's Town, Wynberg, Stellenbosch, Kuilsriver and Goodwood

Conciliation boards/mediators

72 Mr P G SOAL asked the Minister of Manpower

(a) How many applications for the (i) establishment of conciliation boards in terms of sectino 35, and (ii) appointment of a mediator in terms of section 44, of the Labour Relations Act, No 28 of 1956, were (aa) made and (bb) approved in 1988 and (b) in respect of what percentage of the approved applications were the disputes settled in each case?

B173E

The MINISTER OF MANPOWER

(a) (i) (aa) 3 035

(bb) 1 550

(ii) (aa) 1

(bb) 1

(b) Conciliation boards — 29,6 per cent
Mediators — Nil per cent

HOUSE OF ASSEMBLY

INTERPELLATIONS

The sign * indicates a translation The sign †, used subsequently in the same interpellation, indicates the original language

General Affairs

Independent Black states: diplomatic staff

1 Dr W J SNYMAN asked the Minister of Foreign Affairs

In which suburbs of cities and towns in the Republic are diplomatic staff of the four independent Black states housed?

*The MINISTER OF FOREIGN AFFAIRS Mr Chairman, in replying to this question I assume that under diplomatic staff the hon member for Pietersburg includes consular staff I also assume that the hon member is referring to the Transkei, Bophuthatswana, Venda and the Ciskei, because there are more than four independent states in Africa that have representation in South Africa The hon member has indicated that that is what he means Consequently I shall reply to the question I amended for him

The answer is as follows All four of these countries that I have mentioned have embassies in South Africa's capital cities, and consequently have embassy staff who are resident—for the purposes of the question—in those capital cities, viz Pretoria and Cape Town

With reference to consular staff, the Transkei has consulates in Bloemfontein, Durban, Johannesburg, East London and Port Elizabeth Bophuthatswana has consulates in Johannesburg, Bloemfontein, Kimberley, Potchefstroom, Vryburg and Welkom Venda has consulates in Johannesburg and Pietersburg, and the Ciskei has consulates in Bloemfontein, Durban, Johannesburg, Cape Town, Newcastle and Port Elizabeth

*Dr W J SNYMAN Mr Chairman, the hon the Minister was much calmer in replying to the question about these things today than he was six years ago when I asked him a similar question in March 1983 That was also during Question Time At the time I wanted to know whether he intended to grant permission for Venda's consular staff to live in Pietersburg On that occasion the hon the Minister let rip with what one can almost call verbal diarrhoea of six and a half columns in Hansard It was the longest reply I have ever heard in this House, and he accused me

*Mr S J SCHOEMAN (Sunnyside) Mr Chairman, on a point of order On a prior occasion it was ruled that "verbal diarrhoea" could not be used because it was unparliamentary

*Dr W J SNYMAN I withdraw it, Mr Chairman

*The CHAIRMAN OF THE HOUSE The hon member may proceed

*Dr W J SNYMAN On that occasion the hon the Minister accused me of a statement I had made in a letter I had addressed to him I quote

> Dit was onder meer die totale miskenning en gebrek aan respek van die Regering vir die gemeenskapslewe van die inwoners van Pietersburg wat betreur word, en dit noop ons om onder meer hierdie standpunt in te neem

I address that very same accusation to that hon Minister and his Government today They do not care a rap about the established and traditional pattern of living in our own residential areas [Interjections] The hon the Minister must not insinuate as he did at that stage that we are acting in an insulting way towards a neighbouring country and its government On the contrary, the then consular representative of Vendaland, the late Mr Netsituka, made a courtesy visit to me at my office He was a friendly man, and we had understanding for one another s points of view What is more, there was a fixed understanding between him and the Pietersburg Town Council and the then ambassador of the RSA in Vendaland that the town council would develop an exclusive diplomatic quarter for this purpose, just as there are identifiable diplomatic residential areas in Western cities such as The Hague and Washington, to mention only two [Interjections]

Let me make it very clear The CP supports trade relations, diplomatic contact and co-operation with neighbouring countries, but I have reason to suspect that this hon Minister influenced that government so that ultimately they did not accept

SAA checks its 12 Boeing 747s

JOHANNESBURG — South African Airways announced yesterday its 12 Boeing 747 airliners are to be checked for weak spots in their fuselages, SABC radio news reports

This comes after an incident in which a hole was torn in the side of a Boeing 747 over the Pacific Ocean on Friday. Nine people died when they were sucked out of the aircraft on a flight to New Zealand

An SAA spokesman said the investigation would centre around the aircrafts' doors.

He said an investigation into possible incorrect wiring in the alarm systems of the Boeings had been completed and no faults were found.

The investigation was ordered after an accident earlier this year at Kegworth in the English Midlands said to be caused by faulty wiring

● Maintenance records show that the cargo door that ripped off a United Airlines Boeing 747 at 7 000m on Friday had electrical problems in December and seal problems in January and had to be manually closed, apparently on more than one occasion, investigators from the National Transportation Safety Board told a news conference in Honolulu on Monday

● In Sydney, a United Airlines 747 bound for Honolulu was delayed for 18 hours over Monday night with cargo door problems

United Airlines spokesman Mr Sean McNamara said inspectors in Sydney had found a faulty pin in a rear cargo door of the 747-100 jet, the same class as the one in Friday's tragedy.

The New York Times reported that the US airline industry would issue a report this week calling for the most sweeping repair programme on ageing airliners in commercial aviation, involving as many as 1 000 jets and costing hundreds of millions of dollars. The Air Transport Association has been working since last summer on the report to the Federal Aviation Administration (FAA)

Its release so soon after the United Airlines accident was coincidental, the newspaper said

The report says as many as 200 repairs must be made to some 700 Boeing jets, including 747s similar to the United 747 involved in Friday's accident. — Sapa-Reuter and UPI

Sats losses will take years to clear

B/Day 4/3/87 269

CAPE TOWN — It would cost SA R300m a year for the next 10 years to wipe out the losses on Sats' recent foreign exchange activities, P J Welgemoed (NP Primrose) said yesterday

He said in first reading debate on the Sats Appropriation Bill that as deputy chairman of the parliamentary committee that investigated the losses, he wanted to say unequivocally that mistakes had been made, but they had also been corrected.

The committee had heard that the technical faults committed could not happen again because the necessary skills had been brought in

He was against the Reserve Bank providing cover against exchange losses, as this meant that in the end the man in the street had to pay out

The department involved should carry the losses

Welgemoed said with reference to criticisms of the large profits made by the Sats fuel pipeline, the Minister should say what price reduction there would be on fuel in the interior if the pipeline merely broke even

He was under the impression the difference would be one or two cents.

When the privatised companies running the harbours and the pipeline began operating, they should, in setting tariffs, try to move closer to the actual costs than at present, so the consumer could benefit

☐ MIKE ROBERTSON reports that Transport Minister Eli Louw was yesterday called on to resign as result of Sats R3,1bn foreign exchange losses

PFP transport spokesman John Malcomess said Louw had to take responsibility for the debacle of the foreign exchange losses as well as the furore over toll roads

The Cross Committee report on the exchange losses as well as the recently published report of the joint committee on public accounts presented a tale of woe and inefficiency

Louw ultimately had to "carry the can" for those errors and the convention of ministerial responsibility demanded he resign

Lower

Malcomess questioned why the railways commissioners did not have the power to control Sats foreign exchange duties This was akin to having a board of directors which did not have proper powers of control "It is ridiculous"

He also questioned statements by Louw last week in which he said the average Sats increases were only 8,7% and thus much lower than the rate of inflation

That ignored the fact that air fares were increased by 8% in November and all other tariffs by about 9% in December — Sapa.

...oteless majority? — B Dun ... Political Staff

HOUSE OF ASSEMBLY

QUESTIONS

†Indicates translated version

For written reply

General Affairs

Edendale: patients admitted to hospitals

63 Mr M J ELLIS asked the Minister of National Health and Population Development

(a) How many patients were admitted on a daily basis to hospitals in the Edendale area of Pietermaritzburg in 1987 and 1988, respectively, and (b) what are the names of the hospitals involved?

B163E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

The Edendale area is geographically situated in KwaZulu The Department of National Health and Population Development does not keep statistics with regard to hospitals falling under the jurisdiction of the KwaZulu Government

(a) and (b) fall away

SATS loss incurred on commuter services

70 Mr D J N MALCOMESS asked the Minister of Transport Affairs

What was the total loss incurred by the South African Transport Services on commuter services in the (a) Johannesburg/Pretoria (b) Cape Town/Peninsula, (c) Port Elizabeth/Uitenhage and (d) Durban/Pinetown areas in the 1988/89 financial year?

B171E

The MINISTER OF TRANSPORT AFFAIRS

The total estimated loss in respect of each of the areas is as follows

	R — million
(a)	405
(b)	182
(c)	10
(d)	147

Strikes/discontinuances of work

71 Mr P G SOAL asked the Minister of Manpower

(1) How many (a) strikes as defined in section 65 of the Labour Relations Act, No 28 of 1956, and (b) discontinuances of work reportable in terms of section 65A of the said Act took place in 1988,

(2) how many (a)(i) recognition and (ii) other agreements have been filed with his Department in terms of section 31A of this Act since 1 September 1984 and (b) *status quo* orders in terms of section 43 of the Act were (i) granted and (ii) refused by the Industrial Court in 1988?

B172E

The MINISTER OF MANPOWER

(1) (a) 945

(b) 945 strikes
80 work stoppages
1 025 total discontinuances of work reported

(2) (i) (i) 295
(ii) 1 791
(b) (i) 179
(ii) 274

Transkei amount paid in terms of agreements

76 Mr R A F SWART asked the Minister of Foreign Affairs

(1) (a) What total amount was paid by South Africa to Transkei in the 1988/89 financial year in terms of agreements between the two countries and (b) how was this amount made up

(2) whether any additional amounts have been paid to Transkei in the form of (a) loans or (b) grants, if so, (i) how many, and (ii) what was the amount of the loan or grant in each case,

(3) whether any further (a) loans or (b) grants are envisaged in the 1989/90 financial year if so what loans or grants?

B178E

The MINISTER OF FOREIGN AFFAIRS

1 (a) An estimated amount of R1 379 237 333

(b) The estimated amounts which will be paid to Transkei during the 1988/89 financial year fall into two main categories, namely

A DIRECT ASSISTANCE

(i) An estimated amount for budgetary assistance under Programme 3 Foreign Aid and Development Co-operation of Vote 7 Foreign Affairs R711 766 000

(ii) Technical assistance

South African is from time to time approached by other governments with requests for assistance in one way or another Assistance may take the form of expert advice, visits evaluation of projects, bursaries etc Each such application is considered on its merits During the 1988/89 financial year the RSA will spend an estimated amount of R694 000 in this regard on Transkei

(iii) Loan Fund

Like any other friendly country Transkei may apply for the financing of certain projects within the framework of the Economic Co-operation Promotion Loan Fund Such applications are considered strictly on merit according to fixed criteria and within the limits of available funds This type of financing consists mainly of loans which are repayable During the 1988/89 financial year an estimated amount of R12 980 000 will be paid to Transkei

(iv) Incentive scheme for Industries

In accordance with existing jointly agreed arrangements between the SATBVC States, the RSA is obliged to refund the TBVC States on a rand-for-rand basis for actual expenditure incurred in these states in terms of the industrial incentive scheme which took effect on 1 April 1982 The RSA estimates to refund Transkei to the amount of R20 000 000 in this regard during the 1988/89 financial year

B TRANSFERS IN TERMS OF BILATERAL AGREEMENTS

Transfer payments which are regarded as own sources of income of the Transkei Government

(i) Income tax An estimated amount of R157 273 000 will be transferred

(ii) An estimated amount of R458 231 000 will be paid in respect of Transkei's share in the Customs Union Revenue Pool

(iii) Common Monetary Area An estimated amount of R18 293 333 will be transferred

(2) (a) No Loans in terms of project aid agreements are included in the amount mentioned under (1)(a)

(i) and (ii) fall away

(b) Yes

(i) One

(ii) Transfers in respect of the action programme Creation of Job Opportunities are estimated at R4 500 000

(3) (a) Yes Loans are granted on a continuous basis within the framework of the Economic Co-operation Promotion Loan Fund as set out in (1)(b)(iii)

(b) Yes The same type of grant which was made during the 1988/89 financial year

Bophuthatswana, amount paid in terms of agreements

77 Mr R A F SWART asked the Minister of Foreign Affairs

(1) (a) What total amount was paid by South Africa to Bophuthatswana in the 1988/89 financial year in terms of agreements between the two countries and (b) how was this amount made up

(2) whether any additional amounts have been paid to Bophuthatswana in the form

Sats launches new bond

By Derek Tommey

Happiness in South Africa, someone once said, is a rising gold price. But sometimes the gold price goes down, as it has been doing for the past 14 months, creating considerable misery in some quarters and especially among holders of marginal gold shares.

However, South African Transport Services is now coming to the aid of these unhappy people with a scheme which lets them make money when the gold price is falling and could help transform some of that misery to joy.

Sats is offering to the public R200 million of financial instruments called goldfins which are linked to the gold price. It is offering R100 million worth of stock in what it terms Tranche 'A' — the bull tranche.

The redeemable value of this stock will rise and fall in line with the gold price. If the gold price doubles during the two-year period of the stock, the holder will make a 100 percent profit. Of course, if the gold price drops to zero, the holder will receive no repayment

The 'A' stocks, which are being offered by tender, have a nominal value of R100 and carry a rate of interest of 11 percent. Sats is also offering R100 million worth of Tranche 'B' stock — the bear tranche.

The redeemable value of this stock varies inversely to the gold price. If the gold price goes down, its repayment value rises proportionately. If the gold price rises, the value of the 'B' stock declines. This is also being offered by tender, has a nominal value of R100 and carries a rate of interest of 19 percent.

Gillian Raine, economist at Frankel, Kruger, and Vinderine, said the goldfin bear tranche was aimed at the mining houses, as it allows them to cover themselves against a falling gold price.

2b9

South African Transport Services

(Hereinafter referred to as SATS)

GOLD FINANCIAL INSTRUMENT
LOCAL REGISTERED STOCK – LOAN NO 9

("GOLDFIN")

PUBLIC PLACING OF R200 000 000

Invitation to subscribe by tender

Principles of this issue

This issue comprises of fixed coupon, gold linked stock. The stock is issued in two tranches, namely a Bull Tranche and a Bear Tranche The Bull Tranche is positively linked to the London gold price, quoted in US dollars, while the Bear Tranche is negatively linked to the same London gold price. The holder of the stock has the opportunity of utilising this prescribed asset in a portfolio as follows:

- With the Bull Tranche, the investor has a performance linked prescribed asset which in addition earns an 11% fixed coupon rate
- With the Bear Tranche, the investor uses the prescribed asset to take a view on the market, or to hedge an existing equity portfolio without liquidating existing gold based portfolio holdings, whilst earning a 19% fixed coupon rate

The issue also provides flexibility for the investor in the following manner:

- The ability to deal in a gold linked stock, in volume, with low transaction costs.
- The ability to buy or sell the gold price forward, whilst earning a coupon rate.

An active secondary market in SATS stock is already in existence and SATS will endeavour to enhance the marketability of the stock. Secondary market trading is facilitated by the market making system as introduced by SATS.

Invitation to subscribe by tenders

The public is invited to subscribe on a tender basis for stock of a maximum of R200 000 000 nominal. Tenders for combinations of Bull and Bear Tranches and/or separate tenders for Bull or Bear Tranches may be submitted. All tenders will rank *pari passu*.

Summary of issue

	Tranche A (Bull Tranche)	Tranche B (Bear Tranche)
Maximum amount (nominal rand value)	R100 000 000	R100 000 000
Nominal value	100,00%	100,00
Issue price	As per tender	As per tender
Rate of interest (per annum)	11,00%	19,00%
Effective date	1 April 1989	1 April 1989
Opening date of gold price	15 March 1989	15 March 1989
Closing date of gold price	15 March 1991	15 March 1991
Redemption date	1 April 1991	1 April 1991
Period	2,00 years	2,00 years

(269) 3/3/89

Tender mechanism
– Combination of Bull and Bear Tranches: Minimum R200,00%
– Separate Bull or Bear Tranches · No minimum

Interest payable
Half-yearly in arrears on 1 April and 1 October, with the first interest payment in respect of the issue on 1 October 1989.

Redemption
Tranche "A" (Bull Tranche) – The Bull Tranche will be redeemed on the redemption date at a premium based on the percentage increase of the morning fixing of the London gold price, quoted in US Dollars in London ("London gold price"), over the period of the loan, or at a discount based on the percentage decrease in the London gold price, as the case may be, subject to a maximum premium or discount of 100,00%
Tranche "B" (Bear Tranche) – The Bear Tranche will be redeemed on the redemption date at a premium based on the percentage decrease of the morning fixing of the London gold price, quoted in US Dollars in London ("London gold price"), over the period of the loan, or at a discount based on the percentage increase in the London gold price, as the case may be, subject to a maximum premium or discount of 100,00%.

Submission of tenders
Tenders must be submitted through registered financial institutions and/or brokers

Date of loan
Irrevocable undertakings in terms of the tender conditions to participate in the issue must be lodged with SATS, **Room 906,** Paul Kruger Building, Wolmarans Street, Braamfontein, Johannesburg **by not later than 16h00 on Wednesday, 15 March 1989.** Successful tenderers will be notified of their allotment before **12h00 on Thursday, 16 March 1989.** The stock will be issued on **Friday, 31 March 1989, for value Saturday, 1 April 1989.**

Payment
Payment in terms of the tender value of the stock allotted must be received in full by SATS, **Room 908,** Paul Kruger Building, Wolmarans Street, Braamfontein, Johannesburg **before 12h00 on Friday, 31 March 1989, for value Saturday, 1 April 1989.**

Trading Mechanism
This issue will be in accordance with the market making system as introduced by SATS.

SATS stock has been approved as a prescribed investment for insurance companies, pension and provident funds, unit trusts, medical schemes and friendly societies.

SATS stock is transferable free of stamp duty and registration charges.

As from 6 March 1989 the tender document will be available from:

South African Transport Services

Room 906
Paul Kruger Building
Wolmarans Street
Braamfontein
JOHANNESBURG
2001

Cape Investment Bank Limited

1301 Picbel Parkade
Strand Street
CAPE TOWN
8001

Cape Investment Bank Limited

15th Floor
Bank of Lisbon Building
Sauer Street
JOHANNESBURG
2001

Registration number:
88/00119/06
Registered Bank

Rand Merchant Bank Limited

25 Fredman Drive
SANDTON
2199

Rand Merchant Bank Limited

15th Floor
BP Centre
Thibault Square
CAPE TOWN
8001

Registration number:
68/13985 06
Registered Bank

Frankel, Kruger, Vinderine Inc.
Incorporating Menell, Jack Hyman, Rosenberg & Co

4th Floor
The Stock Exchange
Diagonal Street
JOHANNESBURG
2001

Registration number:
72/08352/21

Member of the Johannesburg Stock Exchange

INVESTMENT

Sats in R200-million gold-linked stock offer

From DEREK TOMMEY

JOHANNESBURG — Happiness in South Africa, someone once said, is a rising gold price. But sometimes the gold price goes down, as it has been doing for the past 14 months, creating considerable misery in some quarters and especially among holders of marginal gold shares

However, South African Transport Services is now coming to the aid of these unhappy people with a scheme which lets them make money when the gold price is falling and could help transform some of that misery to joy.

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It is offering R100-million worth of stock in what it terms Tranche "A" — the bull tranche.

The redeemable value of this stock will rise and fall in line with the gold price If the gold price doubles during the two-year period of the stock, the holder will make a 100 percent profit. Of course, if the gold price drops to zero, the holder will receive no repayment

The "A" stocks, which are being offered by tender, have a nominal value of R100 and carry a rate of interest of 11 percent.

Sats is also offering R100-million worth of Tranche "B" stock — the bear tranche

The redeemable value of this stock varies inversely to the gold price. If the gold price goes down, its repayment value rises proportionately If the gold price rises, the value of the "B" stock declines This is also being offered by tender, has a nominal value of R100 and carries a rate of interest of 19 percent

Gill Raine, economist at Frankel, Kruger and Vinderine which is one of the firms handling the issue, said the goldfin bear tranche was aimed at the mining houses. Buying the "B" (bear) tranche would enable them to cover themselves against a falling gold price.

Holding the "B" tranche would also help investors with gold share portfolios to reduce the risk they faced from a drop in the gold price

The "A" bull tranche offers the gold bulls an alternative to investing in gold shares

Sats' first hybrid loan instrument, the ELFI, launched in 1986, has proved successful and a secondary market in it has developed in the past two years

This enables Sats to enjoy certain cost benefits and as a result it has decided to develop a more active secondary market and transfer the buying and selling of ELFI stock to the private sector

Reveal SAA privatisation plan — PFP

Parliamentary Staff

PRIVATE air transport companies were being "unfairly treated" by the Transport Services because they were not being informed on whether and when SAA was to be privatised, said Mr Rupert Lorimer (PFP Bryanston).

Mr Lorimer said there had been "no real indication" of when SAA would be separated from the other services and privatised, nor to the extent of deregulation "so that the consumer can benefit".

Mr Eli Louw "should stop this secrecy and tell us what his intentions are," said Mr Lorimer "People are going to be suspicious of his motives as long as he plays the cards so close to his chest They have every good reason to be suspicious. Nothing appears to be happening"

He asked whether Sats had had an approach from SAA pilots who were said to be keen to make a bid and what the government's attitude to such an approach would be

"The Minister knows very well that there are other air carriers who are only too keen to participate on the main routes At present they are in limbo They do not know what to plan for."

Mr Lorimer said he did not believe it was necessary to deregulate to a "multiplicity" of carriers but that "perhaps only two or maybe three different airlines should be allowed on the main routes

"At this stage Mr. Louw must indicate to potential competitors what his intentions are. Other companies who could be planning for the future are being most unfairly treated"

International air fares go up 5 pc

International air fares are to be increased by five percent from April 1, a spokesman for South African Airways, Mr Francois Louw, said yesterday.

He said that air fares to New Zealand and Australia would be increased by 10 percent

The decision to adjust air fares had been taken at the meeting of the International Transport Association in Geneva last November.

The Minister of Transport Affairs, Mr Eli Louw, announced recently that domestic economy class air fares would go up by nine percent and business class fares by 13,7 percent, also from April 1 — Sapa.

Sharp drop in transport sector capex

BDay 3/3/89

269

MARC HASENFUSS

THERE had been a significant decrease in the amount of capital invested annually in transport equipment, Transport Technical Industries CE Phil Erasmus said yesterday

Speaking at the conference on capital expenditure in Johannesburg, he said Reserve Bank figures indicated a sharp decline, on an index basis, from 100 to 45 points since the high level of investment experienced during 1982.

From a transport operating point of view, the cost of replacing equipment was becoming problematic and unit prices on average escalated at a rate significantly above inflation.

Erasmus said SA, as a developing country, was forced to provide essential transport services to users who could ill-afford to pay the full economic charge for these services

He pointed to third-class rail passengers who were paying just 38% of the total cost of providing the service

Erasmus said this sector accounted for 70% of Sats losses.

Traffic law enforcement was also becoming increasingly problematic, he said "The lack of staff in respect of road traffic law enforcement programmes is reaching critical proportions in SA".

B|Day 3|3|89 (269)

Sats commuter services lost R744m last year

CAPE TOWN — Sats commuter services lost R744m in the 1988/89 financial year, Transport Minister Eli Louw told the House of Assembly yesterday.

Replying to a written question from John Malcomess (PFP Port Elizabeth Central) he said this broke down into R405m for Johannesburg/Pretoria, R182m for the Cape Peninsula, R10m for Port Elizabeth/Uitenhage and R147m for the Durban/Pinetown areas.

Speaking during debate on the Sats budget, Transport Deputy Minister Myburgh Streicher said an average 8,7% tariff increase would bring in an additional R495m which was needed to cover rising costs.

He pointed out there had been no increases in the 17 months up to October last year. — Sapa

269

SATS BUDGET (269) FMPAL 3/3/89.

On the house

The 81% increase in SA Transport Services' (Sats) capital budget for the coming year is due mainly to the provision of around R600m for the Sats House Ownership Fund (Hof) and a down-payment on seven new Airbus aircraft

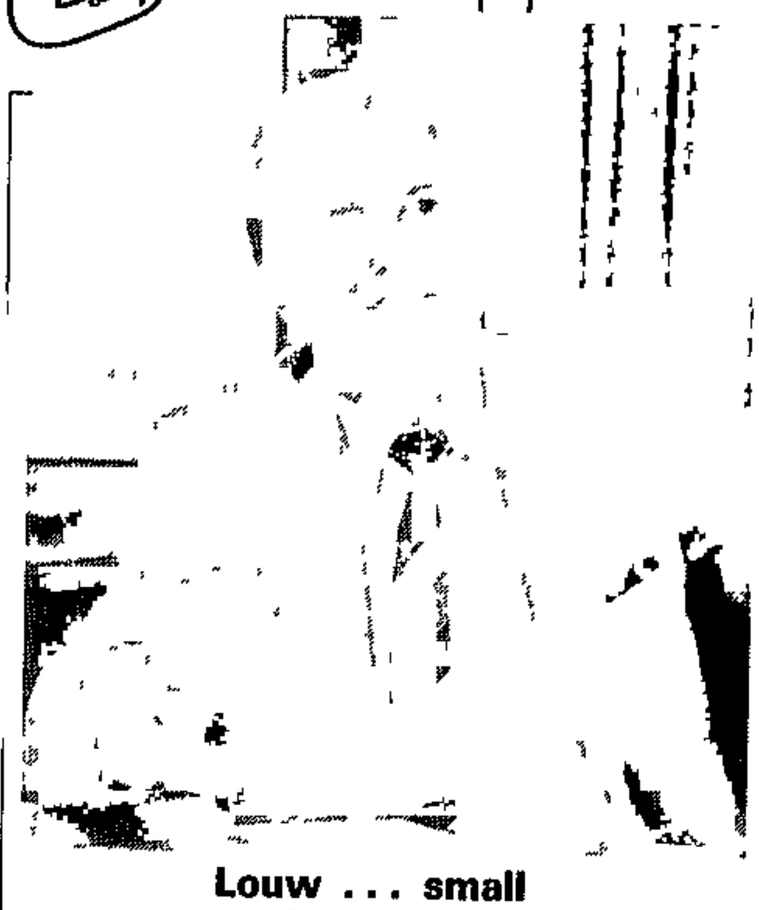
Sats chief director of financial services, Johan van Schoor, says when these two items are deducted from the R1,7bn budget tabled in parliament last week by Transport Minister Eli Louw, the increase in real terms after providing for inflation is small The capex budget for 1988-1989 was R941m

Van Schoor says Sats will not give cost estimates for individual projects because many tenders are still outstanding But it is clear from amounts provided for various divisions within Sats, that there will be considerable capital investment this year in road transport and pipelines in particular

Provision for the pipeline division is up 710% from R2,7m last year to R21,8m It seems the bulk of the money will be allocated to aspects of the Mossgas project, including a pipeline for petroleum products

The 372% increase in the provision for SAA (up to R386m from R81m last year) includes R200m as a down-payment on seven new Airbus aircraft due for delivery between November 1991 and September 1993 Louw says the new aircraft will be used on domestic routes and will cost around R150m each He says provision has also been made for down-payments on two new aircraft for use on external routes, although no decision has yet been taken on what aircraft to buy

269 FMPAL 3/3/89.



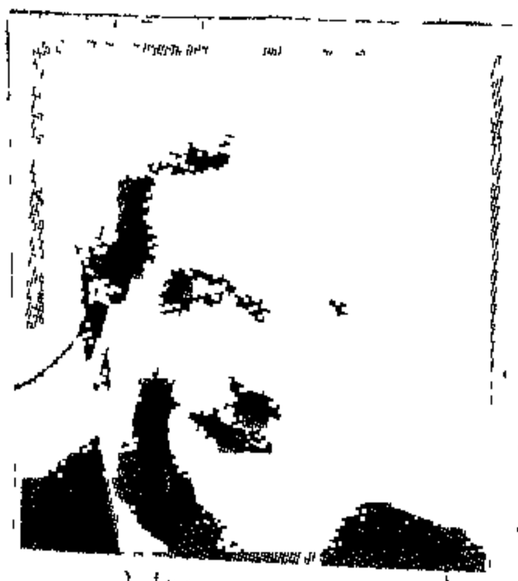
Louw . . . small increase

They are expected to cost a total of R700m-R900m.

Van Schoor says the 71% increase in the provision for road transport (up from R19m to R32,5m) is due largely to the replacement of vehicles There is also a 53% increase in the provision for harbours (R59m from R38,6m) Projects in the coming year include the start of redevelopment of the old Victoria basin in Cape Town harbour, improvement of steel-handling facilities in Port Elizabeth, and additional work on the centralised cargo handling facilities at East London

Van Schoor says the provision of R270m in the capex budget for the Hof, is a return to a practice followed a few years ago. In recent years, surplus funds in pension funds have been invested in the Hof, but it has now been decided to change this policy. Surplus pension fund money will be invested in other capital market facilities, and funds for the Hof will be provided by loans through the capex budget

In addition to R1,7bn in capital costs, Louw's Sats budget provided for working costs in the coming year of R12,4bn, an increase of 9,5% over last year's R11,22bn. Tariffs have been increased across the board by an average of 8,7%, including a 13,7% increase in domestic business class airfares and a 9% increase in economy class. There will also be an average 10% increase in fuel pipeline tariffs, which will lead to a fuel price increase from April 1 ■



Mr Eli Louw

SATS foreign exchange losses: Louw rejects resignation call

CAPE TIMES 4/3/89 269

PARLIAMENT — The Minister of Transport Affairs, Mr Eli Louw, yesterday rejected a call that he should resign, saying he could not be held responsible for potential foreign exchange losses of R3,1 billion during a period when he was not even a member of the cabinet.

Replying to the first reading debate of the SATS budget, he said a call for a minister's resignation — made in this debate by Mr John Malcomess (PFP Port Elizabeth Central) — was a serious matter.

"During the period — May 1984 to January 1985 — I had no connection with the Department of Transport and I was also not a member of the cabinet," Mr Louw said

He said that during this period, when SATS had lost a potential R3,1 billion, it was estimated that the private sector might have lost up to R35 billion on foreign exchange transactions

The target date for handing over SATS as a step toward possible privatisation was April 1, 1990, Mr Louw said.

The Legal Succession to the SA Transport Services Bill was passed by Parliament last month.

With replacement assets valued at R56 billion and a personnel complement of some 180 000, SATS was a healthy economic giant which was on its way to taking its rightful place in the transport market.

"I predict SATS will serve South Africa even better in an atmosphere of free competition," he said.

Transport hit by low investment

269

BD Day 6/3/89

MARC HASENFUSS

THE MOVEMENT towards privatisation and deregulation in SA was dependent on the willingness of entrepreneurs to take on the challenges facing the transport industry and the availabilty of capital, said Transport Technical Industries CE Phil Erasmus last week.

Speaking at the Capital Expenditure Conference in Johannesburg, Erasmus said an estimated R6,5bn "new" capital was generated a year on the local capital market for investment purposes, and of this total it was reasonable to estimate that R1bn could be made available for privatisation purposes Therefore, the market was too small to absorb major developers

According to Erasmus, recent information showed a significant decrease in the amount of capital invested annually in transport equipment Reserve Bank figures indicated a sharp decline, on an index basis from 100 to 45 points, since the high level of investment experienced during 1982

From a transport operating point of view, the cost of replacing equipment was becoming problematic, and unit prices on average escalated at a rate significantly above the rate of inflation, he said

SA, as a developing country, was forced to provide essential transport services to users who can ill afford to pay the full economic charge for these services, said Erasmus.

To illustrate this point, Erasmus referred to third class rail transport passengers, who were paying 38% of the total cost of providing these services.

Problematic

He disclosed that the loss incurred by the South African Transport Services (Sats) in this regard amounted to 70% of their loss.

Traffic law enforcement in SA was also becoming increasingly problematic, said Erasmus. "The lack of staff in respect of road traffic law enforcement programmes is reaching critical proportions in SA"

He added "This issue ought to be addressed very specifically, as it can impact negatively on the overall success of any transport policy as well as the effective day-to-day administration thereof."

Station's racist signs on way out, says Sats

By Therese Anders, Highveld Bureau

Although apartheid signs have disappeared from most of South Africa's mainline railway stations, they are still in profusion at Witbank

"Whites only" benches are at one end of the platform, while "non-whites" benches line the other. The restrooms and the under-track tunnels to platforms are also segregated.

But they will not be there for much longer, said Sats' northern Transvaal region public relations manager Mr Marius Butler "Those signs should have been removed by now," he said "There must have been a breakdown in communication"

He said efforts to remove signs had been concentrated on main lines. Witbank was on a main line and all race signs would be taken down on the line to the lowveld "within the next few days"

All Sats' amenities and facilities were open to everyone — the class of ticket held was the only criterion for who used which facilities

Toll fees paid at Mooi River

12 Mr R W HARDINGHAM asked the Minister of Transport Affairs

Whether toll fees have been paid by all vehicles travelling through the toll plaza at Mooi River, if not, (a) how many vehicles are involved, (b) what is the estimated loss in toll fees and (c) in respect of what date is this information furnished?

B285E

†The MINISTER OF TRANSPORT AFFAIRS

No Some vehicles are exempted from paying toll whilst others unlawfully failed to pay toll

(a) (i) The number of vehicles who unlawfully failed to pay toll was 115, and

(ii) The number of vehicles who were exempted from paying toll was 1 434

(b) In respect of (a)(i) the estimated loss in toll fees amounts to approximately R920,00 and in respect of (a)(ii) the estimated loss in toll fees amounts to approximately R12 474,00

(c) 7 December 1988 to 16 February 1989 and 7 December 1988 to 2 March 1989 in respect of (a)(i) and (a)(ii) respectively

Mr R W HARDINGHAM Mr Speaker, arising from the reply of the hon the Minister may I ask him whether any action is to be taken against offenders who have deliberately gone through that toll plaza without paying?

The MINISTER Mr Speaker, it is the policy to take action against motorists in this regard as far as the state toll roads are concerned, and I believe that the companies will follow the same policy

Upgrading of N3 between Nottingham Road and Hidcote

13 Mr R W HARDINGHAM asked the Minister of Transport Affairs

Whether the upgrading of the alternative road to the N3 between Nottingham Road and Hidcote was completed before the toll plaza at Mooi River became operative, if not, on what grounds were motorists using the N3 compelled to pay toll fees at Mooi River?

B286E

The MINISTER OF TRANSPORT AFFAIRS

No, in terms of the provisions of the National Roads Act, 1971 (Act 54 of 1971)

For the hon member's information it is pointed out that the upgrading of the alternative route was at that stage substantially completed It is common practice to repair and upgrade roads under conditions of traffic

Detainees on hunger strike discharged from hospitals

14 Mr J VAN ECK asked the Minister of Law and Order †

(1) Whether any of the detainees who took part in a hunger strike and had been admitted to hospitals in January and February 1989 were subsequently discharged from these hospitals and returned to their places of detention, if so, (a) how many and (b) why, in each case,

(2) Whether these detainees requested their discharge from the hospitals concerned, if not, why were they discharged?

B289E

†The DEPUTY MINISTER OF DEFENCE (for the Minister of Law and Order)

(1) Yes

(a) 23 persons

(b) The detainees were discharged on the recommendation of the doctors who treated them, after they had started eating

(2) No, they were discharged on the recommendation of the doctors who treated them, after they had started eating

Reducing of military service obligations

15 Mr R R HULLEY asked the Minister of Defence

Whether, in view of the peace settlement in South-Eastern Angola, he intends to reduce military service obligations in respect of (a) section 22(3)(a),(b) section 22(3)(b) and (c) section 44(3)(b) of the Defence Act, No 44 of 1957?

B299E

The DEPUTY MINISTER OF DEFENCE

(a), (b) and (c) No

Mr R R HULLEY Mr Speaker, arising out of the reply of the hon the Deputy Minister, is he aware of an interview on television by the head of the SADF, Gen Geldenhuys, in which he indicated that a reduction in the service would be contemplated after the basic two years? I would ask the hon the Deputy Minister if there is any committee or body having a look at the possibilities of making such a reduction

The DEPUTY MINISTER Mr Speaker, the reply to that question is that the Chief of the SADF did say that when the situation arises, we will again look at the manpower situation and in that light we will reevaluate the manpower situation

The hon member asked me this question in view of what is happening in the peace negotiations and initiatives in South West Africa and Angola This is a process that is going on at the moment and once that process is over and done with, then, definitely yes, we will look again at the manpower situation and then we can reply more clearly to the hon member's question

Application for extradition

16 Mr D J DALLING asked the Minister of Foreign Affairs

Whether he has received any application from Ciskei or Transkei for the extradition of any persons as a result of the findings of the Harms Commission, if so, (a) when, (b) for the extradition of which persons and (c) what was his response to each such application?

B300E

The MINISTER OF FOREIGN AFFAIRS

No

(a) Falls away

(b) Falls away

(c) Falls away

Mr Thinus Strydom: business dealings with Department

17 Mr K M ANDREW asked the Minister of Education and Development Aid

(1) Whether his Department has done any business with a certain person, whose name has been furnished to the Minister's Department for the purpose of his reply, or companies with which this person is or was associated, if so, (a) what is the nature of these business dealings and (b) what total amount is involved,

(2) whether his Department is still doing business with this person or companies with which he is associated, if so, (a) why, (b) what is the nature of these business dealings and (c) what amount of money is involved?

B301E

The DEPUTY MINISTER OF EDUCATION

(1) Yes,

(a) Layout, preparation and editing and printing of regional newspapers (including the supply of photos) as well as the providing of educational brochures and posters

(b) the particulars of this question fall under the mandate of the Commission of Inquiry that was appointed on 17 June 1988 by the State President In terms of Regulation 14 of Proclamation R106, 1988 I deem it not to be in the interest of the inquiry to reply to the question in detail at this stage

(2) Yes,

(a) Specific contracts were entered into, are still running and have to be honoured

(b) One contract for each regional area for the preparation, editing and printing of a glossy brochure and regional newspapers

(c) R186 165,00 for the 1988/89 financial year

Mr K M ANDREW Mr Speaker, arising from the hon the Deputy Minister's reply, may I ask him in the light of the irregularities that have been revealed in the dealings with Mr Thinus Strydom whether it is not appropriate that the lawyers within his department should look at whether the existing contracts are still valid Should they not be frozen in the light of this man s previous behaviour?

The DEPUTY MINISTER Mr Speaker, I referred to that in my reply to paragraph 2(a), viz "It is our contention that specific contracts were entered into, are still running and have to be honoured '

(vii) 128, and

(b) Farmall 82,
Fourways 87,
Olivedale 89,
Diepsloot 35,
Bromhof 361,
Crowthorne 47, and

(2) and (3)
Bryanston, Randburg, Bramley, Rosebank, Sunninghill Park, Olivedale, Diepsloot, Bromhof, Benmore Gardens, Kelvin, Crowthorne and Fourways } If everything proceeds according to plan, all the waiting applicants in these exchange areas will be provided with service within the next three months on completion of cable works

Farmall Restrictions on the provision of telephone services are at present in force owing to a shortage of telephone numbers in the exchange and in some cases cable leads It is expected that the applications on hand will be met within the next six months as minor cable works are completed and by making use of numbers that become available as a result of the discontinuance of existing services The existing exchange will be replaced by an electronic unit during the first half of 1990 which will result in this exchange being extended by 891 lines

Greater Pietermaritzburg: buses damaged/drivers killed

111 Mr M J ELLIS asked the Minister of Transport Affairs

(1) (a) How many buses were damaged in the Greater Pietermaritzburg area as a result of unrest in 1986, 1987 and 1988, respectively, and (b) what was the total cost of this damage in each of these years,

(2) (a) how many bus drivers of a certain transport company, the name of which has been furnished to the Minister's Department for the purpose of his reply, were killed as a result of such unrest in 1986, 1987 and 1988, respectively, and (b) what precautions are taken to ensure the safety of drivers and passengers?

B263E

The MINISTER OF TRANSPORT AFFAIRS

(1) and (2) I am unable to reply to the question of the honourable member as transport companies are not compelled by law to inform the Department of Transport of unrest incidents

Own Affairs

Pupils transported in subsidized school buses

14 Mr D J N MALCOMESS asked the Minister of Education and Culture

(a) What total number of pupils was transported daily in subsidized school buses, and (b) what was the total net annual cost of such transport, in each province in 1988?

B200E

The MINISTER OF EDUCATION AND CULTURE·

	(a)	(b) R
Cape	12 407	5 539 764,41
Natal	8 376	4 985 141,00
Orange Free State	3 974	1 137 924,00
Transvaal	48 122	24 583 184,00

HOUSE OF REPRESENTATIVES

QUESTIONS

†Indicates translated version

For oral reply

Own Affairs

Private schools. change in financing of subsidies

*1 Mr C J KIPPEN asked the Minister of Education and Culture.

(1) Whether any change has been effected or is envisaged in the formula or policy for the financing of subsidies for private schools falling under his Department, if not, why not, if so, what changes have been or are to be effected,

(2) what is the current formula for the financing of such private schools,

(3) whether he will make a statement on the matter?

C6E

The MINISTER OF EDUCATION AND CULTURE.

(1) No As far as the Department is concerned there is no need for any changes to the present formula of subsidization of private schools

(2) Primary = 15% to 45% × cost per unit as per pupil in state schools × total enrolment of the school

Secondary = 15% to 45% × cost per unit as per pupil in state schools × 1,5 × total enrolment of the school

(3) A statement is not deemed necessary

Average expenditure per school

*2 Mr C J KIPPEN asked the Minister of Education and Culture

What was the average expenditure, excluding expenditure of a capital nature, per school falling under the control of his Department in 1987?

C15E

The MINISTER OF EDUCATION AND CULTURE

R347 527,83

†The CHAIRMAN OF THE HOUSE Order! I am obliged to say that a question is put to obtain information and facts It requires a lot of work to obtain the information, and if the member concerned is not even present when it is replied to, I wonder for what reason the information was asked for [Interjections]

R50m for the upgrading of Jan Smuts Airport

269

EDWARD WEST

THE Treasury has agreed to forward about R50m for the development of Jan Smuts Airport

Although the project was initially expected to cost R33m in 1986, increased costs had pushed the price up to about R50m in 1989, the Transport Department's Airport Systems and Development director Stuart Huckwell said yesterday.

Building contractors would be invited to tender as early as possible, with construction expected to start at the end of the year.

Inadequate facilities would be updated. Circuitous routes for international passengers would be eliminated.

A loading bridge leading passengers into aircraft flight corridors at 13 aircraft parking spaces, would be built, Huckwell said. This complex would consist of a two-storey building, 800m long and 6m wide — from the north end of the terminal building to the old control tower

The upper floor would be used for departing passengers and the lower floor for arrivals, he said.

Other developments included a large centralised set of lifts and the enlarging of the customs floor

HOUSE OF REPRESENTATIVES

QUESTIONS

†Indicates translated version

For written reply

General Affairs

De Aar. persons charged with loitering

2 Mr L J HOLLANDER asked the Minister of Justice

In respect of the period 27 October 1988 up to the latest specified date for which information is available, (a) how many persons from the De Aar area were charged in court with the offence of loitering and/or contravening section 26 of the Standard By-law relating to Streets published under Provincial Notice No 562 of 1987, (b) how many such persons were (i) convicted and (ii) acquitted and (c) what sentences were imposed?

C3E

The MINISTER OF JUSTICE

The following information is for the period 27 October 1988 until 17 February 1989

(a) No persons

(b) and (c) fall away

Harvard.

HOUSE OF ASSEMBLY

QUESTIONS

†Indicates translated version

For written reply

General Affairs

Strikes

99 Mr P J PAULUS asked the Minister of Manpower †

(1) (a) How many strikes took place in the Republic during the period 1 January 1986 to 31 December 1988, (b) how many (i) Blacks and (ii) Whites participated in these strikes, (c) how many man days were lost as a result of these strikes, (d) what was the average duration of each such strike and (e) how many of these strikes in which only (i) Blacks and (ii) Whites participated were illegal,

(2) whether any of the (a) Blacks and (b) Whites who participated in these strikes, were criminally prosecuted, if so, how many in each case, if not, why not?

B247E

The ACTING MINISTER OF MANPOWER

(1) (a) 2 966

(b) (i) 1 120 134

(ii) 490

(c) 8 044 619

(d) 6,2 man days per strike

(e) (i) and (ii) This information is not available

(2) (a) and (b) Criminal prosecutions do not rest with the Department of Manpower and consequently the Department does not have this information

Air-traffic control towers hours (269)

117 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) During which hours are the air-traffic control towers at the airports of (a) Cape Town, (b) East London, (c) Port Elizabeth, (d) George, (e) Durban, (f) Bloemfontein, (g) Johannesburg and (h) Kimberley manned,

(2) what is the average number of hours worked per day by controllers at each of the above airports?

B269E

The MINISTER OF TRANSPORT AFFAIRS

(1)(a)	Cape Town	Monday–Sunday	24 hours
(b)	East London	Monday–Saturday	0430–1930
		Sunday	0515–1930
(c)	Port Elizabeth	Monday–Friday	0315–2330
		Saturday	0315–1930
		Sunday	0445–2045
(d)	George	Monday	0400–1930
		Tuesday/Thursday	0400–1700
		Wednesday/Friday	0400–1830
		Saturday	0400–1430
		Sunday	0700–1830
(e)	Durban	Monday–Sunday	24 hours
		Except on Saturday 2000 to Sunday 0400	
(f)	Bloemfontein	Monday–Saturday	0400–2000
		Sunday	0500–2000
(g)	Johannesburg	Monday–Sunday	24 hours
(h)	Kimberley	Monday–Friday	0445–1845
		Saturday	0445–1145
		Sunday	0600–1830

All times UT — (Universal Time i e 2 hours behind South African standard time)

(2) Average number of hours per day

(a)	Cape Town	7
(b)	East London	7
(c)	Port Elizabeth	7
(d)	George	7
(e)	Durban	7
(f)	Bloemfontein	8½
(g)	Johannesburg	7
(h)	Kimberley	7

Wage-regulating machinery: agreements in force

119 Mr P G SOAL asked the Minister of Manpower

(1) How many (a) industrial council agreements, (b) conciliation board agreements, (c) arbitration awards, (d) Wage Board determinations and (e) orders in terms of the Labour Relations Act, No 28 of 1956, were in force as at 31 December 1988,

(2) how many (a) Whites, (b) Coloureds, (c) Asians and (d) Blacks were affected by each of the above five categories of wage-regulating machinery as at that date?

B271E

The ACTING MINISTER OF MANPOWER

(1) (a) 68
(b) None
(c) None
(d) 48
(e) 5

(2)

	(a) Wh	(b) Col	(c) Asn	(d) Blk
Industrial Council agreements	182 196	205 648	65 337	535 620
Conciliation board agreements	—	—	—	—
Arbitration awards	—	—	—	—
Wage determinations	171 000	143 000	40 000	596 000
	(Estimated figures)			
Orders	All races 132 876 (Separate figures are not readily available)			

Mooi River toll plaza

123 Mr R W HARDINGHAM asked the Minister of Transport Affairs

(a) How many vehicles have passed through the toll plaza at Mooi River since it was opened in December 1988, (b) what amount has been collected there in toll fees and (c) in respect of what date is this information furnished?

B287E

The MINISTER OF TRANSPORT AFFAIRS

(a) 670 742
(b) R5 172 032
(c) 7 December 1988 to 16 February 1989

Trade unions applying for registration

162 Mr P G SOAL asked the Minister of Manpower

How many trade unions applied in 1988 for registration in respect of (a) Black employees only, (b) White employees only, (c) Coloured employees only and (d) employees of more than one population group?

B364E

The ACTING MINISTER OF MANPOWER

(a) One
(b) One
(c) None
(d) Seven

Wage-regulating machinery: Indians affected

163 Mr P G SOAL asked the Minister of Manpower

How many Indians were affected by (a) industrial council agreements, (b) conciliation board agreements, (c) arbitration awards, (d) Wage Board determinations and (e) orders in terms of the Labour Relations Act, No 28 of 1956, which were in force as at 31 December 1988?

B365E

The ACTING MINISTER OF MANPOWER

(a) 65 337
(b) None
(c) None
(d) 40 000 (estimated figure)
(e) These figures are not readily available

Own Affairs

Private schools: pupils of different population groups

25 Mr A GERBER asked the Minister of Education and Culture †

(1) (a) How many (i) White, (ii) Coloured, (iii) Indian and (iv) Black pupils are there at present in private schools under the control of his Department and (b) in respect of what date is this information furnished,

(2) (a) what amount was made available by his Department to private schools under its control during the latest specified period of 12 months for which information is available and (b) from what vote were these funds made available?

B327E

The MINISTER OF EDUCATION AND CULTURE

(1) (a) (i) 92 682
(ii) 5 620
(iii) 2 949
(iv) 5 974,
(b) tenth school day of 1988;

(2) (a) R34 549 000 for the 1988/89 financial year,
(b) budget vote 3 programme 2

School transport: amount spent

29 Mr A GERBER asked the Minister of Education and Culture †

What total amount was spent by his Department on the transportation of pupils from their parental homes to school and back in each province in 1986, 1987 and 1988 respectively?

B391E

The MINISTER OF EDUCATION AND CULTURE

The honourable member is referred to the answer to question 181 of 1988-09-27

Cape Times 10/3/89

Blue Train to cost more

269

THE cost of a top-of-the-line suite on the Blue Train is set to rise to R2 895 — one way

Sapa reports that fares for the train are to rise 17% on January 1 next year, taking the cost of the cheapest single trip from Cape Town to Johannesburg to R680, compared with R590 now

A semi-luxury compartment will cost R950 one way, a luxury compartment R1 000 and the "royal" double compartment R2 895

SATS said fares were also expected to rise from April 1 this year, in line with the average railway tariff rise of 8,7%

Reserve Bank to allow tax breather

B/Day 10/3/89

THE Reserve Bank has given building societies and post office investors a tax breather — the phase-out of tax concessions for building societies and post office investments has been postponed to March 1 1990

Brian Short, NBS public affairs general manager, says this means tax concessions (and protected investments) will now be available for new investors, as well as existing investors, for another year

He says it seems likely that tax concessions on building society investments will then be phased out over a five-year period

This is good news for anyone investing in a five-year (fixed period) tax protected investment because the tax concessions will be in force for the duration of the investment

Short says there is, however, confusion over the suitability of investing in tax-protected investments which attract lower interest rates than the higher rated fixed-deposit investments

LIZ ROUSE

Recent analysis of tax-free concessions as an investment medium show that anyone with a 25% marginal rate of tax (a married man earning R1 700 or a single person earning R1 350 a month) would be better off investing in a five-year tax-protected investment — unless they can find a fully taxed equivalent of 17,25%.

Likewise, with the partly tax-free investments at 12,75% per annum, if a person has a marginal tax rate of 35% (a married man earning R2 500 a month or a single person earning R2 160 a month) the individual would be better off in this investment than in a fixed deposit paying 15%.

Short says that with the inflation rate running at about 13,5%, investors are, for the first time in many years, earning a real rate of return and now the opportunity arises for people to return to the savings ethic — which, in the long term, is good for SA.

369 FM 10/3/89 369

SA TRANSPORT SERVICES

Good or bad news?

Your point of view depends on whether you're a customer or an economist

If the former, then SA Transport Services' (Sats) second tariff increase in four months comes as a cruel blow

If the latter, then historical perspective will persuade you the increase is more than justified

Transport Affairs Minister Eli Louw's budget announcement of an average 8,7% increase in Sats fares and tariffs from April 1, follows close on the heels of 7,5% increases on December 1 — after Louw had promised no such rises during the 1988-89 financial year

That assurance had to be abandoned to meet the cost of the pay rises In certain cases, tariff increases were the first in 17 months. Consumer groups say the new increases, coming so soon after the previous ones, are unfair and will lead to consumer resistance

Economists say they are justified — as long as there are no more during the coming financial year. Federated Chamber of Industries' (FCI) Russel Glass says "Realistically, we are looking at an increase of between 7% and 8% for two years in a row — well below inflation Both figures are quite acceptable, as long as there are no more rises this year"

Observers suggest the level of tariff increase, combined with limited rises in many parts of the Sats budget, will encourage potential investors waiting for the first sign of Sats privatisation

"If they see increases below the rate of inflation, and they know there are areas where productivity and costs can be improved — as we all know there are — it will encourage investors," says one

They are likely to be less encouraged by Louw's reaction to parliamentary criticism of Sats' R3,1bn foreign exchange loss His response So what? The private sector lost R35bn

The response, during debate on the Sats budget, conveniently forgets the fact that the (rumoured) R35bn was spread across the entire private sector, and not confined to a single organisation, that a number of private sector executives lost their jobs because of the losses (it's called accountability), and that companies lost their shareholders' money, not the general public's

Nevertheless, economists generally agree there is nothing out of the ordinary about the Sats budget — but that it reflects trends which have already been apparent for some years

For instance, revenue from rail commuter services is expected to rise only marginally during 1989-1990 (from R697m to R724m) despite the new tariff increases — suggesting the drift from rail to other transport modes is expected to increase

Road transport services revenue, on the other hand, is expected to rise smartly (from R106m to R136m) as Sats ventures further into the open market to compete with private-sector hauliers.

Rail goods services are expected to earn an extra R654m, while SAA is budgeted to produce an additional R251m

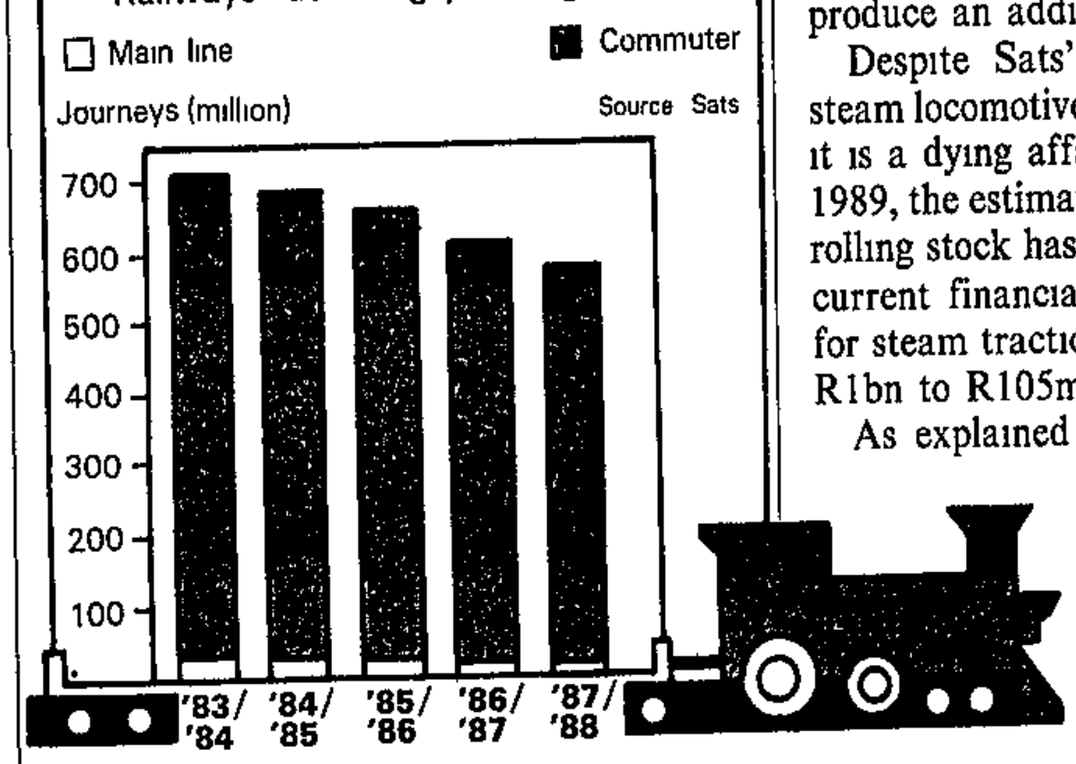
Despite Sats' continued flirtation with steam locomotives, the budget makes it clear it is a dying affair. From R1,8bn in 1988-1989, the estimate for maintenance of steam rolling stock has slumped to R103m for the current financial year. Operating expenses for steam traction are expected to fall from R1bn to R105m.

As explained by the *FM* last week, the 81% increase in Sats' capital budget (from R941m to R1,7bn) is due mainly to the provision of around R600m for the Sats House Ownership Fund as well as a down-payment on seven new Airbus aircraft for SAA

In all Sats expects to spend R12,4bn in 1989-1 compared to a revised estimate of R1 or 19 8-1989. ■

Downhill journey

Railways' declining passenger load



SAA 'taking no chances' with flights

By Lloyd Coutts

Recent scares involving South African Airways aircraft proved the airline was "not taking any chances", a spokesman said last night

SAA's weekend flight to Hong Kong was interrupted at the weekend when the Boeing 747 "Swartberg" was forced to return to Jan Smuts airport on Friday with one engine shut down and an overheated wing

The replacement aircraft developed problems with its air conditioning and could not take off The 267 passengers eventually left 24 hours later.

The previous weekend, flight SA 286 had to make an emergency landing at Mauritius when an exploding tyre damaged a landing gear door

SAA public relations officer Mr Francois Louw said in both instances the aircraft were capable of continuing their journeys, but the pilots had decided to land instead

He described the incidents — which involved a de-icing duct, an air conditioning system and a landing gear door — as minor

International air fares to rise soon

13/3/87

BRENT MELVILLE

AIRLINE fares are set to soar by as much as 28% for international flights from April 1, SAA confirmed yesterday.

The International Airline Transport Association (Iata) announced seasonal adjusted change and an across-the-board 5% fare increase had resulted in a flight price rise by as much as 19,2% to London, 20,8% to Sydney and 28,2% to New York, SAA said.

Williamsworld MD Bob Williams says the season change is cut from six to four "low" season months. European "low" months March and April, will have "high" season rates.

This will cost the economy class SA traveller an additional R503 in those months on a "new Pex fare". In addition, all flights to the US would cost at least 11,8% more than the old Super Apex fare of R3 217, and all fares from Australia would go up by 10%.

A London flight, costing R2 626 on an old Pex fare, should cost 5% more, or R2 757. "Instead, the traveller finds himself paying R3 129," he said

Rand exchange rate gets blame . . . but why that R160 m profit?

SAA fares soar above cost-of-living increases

269 14/3/89 269 Star 14/3/89.

The cost of international jet travel has soared out of the reach of many South Africans over the past five years

Since April 1985, the cheapest available Johannesburg—London return tickets have risen by 143 percent, while the cost of living index for all items rose by 61,3 percent to last October

And, for largely political considerations, jet travel from Johannesburg to New York and return has risen by 224 percent, and trips from Johannesburg to Sydney by 128 percent

SAA claims that an unfavourable rand—dollar rate has made it difficult to compete against European-based airlines

Rands — and profits

Yet the rand has slipped "only" 30 percent against the dollar since April 1985 — from R1,96 to R2,53

But since last October alone fares on all outgoing flights from South Africa have gone up 16 percent to compensate for devaluations in the rand

According to travel agent Mr Bob Williams, SAA cannot justify a constant string of currency adjustments over the last five years in the face of its declared R160 million profit for the last financial year

He points a finger at SAA for moving the goalposts in expanding the high seasons to most of its major destinations

On the other hand, it is argued that SAA has had to increase significantly its salary payments to flight crews in the face of poachers

A near-70 percent rise in the consumer price index (CPI) has a harsh effect on profitability and there are ever-increasing costs for fuel, aircraft replacement and maintenance for an ageing fleet, and the burgeoning costs of training flight crews

The financial pain of being barred from overflying Africa has been made sharper by the loss of landing rights in New York and Australia.

SAA chief executive Mr Gert van der Veer has consistently claimed that South Africa's domestic rates are among the cheapest in the world, for each kilometre travelled Possible subsidisation has to come from somewhere.

There are critics who contend that SAA is keeping its profits unnecessarily high to apply window-dressing for a higher purchase price when privatisation comes

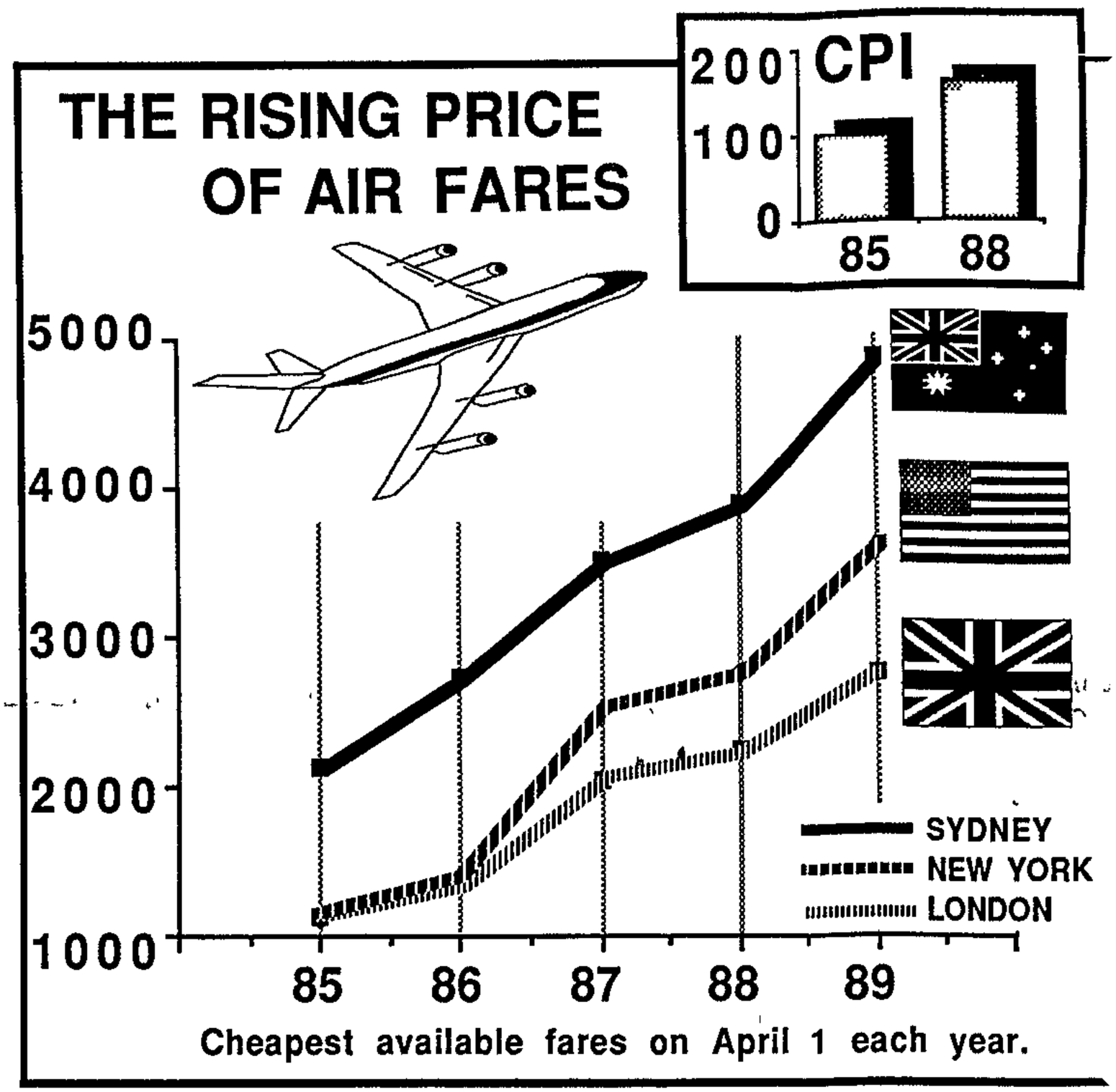
But until SAA comes on to the auction block, it has to face flak for being the ringleader of the cartel of operators who put their own price tag on flights in and out of the country

While many of the critics agree that companies can charge what they will in a free-enterprise situation, most bridle at what they believe is a monopolistic milieu

Meanwhile, the punch-drunk consumer accepts more fare increases as merely "that time of year again", or the result of a further shrinking of the rand against the dollar

April Fool's Day is that time once again

International air fares rocket again next month. A five percent across-the-board increase agreed through the International Air Transport Association (Iata) and the expansion of the high season from six to eight months will boost Johannesburg—London return flights by 19 percent. Johannesburg—Sydney trips go up by 20,8 percent, and Johannesburg—New York trips soar 28,2 percent. **DAN SIDE** takes a look how air fares have zoomed up faster the cost of living in the last five years.



SAA denies cutback on pensioners' flights

Bl Day 14/3/89

DURBAN — SAA has denied travel agents' claims that pensioners' discount flights have been cut down to enable the airline to cope with brisk Easter holiday bookings.

A Cape travel agent, who asked not to be named, said yesterday it was virtually impossible to get "M-class" bookings

M-class bookings entitle pensioners to a 40% reduction in air fare

He said he believed the reason for this

269 Own Correspondent

was that SAA was battling to cope with the demand for tickets by Easter holidaymakers, and that full-fare passengers were being given preference.

SAA spokeswoman Zelda Roux said M-class tickets were allocated to flights according to supply and demand.

New Roads Board to meet next month

MARC HASENFUSS

IN THE first step toward implementing the Transport Deregulation Act, the recently appointed SA Roads Board (SARB) will meet next month.

The Transport Deregulation Act and the SA Roads Board Act were passed last year but remained "dead" Acts while the conditions for deregulation were being fulfilled.

The SARB, a joint public/private sector body, will take over the powers and functions of the National Transport Commission (NTC) with regard to national roads and metropolitan transport affairs from April 1, according to a Transport Department statement released yesterday.

The NTC will continue to exercise power over civil aviation and road transportation.

DEREGULATION OF TAXIS TO BE DISCUSSED

CAPE TOWN — The Minister of Transport Affairs had convened a committee consisting of Department of Transport and Sabta representatives to discuss deregulation of the taxi industry and its long-term implications, the department said yesterday.

It said this had been done in view of Sabta's concerns on deregulation and the necessity to complete the draft passenger transport Bill as soon as possible.

The minister shared the concern of those already in the taxi industry and others, such as local authorities.

In early 1987, government recommended that the only requirements for a taxi permit should be a safe vehicle, adequate insurance and a driver with a professional driver's licence.

The department said: "It is clear deregulation is aimed at making it easier for entrepreneurs to enter the taxi business while at the same time ensuring an acceptable standard of operation and safety."

Sabta had resisted deregulation and argued that "overnight" deregulation could cause chaos.

Sabta executive member Paradis Mahlangu welcomed the talks and said: "Sabta does not want to prevent entry of black entrepreneurs into the taxi industry. However blacks, rightly or wrongly, are suspicious of deregulation and privatisation. It is important these changes be sensitively handled." — Sapa.

trains

The 14E will be able to pull trains at 120 km/h, which is 20 km/h faster than the maximum speed of the Blue Train

Sats already uses locomotives capable of 120 km/h, but not at sustained speeds. Officials say trains hauled by the 14E will be able to maintain higher average speeds

Hannes Venter, Sats chief director of rolling stock procurement, says the first of the three prototypes will be delivered in January 1990. They will be put into service on the Durban-Johannesburg and Cape Town-Johannesburg lines for a year to evaluate their performance capabilities

If they come up to expectation, another 30 or 50 will probably be ordered. They will cost about R4m each to build, at current values

The 14E is a marriage of SA and European technology. "The electrics of the prototype is overseas-sourced technology and the mechanicals (wheels and bogeys) are South African," says Venter

The electrics and bodywork of the prototypes will be built overseas, but Union Carriage and Wagon will build the production locomotives in SA, using imported electrical components

The 14E is not the only innovative locomotive Sats intends putting into service in the next few years. It will call for tenders for its dual electric/diesel-electric locomotive in April (*Business February 10*)

They will be able to operate on branch lines using their on-board diesel engines and on main lines drawing power from overhead lines

Venter says since the news of the dual was broken in the *FM*, Sats has been inundated with requests for information about them from around the world

RAILWAYS — 2 (269)

Going loco

The 50 Cycle Group of Europe, headed in SA by Siemens, is half-way through a R24m contract to build three prototype Class 14E electric locomotives for SA Transport Services (Sats)

They are a new generation of four-axle locomotives intended for use on fast freight

RAILWAYS — 1 (269) FMMC 17/3/89

All steamed up

After years of badgering, steam buffs have persuaded SA Transport Services (Sats) to start preserving its steam locomotives

There is no question of Sats reversing the trend towards diesel, but it has acknowledged that there is a place for steam. The latest Sats budget makes it clear the move from steam is irreversible

From R1,8bn in 1988-1989, the estimate for maintenance of steam rolling stock has slumped to R103m in 1989-1990 Operating expenses for steam are expected to fall from R1bn to R105m

Nevertheless, Sats GM Anton Moolman has announced that it is now policy "to link Sats with the preservation of our steam heritage"

Its effort will be centred on Millsite, on the West Rand, with a "living museum," from where short trips and country-wide safaris by steam will be marketed

Moolman has requested that a section of track be identified "on which only steam traction will be used for passenger and goods traffic The stations, uniforms and signalling will be the same as those used in the steam era"

The most likely candidates are the Pretoria-Magaliesberg line in the Transvaal, or the Knysna-George line in the southern Cape Sats insiders are tipping the Cape line because it is rated one of the most picturesque in the world and the steam-hauled Choo-Tjoe Express already operates on it

Sats still operates 242 steam locomotives commercially 65 in the northern Cape, 48 in the Cape Midlands, five in the eastern Cape, 14 in the Free State, 89 in the southern Transvaal and 21 in the northern Transvaal

Steam hauls 30% of the 46 trains that run daily between Kimberley and De Aar The rest are hauled by diesel locomotives

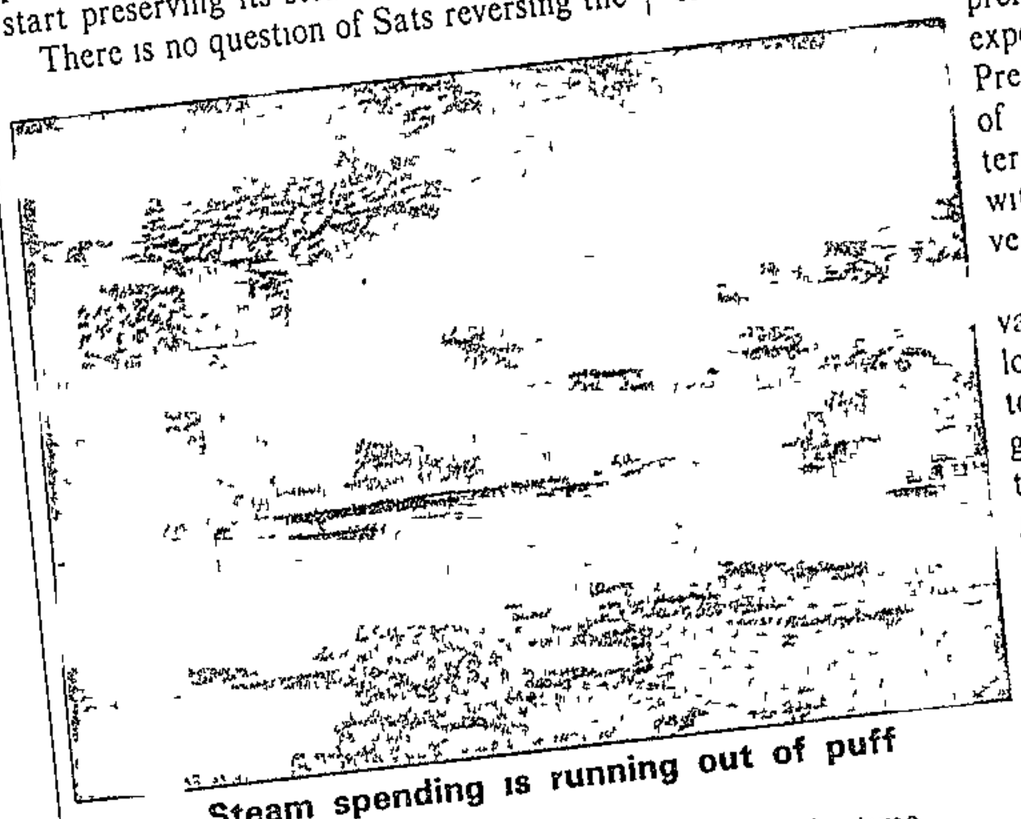
Wicus Pretorius, Sats regional manager northern Cape, is in charge of a project to decide Sats' future approach to steam

"We check the consumption of water, coal and diesel fuel, and the cost of maintenance," he says "We have until 1992, when the boiler certificates of our 43 locomotives expire, to decide whether it makes sense to keep steam going, particularly from a tourist point of view

"Results so far show that diesels are far more efficient, that 12 or 14 can do the work of 28 or 30 steam locomotives and drivers prefer them" The big expense isn't coal, says Pretorius, but the cost of pumping water, filtering it and treating it with chemicals to prevent scale

There have been advances in steam technology, but not sufficient to make Sats decide to go back to it, says Pretorius Sats' own *Red Devil*, built in the Salt River workshops at the end of the Seventies, was a state-of-the-art locomotive incorporating all the advances in steam traction available at the time

"It was more powerful and more efficient than any steam locomotive we had, but the improvements weren't sufficient to put it in the same class as a diesel locomotive" ■



Steam spending is running out of puff

Girl's death on train: Friend tells of terror

By MICHAEL DOMAN
Staff Reporter

THE FIVE minutes of terror during which 17-year-old Elizabeth Matafin was flung to her death from a moving train near Bonteheuwel were described today by her friend, Florelle Abrahams, 16.

Elizabeth's mother, Mrs Audrey Matafin, has meanwhile appealed to witnesses to come forward and help in bringing her daughter's killers to justice.

Elizabeth, who lived at Olyfberg Road, Bishop Lavis, had enjoyed an evening of fun in Cape Town when she became yet another victim of the violence on Cape Flats trains

She, her brother, Deon, 13, and Florelle had watched a film at the Roxy Cinema and had boarded the Mitchell's Plain-bound train at Cape Town station about 7pm last Saturday

TERRIFYING

A still-shaky Florelle said a gang of men got on to the train at Langa station and began terrorising passengers.

What followed was described by Florelle as the most terrifying five minutes of her life

"The gang took a baton from a security guard and hit him over the head with it. They were hitting and stabbing people," she said

"It was like a gang fight as the train went from Langa to Bonteheuwel and then Netreg.

"Elizabeth, with Deon on her lap, was sitting next to me, but I didn't see them take her."

The police report on the incident this week said Elizabeth had been forced out of the train between Bonteheuwel and Netreg stations.

"Netreg was our stop, but when we got there, the gang members were blocking the doors," Florelle said. "The train had already started to move out of Netreg when I managed to jump through the window," Florelle said.

"Elizabeth didn't get out, so Deon and I came home."

BODY NOT BACK

Elizabeth's mother said Florelle had mentioned that there had been dozens of people in their carriage.

"I sincerely appeal to them to come forward and help in bringing my daughter's killers to justice," she said.

Mrs Matafin, who has six other children — Elizabeth was the third eldest — said she had not yet got her daughter's body back from the police.

"We would like to bury her, but we may have to have her cremated because we don't have enough money."

● Anyone with information can contact Detective Warrant Officer André van Rensburg on ☎ 934 1007, or by calling the nearest police station.

Sowetan
20/3/89

(269)



THE scene at Industria station yesterday after the train crash.

CRASH

Two dead and 150 injured

TWO people were killed and about 150 injured in a head-on collision between two trains at Industria station, Johannesburg yesterday afternoon.

One of the dead was a train driver

The crash occurred at about 2 30pm, between a suburban train travelling from Johannesburg to Randfontein and another travelling east from Randfontein to Johannesburg



MR REUBEN Nthuteng . . one of the survivors.

The injured commuters were taken to the Hillbrow and Baragwanath hospitals, as officials from the South African Transport Services searched through the mangled train coaches and debris for more passengers.

By LEN MASEKO and KENOSI MODISANE

A police spokesman said the condition of the injured ranged from "slight to very serious"

A SATS spokesman confirmed the incident but could not give more details about the collision.

Dazed

Soon after the crash, wailing women and dazed passengers sat near the crash scene awaiting rescue teams, which arrived soon afterwards

Commuters interviewed by *Sowetan*, said the two trains appeared to have been travelling on the same railway line

Mrs Lucia Maake of Randfontein, said she miraculously escaped serious injury when the compartment she was travelling in tipped over, causing "a pile-up of passengers"

Mrs Maake, who was on her way to Johannesburg, sustained a slight injury to her left shoulder

Mr Reuben Nthuteng and his brother, Joseph, were aboard the Johannesburg-bound train when the collision took place "I can't believe that I am one of the

● From Page 2

Train crash

● From Page 1

survivors," said a shocked Mr Nthuteng.

Mr Joel Retshunedi of Randfontein, said he had just entered the train toilet when he heard a "loud bang" "I quickly dashed out of the toilet to find other passengers jumping out of the compartment," he said

He said everyone was screaming. "Fire, fire, fire"

Mr Retshunedi escaped unhurt.



TRAIN CRASH ... The scene at Industria station after yesterday's crash. ● **Another picture — Page 3**

2 die, 80 hurt in train smash

Cpt Trials 20/3/89 (269)

Own Correspondent

JOHANNESBURG — Two people were killed and about 80 injured when two trains collided head-on at Industria station, west of here yesterday.

A train driver, identified as a Mr Strauss of Alberton, and a passenger were killed.

Mrs Lucia Maake, 35, of Vosloorus near Boksburg, was on the train with her sons, Tumelo, 4, and Tebogo, 8 Tebogo's head was bruised.

"I heard a loud bang and then loud screams and suddenly felt as though I was flying Then everything went blank. When I came to, the coach was full of smoke and people were screaming for help Fortunately I could still see my children We escaped through one of the windows," she said

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Two killed, many hurt as trains collide

The Argus Correspondent

JOHANNESBURG — Two people died and between 80 and 100 were injured in a train accident at Johannesburg's Industria station, police and Transport Services spokesmen said.

The accident happened at 2 34pm yesterdaycorrect when two trains smashed head-on on the same line, Transport Services spokesman Ms Yvette Marais said

One of those killed was Mr Andries Strauss, 28, the driver of one of the trains

Initially it was thought about 150 people were injured

The name of the second person killed has not been released

SLIGHTLY HURT

Most of those injured were only slightly hurt and others were treated at the Baragwanath, Coronation and Johannesburg hospitals Those taken to Johannesburg Hospital were later transferred to Baragwanath, where 67 patients were admitted.

Ms Marais said one of the trains was on its way from Braamfontein to Randfontein, while the other approached from the opposite direction, from Randfontein to Johannesburg

Constable Keith Parks, a member of Johannesburg's Robbery Reaction Unit, one of the first people on the scene, pulled six seriously injured people from the train.

The Minister of Transport, Mr Eli Louw, said that he had appointed a board of inquiry to investigate the smash

Mr Louw expressed his condolences to the next-of-kin of the people who died.

PUBLIC AUCTION SALE

147 PERSIAN & ORIENTAL CARPETS & RUGS
BY MUTUAL AGREEMENT — ON BEHALF OF THE PARTIES CONCERNED
INCLUDING FINE INVESTMENT SILKS

AT: GROOT CONSTANTIA ● GROENDAK CELLAR
● CONSTANTIA MAIN ROAD ● CONSTANTIA ● CAPE TOWN
ON: MONDAY 20 MARCH 1989 AT 8 PM
VIEW: SUNDAY 19 MARCH ● 11 AM — UNTIL DAY OF SALE

'A HIGHLY IMPORTANT AUCTION SALE'

PUBLIC SECTOR SALE AN EFFICIENCY BOOST

269

GERALD REILLY

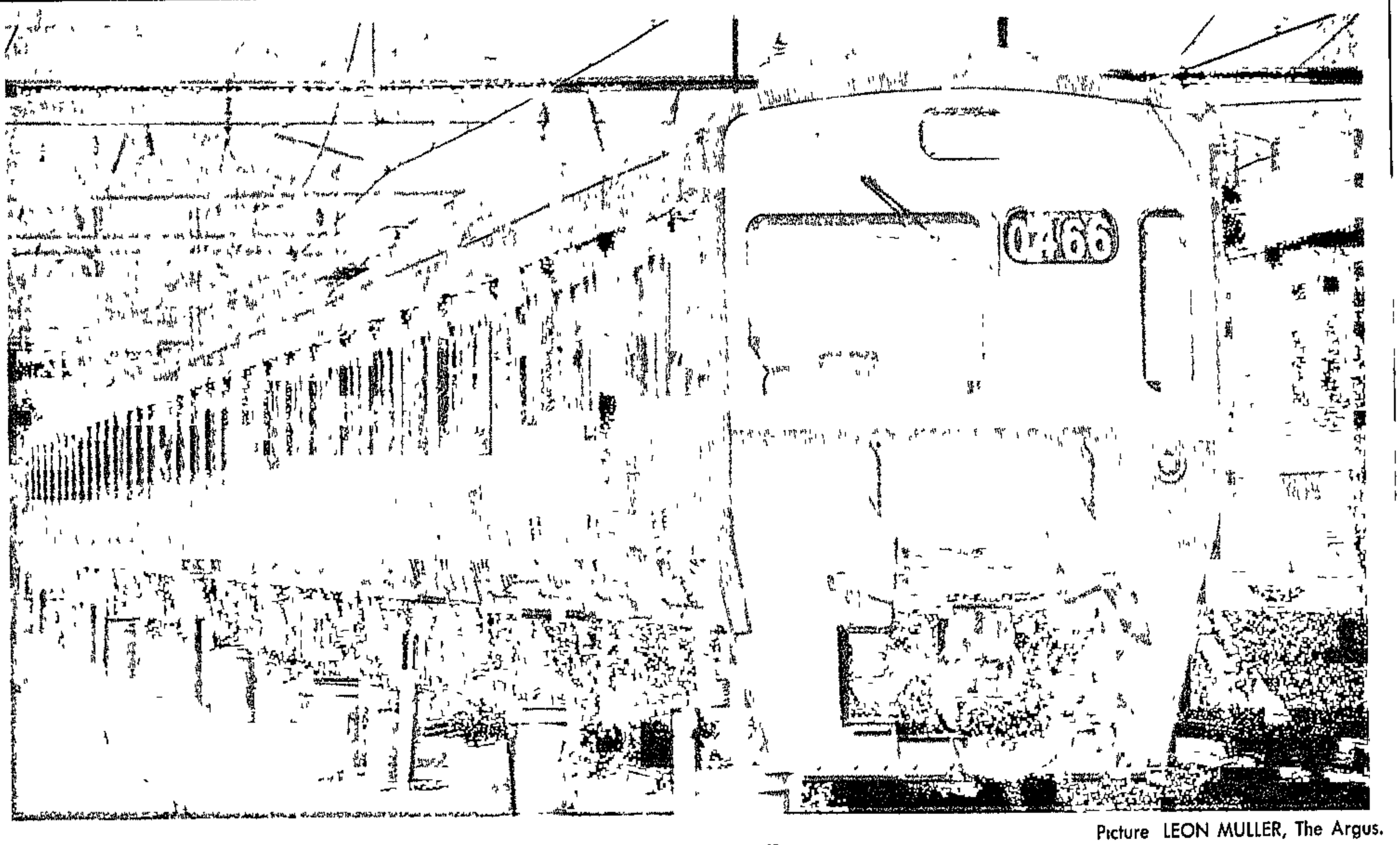
PRETORIA — The SA economy had reached a stage where the state had to implement a privatisation programme to raise the efficiency of public sector undertakings, postmaster general Johan de Villiers said yesterday.

He told Business Day the state's involvement in the economy and the poor performance of its investments was a fundamental economic problem. BDay 22/3/89

Legislation to divide the posts and telecommunications department into two separate companies would come before Parliament this session, he said. The two companies, postal services and telecommunications, would belong to the state until shares were offered to the public.

He stressed telecommunications was already profitable and subsidised losses on the postal services. It was logically first in line for privatisation. A study would be launched soon to determine how the postal service could improve its operating results.

Whether the service could ever be made profitable to a point where it could be privatised was an open question, however.



Picture LEON MULLER, The Argus.

SMART AND FAST: The freshly cleaned and polished "new generation" train.

ARGUS 92/2/89 269

Sats show off super train

By SHARKEY ISAACS
Transport Reporter

SA Transport Services introduced its R22-million stainless steel suburban passenger train on a test run from Cape Town to Khayelitsha today

Media representatives and 65 guests were shown the 8m "new generation train" by Sats staff over the 36km route.

The train, which can carry 30 percent more passengers than the standard train, is an updated South African version of the 6m Japanese train and the 7m German prototype models It has a brightly painted yellow electric motor unit in front, and rustproof stainless steel coaches. There are four doors on the sides of the coaches

Sats have ordered eight trains of 12 coaches manufactured locally under licence from Hitachi, Japan The last is scheduled for delivery by the middle of next year

Each train has three modules with four coaches and a motor coach in each group, which will enable Sats to operate a shorter train consisting of either four or eight coaches if required

Modern features include an intercom system, a computer controlled brake system, an airbag suspension system with each coach resting on four air bags to ensure constant pressure — similar to that of the Blue Train — and tinted synthetic shatterproof windows.

Tickets for monthly third class commuters cost R23,50. Passengers travelling first class will pay R84 monthly.

The 12-coach train can accommodate 4 212 commuters.

Seating has been provided for 816 passengers. The remainder will stand

● SATS also plans to intoduce the train on the Mitchell's Plain line.

TRAINING THE VISITOR

FM/AIL 24/3/89

The first stage of a 3,5 km railway line linking the National Recreation Centre (Nasrec) with Johannesburg's Park Station and Soweto's New Canada station will come into operation on Saturday — the day the Rand Show opens

It will eventually be able to convey up to 45 000 people an hour. However, the initial target is 400 every two hours. By adding more coaches, it can be increased to 1 400 every two hours, without increasing the number of trains from the planned five a day in each direction on weekdays and seven a day on public holidays and Saturdays

The number of trains can eventually be increased to 30 a day in each direction.

The second stage of the line will be completed in May, a month before the completion of the first phase of Soccer City, which will then be able to accommodate 60 000 people.

The Nasrec line is the second to be built since SA Transport Services (Sats) embarked on its hard-nosed policy a few years ago of making users pay for the building and financial losses of new dedicated lines

The first was the Khayelitsha-Cape Town line, completed about two years ago, which Sats would not build until central government undertook to pay for it and pick up its losses

Sats owns the Nasrec line and built it with funds provided by the Department of Education & Training (DET). It will operate it and provide as many trains as requested, on a contractual basis The DET is responsible for all losses, say Sats spokesmen

DET officials won't confirm the agreement but a Sats spokesman says the department paid Sats R30,3m to build it, with funds granted by the Treasury.

Rand Show GM Anton Post also confirms the DET paid for the line, but says it will debit Nasrec for passenger train services

"The fee will be based on the number of trains and the number of passengers they convey," he says. Roll up for the show!

(269) FM/MC 24/3/89

RAILWAYS

Inanda plan derailed

SA Transport Services (Sats) has frozen major expansions to commuter rail services, saying investments cannot be recovered at existing fare levels

The first major casualty is a R660m rail link between Durban and Inanda. Long earmarked as the top passenger priority in Sats' capital programme, the project has been put on ice indefinitely — unless the private sector takes over the financing risk and responsibility for charging what would have to be vastly increased fares.

Several private-sector consortia are understood to be considering just that

Without subsidies, says Sats, commuter fares will have to rise threefold to make new investments viable. Government is reluctant to face the political consequences of increases on this scale

Though unarguably justified in terms of potential demand, new services such as the Durban-Inanda line cannot be considered under present policy. In Sats' view, this puts the final decision on the Inanda line in the lap of the Department of Transport (DoT).

Sats passenger services director Mervyn Panzera says an inter-departmental committee on passenger services, with members from most government departments chaired by the DoT, has recommended the project should go ahead if funds can be found.

"It's my understanding that the State is having difficulty finding the money, hence it says the only way out is to get the private sector to finance the project."

The switch in policy has left some Sats suppliers carrying the can. Among them is coach-builder Dorbyl, currently completing a R120m contract for the delivery of 96 new-generation coaches for Khayelitsha in the Cape.

When it invited tenders for the Khayelitsha contract, Sats unveiled a 10-year programme for around 100 passenger coaches. Inanda was included in the programme. Dorbyl corporate development manager Kobus de Beer says the company invested "many millions" in carriage building capacity.

"Since then government has moved towards privatisation and Sats' policy of cross-subsidising passenger services out of its other revenues has come under increasing pressure," he says Now, Sats has scrapped all plans to buy additional passenger rolling stock.

The decision has left Dorbyl smarting Apart from the capital investment, the company bought new skills and signed a technology agreement with Hitachi on the assumption it would win at least half the contracts visualised

"It's a normal business risk and we must live with the consequences," says De Beer. "But what concerns us is that though the country has the capability of building these new passenger coaches, expansion is frozen. The need to move people is increasing all the time, and at some stage will have to be addressed — at even greater cost"

For this reason, adds De Beer, Dorbyl is among the consortia considering investing in the Durban-Inanda link.

"There are at least three consortia who have displayed interest: ourselves with LTA, a second consortium called Metrail, which is headed by IMS (International Machinery Suppliers), and a third yet to declare itself"

But the biggest hurdle appears to be the current level of rail fares.

De Beer says the solution could be to establish a consortium which includes private-sector financiers and management, Sats as operators and the DoT to provide an annual subsidy.

He says the situation must be resolved — and soon.

"The biggest argument in favour of the project is the fact that a heavy rail commuter service is the only practical solution to moving hundreds of thousands of people The demand for transportation in the area is growing rapidly and I'm concerned that, at the end of the day, the crisis will be so great that we will have to import equipment over a short period — and then we really would have shot ourselves in the foot"

Sats debt tops R10bn

B1Dec1 26/4/89 269

CHRIS CAIRNCROSS

CAPE TOWN — SA Transport Services' total indebtedness climbed to R10,1bn by the end of March last year, with 47% of this amount made up of foreign loans — making the parastatal one of the primary culprits for the large level of foreign debt SA is now battling to repay

And, according to Sats' audited accounts for the 1987/8 financial year, tabled in Parliament yesterday by Auditor-General Joop de Loor, this situation seems destined to worsen, with Sats' operating results moving into larger and larger deficits

The report fully demonstrates that Sats is not a fit candidate for privatisation yet — even though legislation transforming it into a company, as a precursor to such a development, is scheduled to be tabled later this session

The A-G's report says Sats' combined operating results for the 1987/8 year reflected a net deficit of R64,4m, after R138m was appropriated for the Revenue Reserve This deficit, together with the adjustment of unrealised exchange rate losses in respect of foreign loans (for which no forward cover was taken out) boosted the cumulative deficit to R3,6bn

The report discloses that Sats expenditure in the review year exceeded the amount approved by Parliament by more than R3bn Of this amount, excesses of R97,3m were given particular ministerial apprpval during the year

The A-G stresses, however, that further excesses amounting to R3bn still have to be submitted to Parliament for sanction

He also says writing off of R3,1bn unrealised forex losses still has to be submit-

● To Page 2

Sats indebtedness climbs to R10,1bn

B1Dec1 26/4/89 269

● From Page 1

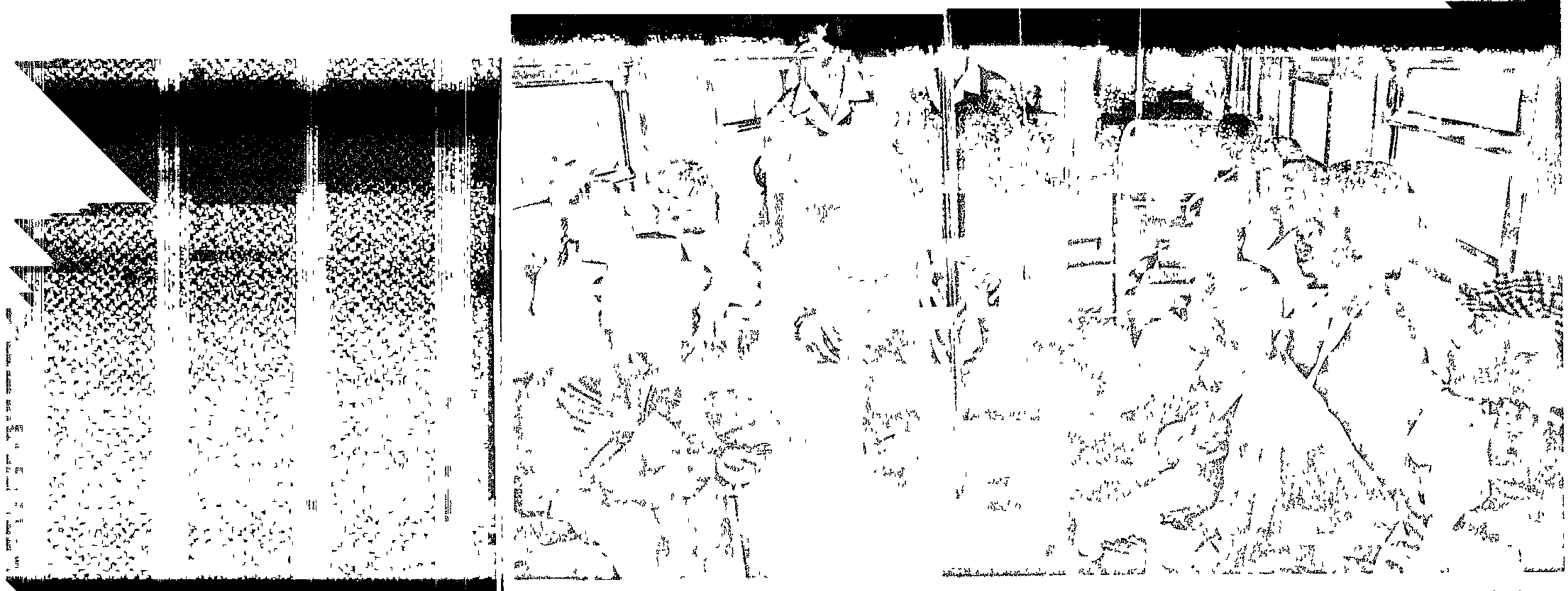
ted to Parliament for sanction in terms of section 13(1)(b) of the SA Transport Services Finances and Accounts Act

The report directs specific criticism to the manner in which Sats mananged its financial affairs in respect of short-term stock issues (cycle stocks), which generally have a currency of three months, and its operations in the capital market

It also criticises Sats behaviour in the capital market.

With regard to Sats transactions in stocks, an audit investigation has revealed that

- ☐ substantial shortcomings existed in the control over and approval of transactions concluded by Sats,
- ☐ no documentary proof concerning guidelines for Sats' action in the market could be submitted,
- ☐ transactions concluded to promote the marketability of Sats' stocks and which were, therefore, speculative of nature, constituted a large part of total transactions, but were not accounted for separately



Picture: PETER STANFORD, Weekend Argus

Where some commuters fear to tread, members of the SAP Mobile Unit take over to make the Mitchells Plain line crime-free.

Train ride turns into nightmare

G/E ARGUS 25/3/89 269

by TYRONE SEALE
Weekend Argus Reporter

"IT'S better to be stabbed than to jump out of the train."

Not much of a choice — but if you're one of the thousands travelling on the notorious Mitchell's Plain line, you're constantly torn between the devil and the deep blue sea as thugs turn a simple train ride into a nightmare

Last weekend, 17-year-old Elizabeth Matafin was flung off a speeding train near Bonteheuwel as a gang terrorised passengers, including a security guard

Talking about the gruesome choice is a train preacher who has already seen three gangsters turn on a cowering crowd of commuters who had wanted to help a man who had been robbed

"They robbed the man and when they saw that people had noticed what they had done, they started stabbing at everyone The passengers all crowded into one corner of the carriage. Some wanted to jump out of the window.

"At Bonteheuwel station, some managed to escape, but the thugs kept on stabbing the people."

Work long and hard

The preacher could tell his story without fear, because among his fellow passengers were uniformed members of the South African Police Mobile Unit whose job it is to keep stations and trains crime-free

They work long and hard hours among frightened commuters, defiant gangsters and graffiti proclaiming slogans like "Come to Vulture Town (a gang territory) and get (raped) by 20".

The unit, headed by Major Pieter Barnard, has been operating since January as an extension of the work previously done by the railway police

"We don't have a big staff and the work is difficult and dangerous, but we are determined to get rid of crime in this area," says Warrant-Officer Chrisjan Verwant, head of a six-member team based at Philippi railway station.

Since January, his team working the Mitchell's Plain-Langa stretch has arrested between 800 and 1 000 people a month for offences ranging from illegal track crossings to murder.

One of the Philippi team, Sergeant Hendry Robertson, has been walking around with a bullet in his back since the day a suspect shot him twice at Bonteheuwel station.

Doctors removed one of the bullets, but feared the removal of the other would paralyse Sergeant Robertson

Finding a commuter who has not seen a mugging on the Mitchell's Plain line is a tough job.

In a random survey during the ride with the mobile unit the majority of passengers had seen criminal action on their way to or from work

Third-class traveller Mr Manfred Titus, 24, of Lentegeur, knew what he was talking about — he had six stitches on his nose to prove it.

"Last Saturday afternoon, I was sitting here playing a portable radio/tape set Two guys grabbed it from me and then I realised they had stabbed me as well."

Another passenger said "One Saturday morning, an argument broke out after one man accidentally bumped into someone next to him. The man who did the bumping took out a knife, stabbed the other and an innocent man.

"People were so scared, they jumped out of the train when it was moving slowly"

At one stage on the ride, Warrant-Officer Verwant removed a bag from a luggage rack and asked who it belonged to A man standing near the door said it was his

Warrant-Officer Verwant asked the man to empty the bag. He refused to have it searched, until a second policeman joined them The man reluctantly allowed the search.

He said later "I wasn't being difficult The policeman had to ask nicely. He can't just go through my stuff I know they're doing their job. The trains are dangerous."

In spite of the growing fear and public outcry, Major Barnard believes his men and women are gradually winning the battle

Incidents on trains and stations on the Mitchell's Plain line should be reported to ☎ 1 0111, or ☎34 6786.



These knives and pangas are among 150 dangerous weapons confiscated on trains by security guards hired by South African Transport Services to patrol northern suburbs trains.

SAA soars above the cash shut-out

(269)

By Ian Smith

SA AIRWAYS is about to beat the clamp on foreign lending by placing a R838,25-million order for seven Airbus A320 aircraft

Negotiations on financing of the aircraft, to be delivered between November 1991 and September 1993, are nearing finality

SAA deputy chief executive Viv Lewis says "We are pleased at the reception we have had, but financing is a sensitive issue

"We operate in a difficult environment, but we have to respond to the challenge and ensure that SAA has the capacity to respond to the needs of the market"

The method of financing fleet acquisitions has come under scrutiny because of SAA's prime position as a contender for privatisation The airline has increased profits in each of the past four years — hitting R163-million in the year to March 1988 — and it has moved from an accrued loss to a profit



Viv Lewis and models . . . "We are responding to the challenges and we are coming right"

Fierce

SAA's position is strengthened by the fierce competition among aircraft manufacturers which has forced them to incorporate innovative financial schemes in a deal

Its high reputation with aircraft manufacturers has also helped SAA's first Airbus purchase in 1975 played an important part in influencing other airlines to place their orders

Mr Lewis says "It is often said that our purchase was influential in the success of Airbus

"All major manufacturers would like to do business with SAA and they try to make things easy for us"

SAA has made initial payments on the Airbus A320 order, which is now irrevocable The airline's capital budget, which has jumped from R81-million last year to R386-million for the current year, includes provision for R200-million in prepayments

There is also provision for more acquisitions, possibly two long-haul aircraft But Mr Lewis says SAA has not decided what to do Aircraft from three manufacturers — Boeing, Airbus and McDonnell Douglas — are in the running.

Mr Lewis says "We set certain performance criteria and manufacturers come up with their proposals"

Operations from Jan Smuts Airport present problems because of the high altitude and summer temperatures Jet aircraft are particularly affected

Aircraft on international flights must also have the range to fly around the bulge of Africa

A critical element in any sales package will be the back-up provided by the manufacturer SAA carries out about 98% of all maintenance work.

The new A320s will keep the airline in the forefront of aviation technology, says Mr Lewis

But they are also needed to meet rising demand The load factor on domestic flights is high and flights to the UK are heavily booked Other load factors are Europe (70%), South America (59%), Hong Kong (81%), Taipei (56%) and regional services 70%

Last December SAA flew 4 342 domestic flights carrying 517 802 pasengers, a 14,5% increase on the previous December Jan Smuts had its busiest day on record on December when 8 035 domestic passengers boarded aircraft

Delays

Mr Lewis is confident that SAA has overcome the combination of problems which resulted in widespread departure delays last year

Towards the end of 1987 the airline was recording a dispatch reliability rate of about 80%, which is considered good internationally But the fast growth of the economy early last year was not expected. Aircraft had been leased to other airlines as part of the policy to maximise the use of expensive equipment and it took time to bring the jets back to the SAA fleet

The result was that dispatch reliability fell to 60% in March, climbing back to 80% in mid-April More determined efforts to motivate staff and a series of checks on efficiency resulted in the rate's climbing to almost 90% last August. It has settled at better than 85%

"That's a good rate in international terms," says Mr Lewis.

Striving

Liaison with the directorate of civil aviation has improved considerably

"Staff motivation is high. We compare our efficiency with the best in the world, and we are striving for improvement. Our technical facilities at Jan Smuts are incomparable — last year we earned R30-million by providing maintenance and repair services for other organisations We provide pilot training for international airlines."

As an example of SAA's determination to improve service, Mr Lewis says a series of random checks on telephone response times was introduced last year The calls are done at frequent intervals throughout the office network

"Already significant improvement is evident," he says

Pilot reports are plotted, and recurrent defect reports are analysed to find ways to improve efficiency and maintain safety standards.

Mr Lewis says SAA is operating its equipment close to maximum capability.

"We are in a much better position than we were a year ago, but there is still room for improvement"

'Cheaper air fares will help tourism'

Cape Times 27/3/89

269

By AUDREY D'ANGELO
Financial Editor

MORE charter flights and cheaper air fares are needed to build up this country's foreign tourist trade, Delano Caras, CE of the South African operation of international hotel consultants Horwath & Horwath, pointed out on a visit to Cape Town.

Caras said the South African hotel industry was no longer a "poor relation" in comparison to those overseas. Hotels and facilities were excellent and the exchange rate made prices a bargain for overseas visitors

Yet, though 1988 had been regarded as a good year for foreign tourists when approximately 800 000 came to this country — a level last reached in 1984 — such numbers were insignificant compared with the 41 million who flocked to Spain every holiday season

"I doubt if foreign visitors account for more than 10% of hotel guests in South Africa. This is far below international norms, where foreign visitors account for about half the occupancy rate"

Caras said that as long as South Africa had political stability, with no riots or disturbances to frighten foreign tourists away, the main obstacle to building up this market was the cost of getting here

Tourists were always on the lookout for new destinations. But the high fares on regular scheduled flights deter people from coming to South Africa.

"Perhaps privatisation will result in real competition and lower fares to bring more tourists here with their foreign exchange"

The increasing number of affluent black people also offered a potentially huge market, but too few hoteliers were actively trying to get this business.

"One or two individual hotels have done an excellent job of tapping into the black yuppie market," Caras said

Others should also gear themselves to it and go out to attract black custom, he said. So far too little research had been done to find out if black people on business trips or on holiday had different requirements than their white counterparts

Caras said hoteliers in Namibia expected to have high occupancy rates during the transition period. Hotels in Cape Town might also benefit from extra business.

He thought the tourist industry in Namibia had tremendous potential and the country was under-supplied with hotels.

"Developers are going to wait to see what transpires there before they commit themselves. If there is stability there, and when they know what course Namibia is going to take, I think they will invest heavily

"A lot of people will get into the tourist industry there."

Caras, formerly an executive director of Sun International, where he was responsible for feasibility studies for new hotels, joined Horwath & Horwath in May last year He is based in Johannesburg, but operations extend all over the country.

Horwath & Horwath brought out its 18th annual survey of the international hotel industry last year.

SA adopts world code on goods transport

By Deborah Smith,
Pretoria Bureau

The transport of dangerous goods in South Africa was entering a new level of sophistication with the decision to conform to a United Nations code proving that packaging had been certified, said a South African Bureau of Standards spokesman

The SABS would be the sole certifying agent for packaging, and was already conducting tests of packaging prototypes in anticipation of the international decree and local legislation.

OVERSEAS PORTS

Compulsory international requirements would only come into effect in 18 months' time, but exporters were advised not to wait to have their packaging tested in order to avoid delays and congestion

Goods would not be accepted in overseas ports if packaging did not bear the UN code, said Mr Roger Titlestad, manager of the packaging division.

TESTS

The complete package would be expected to comply with performance testing

This meant they would have to pass a series of tests such as the drop test, the compression test and, in the case of volitile liquids, the hydraulic test, said Mr Titlestad

DANGEROUS GOODS

Performance tests were directly related to the commodities' level of danger Level one was for very dangerous substances such as explosives, level two for less dangerous goods and level three for goods that were not very dangerous

As far as international traffic was concerned, all packaging of dangerous goods transported by sea or air would have to comply with the requirements of the International Maritime Dangerous Goods Code or the International Civil Aviation Organisation Technical Instructions, by January 1991.

Anger at plan to meter calls

269

ARGUS 28/3/89

By MICHAEL DOMAN,
Staff Reporter

PUBLIC opposition to the plan to meter local telephone calls from the end of next year is mounting on the grounds it will send telephone bills rocketing.

Every three minutes on a local call will cost subscribers as much as they pay now for a local call of any length

● Calls within a radius of 50 km will cost 13,5 cents for three minutes or less during "office" hours (7 am to 6 pm Monday to Friday and 7 am to 1 pm Saturdays)

Within the same radius 13,5 cents will buy a four-and-a-half minute unit from 6 pm to 9 pm Mondays to Fridays, and a six-minute unit between 9 pm and 7 am Mondays to Fridays and 1 pm Saturdays to 7 am Mondays

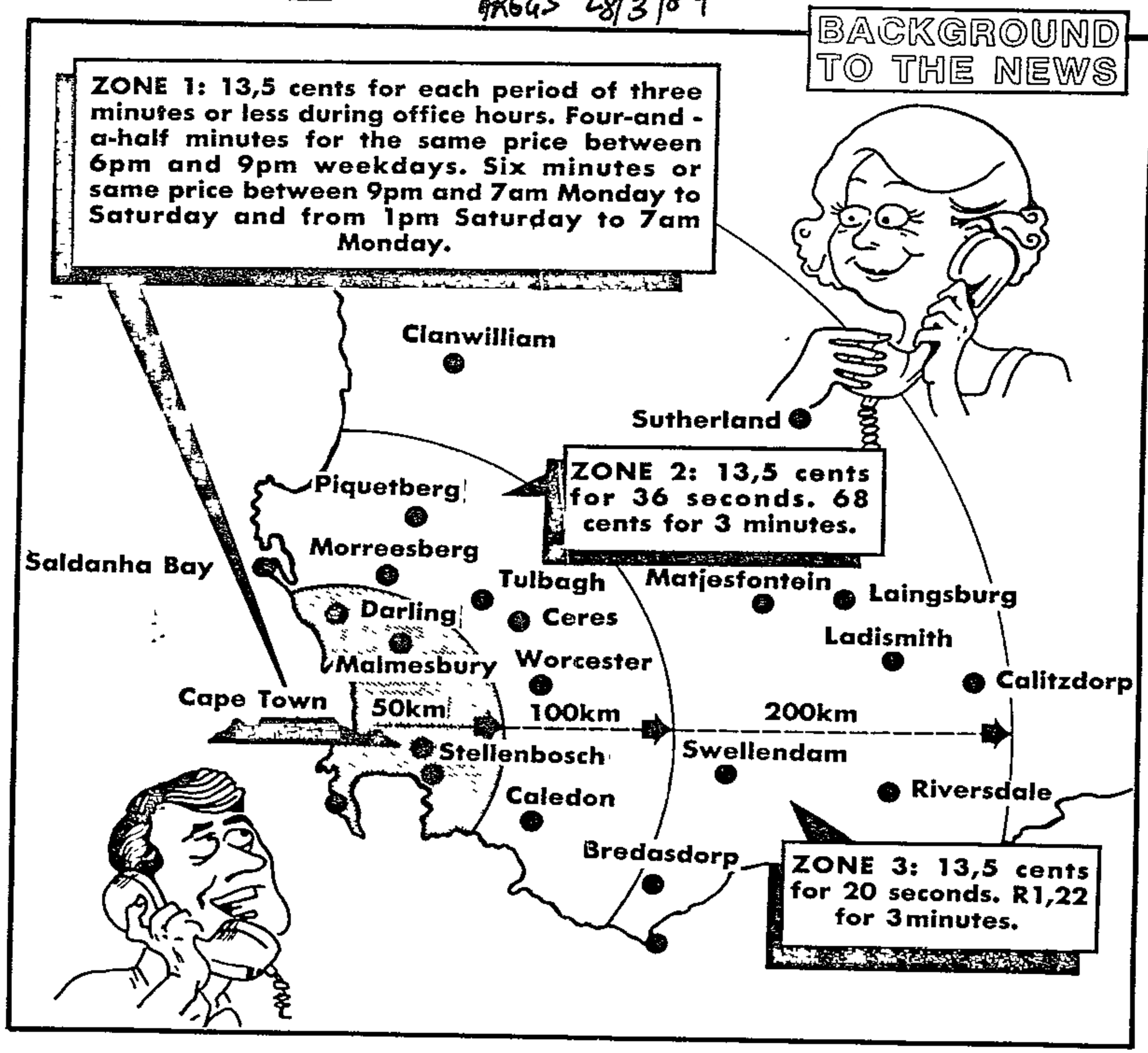
Office hours

● Calls to destinations between 50 km and 100 km away will cost 68 cents a unit during office hours

This means that in this range 13,5 cents will buy only 36 seconds of talking time during the day and in the two after-hours categories 50 seconds and 70 seconds respectively

● Between 100 km and 200 km away three-minute units will cost R1,22 each during the day

Angry readers have suggested the plan to meter calls has not been well thought out and point to the fact that a similar charging plan was mooted in Australia two years ago, but was withdrawn after it was opposed by all sectors of the population.



Mrs Sheila Curtis of Claremont, who has 25 years' experience as a switchboard operator, described the consequences of the new system as "horrendous".

She said companies' telephone bills would increase drastically, but that the increase would hit individuals much harder

"Companies will absorb their bills somehow, possibly by increasing prices.

"But in private homes the cost will be enormous Children who discuss homework on the phone do it during the expensive office-hours period.

"Pensioners are unlikely to call each other for vital conversation after 9 pm to benefit from the cheaper rate. They will also use the phone during the day

"The telephone is a vital communication instrument for old people"

Mrs Curtis said she disputed Post and Telecommunications Minister Stoffel Botha's assertion that the average telephone call lasted three minutes.

"Many untrained switchboard operators tell you 'Hold on, the line is busy'.

"How long is one supposed to hold on?

"Are we to insist that these telephonists call us back when the person we want to speak to is free? They could have dozens of calls to return"

Plea to Parliament

Many letters to The Argus indicate she is not alone in her belief that the new system should be reviewed

In Parliament, Mr Jan van Gend, (PFP Groote Schuur) recently pleaded for the initial metered period to be 15 minutes instead of the proposed three

The Argus Foreign Service reports from Melbourne, Australia that timed or metered local calls were proposed in an attempt to reduce prolonged conversations and to free the lines for intensified business activity.

However the idea met with immense opposition from across the nation.

Normally the government might not have been too concerned but a federal election was scheduled for the same year.

So intense was the adverse reaction the government not only abandoned the project but promised it would not try to introduced it again while it remained in power.

Star 29/3/89 269

Bus drivers exercise power over passengers

By Winnie Graham

Black commuters who are sometimes allowed on "white" buses and sometimes not, are totally confused at the power certain white bus drivers wield

Mrs Phılda Mareletsa, who was twice stopped from boardıng a bus to Hıllbrow, Johannesburg, last week, saıd yesterday ıt had become obvious that the majorıty of whıte passengers had no objectıon to travellıng on buses wıth blacks.

"It's the drivers who refuse to allow us to board," she added

Mrs Mareletsa saıd last Thursday she and a group of four black men were waıtıng for a bus to Hıllbrow in Eloff Street There were some whıte passengers at the bus stop and she and a young whıte woman started a conversatıon When the bus arrived the whıte drıver sımply shook hıs head and refused to allow the black passengers to board

"The young woman I was speakıng to got so upset she started crying," Mrs Mareletsa added "I had to comfort her. I was, however, most annoyed. It seems the bus drivers simply decide for themselves whether or not they will pick up black passengers"

She said she believed the people of Johannesburg had built many bridges between the races and it seemed ridiculous that a small group of conservatively minded drivers should be in a position to promote race hatred

She asked why, if white passengers obviously did not object to black people catching buses, the drivers should be allowed so much control

"It's time this Boksburg-type mentality was eliminated," she added.



Pictures WILLIE DE KLERK, The Argus

MOLTEN STEEL: Sparks fly and a ball of molten steel glows in the dark as railways welder Leon Gerstner replaces a defective stretch of line in Africa's longest rail tunnel which runs through the Hex River mountains.

ARGUS 30/3/89 269

Africa's longest rail tunnel will cut travel time to Cape Town

By SHARKEY ISAACS
Transport Reporter

THE longest rail tunnel in Africa has been completed in the Hex River Mountains between De Doorns and Touws River.

The 13,5km tunnel with a "crossing loop" in the middle is the last in a project of four tunnels and is described as a "masterpiece of engineering" on the main Cape Town to Johannesburg rail route.

Three other tunnels are also situated at intervals between De Doorns and Touws River.

Built at an estimated cost of R130,5-million the project will save South African Transport Services R60 000 a day

An Argus team visiting the site was invited to join a Sats maintenance team inspecting the railway line at tunnel number four which runs deep into the mountains

We entered the tunnel on board a diesel locomotive towing goods trucks containing maintenance men with their machinery

A cold wind ripped into our clothes and tousled our hair as we hurtled into the dark interior.

The locomotive's bright headlamp cast an eerie glow as it pierced the gloom and the driver pressed his blaring horn as we flashed past the dull green and red signal lights.

The train slowed and stopped about 6km inside to offload us with a maintenance team The locomotive then reversed a kilometre to enable another team to effect maintenance work elsewhere, leaving us in inky darkness

A workman switched on a portable generator powering a single spotlight to enable his colleagues to attend to a defective stretch of rail

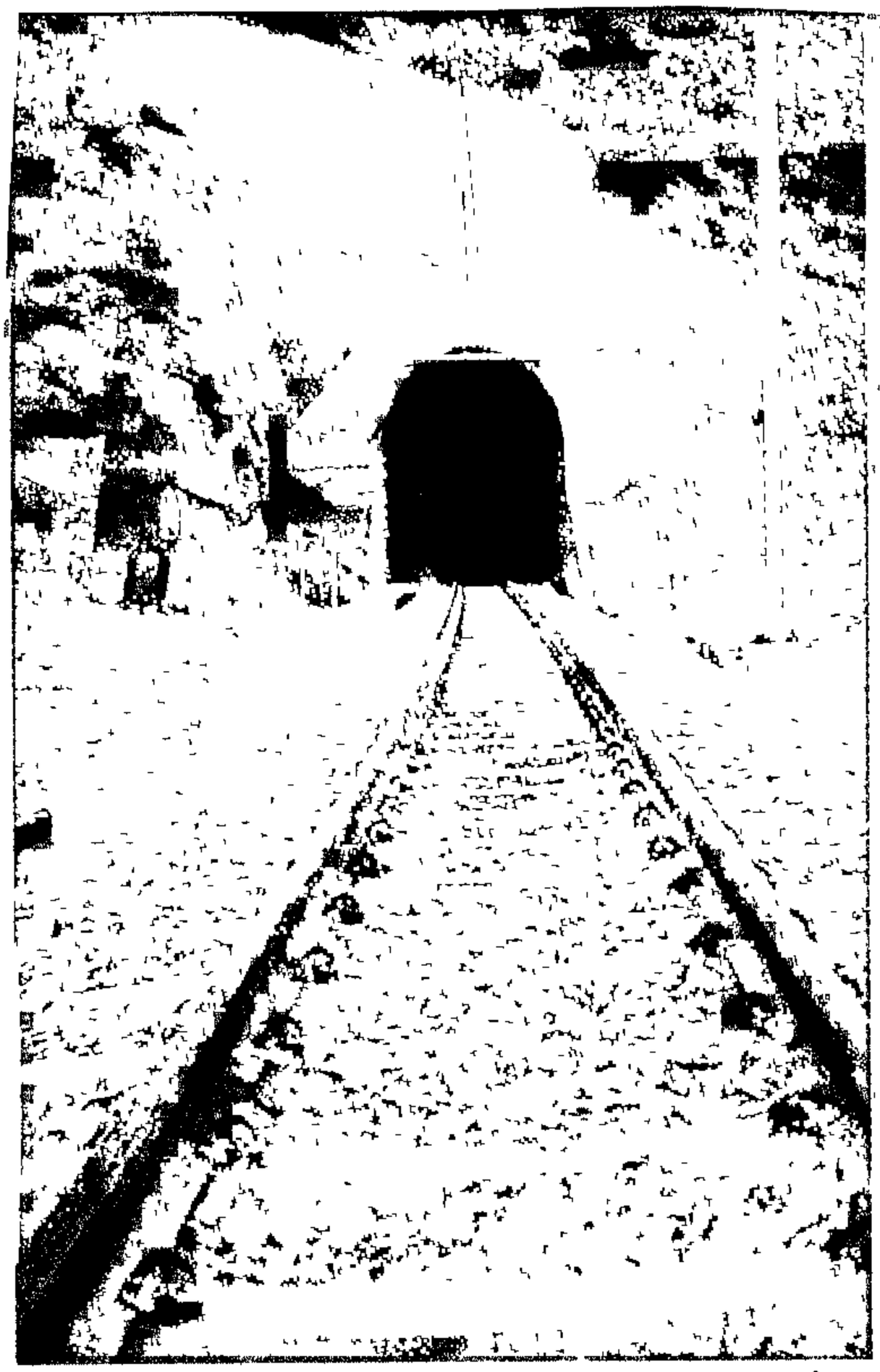
The spotlight's beam illuminated a scant three-metre area where the work was being done and the workmen cast long shadows as they toiled for the next five hours

Hammering and heavy breathing echoed inside in the tunnel as they worked and sweated. Sparks from a welder's cutting torch tumbled like glowing coals into the darkness until a blaring horn heralded the return of the loco-

(209)

Argus

30/3/82



APPROACH: The rail line runs through the heart of the Hex River mountains.

motive which waited, rumbling gently until the work was finished.

The return journey was just as ghostly and the bright sunlight momentarily blinded everyone as we emerged from the tunnel

The tunnels through tortuous curves and steep mountain gradients will reduce the trip to Johannesburg by 23 minutes and by 36 minutes to Cape Town.

Earthworks

Tunnel projects include the building of 30km of rail, three crossing stations and a road over rail bridge, all involving substantial earthworks. About 16,8km of the route is underground

Proposals to revamp the railway route, established in 1876, with a tunnel were first envisaged in 1945. The scheme was initially sanctioned at a cost of R2,8-million in 1946.

Construction began in 1948 but had to be shelved in 1950 for financial reasons even though it was recognised as a desirable railway project both from an engineering and also an economic point of view.

Plans to revive the project were again mooted in 1965, but were again shelved

The project was resuscitated between 1974 and 1976 when a line deviation between De Doorns and Orchard led to the completion of tunnel numberjone.

Work on the other tunnels in the project began about eight years ago



TUNNEL MOUTH: A maintenance work team on board a goods truck approach the gaping mouth of the recently completed 13,5km tunnel number four in the Hex River project.

Revved-up economy boosted road carriers

MARC HASENFUSS

ROAD transporters' strong recovery last year was due to increased economic activity, the Public Carriers' Association (PCA) said yesterday.

Transporters carried 73% more tonnage in 1988 than in the previous year, according to Central Statistical Services figures.

PCA technical manager Hugh Sutherland said by mid-1987 the employment situation in SA had stabilised, creating consumer confidence.

Consumer spending generated an increased demand for road transport services as most of it was related to valueable commodities which needed rapid transportation.

Major threats

RAU transport economics professor Wynand Pretorius said the transport network in SA showed a trend towards road transport in recent years due to its speed of deliveries and quality of service.

Sutherland saw two major threats to motor carriers, the most serious being road congestion. The other was inflation in the truck industry which made it difficult to service investments and would result in disinvestment in the public transport industry.

Government budgets this year indicated no intention of increasing road infrastructure.

Star 24/8/69 (269)

Blacks allowed on 'white' buses

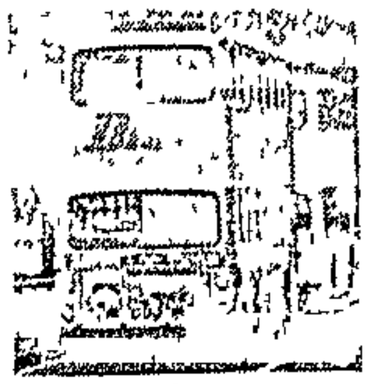
By Winnie Graham

Black passengers who use of "white" buses in Johannesburg are there entirely at the whim of bus drivers, says a PFP city councillor, Mr Clive Gilbert

He was commenting on an incident last week when black passengers were stopped from boarding a Hillbrow bus.

Mr Gilbert said black passengers travelling to Hillbrow did not usually have problems in making use of the buses.

Problems arose because there was no conformity. Drivers could refuse to allow blacks to travel on "white" buses.



No conformity in use of buses

"Officials have the same sort of power when it comes to handling the licences of black people trading in white areas other than the central business district which is, of course, open to all races," said Mr Gilbert. 'We talk about Boksburg, but Johannesburg is not much better.

"Within a few years 30 to 50 percent of the population in some areas will be of mixed races," he added "It would be most illogical to stop them from using buses simply because they are not white.

"And, of course, the time is fast approaching when we will be forced to open our recreation centres, schools and other facilities to all residents regardless of race"

SAA engines feature in US apartheid case

NEW YORK — An aviation products company has been charged with violating a United States anti-apartheid law by importing four jet engines worth $1,5 million (about R3,8 million) that had been owned by SAA.

The case is the first prosecution under the Comprehensive Anti-Apartheid Act of 1986.

The company, Air Ground Equipment Sales Inc of West Babylon, New York, allegedly shipped the four used engines from South Africa to Israel in July 1987, and from Israel to the United States the next month.

The engines, which are used in Boeing 747 jumbo jets, were then taken to the company's headquarters in a New York City suburb.

The charges state that the company first shipped the engines to Israel to get around the anti-apartheid law.

It is alleged false documents were used to make it appear that the engines were being shipped to an Israeli company, rather than Air Ground, which buys, sells and leases aircraft equipment. — AP.

SAA launches service to Zaire

Own Correspondent

EAST LONDON. — South African Airways has launched a regular flight service to Lubumbashi in Zaire.

The inaugural flight, by way of Lusaka, departed for Jan Smuts Airport yesterday with little fanfare.

SAA declined to comment on the new service when approached yesterday, but sources in the travel industry said the flight was fully booked as far as Lusaka, and there appeared to be a big demand for subsequent flights.

They said one Wednesday flight a week had been scheduled for the new route.

Quietly, so quietly SAA starts flights to Zaire

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9pw 7/4/87

By Dan Side

Without fanfare or official announcement, an historic scheduled air route was launched by SAA from Jan Smuts this week. The regular Wednesday Boeing 737 flight to Lusaka in Zambia will now connect with Lumbimbashi in Zaire.

Your travel agent will sell you a ticket on SAA to Zaire on any Wednesday you prefer, but the airline and the Department of Transport will at the moment only issue terse "no comments" on whether the historically important flight actually exists.

It is believed that, due to the political sensitivity of new landing rights in a black African state, the South African authorities involved are waiting for their Zaire to make the announcement.

SAA has had landing rights in Zambia and Zimbabwe for about three years. Now it appears that the regular Lusaka flight has been extended.

A travel agent said the flight departs Jan Smuts every Wednesday at 9.30 am, arrives in Lusaka at 11.30 am and sets down at Lumbimbashi Airport at 12.30 pm. It takes off for the return journey at 1.15 pm.

269 PMark 7/4/89

away, as well as 10 minutes from the Sandton CBD and no more than 20 minutes from Pretoria's CBD " Its obvious catchment area also includes Midrand itself (which is developing into a hi-tech manufacturing area), the east Rand, Wynberg and Randburg.

GCA is owned by Grand Central Properties, a consortium led by the Downtown Real

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Estate Corp which acquired J H Isaacs on March 1 1983

Friedmann, a Downtown board member, says the airport will be enlarged and should be able to handle large business aircraft towards the end of the year and be able to house 125 by then

A multi-disciplinary team which includes architects, airport consultants and quantity surveyors is evaluating the project. The desirable length and width of the runway, taxi ways, customs facilities and whether an automatic landing facility should be installed will be evaluated Background to this decision is the need to operate the airport profitably

Executive director of the Commercial Aviation Association of Southern Africa Cor Beek welcomes GCA's improved status because of the lack of good facilities on the Witwatersrand.

He doubts whether GCA will have a major effect on traffic volumes at either Lanseria or Rand Central "There's enough for all," says Beek

"Increased flights and ownership of aircraft are reducing excess airport capacity. Aircraft are usually based at airports for specific reasons, such as their performance criteria and the need of their operators to fly by instrument.

"Ease of access by road is important, but may have to be sacrificed.

"Lanseria is a little lower so aircraft perform better there. And for people who want to fly by instrument it's easier to get into the system at peak hour from Lanseria and even from Rand Airport than it is from GCA.

"GCA has the disadvantage of being under the terminal area of Jan Smuts. But future technology may ease this problem," says Beek. ■

Member	*Alternate*	*Representing*
Capt Michael George Chambers	Mr Michael Faraday Fry	Shipping Interests
Mr Christopher John William Rhodes	Mr Denzil James Lester	Shipping Interests
Mr Andries Stephanus van den Berg	Mr Michael John Lincey	Persons paying wharfage, landing shipping or transhipping charges
Mr Johannes Mathys Erasmus	Mr Charles William Heathcote	Agricultural Interests
Alderman Alan Ward Able	Alderman Frederik Hendrik Kotze	The Municipal Council
Mr Raymond Cornelius Bezuidenhout	Mr Antonio Giovanni Tonin	The Chamber of Industries
Mrs Beatrice Maud Bauer	Mr Frank Arthur Stevwright	The Trade Unions
Mr Anton Hornstrom Lovell Masters	Mr Arthur Romeo Invernizzi	The Chamber of Commerce
Mr Gerhard Conrad Albertyn	Mr George Hattingh Malan	The Afrikaanse Sakekamer

Lid	*Plaasvervanger*	*Verteenwoordig*
Kapt Michael George Chambers	Mnr Michael Faraday Fry	Skeepvaartbelange
Mnr Christopher John William Rhodes	Mnr Denzil James Lester	Skeepvaartbelange
Mnr Andries Stephanus van den Berg	Mnr Michael John Lincey	Persone wat kaaigeld ontskepings- verskepings- of oorskepingskoste betaal
Mnr Johannes Mathys Erasmus	Mnr Charles William Heathcote	Landboubelange
Raadsheer Alan Ward Able	Raadsheer Frederik Hendrik Kotze	Die Stadsraad
Mnr. Raymond Cornelius Bezuidenhout	Mnr Antonio Giovanni Tonin	Die Kamer van Nywerhede
Mev Beatrice Maud Bauer	Mnr Frank Arthur Stevwright	Die Vakverenigings
Mnr Anton Hornstrom Lovell Masters	Mnr Arthur Romeo Invernizzi	Die Kamer van Koophandel
Mnr Gerhard Conrad Albertyn	Mnr George Hattingh Malan	Die Afrikaanse Sakekamer

No. 630 **7 April 1989**

Dit het die Minister van Vervoerwese behaag om die volgende persone kragtens artikel 28 van Wet No. 65 van 1981, tot 31 Oktober 1989 as lede en plaasvervangers in die Hawe-adviesraad, Mosselbaai, aan te stel:

No. 630 **7 April 1989**

The Minister of Transport Affairs has been pleased to appoint the following persons in terms of section 28 of Act No. 65 of 1981 as members and alternates on the Harbour Advisory Board, Mossel Bay, until 31 October 1989:

Member	*Alternate*	*Representing*
Mr Valentine Saunders	Mr Ivan Anthony Moore	Shipping Interests
Mr Alwyn Nelles Vintcent	Mr Rutledge Michael Vintcent	Shipping Interests
Mr Ernest Peter Robertson	Mr Paul Zietsman	Agricultural Interests
Alderman Berthold Alheit	Mr Johannes Christiaan Oosthuizen	The Municipal Council
Mr Sydney Royce Berrington Finlayson	Mr Roger Geoffrey Bennett	The Chamber of Industries
Mr John Allan Michler	Mr Robert Fredrick Stokell	The Chamber of Commerce and the Afrikaanse Sakekamer jointly
Mr Roger Geoffrey Bennett	Mr David Courtney Whaites	The Chamber of Commerce
Mr Theuns Francois Visser	Mr André Vercueil	The Afrikaanse Sakekamer
Lid	*Plaasvervanger*	*Verteenwoordig*
Mnr. Valentine Saunders	Mnr Ivan Anthony Moore	Skeepvaartbelange
Mnr. Alwyn Nelles Vintcent	Mnr Rutledge Michael Vintcent	Skeepvaartbelange
Mnr Ernest Peter Robertson	Mnr Paul Zietsman	Landboubelange
Raadsheer Berthold Alheit	Mnr Johannes Christiaan Oosthuizen	Die Stadsraad
Mnr. Sydney Royce Berrington Finlayson	Mnr Roger Geoffrey Bennett	Die Kamer van Nywerhede
Mnr. John Allan Michler	Mnr Robert Fredrick Stokell	Die Kamer van Koophandel en Die Afrikaanse Sakekamer gesamentlik
Mnr Roger Geoffrey Bennett	Mnr David Courtney Whaites	Die Kamer van Koophandel
Mnr Theuns Francois Visser	Mnr André Vercueil	Die Afrikaanse Sakekamer

No. 631 **7 April 1989**

The Minister of Transport Affairs has been pleased to appoint the following persons in terms of section 28 of Act No. 65 of 1981 as members and alternates on the Harbour Advisory Board, Table Bay, until 31 October 1989:

Member	*Alternate*	*Representing*
Capt Arthur William Bluett	Mr Nicholas Patrick Fitzgerald	Shipping Interests
Mr Arthur Stanley Breetzke	Mr James Edwin Dixon	Shipping Interests
Mr Desmond George Williams	Mr Christopher Leng Sturrock	Persons paying wharfage, landing, shipping or transhipping charges
Mr Daniel Johannes Kruger	Mr Anton Johan du Preez	Agricultural Interests
Alderman Sol Kreiner	Councillor Rupert Frederick Hurly JP	The Municipal Council
Col Neil Herman Hare	Mr Collin Edward McCarthy	The Chamber of Industries
Mr Cecil Solomons	Mrs Christene Benade	The Trade Unions
Mr Hans Horst Moearke	Mr Barend Andries Hanekom	The Chamber of Commerce
Mr Jacob Yeb v/d Lecq	Mr Ivan Johan Mouton	The Afrikaanse Sakekamer

No. 631 **7 April 1989**

Dit het die Minister van Vervoerwese behaag om die volgende persone kragtens artikel 28 van Wet No. 65 van 1981, tot 31 Oktober 1989 as lede en plaasvervangers in die Hawe-adviesraad, Tafelbaaihawe, aan te stel:

No. 659 **7 April 1989**

NATIONAL MONUMENTS ACT, No. 28 OF 1969

PROVISIONAL DECLARATION OF A NATIONAL MONUMENT.—THE SO-CALLED ROSEHILL HOUSE, SITUATED AT 19 CLEMATIS GROVE, GLEN ANIL (NEAR AVOCA), DURBAN

In terms of section 5 (1) (c) of the National Monuments Act, 1969 (Act No 28 of 1969), the National Monuments Council hereby provisionally declares the so-called Rosehill House, together with 30 metres of surrounding land, situated at 19 Clematis Grove, Glen Anil (near Avoca), Durban, as described below, to be a national monument.

Description

The so-called Rosehill House, together with 30 metres of surrounding land, situate on a portion of Subdivision 1 of Subdivision A of Lot 18b, No. 1539, situate in the City of Durban, County of Victoria, Province of Natal

Deeds of Transfer 5574/1947, dated 7 July 1947, (par. 1), and 4798/1951, dated 20 June 1951 (par 1).

G S HOFMEYER,
Director. National Monuments Council.

No. 659 **7 April 1989**

WET OP NASIONALE GEDENKWAARDIGHEDE, No. 28 VAN 1969

VOORLOPIGE VERKLARING VAN 'N NASIONALE GEDENKWAARDIGHEID.—DIE SOGENAAMDE ROSEHILL HOUSE, GELEE TE CLEMATIS GROVE 19, GLEN ANIL (NABY AVOCA), DURBAN

Kragtens artikel 5 (1) (c) van die Wet op Nasionale Gedenkwaardighede, 1969 (Wet No 28 van 1969), verklaar die Raad vir Nasionale Gedenkwaardighede hierby die sogenaamde Rosehill House, tesame met 30 meter grond daaromheen, gelee te Clematis Grove 19, Glen Anil (naby Avoca), Durban, soos hieronder beskryf, voorlopig tot nasionale gedenkwaardigheid

Beskrywing

Die sogenaamde Rosehill House, tesame met 30 meter grond daaromheen, gelee op 'n gedeelte van Onderverdeling 1 van Onderverdeling A van Perseel 18b, No. 1539, gelee in die stad Durban, county Victoria, provinsie Natal

Transportaktes 5574/1947, gedateer 7 Julie 1947 (par 1), en 4798/1951, gedateer 20 Junie 1951 (par. 1)

G S HOFMEYER,
Direkteur: Raad vir Nasionale Gedenkwaardighede.

SOUTH AFRICAN TRANSPORT SERVICES

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(HARBOURS SECTION)

No. 626 **7 April 1989**

The Minister of Transport Affairs has been pleased to appoint the following persons in terms of section 28 of Act No. 65 of 1981 as members and alternates on the Harbour Advisory Board, Richards Bay, until 31 October 1989.

Member	*Alternate*	*Representing*
Mr Daniel Johan Dalton	Mr Johannes Gerhard Gunter Cyrus	Shipping Interests
Mr Jasper William Carling Gwynn	Mr Douglas Oliver Page Swain	Shipping Interests
Mr Christopher Jefferson Bryon	Mr Kevin Coetzee	Persons paying wharfage, landing, shipping or transhipping charges
Mr Bastiano Jacobus Seaman	Mr Steven Harold Mac Gregor Shone	Agricultural Interests
Mr Theo Tolmay	Mr Gerhardus Stephanus Engelbrecht	The Municipal Council
Mr Michael Berkley Dunn	Mr Rudolf Jacobus van Huyssteen	The Chamber of Industries
Mr Anton Uys	Mr William Harold Black	The Trade Unions
Mr Richard Milner Taylor	Mr Cyril Charles Edelson	The Chamber of Commerce
Mrs Cornelia Magrietha Susanna Kruger	Mr Johannes Jacobus Klopper	The Afrikaanse Sakekamer

SUID-AFRIKAANSE VERVOERDIENSTE

(AFDELING HAWENS)

No. 626 **7 April 1989**

Dit het die Minister van Vervoerwese behaag om die volgende persone kragtens artikel 28 van Wet No 65 van 1981, tot 31 Oktober 1989 as lede en plaasvervangers in die Haweadviesraad, Richardsbaai, aan te stel

Lid	*Plaasvervanger*	*Verteenwoordiger*
Mnr Daniel Johan Dalton	Mnr Johannes Gerhard Gunter Cyrus	Skeepsvaartbelange
Mnr Jasper William Carling Gwynn	Mnr Douglas Oliver Page Swain	Skeepvaartbelange
Mnr Christopher Jefferson Bryon	Mnr Kevin Coetzee	Persone wat kaaigeld, ontskepings-, verskepings- of oorskepingskoste betaal
Mnr Bastiano Jacobus Seaman	Mnr Steven Harold Mac Gregor Shone	Landboubelange
Mnr Theo Tolmay	Mnr Gerhardus Stephanus Engelbrecht	Die Stadsraad
Mnr Michael Berkley Dunn	Mnr Rudolf Jacobus van Huyssteen	Die Kamer van Nywerhede
Mnr Anton Uys	Mnr William Harold Black	Die Vakverenigings
Mnr Richard Milner Taylor	Mnr Cyril Charles Edelson	Die Kamer van Koophandel
Mev Cornelia Magrietha Susanna Kruger	Mnr Johannes Jacobus Klopper	Die Afrikaanse Sakekamer

Sasol workers shun buses

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Labour Reporter

About 5 000 members of the Chemical Workers Industrial Union (CWIU) employed at Sasol's Secunda plants refused for the sixth day yesterday to board buses which transport them between the plants and Embalenhle township, the union said.

A statement by the CWIU said the workers were refusing to use the buses in protest against a recent fare increase and "the manner in which it was effected"

"Workers are accusing Sasol management of making secret arrangements with the bus company, Eastern Bus Lines, to increase bus fares. In the past, the company has agreed to afford the union representations prior to any fare increase," said the statement

Sasol spokesman Mr Jan Krynauw said annual increases were specified in the contract Sasol had with Eastern Bus Lines and that the union had been informed in February of the increases.

Taxpayers hit by R37bn haul

B/Day 12/4/87 GERALD REILLY

PRETORIA — The Department of Inland Revenue's latest statistical bulletin shows that R37,686bn was collected in the 1988 financial year, and underlines the huge and growing burden being carried by taxpayers

The cost of collecting the sum — six times more than the amount collected in 1978 — was R132,4m, mostly in salaries and allowances for a staff of 6 547. In 1978 the staff complement was 3 526

Income tax collected from individuals in 1978 was R1,9bn By the end of the 1988 financial year this amount had soared to R12,3bn Direct taxation (including mining and "other") in the same period increased from R4,132bn to R21,5bn

Finance Minister Barend du Plessis estimates that direct tax collections this year will be R24,555bn

In 1987 (latest figures available) there were 258 554 taxpayers in the R15 000-R20 000 per annum income bracket paying 12,57% of the total collection, and 89 234 in the R35 000-R40 000 bracket paying 4,34%

At the top of the earnings ladder were 711 with incomes between R200 000 and R250 000 paying 0,03% of the total, and 985 earning more than R250 000 paying 0,05%.

In 1987, Transvaal taxpayers totalled 1 001 648 (48,69%) with taxable incomes amounting to R21,6bn

Sasol employees boycott buses

B/Day 12/4/87. ALAN FINE

EMPLOYEES at Sasol's Secunda plant who live at Embalenhle township have begun a bus boycott following a 15,3% increase in bus tariffs from April 1.

A Chemical Workers' Industrial Union (CWIU) spokesman said yesterday the week-old action was aprotest against the increase and the manner in which it was effected.

Sasol has a contract with operator Eastern Bus Lines. The CWIU accused Sasol management of reaching a "secret" agreement with the firm, whereas it had previously invited union representations before fare increases

The union was to meet taxi drivers to negotiate special taxi fares to the plant.

A Sasol spokesman said the union had been informed of the planned increase on February 22 Eastern had turned down a union request for a one-month delay in implementing the increase because of the January fuel price increase.

He said the union had failed since mid-March, when this decision was conveyed to it, to raise the issue again. Instead it had called for a boycott

The two parties met yesterday for discussions.

REPORTS Business Day Reporter Sapa and Reuter

aids, heart pacemakers, blood and plasma transfusion equipment

cost deve

Taxpayers hit by R37bn haul

B/Day 12/4/89

GERALD REILLY

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Blue Train may get foreign boss

By Therese Anders

South Africa's luxury Blue Train could possibly be taken over by the owner of the famous Orient-Express

South African Transport Services (Sats) yesterday confirmed that senior officials had recently had talks with the man behind the Venice Simplon Orient-Express, Mr James Sherwood.

But no formal offer had been made yet, said Dr Gert Booysen of Sats

Regarded as one of South Africa's most popular tourist attractions (with 92 percent occupancy), the Blue Train is now beyond the means of most locals. From next year the cheapest fare will be R680

Shipping and travel magnate Mr Sherwood made news in South Africa last year when he bought the Mount Nelson hotel in Cape Town for the Orient-Express Hotels group.

Mr Sherword recently bought New Zealand's famous Silver Fern train, which will begin running within two years from Bangkok to Singapore under Orient-Express colours.

During his recent visit to South Africa, Mr Sherwood travelled on the country's first private luxury steam train, Rovos Rail, which begins operating between Pretoria and the Lowveld this month

Rovos Rail's owner, entrepreneur Mr Rohan Vos of Witbank, could not be contacted It is not known if his train will also become part of the Orient-Express empire

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Rovos Rail's owner, entrepreneur Mr Rohan Vos of Witbank, could not be contacted. It is not known if his train will also become part of the Orient-Express empire

Transport industry 'shackled' by state

By AUDREY D'ANGELO
Financial Editor

EXPORTS are being hampered and business costs pushed up through lack of understanding by the Departments of Trade & Industry and Transport Affairs, the President of the SA Association of Freight and Forwarding Agents (SAAFF), P D Henegan, said in Cape Town last night

In an outspoken speech at the association's annual conference banquet Henegan also hit out at SA Transport Services (Sats) and SA Airways (SAA) which, he said, had been awarded far too high a level of protection and had "little experience of operating in a normal business environment"

Henegan said his association was faced with major problems, including "arrogance in Government"

The Department of Trade and Industry, particularly with regard to import control, and the Department of Transport Affairs had "proved to be completely out of touch with the modus operandi of the business community and indifferent to the needless burdens which their own deficiencies have imposed

"These deficiencies have cost the country vast sums in wasted money and many thousands of hours of unproductive labour," he said

Discussing Sats and SAA, Henegan said "Competition is the breath of life in any free market economy There is no doubt that in certain sectors we have had far too little of it"

Sats and SAA were now "taking maximum advantage of their recently acquired liberty to do maximum damage to the road transport industry while the latter still has its hands shackled by legislative restraints

"It is, of course, not the fault of Sats that in the process of deregulation of transportation their Government masters have granted them carte blanche to ignore the controls of the Transport Services Act while the same Government officials have been dragging their feet intolerably in the process of clearing out the legislation and regulations which hamstring the activities of road hauliers and private air carriers"

Henegan said such privileges as compulsory cartage and crane hire charges by Sats, whether or not it had undertaken the transport and unloading, were among thousands of small costs and expenses which tended to "drag economic activity into the mire and blunt the keen edge of entrepreneurship"

He was also concerned by "the evident intention of the Minister of Finance to made road transportation his favourite target for taxation in the coming years"

Rising costs and levies and new road charges would cause inflation to escalate and "impose a brake on the export effort which, in any event, is showing uncomfortable signs of weakening already"

Calling for support from Chambers of Commerce and Industry, Henegan said "If we wish to see a booming economy we must make our voices heard loud and clear

"We must attend the relevant meetings and speak out against the financial shackles which are being placed by Government around the ankles of the private sector"

Sats expects increased rail traffic

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MARC HASENFUSS

SATS' abolition of demurrage charges, announced last week, is expected to increase rail traffic and boost Sats' revenue

The expected loss in revenue of R9m is not significant, a Sats spokesman said yesterday, as demurrage was never regarded as income in the general sense.

The demurrage charges, often put forward as a major objection to the use of rail transport, were being forfeited to promote better customer relations, he added

B/Day 13/4/89

Charges

No detention charges for occasional breakdowns would be raised against clients who seldom delayed Sats trucks in their private sidings or at stations.

The spokesman said the move heralded "a new dispensation whereby the economies of rail transport can be realised without the danger of unexpected charges".

Sporadic breakdowns, labour unrest or extended holiday weekends would no longer result in irredeemable charges, he added.

Hammanskraal workers lose train service

Argus 16/4/89.

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By LULAMA LUTI

THOUSANDS of commuters in the Bophuthatswana area of Hammanskraal can forget about getting their train service back – at least for the time being.

The South African Transport Services (Sats) is adamant it will not re-introduce the service for as long as it is uneconomical.

Sats spokesman Marius Butler said the service, which ran between the Mackenzie railway station and Pretoria, had been withdrawn because passenger demand in the area was relatively low.

"The service there is severely uneconomic. The income from ticket sales is not enough to cover the operation costs. Trains have to be about 80 percent full in order to justify the operation."

Asked by *City Press* if the withdrawal meant the service would never be re-introduced, Butler said: "If we can get enough money to bring it back then we can do it, but at the moment there is no money to do that."

He said the decision to withdraw the service had been taken after deliberations between Sats, the Department of Transport Services and commuter representatives.

It had been decided that a Putco bus service would be introduced and Bophuthatswana Transport Holdings would extend its bus service in order to cater for those who had been using the trains.

Butler ruled out the possibility of Sats subsidising commuters.

Cabin crew go-slow could hit SAA flights

The Argus Correspondent

JOHANNESBURG. — South African Airways cabin crew will stage a work-to-rule on Wednesday, intended to delay flights on domestic routes by at least 45 minutes, an unofficial spokesmen for 200 cabin crew members said today .

He said the "go-slow" was the outcome of a dispute over a 50-percent cut in the so-called daily allowance and those taking part would be acting independently of their official negotiating representatives, the SAA Cabin Crew Association.

"On March 26, without notice, management announced that they were halving the R500 to R600 a month received by a married man for meals, travel, recreation and cleaning of uniforms on domestic routes," said the spokesman.

SAA public relations officer Mr Francois Louw said today "We are aware of dissatisfaction and will investigate the matter thoroughly."

Married cabin crew members, explained the unofficial spokesman, took home between R700 and R800 a month after tax and deductions for housing.

The allowance was essential for "making ends meet".

LEAN TIMES

He said salaries had not been adjusted on the basis of job classification since 1982 and, although cabin crew members had received annual increments intended to compensate for cost-of-living increases, they were falling on lean times

"We need a major salary increase and are not prepared to accept crumbs anymore," said the spokesman.

"Our protest over the cut in the allowance is the start of a campaign for a living income.

"The work-to-rule will start with Flight 501 to Durban on Wednesday morning

"We are purposely picking business-oriented flights as we believe this will have the most impact," he said.

He said a furthern four people had become "fed up with an impossible situation" and resigned last week

Pinetown, he will know by a reply to an enquiry last year in respect of another school where the same thing happened The Director of Education spoke to the particular school principal and the principal offered an apology It is against the rules and regulations — every school principal has a copy of these — to use official postal material in that manner There are regulations I have the regulations with me, and if the hon member is interested in them, he may collect them from my office If it appears that that school principal acted in conflict with the regulations, we shall take action against him in a reasonable manner

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For written reply

General Affairs

KTC squatter camp: private companies involved in upgrading

150 Mr J J WALSH asked the Minister of Constitutional Development and Planning

(1) (a) What private companies were involved in the upgrading of the KTC squatter camp in Cape Town and (b) for what construction work in each case,

(2) whether tenders were invited for such construction work, if not, why not, if so, (a) what companies submitted tenders and (b) (i) which tenders were accepted and (ii) why,

(3) which authority is responsible for the (a) hiring of companies and (b) payment of such companies,

(4) whether his Department approves companies to be hired for upgrading before they may be hired, if so, why?

B349E

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This matter vests in the Administrator of the Cape Province and he has furnished the following information

(1) (a) None

(b) Falls away

(2) No — still busy with planning
(a) and (b) Fall away

HOUSE OF ASSEMBLY

(3) (a) and (b) Ikapa Town Council

(4) No The Black local authority consider the tenders and decides on the allocation of contracts in terms of the applicable financial regulations

Louis Botha Airport: renovations

187 Mr R M BURROWS asked the Minister of Transport Affairs

(1) Whether, with reference to his reply to Question No 14 on 17 May 1988, the renovations to the international terminal at Louis Botha Airport are still in progress; if so, (a) when is this work due to be completed and (b) what is the total cost involved,

(2) whether any delay has been experienced in regard to the completion of this work, if so (a) what was the original date for completion and (b) (i) what is the cause of this delay and (ii) what effect does it have on passengers using these facilities,

(3) whether his Department is taking steps to have the contractors complete this work as soon as possible, if so, what steps?

B434E

The MINISTER OF TRANSPORT AFFAIRS

(1) Yes

(a) May 1989

(b) R4,5 million

(2) Yes

(a) May 1988

(b) (i) The delay was caused due to additions and changes to the original design

(ii) Passengers are inconvenienced for a longer period of time

(3) Yes, constant pressure is being exercised by the architect on the contractor to expedite the building work

George: new Black residential areas

201 Mr S P VAN VUUREN asked the Minister of Constitutional Development and Planning †

(1) Whether any new Black residential areas have been established in the George district in the past five years; if so, what residential areas,

(2) whether (a) Ministers of the governments of the four independent Black states and (b) Black persons who do not live or work in the Republic may obtain accommodation in these residential areas, if so, (i) why and (ii) in which residential areas, if not, why not?

B482E

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This matter vests in the Administrator of the Cape Province and he has furnished the following information

(1) Yes — a Black township, then named Tyolorha, was proclaimed during 1986 with a total area of 227 hectares During 1988 the name of the township was changed to Thembalethu while 246 hectares of land was added to the existing development area on 15 July 1988, the total area of the township now being 473 hectares Now after development, areas have been declared in the George district during the past 5 years

(2) (a) and (b) Yes

(i) In terms of Sections 1 and 41 of the Black Communities Development Act, 1984 (Act 4 of 1984)

(ii) In all Black townships

Bus operators: subsidies

212 Mr M J ELLIS asked the Minister of Transport Affairs

(1) (a) Who is responsible for determining the subsidies to be paid to bus operators and (b) what criteria are applied in determining these subsidies,

(2) whether all towns currently receive subsidized bus transport for Black workers, if not, (a) why not and (b) in which towns is there no subsidized bus transport?

B496E

The MINISTER OF TRANSPORT AFFAIRS

(1) (a) The National Transport Commission (NTC) The function of the NTC in the relevant regard is to consider applications submitted by the Department of Transport and on the strength thereof to make recommendations to the Minister of Transport Affairs.

(b) The following criteria are taken into account when the subsidisation of commuters is considered —

whether the need exists for workers to be transported from their place of residence to their place of employment,

the unemployment situation prevailing in the area where employment opportunities exist,

whether the place where workers are to be transported from is a resettlement area, township or squatter camp,

whether rail facilities exist for commuting purposes and, if not what the possibilities are for the provision of such facilities in the near future,

the financial position of the bus company which intends providing the service; and

whether the bus company is capable of providing and maintaining a reliable and efficient servicing and repair facilities and infrastructure

After determining what portion of the economic fare the commuter can afford to pay from his wages, the subsidy, being the difference between the economic fare and the portion thereof which is affordable by the commuter, is calculated

(2) No

(a) Please refer to my reply at (1) (b) above.

(b) All towns in respect of which subsidies are paid are listed in the Annual Reports of the Department of Transport and of the National Transport Commission which was tabled in Parliament No subsidies are paid in respect of those towns which do not appear on the list

Bus subsidies: amounts paid

213 Mr M J ELLIS asked the Minister of Transport Affairs

HOUSE OF ASSEMBLY

(1) What total amount was paid by the State in bus subsidies in 1988,

(2) whether all bus companies receive equal subsidies per kilometre travelled, if not, (a) why not and (b) what are the differences in respect of the subsidies given,

(3) whether all bus companies are eligible for State subsidies, if not, why not?

B497E

The MINISTER OF TRANSPORT AFFAIRS

(1) R415 557 164,63 R391-149 800,00 was paid from moneys voted by Parliament and R24 407 364,63 from transport levies paid by employers

(2) No

(a) and (b) The bus fares of passengers are subsidised and not bus companies The subsidies on bus fares of the passengers vary from area to area on account of circumstances with regard to road conditions, topography, weather, etc Since transport costs differ from bus company to bus company, subsidies paid to passengers also differ Furthermore the average wages paid to workers in different areas differ This aspect is also taken into consideration when determining subsidies

(3) Please refer to my reply to question 212 at (1) (b)

Name	*Address*	*Amount*
Boland Passenger Transport Ltd	PO Box 2392, Cape Town	R 1 514 160,31
City Tramways Ltd	PO Box 2393, Cape Town	R 35 697 523,30
PE Tramways Ltd	PO Box 225, Port Elizabeth	R 11 994 578,78
Lenasia Bus Service	PO Box 71, Randfontein	R 374 906,65
Southern Cape Passenger Transport	PO Box 225, Port Elizabeth	R 237 580,80
Northern Cape Bus Service	PO Box 593, Kimberley	R 976 386,59
Putco Ltd	Private Bag 3, Sandton	R130 704 783,40
Town Council Benoni	Private Bag 914, Benoni	R 147 401,40
Qwa Qwa Bus Service Bethlehem	PO Box 141, Witsieshoek	R 2 896 103,72
Jakaranda Bus Service (Pty) Ltd	PO Box 1343, Bloemfontein	R 11 716 495,82
Town Council Boksburg	PO Box 215, Boksburg	R 22 199,30
Town Council Brakpan	PO Box 15, Brakpan	R 563 906,50
Thari Transport, Brits	PO Box 16719, Pretoria North	R 11 484 147,53
Greyhound Bus Service, Dendron	PO Box1839, Pietersburg	R 6 064 949,88
Laeveld Bus Service (Pty) Ltd	PO Box 413, Ellisras	R 731 683,29
Braatvedt Bros	PO Box 18, Eshowe	R 242 726,71
Empangeni Transport (Pty) Ltd	PO Box 7050, Empangeni	R 17 061 290,20
Highveld United Transport (Pty) Ltd	PO Box 79, Witbank	R 4 085 693,97
Mapulaneng Transport	PO Box 1839, Pietersburg	R 678 592,21
Lebowa Transport	PO Box 1839, Pietersburg	R 38 141,04
Borwa Operating Centre	PO Box 1839, Pietersburg	R 993 837,45
Mpumalanga Transport	PO Box 427, Pietermaritzburg	R 3 447 456,57
Atamelang Transport Delareyville	PO Box 16719, Pretoria North	R 1 949 728,92
Makodi s Transport, Hartswater/Jan Kempdorp	PO Box 16719, Pretoria North	R 615 733,64
Impendhle Services (Pty) Ltd	PO Box 26, Howick	R 603 332,02

Bus companies: State subsidies

214 Mr M J ELLIS asked the Minister of Transport Affairs

(a) What is the (i) name and (ii) address of each bus company in the Republic currently receiving a State subsidy and (b) what amount was paid to each (i) per kilometre and (ii) in total in 1988?

B498E

The MINISTER OF TRANSPORT AFFAIRS

(a) (i) and (ii) and (b) (ii)

Name	*Address*	*Amount*
Gazankulu Transport	Private Bag 4048, Tzaneen	R 628 415,58
Matsebula's Bus Service	PO Box 1319, Nelspruit	R 16 411 865,59
Bisho Transport, King William's Town	PO Box 213, Pretoria	R 2 849 600,68
Knysna Bus Service (Pty) Ltd	PO Box 438, Knysna	R 29 629,14
Western Greyhound Bus Service (Pty) Ltd	PO Box 632, Carletonville	R 3 072 239,76
Kudumane Bus Service, Kuruman	PO Box 16719, Pretoria North	R 626 978,72
Ezakheni Bus Service, Ladysmith	PO Box 427, Pietermaritzburg	R 4 400 108,78
Bophirima Tswana Transport, Lichtenburg	PO Box 16719, Pretoria North	R 3 292 003,97
G Phadziri Bus Service	PO Box 301, Louis Trichardt	R 1 051 537,80
Mabirimisa Bus Service	PO Box 301, Louis Trichardt	R 444 274,60
Osizweni Transport	PO Box 427, Pietermaritzburg	R 9 272 683,02
Town Council, Nigel	PO Box 23, Nigel	R 487 723,85
Gompo Transport, East London	PO Box 213, Pretoria	R 11 575 288,63
Midland United Transport (Pty) Ltd	PO Box 1666, Vryheid	R 754 187,18
Namakgale Bus Service, Phalaborwa	PO Box 1839, Pietersburg	R 641 549,14
Sizanani Mazulu Transport	PO Box 427, Pietermaritzburg	R 7 195 794,18
City Council, Pietermaritzburg	PO Box 261, Pietermaritzburg	R 5 108 363,81
Bahwaduba Bus Service	PO Box 1505, Pietersburg	R 2 012 379,30
Durban Transport Management Board	PO Box 1746, Durban	R 25 239 235,07
Ilanga Transport	PO Box 427, Pietermaritzburg	R 3 936 433,16
Interstate Bus Lines (Pty) Ltd	PO Box 1678, Pinetown	R 2 704 516,71
South Coast Bus Service (Pty) Ltd	PO Box 23052, Isipingo	R 155 327,70
Trans Umzimkulu Transport	PO Box 427, Pietermaritzburg	R 4 182 433,85
Mokopane Bus Service, Potgietersrus	PO Box 1839, Pietersburg	R 442 136,79
Batswana Gare Transport, Pretoria	PO Box 16719, Pretoria North	R 15 704 789,42
Ipeleng Transport, Pretoria	PO Box 16719, Pretoria North	R 13 325 248,80
Bothlaba Tswana Transport, Pretoria	PO Box 16719, Pretoria North	R 10 397 764,91
Pitso Transport, Pretoria	PO Box 16719, Pretoria North	R 11 719 467,31
Rustenburg Bus Service (Pty) Ltd	PO Box 222, Rustenburg	R 5 808 501,38
Maphumulo Mail Bus Service	PO Box 105, Stanger	R 400 402,30
Lenyenye Bus Service, Tzaneen	PO Box 1839, Pietersburg	R 1 234 630,98
Risaba Bus Service, Tzaneen	PO Box 96, Letsitele	R 498 451,90
Vaal Transport Corporation (Pty) Ltd	PO Box 76, Vereeniging	R 1 826 644,05
Ndlela Transport, Vryheid	PO Box 427, Pietermaritzburg	R 2 081 060,77
Lehurutshe Bus Service, Zeerust	PO Box 16719, Pretoria North	R 725 461,01

(b) (i) The economic fare is determined according to the operating needs of a company and expressed in cents per passenger per kilometre whilst subsidies are negotiated within those parameters having regard for the criteria mentioned in the reply to 212 (1) (b)

Receiver of Revenue: tenders received for accommodation

220 Mr R J LORIMER asked the Minister of Public Works and Land Affairs.

(1) Whether a contract has been entered into with a certain company, the name of

which has been furnished to the Minster's Department for the purpose of his reply, in respect of accommodation for the Receiver of Revenue in George, if so, what is the (a) nature of the contract and (b) name of the company concerned,

(2) whether tenders for the supply of office accommodation were called for, if not, why not, if so,

Sats puts 7 African states back on track

MARC HASENFUSS

SATS last year handled more than 4,3-million tons of goods — imports and exports — for neighbouring countries which could not be moved by their own transport routes.

Rail group GM Barry Lessing said in an interview this week Sats had business agreements and air pool arrangements with several regional transport organisations.

He added these were in seven of the nine countries in the Southern African Development Co-ordinating Council which was established inter alia to reduce their dependence on SA transport.

There are about 11 700 units of Sats rolling stock, worth about R80m, on the lines of other railways

Lessing said Sats also leased 63 locomotives, aircraft equipment and spare parts worth R100m to trading partners in southern Africa

It was also undertaking feasibility studies for the upgrading of both Ressano Garcia-Maputo railway line and Malawi-Nacala line to Nampula.

Networks

Lessing said the well-being of neighbouring countries depended on their ability to export basic mineral products and import virtually all manufactured goods.

Lessing rejected recent media reports that Sats opposed SADCC initiatives for the upgrading of various transport networks and harbour facilities in southern Africa with the help of foreign aid.

"Sats welcomes all initiatives aimed at improving the quality of transport in the sub-continent, and we would like to join the ranks of the SADCC."

Lessing believed the privatisation of Sats would have a positive influence on SA's trading partners.

"Although we will in future be part of the private sector, where the profit motive is predominant, we remain prepared to help develop the transport infrastructure of our neighbours"

Minister orders transport study for central Reef

MARC HASENFUSS

TRANSPORT Affairs Minister Eli Louw has instructed the Department of Transport (DoT) to undertake a broad-based study into the public transport needs of the Central Witwatersrand Regional Services Council area.

The Masstran Consortium said yesterday the study would be funded by the SA Roads Board and undertaken in co-operation with the city of Johannesburg and the Central Witwatersrand RSC.

The investigation would consider an integrated public transport system which might comprise different modes of transport, including road and rail.

Masstran said the study, that would take two years to complete, would consider all aspects of land use and transportation planning, concentrating specifically on financial, economic, enviromental and social impact.

Sceptical

The steering committee, appointed to guide the study, would seek active involvement from commerce and industry, property owners and the general public.

RAU transport economics lecturer Vaughn Mostert was sceptical, saying that transportation planners failed to address the question of user-friendliness of different modes of transport.

"They have also ignored vital issues such as co-ordination of operators, new route patterns, integration of modes, of ticketing and of timetables".

He said consultants and planners did nothing to stop the destruction of the popular trolley bus system in Johannesburg, using manipulated figures to justify the decision. Public objections since 1966 were completely ignored.

Star Times 26/4/89

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Free travel passes cost SATS R203m

Political Staff

FREE train and air passes, as well as air concessions, cost the South African Transport Services R203,6 million during the 1987/8 financial year

This was disclosed in a report on SATS's accounts by the auditor-general, Dr Joop de Loor The report was tabled in Parliament yesterday.

"The estimated value of free travel facilities by train, free and concessionary travel facilities by air, as well as privilege train tickets made available by SATS during the year amounted to R203,559 million," Dr De Loor said

Pretoria ignores Johannesburg lead on all-race buses

ARGUS 27/4/89

The Argus Correspondent

PRETORIA — Johannesburg is on the brink of desegregating its municipal buses, but in Pretoria it's still a long drive away

Although the Pretoria Regional Services Council (RSC) has been considering a total transport strategy for the region,, management committee chairman Mr James Leach has confirmed that the city council has never investigated the possibility of opening the municipal bus service to all races

His Johannesburg counterpart, Mr Jan Burger, hinted at a council meeting this week that either certain Johannesburg routes or the entire service could be opened, and that privatisation was also a possibility.

"We are looking at all bus routes in the interests of everyone," Mr Burger said This follows a trial project with desegregated buses on three of Johannesburg's northern suburbs routes.

Options

It is believed various options were proposed by the Transportation Department and that these were one of the issues discussed by members of the management committee and certain Ministers in Cape Town last week

Aspects being considered in the Pretoria RSC investigation include the responsibility the RSC will have regarding the financing of passenger transport services, administration of such services, and the present situation of white and black commuter bus and train services

The RSC brief includes an investigation on the role of Pretoria's municipal bus service.

One of the factors motivating the Johannesburg proposals is the R128-million loss incurred by the bus service in the past eight years Pretoria's whites-only bus service will run at an expected loss of R15,3-million this year

In Pretoria as in Johannesburg calls were repeatedly made — both by the former Progressive Federal Party as well as transport experts — to desegregate and privatise bus services in order to make them profitable

Jo'burg buses to be mixed

JOHANNESBURG — Johannesburg's all-white bus service is to be desegregated, but no timetable for the landmark move has been set by the City Council

The decision by the Nationalist-controlled council will bring to an end a lengthy controversy that has simmered in the city for many years, highlighted by numerous bitter incidents in which black passengers boarding the buses have been ejected or involved in embarrassing altercations with bus drivers.

The decision was announced to a City Council meeting last night by the new management committee chairman, Mr Jan Burger, who said: "Soon the wheels will turn for everyone in the city"

His announcement has been greeted with rage by the Conservative Party and with some scepticism by the Democratic Party, which has long campaigned for opening buses to all races

Mr Burger told reporters after last night's meeting "We are looking at all bus routes in the city in the interests of everyone"

Mrs Claire Quail, Democratic Party councillor for Norwood, who has long campaigned for desegration, said yesterday that she would have been happier had Mr Burger set a deadline for desegregation.

"The Nats have been promising to open the bus services for the past two years Apart from the three experimental routes in the northern suburbs, they keep saying they are working towards it — but they just don't move," she said.

Mrs Quail was convinced there were fewer incidents of racial tension on the experimental routes than on the ones on which apartheid was still in force.

Conservative Party spokesman Mr Fred Rundle said that any move to desegregate would turn the service "black".

He said the people agitating for mixing were mainly from the northern suburbs. These residents used their cars to go to and from work and rarely used public transport.

Mr Burger said at the council meeting that permits had to be submitted for each route to be opened, and this was a time-consuming process. Because of pressure of paperwork, it was not possible "to give a time limit or indicate which routes would be desegregated soon" — Sapa

Major Post Office boost for ailing Beltel

BD Day 27/4/89 269

IN A BID to rescue the ailing Beltel system and to promote SA's videotex industry in general, the Post Office has come up with a comprehensive range of solutions and new services.

Probably the most significant is the plan to offer Beltel terminals at rentals of less than R30 a month — and this will include Beltel membership, which now stands at R5 a month

Speaking at a South African Videotex Association (SAVA) function in Johannesburg today, the Post Office's Alan Knott-Craig explained that the terminals could be available in the last quarter of this year.

With the cheapest Beltel terminals on the market costing R2 000 or more, this move is expected to attract a number of new users

It's widely estimated that SA has spent between R30m and R40m on Beltel, but the bottom line is that traffic levels are too low

Beltel entered its commercial phase in June 1986 and now has 9 000 users, although only half of these are active

"If we could get these users alone to access the system as much as that in Germany is accessed, for instance, the system would be much more viable

Enhancements

"The capacity is available for current users to use the system five times more than they do now," Knott-Craig points out

The new drive for users will be assisted by a more stable service by October this year through substantial software enhancements, a revised hardware topology with more stability and a redesigned access communication network

Local expertise on the system will also be enhanced because local staff are helping to write the new software overseas The network is being centralised and a more clever access system will include a high speed local area network (LAN) at minimal cost

Another new development will allow users to access service providers' computers directly, although still under the auspices of Beltel Here, intelligent concentrators developed by Siltek company Tran Systems will be used

"We are also looking at supporting alternative additional videotex gateway standards, and will make our decision by July," says Knott-Craig

"Currently, Beltel's gateway comprises the Post Office's own standards, but we are looking at other standards, such as Prestel which is used in the UK This will allow service providers to buy software off-the-shelf at much reduced prices compared with developing systems around the Beltel standards"

Another service aimed to attract more users is the implementation of an electronic telephone directory which will be accessed via Beltel This should be available commercially by October, with numbers being added or changed on a regular basis

Knott-Craig says another drawcard should be the Post Office's decision that it will help information providers (IPs) to get payment from users of their information

"Up to now, IPs had to get money from people using information directly, but we have changed the billing structure so we will relate end users to the frames from IPs accessed The end user will be billed by the Post Office, and we will pay the IPs," Knott-Craig says

With the concern regarding new telephone metering and tariffs, it's understood that the Post Office is looking at ways of providing toll-free access to Beltel users and recovering costs some other way, such as through additional tariffs for successful log-on's

Videotex consulting company Elmdene MD Mike Mortimor explains that the number of information providers on Beltel has been static at about 150 for some time

"A high point was reached in September 1987, when there were 172, but a number of companies have come and gone from the service because of the lack of users," says Mortimor

"Eskom, for instance, stopped its service about a month ago, as have many smaller companies However, newcomers include the UBS and a new home shopping service which was recently launched

Attracts users

"Another innovative service is the IR Network, which has about 5 000 frames on the system giving users infomation on industrial relations matters, including wage negotiations as they are under way and information on judgments, among others.

"This type of service definitely attracts users of the system in general — there's no doubt that the potential for many more applications is there, but companies must concentrate on selling their service or product rather than on Beltel as a system," Mortimor adds

"The introduction of an electronic phone directory could be a major boost for the service, because most companies will want terminals to gain access," he predicts

High-fliers on R800m gravy train

CHRIS CAIRNCROSS

CAPE TOWN — High-fliers in Sats look like being brought down to earth.

The Auditor-General wants to know why their cut-price or free air trip perks are not declared on tax forms.

Amounts could run into hundreds of millions of rands over the four years since the perks tax was introduced.

Employees enjoying free or subsidised air travel should own up to the perk because they are also subject to fringe benefit tax.

Few, if any, do.

The issue is highlighted by the Auditor-General's report on Sats' financial accounts for 1987/8. It was tabled in Parliament this week.

The Auditor-General's investigations uncovered deficiencies concerning the issue of air travel concessions to employees on which no tax was recovered.

Amounts are not specified but the report is working on a round figure of R800m.

Shortcomings were brought to the notice of Sats' management with a request for confirmation on all the tax due between 1985 and 1988 had been recovered.

No confirmation has yet been received.

● To Page 2

High-fliers on an R800m gravy train

● From Page 1

The only reply was that recovery procedures were still being investigated

No direct mention is made of rail travel concessions in the Auditor-General's report

The reason is that Parliament, in the process of dealing with the perks tax legislation four years ago, put in a clause giving Sats employees exemption from tax on rail concessions

It is understood such patronage by politicians to this large sector of the electorate was strongly but vainly opposed by tax authorities

The taxmen wanted these railway travel benefits treated the same as taxable airline perks

The amount of perks tax due by Sats, employees using this concession over the past four years could be substantial

The Auditor-General records conservative estimates of free travel facilities by train and air, as well as privileged train tickets, cost Sats more than R203,6m during 1987/8 In the four years since fringe benefit tax began the cumulative amount is put at R800m

GPB Times 28/4/89

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SATS workers 'shirk perks tax'

From CHRIS CAIRNCROSS

SATS employees who have been enjoying the substantial benefits of free or subsidised air travel should be acknowledging these perks, as they must also be subject to fringe benefit taxation But few, if any, have apparently been doing so.

The amounts involved could run into millions of rands spread over the four years since the perks tax was first introduced

The issue is highlighted by the Auditor-General's report on SATS's financial accounts for 1987/88, tabled in Parliament this week.

According to the report, the A-G's investigations uncovered deficiencies concerning the issue of air travel concessions to employees on which no tax was recovered from the concession holders in terms of perks tax legislation promulgated in 1985. The amounts involved are not specified

These shortcomings were brought to the notice of SATS's management with a request that confirmation be given that all the tax due between 1985 and 1988 has been recovered and paid over. No confirmation has yet been received, the only reply received by the A-G being that recovery procedures are still being investigated

No direct mention is made of rail travel concessions in the A-G's report The reason is that Parliament, in the process of dealing with the perks tax legislation four years ago, put in a clause giving SATS employees specific exemption from having to pay tax on rail concessions

It is understood that such favoured patronage handed out by the politicians to this element of the electorate was strongly but futilely opposed at the time by the revenue authorities, who held that these benefits should be treated no differently from air travel concessions in terms of fringe benefit taxation

In a paragraph titled "Free Passes", the A-G records that conservative estimates of free travel facilities by train and air, as well as "privileged" train tickets, cost SATS more than R203,6m during 1987/88. In the four years since fringe benefit taxation was introduced, the cumulative amount of travel freebees handed out to SATS employees is therefore probably close to R800m

Tribute to Ball

LOS ANGELES — This city paid tribute to Lucille Ball, 77, yesterday by lowering flags to half-mast, while the comedienne's husband expressed his gratitude for the sentiments expressed in the wake of his wife's death.

"I have never seen such an outpouring of love for anyone", said she [illegible] not just a coup to

News in Brief

4 Reef miners killed

Star Times 28/4/89

CARLETONVILLE. — Four miners were killed and two are missing after a pressure burst at the Blyvooruitzicht gold mine here shortly after midday yesterday. According to a mine statement, 22 miners were injured in the accident which occurred 2 273m underground

Renamo 'butcher mine'

Cape Times 28/4/89, 269

Helicopter crash escape

Own Correspondent

PORT ELIZABETH — The occupants of a privately-owned helicopter escaped death when the machine smashed into the side of a mountain, then plunged into a deep gorge, near George on

Desegregation first step to privatisation, DP

Star 29/4/87

ESMARE VAN DER MERWE, Political Reporter

THE desegregation of Johannesburg's buses would pave the way for a more viable bus service and could well be the first step towards privatising the service, the Democratic Party's spokesman on transport, Councillor Les Dishy, said this week

Mr Dishy, who in his 12 years in the city council has spearheaded efforts to desegregate the city's bus service, said interesting challenges awaited the city administration to provide a cost-effective bus service for all Johannesburg's citizens

"The service should be restructured in such a way that it will attract more commuters by not only having more regular services but standard routes with greater frequency

"More people would like to make use of public transport in the light of escalating petrol prices, increased parking fees and the lack of parking in the inner city.

"The administration must now become adventurous."

In the last financial year, a loss of R21 million was made on the city's segregated bus service, while since 1982 to 1988 the accumulated loss amounted to R120 million

At Tuesday night's council meeting, management committee chairman Mr Jan Burger only indirectly responded to Mr Dishy's challenge to "prove his leadership mettle and say our services will be desegregated forthwith".

Mr Burger said "Soon the wheels will turn for everyone in the city"

Mr Dishy yesterday said while he welcomed Mr Burger's statement on a desegregated bus service, he would have liked Mr Burger to have responded to his challenge in a more positive way and less hesitantly during council debate

"The management committee, with Mr Burger at the head, has come to realise the necessity and advantages of a more streamlined service"

Mr Dishy added that not one racial incident had been reported on the city's three experimental open bus routes, introduced two years ago



Soweto

Soweto train is derailed

269

THOUSANDS of Soweto commuters were yesterday morning left stranded and had to walk to seek alternative transport after a train was derailed between New Canada and Mzimhlophe railway stations.

Pic: ROBERT MAGWAZA

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s yet to receive Pretoria's
arms dealing with terror-
stants.

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afternoon at $
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● Full report

SA airports up for sale

Cape Times 3/5/89

269

Political Staff

THE government has thrown open the domestic airline market.

The Minister of Transport, Mr Eli Louw, yesterday invited companies who want to compete with SAA on existing and other routes to submit applications to the National Transport Commission (NTC) pending the tabling of legislation to derregulate the airways next year.

He also announced that airports and air traffic control services would be converted to public companies with a view to privatising them.

While international air services were governed by agreements with other countries, he said an in-depth study on this aspect should be undertaken on completion of the domestic investigation.

ctions apply to a wide range of re

New deal in offing for SA air travellers

Carl Trejts 4/5/89 269

By SYBRAND MOSTERT

A NEW deal could be in the offing for air commuters on internal flights — and if Acorn has its way, South Africans could have the option of more efficient and cheaper flights as early as next year.

Following this week's statement by the Minister of Transport, Mr Eli Louw, that the government would be going ahead with the deregulation of internal flights, Acorn (Aircrew Operating and Recruiting Network) announced they would probably be buying several new aircraft early next year.

"We are offering a unique and fresh concept which could change the face of air travel in South Africa," said one of Acorn's directors, Captain De Villiers Steyn.

Acorn is the marketing and corporate arm of the South African Airways Pilots' Association, and has more than 600 pilots and maintenance crew as members.

"With deregulation in the offing we are offering a completely new type of service in the aviation field," he said.

"What we are saying to any entrepreneur is that we will lease him the crew and the aircraft, while he must look after the marketing side."

Captain Steyn said he could not go into details at present, as Acorn had expected the minister's deregulation statement only later this year.

Mr Louw told Parliament that state airports and air traffic services could be privatised "in due course".

He said legislation would be tabled next year, and that private air operators could apply to work domestic routes in the meantime.

According to a statement released by Acorn, "negotiations are well under way with various airline-orientated organisations".

"Pending the outcome of a feasibility study at present nearing completion, Acorn will be purchasing a number of new, modern, medium-to-large jet aircraft for operation early in the new year," the statement said.

"We will not be in competition with SAA or any other airline," Captain Steyn said.

"Anyone will be able to make use of our crew or aircraft for a day charter or on an internal route for any period — and it is up to them to market the seats."

He said that Acorn's concept had met with much enthusiasm, because SA did not have the resources to be able to afford the "scramble" that followed a similar deregulation move in the United States.

In concrete terms, the new scheme could mean more flights on long weekends, or, in the long term, special tourist charters.

SAA faces stiff local challenge

By Norman Chandler

South African Airways could be faced with four major competitors on main domestic air routes within three years.

This will be in accordance with an announcement by Transport Minister Mr Eli Louw that domestic operations of SAA would be privatised and routes deregulated. This has already happened in some areas.

The four likely competitors are Acorn, the SAA Pilots' Association Air Crew Offshore Recruiting Network, an enlarged Safair Lines carrier; an amalgamation of a number of smaller domestic airlines, and Comair, which already runs some domestic services on behalf of SAA.

Mr Louw said enablisng legislation for privatisation would be brought next year. In the meantime, private operators could apply to work domestic routes.

Yesterday, Acorn announced that, pending the outco of a feasibility study, it would buy new medium to large jet aircraft for operation early next year.

CHALLENGE

Captain Blake Flemington, Acorn chief executive officer, said Mr Louw's guidelines accorded with Acorn's policy that quality and safety were the only criteria that should determine access to the market.

It is anticipated in the aviation industry at least two other airlines will challenge SAA on lucrative routes by 1990/1991.

One is expected to be an enlarged Safair Lines — a freight-carrier which already has a number of domestic passenger routes — and the other an amalgamation of a number of existing smaller airlines.

SAA already shares five routes with private carriers and for economic reasons is expected to give up some altogether.

Mr Ivan Jackson, general manager of Magnum Airlines, said his company would be "looking very carefully" at what was being planned.

Mr Pieter van Hoven, managing director of Comair, which already flies numerous scheduled flights, said the airline "would avail itself of the opportunity being presented".

SAA and Safair Lines declined to comment.

Three expected to compete with SAA

MG&S 8/5/89 269

The Argus Correspondent

JOHANNESBURG. — South African Airways could be faced with three major competitors on main domestic air routes within three years.

The domestic operations of SAA are to be privatised, according to the Minister of Transport, Mr Eli Louw, and routes deregulated to enable other carriers to enter the market.

He told Parliament this week he was introducing legislation to this effect next year.

Yesterday the SAA Pilots' Association's Air Crew Offshore Recruiting Network (Acorn) announced that pending the outcome of a feasibility study, it would be buying new medium to large jet aircraft for operation early in 1990.

Criteria

Captain Blake Flemmington, Acorn Chief Executive Officer, said the minister's guidelines were in total accord with Acorn's policy that quality and safety were the only criteria that should determine access to the air transport market.

It is expected in the aviation industry that at least two other major airlines would emerge in 1990/1991 to challenge SAA on lucrative routes, such as Johannesburg-Cape Town and Johannesburg-Durban.

One is expected to be an enlarged Safair Lines, currently a freight carrier on national and international routes but with a number of domestic passenger routes, and the other an amalgamation of existing smaller airlines.

SAA will have to apply to the National Transport Commission on an equal footing with the new airlines for rights on all routes. It is thought that there are some which SAA will give up for economic reasons.

It is reported that tentative talks are taking place to establish airlines big enough and modern enough to challenge SAA's current virtual monopoly of key routes.

Approached for comment, two airlines - South African Airways and Safair Lines - declined to make any statement.

Mr Ivan Jackson, general manager of Magnum Airlines, said his company would be looking very carefully at what was being planned.

The mayor who swept the polls is accused of thuggery

Six years ago, Mali Hoza led a group of squatters who won the right to live in Old Crossroads after a brave 24-day fast Today he is mayor of Khayelitsha, praised by the government and feared by his own people who accuse him of a reign of terror. By GAYE DAVIS



Mali Hoza and acting state president Chris Heunis greet enthusiastic crowds shortly after Hoza's inauguration as Khayelitsha's mayor
Picture: ADIL BRADLOW, Afrapix

WHEN Mali Hoza was installed as mayor of Cape Town's biggest black township, Khayelitsha, acting State President Chris Heunis told him the 16 000 votes which swept him into office represented one of the biggest mandates given a political leader in the country's history

But praise from government ministers has done little to disperse the clouds of controversy surrounding the former squatter leader, who governs what is unofficially estimated at close to 250 000 people

The votes which brought Hoza into office five months ago were accompanied by a barrage of allegations of irregularities and a campaign of violent intimidation.

He was alleged to be in control of an informal police force, or home guard, dubbed "Hoza's gangsters" — and a network of sub-chiefs who meted out rough justice in kangaroo courts It was also alleged that he enjoyed the support of the authorities

Hoza denied the charges

Now he faces a new round of allegations, again centred on the home guard and the kangaroo courts The matter will be heard in the Cape Supreme Court on June 1

Born in Umtata, Transkei, in 1939, Hoza left school before completing his first year of formal education, and in 1960, came to Cape Town as a migrant worker.

By the early 1980s he had established himself as leader of a squatter group In March 1982, he led a group of 54 squatters in a 24-day fast in St George's Cathedral in support of demands for the right to live and work in the Cape They got permission to move to land in the Old Crossroads squatter complex

Finding that intensified pass raids were no deterrent against the influx of black "illegals", the government in 1983 announced that Khayelitsha would be built.

In 1985, following bloody power struggles among squatter leaders in Old Crossroads competing for land, Hoza became one of the first to accept a new government "deal" The terms were that squatters who moved "voluntarily" to Site C, a site and service scheme in Khayelitsha, would be granted 18-month residence permits.

Now Hoza is mayor of the entire township, but even this is in dispute Municipal elections in Khayelitsha went ahead last year even though the proclamation of the area as a separate local authority was set aside by the supreme court.

The Administrator of the Cape was granted leave to appeal against the court's decision and the elections went ahead The appeal has yet to be heard

Pending the June 1 supreme court hearing, Hoza has undertaken to inform "all people under his control" not to undertake any unlawful attacks on the two Khayelitsha residents who brought the application, Mgcini Hunderson Mkaza, a 32-year-old restaurant security guard, and his common-law wife, 29-year-old Lucia Cikizwa Manyakanyaka

In November last year, Mkaza returned home from work to find their home ransacked and about R400 in cash missing A neighbour told him she had seen members of Hoza's home guard breaking in He reported the matter to the police, but nothing came of it.

Last month, after he refused to "go to the headman" with a group of men he recognised as home guard members, his home was surrounded and allegedly attacked by about 30 home guard members

People were beaten, a television set, generator and cash were stolen, and sound equipment and household furniture and goods were smashed

Police later arrested four people Mkaza identified as having taken part in the attack, but he wanted the protection of an interdict because he feared a repetition

"We know that they do not fear the police and have often claimed the police to be their allies," Mkaza said in his affidavit

"My past experience suggests that the action, if any, taken by the police will be ineffective (We) believe the police have tolerated and view with favour the system of home guards and the unlawful courts," Mkaza said.

He referred to evidence in a court case related to Witdoek vigilante violence, where police complicity with vigilantes was alleged The evidence focuses on an entry in the information book at the Khayelitsha police station, to be read by all police coming on duty, headed "Co-operation SAP — home guard, Site C"

The entry urges police to treat "very diplomatically" complaints about the home guard, adding "These people are rendering a very great help to the SA Police"

It urges police to "talk to Hoza" or whoever is in control and not simply burst into a créche — allegedly used as an informal courtroom — in the the township

"When the public complains that people are being held, for example, I expect such complaints to be investigated, but with due regard for the protection of our happy co-operation," the entry says

An extract from another entry describes how a "type of guard" had been set up in Site C to act against youths throwing stones and attempting arson

Its members would be distinguished by white armbands and police should be "discerning" when they came upon groups armed with sjamboks or knobkieries on the street, it said

Hoza is not available for interviews, but a number of residents' complaints and allegations were put to him during an interview last year

Responding to the charge that he ran his own court, he said "Even the police (who are often seen there) know about that It's not a court We simply solve problems"

Another squatter leader in Khayelitsha, Sisa Nyandeni, once worked closely with Hoza before he became disillusioned with his style of operating The major disagreement was over the home guard and the way it was run, Nyandeni said in an affidavit supporting Mkaza's application

Hoza started the home guard — armed with lethal weapons — to act as his bodyguard and keep 'law and order" in the area he then controlled Nyandeni said But he soon learnt the home guard "did not act to keep the peace"

He also found out that Hoza was running "a kind of court" People "who had a complaint or a grudge against somebody else, would come to Hoza or his headman They had to pay R1 to lay the charge"

Nyandeni says home guard members would be sent to fetch people against whom complaints had been laid Those unwilling to come would be beaten until they submitted, those who resisted were often locked up for a day in a cell

The "accused" would be asked if he was guilty If he said he was not, he would be beaten until he said he was Nyandeni alleges Then he was usually fined

A court fee was deducted For example, making a girl pregnant carried a fine of five cattle or R1 000, on top of which came the court fee of one head of cattle or R200, paid to the home guard for their services, Nyandeni said

"I know that many people laid charges with the police about these beatings, but as far as I know, nobody was ever brought to court"

Another affidavit, by 18-year-old Nombulelo Fumba, describes how she and five friends were ordered to the Lingelethu Council office at Site C, which she knew as Hoza's office

"I know this office as the place where people get beaten by the *izibondas* (headmen) of Hoza," she said Later, Fumba said, she was forced to strip down to her panties and bend over a bench "In all, I received 21 lashes," she said

She and her friends later identified to police three of the men who allegedly beat them and they subsequently appeared in court. The case was postponed

A headman later came to her house, she said He allegedly told her "As you have taken this case into the white area, it will not be settled there, but it will be settled here in the township"

"Before he left, he said (my) house must be demolished so I can go and stay in the white area," Fumba said She said she now feared for her life

Acorn's plans to lease out crew and aircraft

New deal in the offing for local air commuters

CAPE TOWN — A new deal could be in the offing for air commuters on internal flights — and if Acorn has its way, South Africans could have the option of more efficient and cheaper flights by next year

Following yesterday's statement by Transport Minister Eli Louw that government will deregulate internal flights, Acorn (Aircrew Operating and Recruiting Network) announced they would probably buy several new aircraft early next year

"We are offering a unique and fresh concept which could change the face of air travel in SA," said Acorn director Capt De Villiers Steyn

Acorn is the marketing and corporate arm of SAA Pilots' Association, and has more than 600 pilots and maintenance crew as members

"With deregulation in the offing we offer a completely new type of service in the aviation field," said Capt Steyn

"We will lease any entrepreneur the crew and the aircraft, while he must look after the marketing side."

Steyn said he could not go into detail yet as Acorn had only expected the Minister's deregulation statement later this year

Louw told Parliament that state airports and air traffic services could be privatised "in due course"

Later, Department of Transport chief PRO Leon Els said legislation would be tabled next year, and private air operators could apply to work domestic routes in the meantime

Louw this week invited companies wanting to compete with SAA on existing and other routes to submit applications in this regard.

Own Correspondent

Discussions

He also announced that airports and air traffic control services would be converted to public companies with a view to privatising them

Although the Minister was still having discussions with relevant parties, Els said the new moves would affect airport services not already run by the private sector, including air traffic control, baggage handling, fire services and airport management

"The whole spectrum of airport facilities would be involved in a corporation"

Catering and parking at airports were already privatised.

Els could not say whether this would mean greater expense to the public

Steyn said: "Pending the outcome of a feasibility study, Acorn will be purchasing a number of new, modern, medium-to-large jet aircraft for operation early in the new year

"We will not be in competition with SAA or any other airline

"Anyone will be able to make use of our crew or aircraft for a day charter or on an internal route for any period — and it is up to them to market seats."

He said Acorn's concept had been met with enthusiasm as SA did not have the resources to be able to afford the "scramble" that followed a similar deregulation move in the US.

The new scheme could mean more flights on long weekends, or in the long term, special tourist charters

Els said it was still too early to pinpoint exactly how the changes would affect the man-in-the-street financially but the competition had to benefit the public.

He said the plus factors in the long run were that private companies were more flexible and could obtain funds more easily on the open market.

"Competition with SAA on existing and other routes will keep everyone on their toes," he said

One resident said a car licence could only be obtained after production of a

Labour leaders are concerned that incorporation would restrict their activities

B1 pm 5/5/89

BUDGET VOTE: TRANSPORT

269

PRESENTATION ACCORDING TO STANDARD ITEMS

Items	1989/90	1988/89
	R'000	R'000
Personnel expenditure	52 652	43 718
Administrative expenditure	8 964	7 350
Stores and livestock	4 453	4 179
Equipment	39 471	29 903
Land and buildings	—	—
Professional and special services	40 805	40 930
Transfer payments	1 363 118	1 302 549
Miscellaneous expenditure	5	4
Amount to be voted	1 509 468	1 428 633

Departmental and miscellaneous receipts R66 347 000
1989/90 Officials earning R80 000 and more — 23
1988/89 Officials earning R59 200 and more — 18
Source Estimates of Expenditure

BUDGET VOTE: MINERAL AND ENERGY AFFAIRS

PRESENTATION ACCORDING TO STANDARD ITEMS

Items	1989/90	1988/89
	R'000	R'000
Personnel expenditure	33 506	28 933
Administrative expenditure	5 517	4 287
Stores and livestock	1 813	1 259
Equipment	5 133	4 140
Land and buildings	5	5
Professional and special services	6 837	4 735
Transfer payments	733 974	702 441
Miscellaneous expenditure	31	31
Amount to be voted	786 816	745 831

Departmental and miscellaneous receipts R3 328 000
1989/90 Officials earning R80 000 and more — 28
1988/89 Officials earning R59 200 and more — 10
Source Estimates of Expenditure

B1 Day 5/5/89

Govt looks into electricity costs

B1 Day 5/5/89

CAPE TOWN — An investigation has been launched into the cost of the supply of electricity by Eskom to local authorities and the tariffs paid by consumers.

Announcing the investigation in his vote of the Budget this week, Economic Affairs and Technology Minister Danie Steyn said the price of electricity paid by the consumer was a delicate matter.

He said there was a perception that local authorities made high profits as a result of charging a higher price than they paid for the supply from Eskom.

Discontentment about electricity tariffs was continually raised and it was often alleged whites paid less for their electricity than consumers from the other race groups

"As a result of these complaints, an investigation has been launched by the Electricity Supply Board Tariffs charged by Eskom to local authorities and by local authorities to the consumer will be investigated."

He said government was serious about providing a fair deal for everyone

The investigation would look into any variations in the price between that charged by Eskom and that paid by the consumer, the profit margins which resulted from the resale of electricity and methods whereby the costs of electricity could be alleviated

Steyn said the investigation was under way and although not yet complete, it showed price variations were the result of various factors, of which municipal profits was only one

The Electricity Control Board had been requested to complete its report by the end of May and government would study its findings closely, Steyn said. — Sapa

Happy days for travellers as South African rivals face up

Star 8/5/89. (269)

Exciting air travel ahead

Passengers will get pride of place in the "new order" just around the corner for South African commercial aviation and one of the challenges to monopoly carrier South African Airways will come from their own pilots, reports **NORMAN CHANDLER**

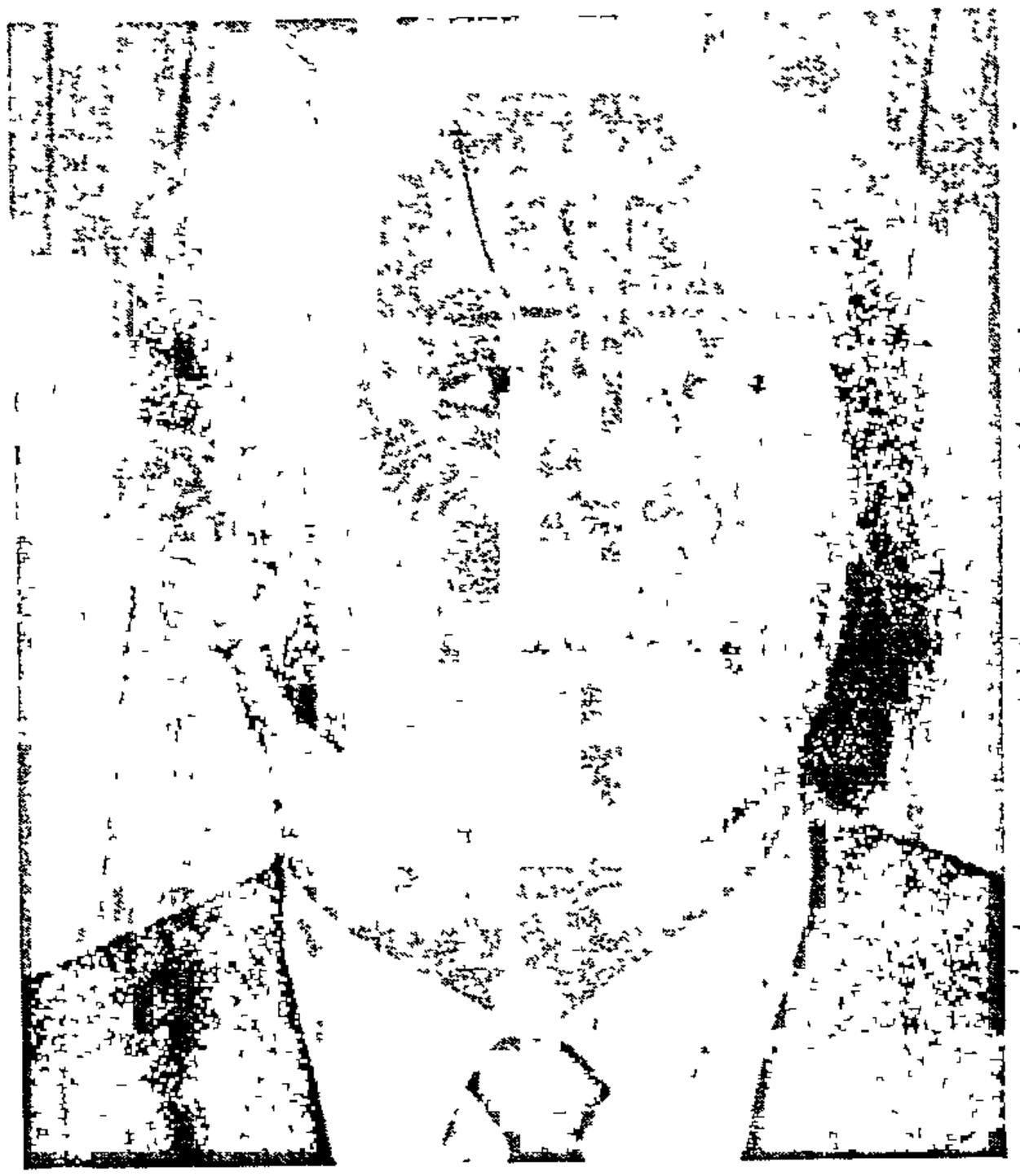
The scoreline reads. Passengers 1, South African Airways and airports 0

That's probably the only interpretation that could be placed on the announcement in Parliament recently that privatisation of SAA was on the way and that deregulation of aviation regulations will allow other airlines to challenge the monopolistic carrier.

It has been a long time coming but, as far as the average passenger is concerned, it is about time that Mr Eli Louw, the Minister of Transport, took the initiative.

It is common cause that the wishes of passengers, and the facilities offered to them at the country's major airports, have for many years been traditionally tardy, even in the jet age.

Out-of-date airports have looked and smelt like railway stations (not surprising, perhaps, since the airports' authority, the Directorate of Civil Aviation, falls under the ambit of the Department of Transport) and the needs of passengers at the airports have been, to all intents and purposes, neglected



Captain Blake Flemington, heading new flying group

Standards

The complaint has been that South Africa is well behind international standards and that if progress is to be made, changes have to be introduced and quickly

Then came a new broom and airports began to take on a new look which has turned some of the facilities into textbook examples of cleanliness and friendliness, bringing a huge improvement in services in general.

The DCA's airport systems and development division has had a major hand in the breathtaking changes

Airports that stand out like beacons are those at Durban, Cape Town, George and Port Elizabeth The P W Botha airport at George was recently named the top airport in South Africa — not surprisingly, because it is a classic example of what can be done to help the public.

Jan Smuts, the international gateway, is still in a process of being revamped (again), but what has been done so far does augur well for the travelling public

Soon it will have telescopic passenger entrances which will overcome the hazards of having to walk across the apron from aircraft to the airport buildings

Other airports such as those at East London, Kimberley and Bloemfontein are still in urgent need of upgrading.

The broom has now turned to the domestic routes and SAA will need to look to its laurels to beat off the challenge being mounted from all sides, including the airline's own pilots and various private airlines.

The pilots, through their association, have not only been dissatisfied with their own lot but also with continuous complaints from the public.

Guidelines

Indicative of their attitude to SAA management has been their decision to set up the Acorn (Air Crew Operating and Recruiting Network) project which is designed to sell their skills to the highest bidder inside or outside South Africa.

Captain Blake Flemington, Acorn chief executive officer, has said Mr Louw's guidelines accorded with Acorn's policy that quality and safety are the only criteria that should determine access to the market.

That has now turned into buying medium to large aircraft for the obvious reason of challenging their own airline.

The irony of it is that while Acorn Air — that's a name coined within the industry but is not official — may be flying into Johannesburg or Durban or Cape Town, so will SAA — piloted by Acorn members on contract to SAA But that should not worry the passenger — the idea is to get to his destination on the airline which provides the best and fastest service.

And service is what is going to count, along with imaginative fares.

The question of fares is a thorny one for SAA — the majority of whose planes are usually full to whichever destination they fly — even in these monopolistic days

The rise in fares, caused by increasing fuel costs and better planes, on domestic routes has been nothing short of astronomical. It was not so long ago that flights to Durban were less than R100 return from Jan Smuts.

The arrival of new carriers on domestic routes may mean a reduction in existing fares unless deregulation, as has been feared in some quarters, also means a price-fixing cartel coming in its place, courtesy of the international pool between South Africa and Europe.

Aviation sources discount a domestic cartel possibility as it will go directly against the spirit of what Mr Louw is trying to achieve and the sources claim, instead, that cut-throat competition on, for instance, the Durban-Johannsburg route could bring about a reduction without detracting from service.

SAA has been trying hard over the past two or three years to improve its service both on aircraft available and to the fare-paying public.

Today, the passenger is king to SAA.

Food and refreshments have improved by leaps and bounds, the old moan of continuous delays has to all intents and purposes been eliminated, the unsmiling faces who appeared to be routine at check-in counters are replaced by smiling, and sunny countenances, and the hazard of being "bumped" (unseated) from planes even though one has booked and confirmed a seat is almost a thing of the past.

The aviation industry has no doubt that the trials and tribulations of SAA and the airports run by the Directorate of Civil Aviation are the reasons why privatisation and deregulation have finally arrived.

The carriers now jostling on the sidelines for the lucrative domestic routes have been watching with interest as SAA and the DCA clean up their act, "probably knowing full well that changes are on the way", wryly comments one source.

It is going to be a tough fight, from all accounts, but the winner will be the passenger, who is, for the first time in South African aviation history, actually going to be on the receiving side of the good things in life, flying-wise.

The MINISTER OF DEFENCE

(1) (a) (b) (c) (d)
(i) Yes, 130 Yes, 30 No Yes, 252
(ii) It is policy not to divulge personnel strengths

(2) Yes

* The early identification of high risk cases during intakes by means of diagnostic questionnaires and interviews by professional members such as doctors, psychologists, social workers and chaplains
* Military Community Development Committees have been established in every unit in order to
  * develop a healthy lifestyle amongst members,
  * initiate preventative programmes for example dissemination of information by means of videos, lectures and literature, and
  * create streamlined channels to make specialist personnel available for members in need.
* The training of all key personnel has also been initiated to enable them to identify early indications of possible suicidal and risk cases.

The Hon Member is also referred to what I have said in this regard in my address during the Defence Budget Vote on 21 April 1989

SAA: flights diverted/delayed

362 Mr P C CRONJÉ asked the Minister of Transport Affairs

How many scheduled South African Airways flights were (a) diverted and (b) delayed as a result of weather conditions at (i) Port Elizabeth (ii) Cape Town, (iii) Durban and (iv) East London in 1988?

B764E

The MINISTER OF TRANSPORT AFFAIRS

(a) (i) 31
(ii) 1
(iii) 3
(iv) 8
(b) (i) 2
(ii) 12
(iii) 1
(iv) 1

Citizen Force/Commandos: voluntary service

364 Mr D J DALLING asked the Minister of Defence

What percentage of the persons who rendered voluntary service in the (a) Citizen Force and (b) Commandos as at 31 December 1988 was (i) White, (ii) Coloured, (iii) Indian and (iv) Black?

B766E

The MINISTER OF DEFENCE:

	(a)	(b)
(i)	96,3%	94,5%
(ii)	3,7%	2,9%
(iii)	0%	1,1%
(iv)	0%	1,5%

Persons applied/accepted into Permanent Force

365. Mr D J DALLING asked the Minister of Defence

How many Black, White, Coloured and Indian persons, respectively, (a) applied to join, and (b) were accepted into, the Permanent Force as members of the South African (i) Army, (ii) Air Force, (iii) Navy and (iv) Medical Services in 1988?

B767E

The MINISTER OF DEFENCE:

		(a)	(b)
(i)	White	3 057	801
	Coloured	465	137
	Indian	5	2
	Black	1 192	1 216
(ii)	White	3 988	1 070
	Coloured	186	28
	Indian	34	1
	Black	61	3
(iii)	White	784	233
	Coloured	884	41
	Indian	105	60
	Black	3	1

(iv)	White	670	259
	Coloured	41	2
	Indian	0	0
	Black	12	11

Note.
The Honourable Member's attention is drawn to the fact that some of the applications that were accepted, (b), had already been submitted in 1987 but were not finalized during that year

SADF: certain company engaged in defence contracts

407. Mr H J COETZEE asked the Minister of Defence

(1) Whether a certain company, the name of which has been furnished to the South African Defence Force for the purpose of the Minister's reply, has been engaged in defence contracts over the past five years, if so, what is the name of this company,

(2) whether he will furnish details of these contracts, if not, why not; if so, what are they?

B733E

The MINISTER OF DEFENCE

(1) No

(2) Falls away

SADF: members deserted

415. Mr D J DALLING asked the Minister of Defence

Whether, notwithstanding his reply to Question No 237 on 1 March 1988, he will furnish information on whether any members of the South African Defence Force deserted in 1988, if not, why not; if so, (a) how many in total and (b) how many were (i) Permanent Force members, (ii) Citizen Force members and (iii) national servicemen?

B836E

The MINISTER OF DEFENCE

No, because the situation is still unchanged (a) and (b) Fall away

Certain taxi association

451 Mr C B SCHOEMAN asked the Minister of Transport Affairs

(1) Whether he is considering permitting members of a certain taxi association, the name of which has been furnished to the Minister's Department for the purpose of his reply, to operate (a) parcel delivery, (b) local bus and (c) tourism services, if so, (i) why in each case and (ii) what is the name of this association,

(2) whether his Department has made provision for measures to deal with disruptive action on the part of operators of such services, if so, what are these measures?

B702E

The MINISTER OF TRANSPORT AFFAIRS

(1) (a), (b) and (c) No. The honourable member's attention is however drawn to the fact that if a request of the relevant nature is received, it will be considered by the Local Road Transportation Board concerned or the National Transport Commission, as the case may be, on merit and in terms of the provisions of the Road Transportation Act, 1977 (Act 74 of 1977).

(i) and (ii) Fall away

(2) No.

Boeing defends its $502m 'legal' jumbo deal with SAA

SEATTLE — The Boeing Company confirmed at the weekend it would sell two 747-400 jumbo jets worth up to $502m to SA in a deal which drew strong criticism from members of Congress here

SA's Transport Minister Eli Louw announced SAA had ordered the jets, and had an option to buy two more

The first two planes would be delivered in November 1990 and May 1991, and the others in 1992.

The deal was sharply criticised by Washington State's congressional delegation and other anti-apartheid activists in Seattle.

Barbara Smith, a spokeswoman for Washington Democrat Senator Brock Adams, said the senator "was violently opposed to the sale" Adams found it "very inappropriate" because of SA's policy of apartheid

Smith said "At this point there is no specific violation of the 1986 Anti-apartheid Act because it appears to be a commercial sale But that does not excuse the Boeing Company from taking an insensitive position."

House of Representatives majority leader Tom Foley said he had discussed the issue with Boeing Commercial Airplanes President Dean Thornton, who responded "Boeing has a long-standing policy to sell its planes without regard to foreign policy, as long as the sale is legal"

No office

US policies do not prohibit such sales to SA Boeing shareholders recently voted down a stockholder-proposed measure that would have prohibited doing business with SA.

Boeing had no office, employees or investments in SA, said Boeing spokesman Dick Schleh

"Boeing markets to airlines throughout the world so long as they're countries the US government permits sales to be made in," Schleh said "When it comes to the question of whether aircraft should be sold in a particular country, it's a decision best made by the US government"

Boeing has sold 53 airliners to SAA.

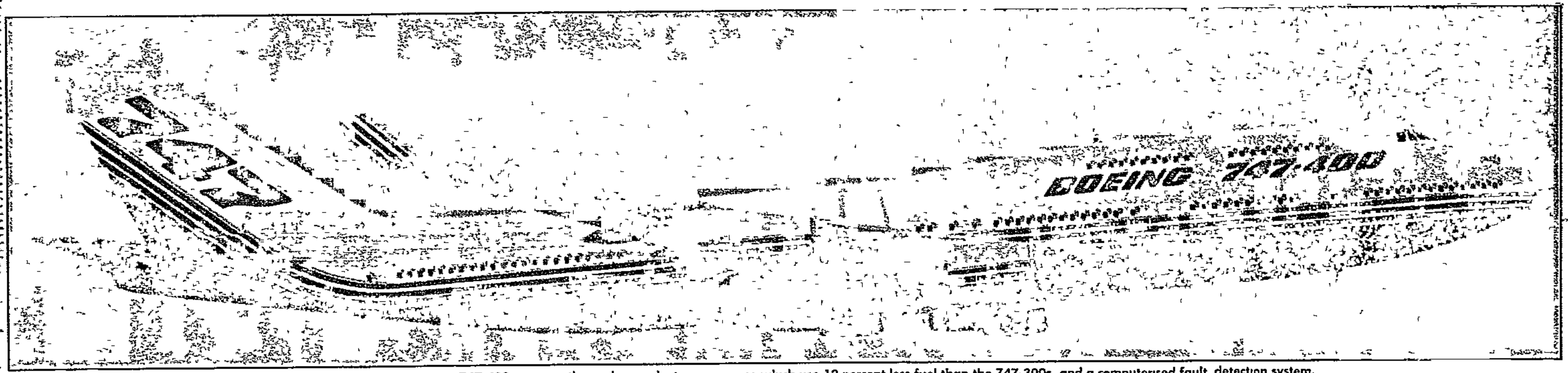
— Sapa-Reuter-AP.

269

New jumbos can fly from South Africa to Australia without refuelling

SA Airways buys bigger, better 'birds'

Star 1/15/89



For about R314 million, the new Boeing 747-400 comes with a redesigned interior, engines which use 12 percent less fuel than the 747-300s, and a computerised fault detection system.

By JOE OPENSHAW

Maintaining SAA's fleet of old aircraft is becoming too expensive — so the airline is splashing out R3 billion over the next four years on new airliners.

While the Government is intent on cooling the overheated economy, South African Airways is committed to keeping abreast of the times by spending R3 billion over the next four years on new aircraft.

Mr Eli Louw, Minister of Transport, announced at the weekend that SAA is buying two Boeing 747-400s — the world's largest and most modern jetliners — for R627 million and has options on two more at that price.

"In the normal course of events options are taken up," Miss Zelda Roux, a SAA spokeswoman said.

The new 747-400s, which have a range of 13 000 km, will seat more passengers and are designed to reduce fuel consumption by about 12 percent.

They will be delivered in November 1990 and May 1991 and those on option are for delivery in 1992

At the same time SAA is expecting delivery over the next four years of seven A-320 airbuses costing more than R611 million — two in 1991, four in July and August 1992 and one in September 1993

The new Boeing 747-400s will augment the airline's external service and bring their jumbo-jet fleet to 16 The seven airbuses will augment the internal fleet of eight airbuses and 17 Boeing 737s to 32 aircraft. SAA's entire fleet will then be 48 airliners

"The new 747-400s will seat 385 using the present configuration of first, busines and economy classes and this is 20 passengers more than accommodated by the 747-300s," said Miss Roux. "Their range is 13 600 km and they could comfortably fly nonstop from Jan Smuts to Melbourne.

"Crews will be able to obtain an in-flight update of the aircraft's mechanical condition — information which previously was only avaiable to mechanics while the aircraft was grounded

"Interiors will have a new look and are redesigned for passenger convenience and appeal.

Ceiling and sidewall panels have been reshaped with lighter materials that lend an open, airy look and passenger stowage capacity has grown to 15,9 cubic feet"

She said the new jumbos were ordered to bring SAA into line with modern non-stop international services

"The average age of aircraft in our fleet is between 11 to 12 years which is not at all old when considering the lifespan of a modern airliner is indefinite with proper maintainance," said Miss Roux.

Sats sells off its Swazi assets

South African Transport Services is to sell all its assets in Swaziland to the Swazi government, it has announced

The Minister of Transport Mr Eli Louw, will fly to Swaziland tomorrow to sign an agreement to sellthe assets. — The Star's Africa News Service

HOUSE OF DELEGATES

269

QUESTIONS

† Indicates translated version

For oral reply

General Affairs

Higginson Highway: steps to reduce fatal accidents

*1 Mr K CHETTY asked the Minister of Transport Affairs

(1) Whether any steps are to be taken to reduce the number of fatal accidents on the Higginson Highway in Chatsworth, if not, why not, if so, (a) what steps and (b) when,

(2) whether an alternative road is to be constructed in order to reduce the traffic flow on the Higginson Highway, if not, why not, if so, when is construction expected to commence,

(3) whether he will make a statementon the matter?

D90E

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) The Department of Transport cannot be held directly responsible for the number of fatal accidents on any road, since too many other bodies autonomously perform functions in this connection No specific measures are therefore envisaged by the Department of Transport It can furthermore be mentioned that traffic control on the relevant road is the responsibilty of the Municipality of Durban

(2) Yes Construction can only commence if and when agreement can be reached between the various parties concerned on the route to be followed and when funds can be made available by those parties

(3) No

Mr M S SHAH Mr Chairman, arising out of the hon the Deputy Minister s reply, I would like to ask a further question When the hon the Deputy Minister says that the Durban City Council and not the Department of Transport is responsible, one has to bear in mind that it is NP policy to implement the Group Areas Act Therefore, to shift the blame onto the Durban City Council is not entirely right

What funds have been made available and when are these funds going to be made available? I think the Indian community has a right to know when and how much funds are going to be made available for the second access road The Indian people in that area are not living there by choice, they are living there because of the legislation which is enforced by the NP

The DEPUTY MINISTER Mr Chairman, in reply to the hon member's question, may I indicate to him that I only referred to the city council with regard to the question of maintaining law and order on the road as far as traffic offences are concerned

I have at my disposal figures of what the Durban City Council has done in this regard over a period of 12 months from 1987 to some time in 1988 It is quite significant that the Durban City Council has done quite a lot to see to it that those who are guilty of traffic offences are dealt with adequately

They have for example dealt with 4 484 motorists for speeding and 64 for drunken driving and a total of something like 8 858 motorists for various motoring offences I could mention them all, subdividing the various offences, but they have certainly taken action to see to it that as far as possible the offences on that particular road will be kept to the minimum

As far as the other point is concerned, may I remind the hon member — and the hon member does have a point — that the application of the Group Areas Act has also affected where people are living However, it does not only apply to a particular group — it applies to all groups in South Africa

Mr M S SHAH Repeal it!

The DEPUTY MINISTER May I point out to the hon member that we are in consultation and that the hon the Minister has just recently written a letter to Councillor Pillay who is the chairman of the body dealing with this particular situation

Mr M S SHAH It is an ethnic management committee!

269

The DEPUTY MINISTER He said the following

I have been given to understand that further residential land has been made available for the Indian community of Durban In the light of this I would like to enquire if the objections to the proposed Route 4(b) could not now fall away This route, you may recall, was the one favoured by the NTC Unfortunately it requires the acquisition of 27 Chatsworth houses and affects the Kenneth Stainbank Nature Reserve as well Despite these disadvantges it is the only route which will meet the traffic problem and has a chance of acceptance, albeit reluctantly

It is hoped that your Committee and the Parliamentary representatives will, in principle, be able now to approve of these proposals in order that positive efforts may be initiated towards relieving the very real traffic needs on Higginson Highway

The hon the Minister and the ministry are prepared to assist the residents of Chatsworth so that they will have an additional road to the area to relieve the congestion on Higginson Highway

Mr M NARANJEE Mr Chairman, I listened with interest to what the hon the Deputy Minister has just said Further arising out of his reply I want to ask him whether he realises that while this issue is being delayed daily, it will cost us more and more and at the same time people are dying nearly every day I think this country and the whole world learned a great lesson when prime time was used on television and the whole world contributed to save the lives of three whales Now we are talking about when money will become available to save the lives of human beings I think this is an urgent matter and it must be resolved immediately

Mr N E KHAN Farmers are given half a million rand!

The DEPUTY MINISTER Mr Chairman I have already indicated that we, as well as the hon the Minister are prepared to help and assist the negotiating parties to see to it that this issue is speeded up

Mr J V IYMAN Mr Chairman further arising out of the hon the Deputy Minister's reply which is rather disturbing, will he agree that the Durban City Council is only attending to the symptoms of the problem, and not to the cause? The cause is that this Government is sidestepping the issue. The former Minister of Transport Affairs, Mr Hendrik Schoeman gave us an assurance in this House that the road would be built through the Stainbank Reserve, which would be the shortest and cheapest route That idea has been shunned, because the NP member of Parliament for that area opposed it Is it not clear-cut, blatantly discriminatory action to replan the route to run through the Indian area and expropriate the houses of innocent people?

The DEPUTY MINISTER Mr Chairman, the hon member should also be aware of the legacy with regard to the Stainbank Nature Reserve As I view the situation, it is a legacy given to all the people of Natal and of Durban, and one should bear in mind that it is of course very difficult to change the provisions of that particular legacy However, we are trying to get the parties together so that we can negotiate an access road which will be the least harmful to all parties concerned This is what we are aiming at

Mr P T POOVALINGAM Mr Chairman, further arising out of the hon the Deputy Minsiter's reply, will he concede that the demand for a second access road from the centre of Durban to Chatsworth has been agitating the public mind for something like 20 years? If the answer to that is in the affirmative, will he concede that it is the difficulty posed by the Stainbank family, supported by the reactionaries in the Durban City Council and the then Natal Provincial Administration, which has prevented the beginning, let alone the completion, of the second access road? If the answer to that, too, is in the affirmative — bearing in mind that the hon the Deputy Minister cannot answer either of those questions in the negative — will he now tell us whether the provisions of the National Transportation Act will be invoked so that the National Transport Commission can take the initiative and override stupid, sectional, racially-prejudiced objections in order to see to it that the interests of 300 000 people are served?

Mr P I DEVAN Mr Chairman further arising out of the hon the Deputy Minsiter s reply I want to say very courteously but realistically

that many leaders of the Indian community judge the failure of the Government to develop this road as a failure of this tricameral Parliamment There is no denying that My colleague, the hon member for Reservoir Hills, said it has been 20 years, If I am correct, it has been 29 years It started in 1960

The CHAIRMAN OF THE HOUSE Order! The hon member must ask a supplementary question

Mr P I DEVAN Mr Chairman, must it take 29 years to provide a route which would serve almost 300 000 people, only because of racial discrimination?

Mr S ABRAM The only sin is the colour of one's skin

The DEPUTY MINISTER Mr Chairman, again, in reply to hon members, I wish to assure them that this issue is receiving the personal attention of the hon the Minister If I could possibly add my personal attention to this issue as well, I will certainly do so and see whether we cannot speed up the process so that hon members will be able to get satisfaction That is all that I can say at this stage We have to get the people togther to talk to them There are hon members in this House who are aware of the fact that both the hon the Minister and I have already spoken to them We have also in the past held discussions with the Stainbank family and we are prepared, once again, to see whether we cannot settle the issue

Mr M THAVER They have friends in the Government

The DEPUTY MINISTER It is all very well to suggest that the Stainbank family are against people of colour, but at the same time — as far as I know — the reserve does not exclude anybody because of race or creed [Interjection] My reply to the hon members is that we will do our level best to give them all the assistance required because we know this is a serious issue that has to be resolved as soon as possible

Report of James Commission referred to Attorney-General

*2 Mr A S RAZAK asked the Minister of Justice

(1) Whether the report of the James Commission, which was tabled in Parliament on 10 March 1989, has been referred to the Attorney-General, if not, why not, if so, (a) when, (b) why and (c) with what result,

(2) whether he will make a statement on the matter?

D91E

The DEPUTY MINISTER OF TRANSPORT AFFAIRS (for the Minister of Justice)

(1) Yes The report has been referred to the Attorneys-General of Cape Town and Pietermartitzburg, respectively

(a) 3 February 1989

(b) The Commission recommended in paragraph 23(2) (page 87) of its report that the report be referred to the Attorney-General for consideration

(c) The report is at present receiving the attention of the said Attorneys-General

(2) A statement is not necessary

Mr P T POOVALINGAM Mr Chairman, arising out of the hon the Minister's reply to Question 2 will the hon the Deputy Minsiter agree that in any criminal prosecution the onus upon the State is to establish proof beyond reasonable doubt, and that therefore it behoves the attorney-general to examine his evidence very carefully and thoroughly before he makes any move, to ensure that he does not get egg on his face in the end?

The DEPUTY MINISTER Mr Chairman, knowing the attorneys-general in South Africa, I presume they will give their undivided attention to the cases in order not to get egg on their faces

SATS Indian women employed

*3 Mr K CHETTY asked the Minsiter of Transport Affairs

(1) Whether the South African Transport Services employ any Indian (a) women as typists and clerks at ticket offices and goods sheds and (b) men as motor mechanics at workshops if so what are the relevant details if not why not

(2) whether it is the intention to employ Indian persons in these positions, if not why not, if so,when,

(3) whether he wil make a statement on the matter?

D98/99E

The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) (a) In respect of Typists No
In respect of Clerks Yes, as follows
1 Senior Clerk, Cargo Handling, Jan Smuts Airport,
1 Senior Clerk, Goods Office, Durban,
4 Clerks, Goods Office, Durban,
1 Clerk, Goods Office, Johannesburg, and
2 Clerks, Reservations Office, Johannesburg Station

(b) No.

(2) Yes Specific requirements such as educational qualifications and performance in the phsychometric aptitude test are laid down for appointment to posts and subject to the existance of vacancies applicants are engaged on merit, irrespective of race.

(3) No

Mr S ABRAM Mr Chairman, arising out of the reply of the hon the Deputy Minister, fewer than a dozen people of Indian origin are in the employment of the SATS I am not trying to say that Indians *per se* ought to get jobs, but since they are a major component of the South African community, will the hon the Deputy Minister concur that from the replies it would appear that the SATS is a haven for employment of White people

The DEPUTY MINISTER I am not prepared to concur with that because — as the hon member would know — since 1982 the complement of employees of the SATS has been reduced by close on 100 000 people of whom many are White people We have indicated before and I repeat it now No differentiation is applied It depends on whether there are vacancies whether the people are available and whether they have the qualifications If these criteria are satisfied we will appoint them regardless of race or colour That is the attitude of the SATS . .

That is the attitude of the SATS We are drawing no distinction whatsoever

If the hon member looks at the Indian complement of employees in the SATS, he will see that this is very, very low indeed However, provided we have the vacancies and so forth, there would be nothing placed in the way of prospective candidates from the Indian community seeking to be appointed to positions in the SATS

Mr S ABRAM Mr Chairman, further arising out of the hon the Deputy Minister's reply, may I ask him whether he really wants this House to believe that out of so many thousands of people who may have been regularly applying, his department could only find opportunities for less than a dozen people of Indian origin? Can the hon the Deputy Minister perhaps intimate to us the extent of employment in these categories for people who come from the Black and so-called Coloured groups in this country?

The DEPUTY MINISTER Sir, if the hon member will put those questions to me in writing, I shall reply to them However, I have not had notice as far as his questions are concerned I would like to tell him, however, that there are about 1 500 Indians who are employed in various categories by the SATS I am now talking off the cuff I might be out by 20, 50 or 100 I cannot at this stage mention all those categories. These are the points and questions which the hon member has put to me and I am only replying to those

Mr M S SHAH Mr Chairman further arising out of the hon the Deputy Minister s reply, I want to ask him another question He said that applicants are not looked upon as being Indians Coloureds or whatever, but that they are judged by merit only How many of those people on the panel who take the final decision are people of colour, or does this panel comprise Whites exclusively?

The DEPUTY MINISTER Sir this section deals with the employment of management in the SATS I think they act according to their needs regardless of race and colour of people like any other business organisation would do in South Africa I do not for one moment believe that even the private sector could be so prejudiced that they would deliberately exclude people of Indian origin I am not prepared to believe that and I do not believe that of the SATS either

Mr S ABRAM. Mr Chairman, further arising from the hon Deputy Minister's reply, I want to ask him if he would concede that the SATS, which is seen as a State-run institution, is expected to be an equal opportunity employer, and that one cannot perhaps dictate to private enterprise as we are in the position to dictate, as fellow-taxpayers in this country, to the SATS?

The DEPUTY MINSITER Sir, I agree with the hon member that the SATS has been a Government business undertaking in the past. However, at the same time it has had to apply business principles They appoint people according to their need and depending on vacancies. That is their policy. I am not saying that that was the policy 15, 25 or 30 years ago, but it is certainly the present Government's policy. It has been applied for at least the last five years.

HOUSE OF ASSEMBLY

QUESTIONS

† Indicates translated version.

For written reply:

General Affairs.

RSA: voters registered

289. Mr P G SOAL asked the Minister of Home Affairs:

How many voters were registered in (a) each (i) constituency and (ii) province and (b) the Republic as at (aa) 31 December 1988 and (bb) the latest specified date for which information is available? B611E

The MINISTER OF HOME AFFAIRS

The required information as at 31 December 1988 and 31 March 1989 (the latest date for which this information is available) is contained in the annexures in respect of all three Houses.

ANNEXURE A

Summary of Voters' Statistics from the Population Register

31 December 1988

House of Assembly

Cape of Good Hope	852 557
Natal	365 237
Orange Free State	236 614
Transvaal	1 685 271
Total number of voters registered in the Republic on 31 December 1988	3 139 699

Remark

The number of voters registered in each electoral division in each of the various provinces is furnished hereunder.

Number of voters in each constituency of the Republic

House of Assembly

Province of the Cape of Good Hope

Albany	16 208
Algoa	18 022
Aliwal	10 157
Beaufort West	9 183
Bellville	14 752
Caledon	13 766
Cape Town Gardens	16 174
Ceres	10 529
Claremont	16 851
Constantia	20 267
Cradock	10 369
De Aar	9 978
De Kuilen	20 795
Durbanville	25 208
East London City	16 432
East London North	18 022
False Bay	17 170
George	19 520
Gordonia	10 596
Graaff-Reinet	9 682
Green Point	13 702
Groote Schuur	15 035
Helderberg	23 118
Humansdorp	17 383
Kimberley North	13 843
Kimberley South	15 647
King William's Town	18 058
Kuruman	9 964
Maitland	19 607
Malmesbury	20 157
Mosselbay	14 474
Namaqualand	9 974
Newton Park	18 291
Oudtshoorn	12 833
Paarl	16 069
Parow	16 168
Piketberg	14 601
Pinelands	16 146
Port Elizabeth Central	14 660
Port Elizabeth North	16 183
Prieska	8 442
Queenstown	12 241
Sea Point	17 266
Simonstown	21 228
Stellenbosch	13 823
Sundays River	13 208
Swellendam	12 541
Tygervalley	17 959
Uitenhage	16 014
Vasco	16 454
Vryburg	9 594
Walmer	17 435
Walvis Bay	4 668
Wellington	20 212
Worcester	14 900
Wynberg	16 998
PROV TOTAL	852 577

Cost factors dictate roads

Portions of existing roads are being included in toll roads in order to reduce the cost of financing toll roads and to make them commercially viable, says a **DEPARTMENT OF TRANSPORT SPOKESMAN**

The Government's policy of privatisation aims to reduce State expenditure, allowing private enterprise to provide public services as much as possible

The Government's initial concept regarding toll financing of road projects was to provide funds for national road construction projects which could not be funded from the fuel levy

It was envisaged that portions of existing roads would be included in construction projects, such as the inclusion of the existing 20 km of road between Brakpan and the N3 in the proposed 85 km long Springs to Krugersdorp toll road

During the successful commissioning of the existing four State toll roads, it became clear that State funding of toll roads was possibly not in the Government' long-term economic interests

Therefore, when private enterprise put forward privatisation proposals for roads in July 1984 relating to the provision of roads, negotiations were entered into with private toll companies to privatise the Springs to Krugersdorp road project at a cost of over a billion rand, and a large portion of the N3 and a portion of the N1 from Kroonstad to Johannesburg as another project at a cost of over R1,2 billion

The then Minister of Transport, Mr Hendrik Schoeman, made a call for expressions of interest in privatising national roads in February 1985 By September that year, the four consortia approved by the National Transport Commission were regrouped into two — Tollway and Tolcon

In March 1988 the main agreement was signed with the two companies

In August 1988 an amendment to legislation to allow for privatisation by the Joint Committee on Transport and Communications was debated The amendment to the National Roads Act was passed by the House of Assembly but rejected by the Houses of Representatives and Delegates

High costs

During negotiations with Tolcon — aimed at concluding a contract for privatising the whole N3 from Cedara to Alberton, and a portion of the N1 from Johannesburg to Kroonstad for a 25 year period — it became clear that the N1 and N3 projects did not constitute a financially viable toll project

Private enterprise, who in addition to operating the toll plazas, maintaining the road and servicing and amortising the loans, also have to obtain a return on equity after tax.

The State was faced with the choice of providing a large amount of the needed capital from taxation or including sections of State-funded existing sections of the road They chose the latter which conformed to the "user pay" principle and which called for no additional taxation while relieving the State of the considerable rehabilitation and maintainance costs

The position with Tollway is different, in that the existing R77 has to be included to make the tolling strategy workable and the project viable

The toll collected is not for recovering the cost of the initial capital investment in the existing roads which were built and paid for from State funds and are now included in privatised projects

By privatising the N3, part of the N1 and the Springs to Krugersdorp road, the through traffic will enjoy a considerable ultimate benefit through the use of the better road facilities which will be provided earlier than would otherwise be possible

However, it is accepted that some local communities will be adversely affected and Tolcon and Tollway are offering a discount to regular users who also have the choice of an alternative road.

The toll tariff charged is limited to 75 percent of the total saving in transport costs by using the toll road as compared with using the best alternative route This tariff has to be approved by Government.

The alternative routes are maintained by the road authority for the particular road

The contruction of new roads by the State will continue, subject to the availability of funds



FLASHBACK ... Mr Ronnie Meyer (right), director-general of Transport Affairs, clasps hands with McLennan, at the official opening of the Vaal Toll Plaza in J

Tolcon spells out need fo

By RON MCLENNAN, Chief Executive of Tolcon

These are the reasons why toll roads are not a rip-off There are no quick bucks in it and Tolcon, the toll road company, endorses the "user-pays" principle

Tolcon, the toll road company, is bringing you faster, safer and measurably cheaper motoring

Tolcon is maintaining roads which the country would otherwise not be able to afford We are building new roads which would otherwise not have been built this century.

Tolcon links the huge markets of the country's major industrial and manufacturing heartland in the PWV to the port of Durban — providing much of Natal's economic lifeblood in the process

We are part of privatisation. Tolcon endorses the "user pays" principle which is a more equitable method of taxation.

We are vital to the transport industry. Where local communities are affected, Tolcon offers generous concessions

We help tourism — and make it safer and easier for you to go on holiday.

Tolcon is a consortium in which five major companies hold the majority of shares. They are Murray and Roberts, Group Five, Grinaker, Keeve Steyn Inc and Sanlam

Toll roads were introduced after increasing demands on Government funds led to the scrapping of the dedicated fuel fund. This meant that roads had to compete with all other State departments for funds

We have the concessions to toll the N3 from Alberton to Cedara, near Hilton Road, and the N1 from just south of Uncle Charlie's to Kroonstad.

Over the next 22 years we will spend R1,5 billion (in 1989 rands) building new roads and fixing the old ones Existing roads will make up 35 percent of the total length of our concession.

We are charging the cheapest rate we can Our agreement with Government limits us to charging 75 percent of the actual saving you make by drivi on one of our roads We charge far less than this

This calculation is based on the fact that wh you drive on a toll road you save time and fuel and reduce wear on tyres, brakes, clutches, sho absorbers, springs and a myriad of other mov. parts which make up a modern motor vehicle

We charge far less the the 75 percent maximum because we work on the "perceived benefit" syster

Applied to the N3 superway, between the foot Van Reenen Pass and Frere, the saving, calcula according to Automobile Association figures, a adjusted for inflation, would total R17,55.

Roads become cheaper

Tolcon could charge 75 percent of this Instead charge only R6,50 That is because our perceiv benefits policy acknowledges that motorists do see all of this as a saving but take into account o the time and the fuel saved

In October 1988, the perceived benefit savings v R6,66. The toll was, therefore, adjusted downwa and set at R6,50

Now that the price of fuel has jumped by betw 5 c and 8 c a litre, the toll road becomes m cheaper

Another benefit of toll roads is that the publi allowed to share in us. In terms of our agreem

Call for SA to become a power at sea

Staff Reporter

A FORMER chief of the navy has made a plea for South Africa to become a maritime power

Vice Admiral Glen Syndercombe, who recently retired as navy chief, said yesterday a comprehen sive national maritime policy was needed to orches trate and rationalise the country's resources in order to achieve this

He was speaking at the national maritime conference at the Cape Sun

The improvements would include rationalising coastal patrol services, improving mapping and sur veying, developing tourist recreational areas and exempting certain members of the maritime industry from national service

Adm Syndercombe, a service veteran in both the merchant and fighting navies, noted that more than 60% of South Africa's gross domestic product was made up of foreign trade

In order to sustain economic growth SA would require more imports which would have to be balanced by increased exports

The "elements of a national maritime policy" were

- Fostering sea mindedness South Africans generally were not sea oriented, and had to realise the sea was their means of livelihood
- Maximum exploitation — with due regard for the ecology — of beaches and off-shore and in-shore water areas to foster sport, recreation and tourism
- Manpower management aimed at encouraging South Africans to go to sea
- Protection of the country's marine life against pollution
- The co ordinated control of maritime activities by means of an umbrella body to advise the government on suitable national policy.

Overcoming sanctions

- A policy to govern the negotiation of trade preference agreements that would include preference clauses to ensure South African ships "carry a fair percentage of the goods to be freighted to and from our country"
- Planning and policy to overcome the sanctions and boycotts being experienced by foreign-going South African merchant ships.
- Promotion and protection of the local shipbuilding industry
- Fostering maritime research to the benefit of all in that field
- Rationalisation of maritime communications services
- Exploitation of minerals off the seabed to the benefit of all
- Rationalisation of maritime defence and policing services.

Director General of Transport Mr R G Meyer told the conference that in the past 19 years the increasing use of Third World flags and "flags of convenience" had led to certain cargo ships being a menace to their crews and other vessels.

They were also the cause of pollution, he said.

Mr Meyer said that before 1970 the International Maritime Organisation (IMO) conventions which required "flag states" to enforce the IMO's standards on their own ships had proved "quite feasible"

"Since then, however, there has been an accelerated move away from traditional flags towards Third World flags and the so-called 'flags of convenience'"

As a result, genuine links between ownership, management, flag and registry were becoming increasingly blurred

Mr Meyer said steps were being taken to "substantially" increase the R20 000 maximum fine that could be imposed on ships which polluted the sea by discharging oil

- Mr Meyer said a code of procedures issued by the Department of Transport for the safe handling of cargoes of coal had become a bestseller in the transport industry worldwide

The code's objectives were to inform the shipping industry about necessary precautions, to persuade it to adopt sound handling practices so as to improve safety at sea and to facilitate the flow of coal exports by averting delays caused to ships with coal cargoes which had overheated.

● More reports — Page 8

269 Weekly 12-18/5/89

State caught between the buses and the taxis

By HILARY JOFFE

GOVERNMENT attempts to relieve its subsidy burden by deregulating passenger transport face conflicting pressures from the bus companies and black taxi operators, says the South African Institute of Race Relations in its latest *Social and Economic Update*, released this week.

After a year of negotiations, the government has not yet found a bus subsidy formula which will smooth the transition from the present, regulated system to one which will allow greater competition

According to *Update*, the bus companies hold that the formula proposed by the Department of Transport is inadequate, while the Southern African Black Taxi Association is concerned that the subsidy is too high

New schemes for subsidies being considered by the Department of Transport depart from existing practice in that they propose to compensate the bus companies regardless of the number of passengers carried This could increase the amount the bus companies receive

Update reports that while companies such as Putco have been making representations to the government in an attempt to dispel the uncertainty about the subsidies, Sabta has said the planned subsidy systems would give bus operators a further unfair advantage over black taxis

The government approved half the 62 000 applications for permits by black taxis made in the 1987/88 financial year The number of applications was three times that of the previous year

Update reports that the subsidies are not the only issue on which the government faces conflicting pressures from the bus companies and the taxis

In Port Elizabeth, the Department of Transport plans to introduce a light rail transport (tram) system which would be competition for both buses and taxis But it appears more likely to compensate the bus operators by allowing them to run the service, *Update* says

"Because black passenger transport is uneconomic while present racial policies persist, the government may be forced to continue compensating subsidised operators to enable them to continue offering uneconomic services — this gives it a powerful incentive to favour the subsidised companies," *Update* says

The newsletter adds that constraints imposed by government racial policies — particularly racial zoning of land — have prevented it from pursuing its privatisation strategy in the field of transport.

Commuter rail services are the one part of the South African Transport Services which the government will not be privatising "Privatisation is unlikely to relieve the state's subsidy commitment to Sats, because third-class (black) services contribute 70 percent of Sats losses at present."

Update also points to the pressures of competition in the rapidly growing black taxi industry, which may be one cause of the recent violence between taxi operators, as well as of high accident rates

A further pressure in the industry is the increasing number of whites who are becoming involved in black taxis, and who are likely to have greater access to finance and business skills than the black operators *Update* cites a Sabta estimate that at least 30 percent of minibus taxis are owned by whites

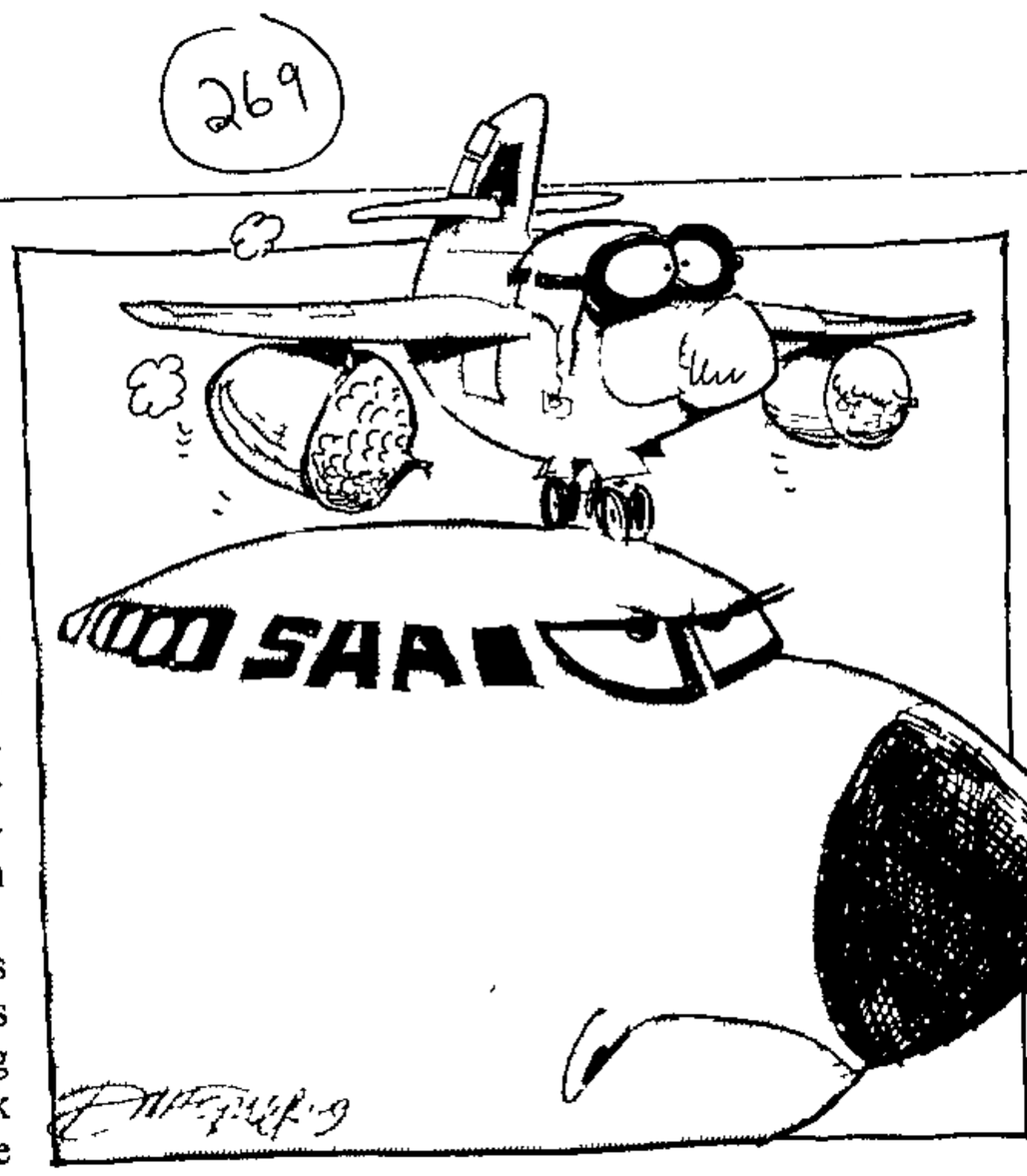
AIRLINE DEREGULATION (261)

Planting routes

The airline deregulation ball has been set rolling by Transport Affairs Minister Hl Louw's announcement that private airlines may apply for route licences in competition with SA Airways (SAA) on the latter's scheduled routes

Previously, it was generally accepted that competitive airlines could apply for licences on SAA routes only *after* amendment of Section 10 of the current Air Services Act (*Business* May 5)

The final report on the deregulation of civil aviation is expected by September, with amended legislation promulgated by early



1990 But Louw has now opened the door for competitive applications earliers than expected

"The National Transport Commission (NTC) previously applied Section 10 in its restrictive form, in terms of government's policy at that time In terms of the new policy announcement, NTC can now consider applications for competitive services where, in its opinion, the existing service is not 'satisfactory and sufficient' in terms of Section 10," says Comair MD Piet van Hoven

First at the starting blocks has been the SAA Pilots' Association's (SAAPA) Air Crew Operating and Recruitment Network (Acorn). It plans to offer a service involving two narrow-bodied, 85-seater BAe 146 jets, complete with qualified pilots, to any taker

Acorn was this week anxious to dispel the idea it was setting up a rival airline

A statement says "We are perturbed by the perception that the pilots of SAA are to start an opposition airline in direct competition with SAA This is not the case. Acorn is to make available . modern, new equipment and aircrew recruited from the general aviation industry outside SAA, including former SAA personnel, who will be trained to the exacting standards that the SA travelling public has grown to expect."

Acorn CE Blake Flemington says feasibility studies for the purchase of two jets at US$25m each are being undertaken and indications are that both on and offshore finance will be available Details of the package that Acorn will offer in SA are still being worked out It seems speculation that Acorn will evolve into a R1bn air service company is premature

"The lead time for ordering the jets will be at least a year SAA pilots will not operate the Acorn jets We will train our own pilots to acceptable standards," adds Flemington

SAAPA president Ian Dommisse describes the Acorn move as "a logical, sensible means to ensure the continued safety of our skies in the coming deregulated environment"

Safair, SA's major private airline, sees Acorn's scheme as a means of effectively competing on open air routes after deregulation

"While the terms and conditions of their services would be crucial, Acorn could enable smaller airlines to compete on SAA's scheduled routes We could look at buying our own planes at a later stage, but meanwhile we might decide to follow the Acorn route," says Safair executive chairman Piet van Aswegen

SAA, meanwhile, tersely welcomes deregulation, on condition that it is "total." Signalling its intention to remain the major player on the SA scene (and internationally, notwithstanding Louw's statement that government would also shortly investigate international routes), SAA has announced the purchase of two new Boeing 747 400s, at a total cost of $256m

Two more 400s are on option, while seven Airbus A320s have been ordered, at a cost of about R90m each, for use on its domestic routes ■

SA study is promoting safety at sea

Cargo-handling code a best-seller

B1 Day 14/1/89 (269)

CAPE TOWN — A code of procedures issued by the Transport Department for the safe handling of cargoes of coal has become a runaway best-seller in the transport industry in countries as far away as India and Israel, Transport director-general R G Meyer said.

Speaking at National Maritime Conference 1989 yesterday, Meyer, who is also National Transport Commission chairman, said some ships which carried SA coal experienced "major difficulties" due to the overheating and, in some cases, combustion of their cargoes, which posed a serious safety and economic problem.

The Transport Department formed a coal shipment study group, on which about 20 organisations were represented. Within eight months the group had concluded its survey and published the Code of Practice for the Safe Handling and Ocean Transport of SA Coal, he said

The code's objectives were to inform the shipping industry about necessary precautions, to persuade it to adopt sound handling practices, so as to improve safety at sea, and to facilitate the flow of coal exports by averting delays caused to ships with "hot" coal cargoes.

The code was published in October 1986. The following month it received a favourable notice in the authoritative Lloyd's List

Own Correspondent

and, since then, Meyer said, there had been "an explosion of demand for the code from all over the world".

This had resulted in further coverage in influential overseas journals and requests for copies "from all over the entire spectrum of the shipping industry".

To date more than 1 000 copies of the code had been sent to 20 different countries in response to requests and more requests were still being received, the latest emanating from India and Israel, he added

☐ Meyer also said the increasing use of Third World flags and "flags of convenience" in the past 19 years had led to a situation where cargo ships were sometimes a menace to their crews and other vessels, and the cause of pollution.

Correspond

"Unfortunately, the majority of the states and developing countries which make use of these flags of convenience do not have an effective maritime administration. The result is that, in some cases, the actual condition does not correspond with the standard as claimed in convention certificates," he said.

Process of commercialisation starts — MD

'Privatised Sats no threat'

269 B/Day 14/5/87



● MOOLMAN

PRETORIA — Sats GM Anton Moolman assured unions this week they had no need to fear commercialisation and the eventual privatisation of Sats services.

Speaking at the annual congress of the Salaried Staff Association (Salstaf), Moolman said Sats was in the process of commercialisation.

Only after this process had been successfully completed would the privatisation phase begin

He said it was not possible to privatise

GERALD REILLY

an enterprise which was not commercially viable

Viability would have to be demonstrated before Sats operations were taken over by private sector interests

Moolman said the current commercialisation stage was the most difficult

Public sector attitudes had to be adjusted to slot into a private sector commercial structure.

The staff's approach to changes was positive and and he did not expect a traumatic reaction to staff re-orientation

Certain practical adjustments would have to be made, including a revaluation of assets

On staff relations Moolman said conflict situations had to be avoided

Staff and management should speak to each other directly and not through the media

"We've got to get everything up and running and demonstrate that services can be run profitably," he added.

Sats has role to play in tourism development

CHARLOTTE MATHEWS

SATS has an important role to play in the development of southern Africa as a tourist attraction, Transport Minister Eli Louw said at the Tibiyo House signing of the agreement to sell Sats' Swaziland assets to the kingdom on Friday.



● LOUW

"This will generate foreign currency, economic and social development, and will enhance a feeling of well-being and security between neighbours," Louw said.

Swaziland's Prime Minister Sotsha E Dlamini said the people of Swaziland had reason to be grateful to SA's transport system for the vital contribution it made to the development of Swaziland's national economy

Sats has sold all its Swaziland assets to the kingdom for an undisclosed sum to enable Swaziland to develop its own road transport industry. BIDay 15/5/84

Sats would lease back some of these assets so as to continue to render the road transport service to and from Swaziland on a temporary basis. (269)

Sats' Swaziland assets are sold

By Joao Santa Rita, The Star's Africa News Service

MBABANE — The South African Minister of Transport, Mr Eli Louw, has signed an agreement selling Sats' assets in Swaziland to the Swazi government

The agreement was signed at a ceremony in Mbabane. Prime Minister Mr Sotja Dlamini signed for Swaziland

Mr Louw said that at the request of the Swazi government Sats had agreed to continue to run the road transport services between South Africa and Swaziland

The assets sold include three road transport depots, an office block, workshops, 43 stands and 26 houses

The price paid by the Swaziland government was not disclosed but is understood to be less than R1 million

facilitate the objective evaluation of the damage to certain vegetable crops allegedly caused by hormone herbicides

(2) Yes, compensation was discussed with the farmers concerned and the Natal Agricultural Union but could not be favourably considered However, assistance to farmers facing cash flow problems as a result of the damage so caused, was discussed with the Land and Agricultural Bank of South Africa and the Department of Agriculture and Water Supply in the Administration House of Assembly In the case of the Department, applications by such farmers for the consolidation of their debts will be considered as sympathetically as possible within the framework and norms in terms of the Agricultural Credit Act, 1966 (Act 26 of 1966)

Mr R M BURROWS Mr Chairman, arising from the reply of the hon the Deputy Minister, did I understand him correctly to say that, whilst there is a suggestion that the Land and Agricultural Bank may aid in the cash flow situation of farmers, this department has said that it is not prepared to consider compensation for the farmers' losses?

The DEPUTY MINISTER Mr Chairman, that it is correct We do not consider compensation

Howick abduction/murder of three persons

*6 Mr P C CRONJÉ asked the Minister of Law and Order

With reference to his reply to Question No 137 on 6 April 1989 in connection with the alleged abduction and murder of three persons near Howick in December 1986, (a) what are the names of the persons of whom particulars and photographs have been published by the South African Police and (b) what is meant by the phrase ' in the usual manner ' as used in this reply?

B946E

The MINISTER OF LAW AND ORDER

(a) and (b)

Particulars of the persons concerned have been circulated country-wide by means of an internal Police publication However it is at this stage not desirable to make known the identities of the persons, as it may jeopardize the investigation

†Mr P C CRONJÉ Mr Chairman, arising out of the reply of the hon the Minister, I just want to ask him if he is aware of the organization to which these people who committed the murder, belonged I also want to ask him if he is aware that after these murders had been committed, a number of persons were arrested and that after they had been in the police station, their blooded weapons were handed back to them

†The MINISTER Mr Chairman, I said that the investigation is continuing, and naturally, I am not prepared and able to say at this stage who the persons are, and to what belonged to, or to comment on the further particulars furnished by the member However, we shall go into it and then give him a reply if he wishes to ask again

†Mr P C CRONJÉ Mr Chairman, further arising out of the reply of the hon the Minister, I want to ask whether he is prepared to give me the names of the persons on a personal basis so that I may try to help

†The MINISTER The reply is no

SATS: actuarial report on pension fund

*7 Mr D J N MALCOMESS asked the Minister of Transport Affairs

(1) Whether he has received an actuarial report on any pension fund of the South African Transport Services, if so, on which fund,

(2) whether this report showed any deficit, if so, what amount of money is involved?

B947E

†The DEPUTY MINISTER OF TRANSPORT AFFAIRS

(1) The evaluations of the New Superannuation Fund and the Pension Fund for Non-White employees have already been received In view of the fact that the benefits payable and the contributions to the Funds are the same, it has in principle been decided to amalgamate the Funds in the foreseeable future

It is therefore necessary at this stage to obtain the actuarial evaluation of such a joint Fund The actuaries are busy therewith and it is expected shortly after which

the particulars for the joint Fund will be furnished.

(2) Falls away

Group Areas Act: applications for exemption granted/refused

*8 Mr K M ANDREW asked the Minister of Constitutional Development and Planning

Whether, since 1 January 1988, his Department has received any applications for exemptions from the provisions of the Group Areas Act, No 36 of 1966, in respect of residential premises in the Cape Town Gardens constituency, if so, (a) how many such applications had been (i) granted and (ii) refused as at the latest specified date for which information is available and (b) what were the reasons for (i) granting and (ii) refusing each application?

B949E

The DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

This matter vests in the Administrator of the Cape Province and he has furnished the following reply

— No Rest of question falls away

Mr K M ANDREW Mr Chairman, arising from the reply of the hon the Deputy Minister, I would like to ask him two things Firstly, I would like to ask him when his department or the provinces are going to transfer the handling of applications to the Department of Public Works, as was announced previously?

Secondly, I would like to ask the hon the Deputy Minister why the province has written to me on various occasions giving me copies of applications for permits, for which he now says there are none

The DEPUTY MINISTER Mr Chairman according to the hon the Minister s announcement last week the Commission for Administration is presently investigating the transfer of certain functions from the provincial administrations to the own affairs administrations The Administration House of Assembly has already indicated that it is prepared to accept the transfer of the permit function from the provinces That will happen of course as soon as the Commission for Administration has completed its investigations

As far as the second question is concerned the problem is that the hon member has phrased his question incorrectly There is no provision in the Act for exemptions in terms of the Act, there is only a provision for permits If the hon member phrases his question correctly he will get the correct answer That is the whole point

Mr K M ANDREW Mr Chairman, further arising out of the hon the Deputy Minister's reply, may I ask him whether if in fact one can apply for a permit to be exempted from the provisions of the Act, that is not an application for an exemption from the Act in respect of oneself and one's occupation of a property?

Secondly, may I ask the hon the Deputy Minister, while he knows full well what the question is asking, whether it makes good sense to waste the time of the House and the time of the officials by coming up with smart-alecky replies?

The DEPUTY MINISTER Mr Chairman, all I would like to indicate to the hon member — this has also happened in the past — is that he should phrase his questions correctly so that we can give him a proper reply There are no provisions in the Act for exemptions as such [Interjections] The point is that we are talking about permits I can give the answer to the hon member The answer is, yes, there were applications The replies to the other questions are (a)(i) four, (a)(ii) two (b)(i) no objections were received and (b)(ii) numerous objections were received

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Own Affairs

Men/women. salary differentiation

1 Mr R M BURROWS asked the Minister of Education and Culture

Whether there is still salary differentiation in his Department between men and women at post level 1, if so what steps is he taking to eliminate such differentiation?

B1014E INT

The MINISTER OF EDUCATION AND CULTURE Mr Chairman the hon member for Pinetown has asked whether there is still salary

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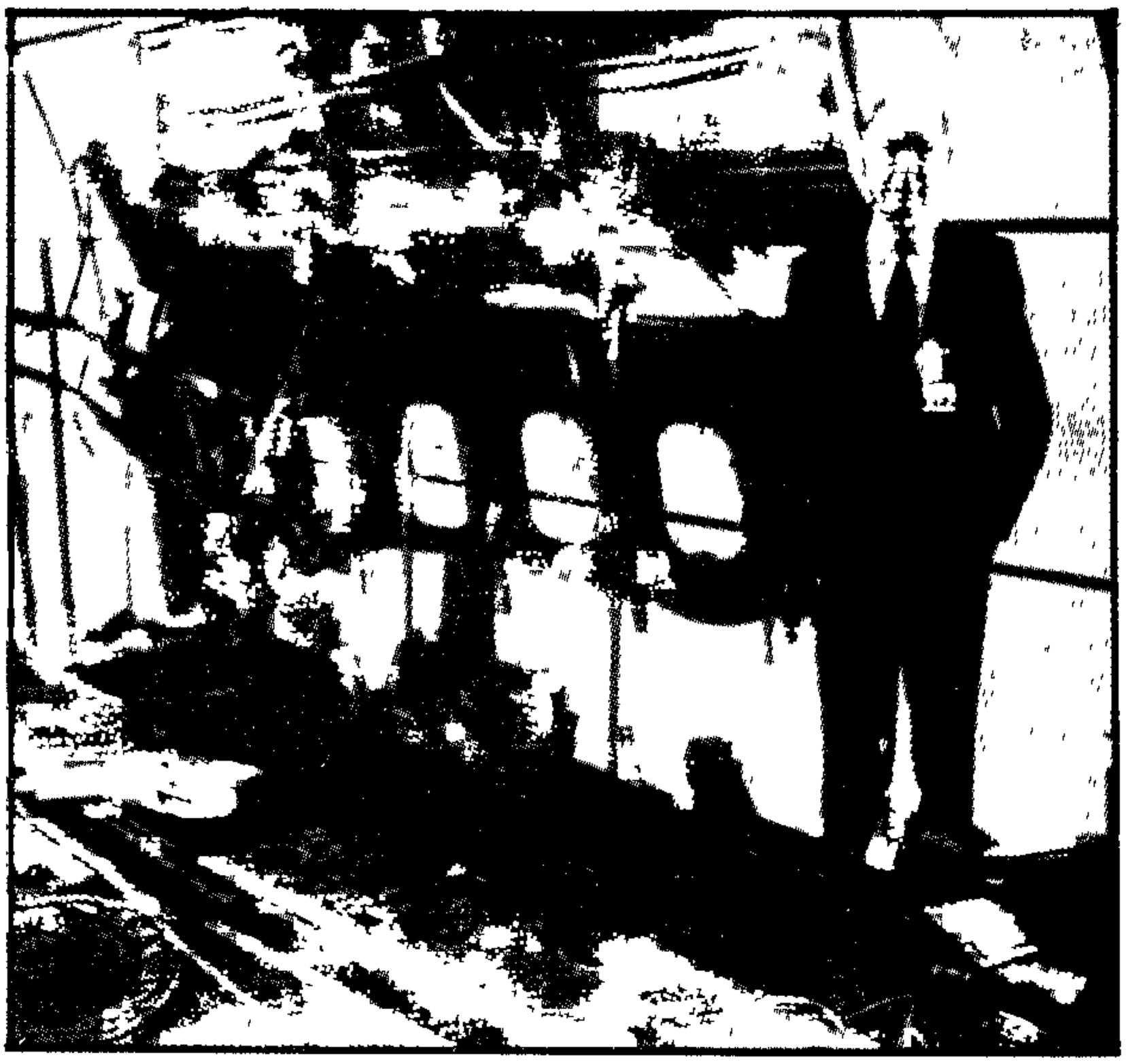
Helderberg passengers 'probably unconscious'

ARGUS 17/5/89

269

Argus Correspondent in Johannesburg



CRASH EVIDENCE: Mr Justice Cecil Margo stands inside the partially reassembled cargo area of the SAA Helderberg.

PASSENGERS and crew of the SAA Helderberg, overcome by carbon monoxide fumes and sooty air from the fierce fire blazing in the cargo bay behind them, were probably unconscious when they met their deaths in the Indian Ocean in November 1987.

INQUIRY

Evidence from a mock-up of the Boeing 747 Combi assembled in the "debris hangar" at Jan Smuts Airport and pathological evidence indicate that the aircraft disintegrated during high-speed entry into the depths off Mauritius

During a showing of the assembled wreckage yesterday Mr Justice Cecil Margo, head of the commission of inquiry into the cause of the crash, was at pains to show that no positive conclusions could yet be drawn, but for the first time he made public his personal theories.

Fuselage mock-up

Mr Justice Margo constructed his viewpoint on the basis of 25 selected items of wreckage and cargo retrieved from 4km under the surface by the remote-controlled salvage submarine Gemini; from more than 3 000 colour photographs taken during its 47 dives, and more than 300 two-hour videotapes taken by its sophisticated cameras

He used the mock-up of the fuselage to illustrate his ideas.

The Combi is a special version of the 747 Jumbo jet designed to divide payload more evenly between passengers and cargo.

According to evidence suggested by the charred fuselage, the point where the fire evidently began is the right forward area of the cargo section, which is separated from the passenger compartment by the rear galley.

Protector net

A 9G net — so named because it withstands forces nine times that of gravity — prevents movement of cargo that could affect the stability of the aircraft and protects passengers in the event of goods shifting forward violently.

The cargo is loaded on pallets on a bed a distance off the cargo bay floor. Various wheels in the bed facilitate the rolling of the pallets into their secured positions

The bed and a pallet on display showed no signs of charring, but the

the passengers, if not all, were subjected to carbon monoxide and soot-laden air."

It was unlikely that the passengers were exposed to fire — a segment of ceiling conduit between compartments showed a charred exterior but an almost clean interior.

Normal air circulation is from front to rear "but air must have flowed from the cargo hold to the passenger area for that soot-laden air to have been ingested".

Consignments had been checked for dangerous or inflammable goods, but there was always the possibility that some bills of lading might have been falsified, he said

An explosion set off by saboteurs could probably be ruled out from the 80 seconds of flight deck conversation recorded before the fire interrupted the supply of electricity.

Fire sensors

"The fire sensors set off alarms," said Mr Justice Margo. "The captain demanded to know where the fire occurred He then demanded action."

Internationally-approved firefighting equipment was on hand and there was breathing apparatus to prevent crew in the cargo section being overcome by smoke. Halon gas would have been released to smother the flames.

captain, there was no evidence of depressurisation."

But he said a "non-malevolent explosion", caused by the lithium in computer batteries or the acid in storage batteries in the cargo could not entirely be ruled out.

He said sophisticated metallurgical tests were still being conducted to find exactly where in the pallets the fire had started, and more work still had to be done.

"I'll be glad when I can stop living this tragedy. My golf swing is suffering and so is my bridge," he said with only a hint of a weary smile.

Valuable items

The submarine salvage operation had been near-impossible, he explained. A strong cable, approximately 5cm in diameter, had to be devised for load carrying, remote control, the supply of electricity and the carrying of return signals.

"We lost some valuable items that fell off the hooks on the way up," he said.

"Photgraphs had to be taken under conditions of extreme pressure and in near-total darkness, but these were essential as they helped determine the trim settings of the horizontal stabilizers, for example."

The limited use of the cockpit voice recordings and virtually unintelligible tapes from conversations between

New Jumbos 'unsafe'

ARGUS 27/5/89 269

THE latest version of Boeing's jumbo jet — two of which have been ordered by South African Airways — has been branded unsafe by Europe's aviation authorities.

They have refused to sign a certificate of airworthiness for the 747-400s.

Their decision has caused a major row with the US authorities who have already allowed the plane into the skies.

The move by Britain, Holland, France and West Germany could cause airliner orders around the world to be cancelled.

Argus Foreign Service in London

Earlier this year SAA announced that it had signed a R640-million contract for two 385-seater Boeing 747-400s, which are due for delivery late next year and early 1991.

The move by the Europeans is another blow for the American planemakers, facing increased criticism following the M1 crash of a British Midland Boeing 737 and the loss of a cargo door from a 747 over the Pacific.

A spokesman for Britain's Civil Aviation Authority said: "Boeing have tried to get this aircraft through on 20-year-old safety requirements, relying on the fact that it is only a derivative of the original."

Contracts to buy aircraft rely on the certificate. Without it, airlines are free to cancel without penalty.

The row has been going on secretly for six months, with the Europeans demanding "vital" modifications in the 747-400.

● An SAA spokesman said today that the "kind of problems that are being encountered" would be solved by the time SAA's aircraft are delivered in November 1990. •

The contributions were stopped with effect from 1 April 1988 because of the curtailment of state expenses

(2) National Cancer Association

Airports: runways/facilities closed

413 Mr P C CRONJÉ asked the Minister of Transport Affairs

Whether any (a) runways and/or (b) other facilities have been or are to be closed at any airports in the Republic in 1989, if so, (i) what facilities, (ii) on what dates, and (iii) why, in respect of each such airport?

B834E

The MINISTER OF TRANSPORT AFFAIRS

(a) and (b) No, as far as State airports are concerned

(i), (ii) and (iii) Fall away

Government: amounts owing to private bodies/persons

478 Mr H H SCHWARZ asked the Minister of Finance

What amounts were owing to private bodies and persons by the Government, other than on bank facilities and stock issues, as at (a) 31 December 1988 and (b) the latest specified date for which figures are available?

B916E

The MINISTER OF FINANCE

(a) As at 31 December 1988	R
Indefinite Period Treasury Bonds	484 391 000
Bonus Conversion Bonds	80 591 185
Indefinite Period National Defence Bonds	197 515 000
Indefinite Period Senior Citizen Savings Bonds	739 936 844
Loan Levy	4 538 662
Tax Redemption Certificates	154 264
Total	1 507 126 995

(b) As at 30 April 1989	R
Indefinite Period Treasury Bonds	478 718 050
Bonus Conversion Bonds	77 617 075
Indefinite Period National Defence Bonds	171 308 400
Indefinite Period Senior Citizen Savings Bonds	691 466 744
Loan Levy	4 294 375
Tax Redemption Certificates	154 264
Total	1 423 558 908

Land and Agricultural Bank: amount outstanding

527 Mr J B DE R VAN GEND asked the Minister of Finance

(a) What is the amount outstanding on the largest loan made by the Land and Agricultural Bank to a member of its staff and (b) in respect of what date is this information furnished?

B988E

The MINISTER OF FINANCE

(a) R108 751,52

(b) 31 December 1988

Land and Agricultural Bank: persons employed

528 Mr J B DE R VAN GEND asked the Minister of Finance

(a) How many (i) White, (ii) Black, (iii) Coloured and (iv) Indian persons were employed by the Land and Agricultural Bank, (b) how many loans had been issued to employees in respect of each race group, (c) how many loans of (i) over R100 000 and (ii) between R50 000 and R100 000 had been made in respect of each race group, and (d) what rate of interest was being charged in respect of these loans as at 31 December 1988?

B989E

The MINISTER OF FINANCE

(a) (i) 1 017

(ii) 151

(iii) 25

(iv) None

(b) Whites — 501
Blacks — 8
Coloureds — 8
Indians — None
} Number of accounts in operation

(c) (i) Whites — 2
Blacks — None
Coloureds — None
Indians — None

(ii) Whites — 314
Blacks — None

Coloureds — None
Indians — None

(d) 3%

Own Affairs

Parow School Board area capacity/number enrolled

56 Mr K M ANDREW asked the Minister of Education and Culture

(a) What was the (i) capacity of and (ii) enrolment at (aa) each specified school, and (bb) in total, in the Parow School Board area in 1988 and (b) (i) what are the corresponding figures for 1989 and (ii) in respect of what date are these figures furnished?

B928E

The MINISTER OF EDUCATION AND CULTURE

(aa)	* (a) (i)	* (b) (i)	(a) (ii)	(b) (ii)
Aristea Primary (Kraaifontein)	750	750	641	648
Bastion Primary (Brackenfell)	700	700	542	601
Bellpark Primary (Bellville)	600	600	733	738
Bellville Hoer	700	700	818	807
Bellville Hoer Tegnies	700	700	703	701
Bellville Laer	700	700	322	284
Bellville-Noord Laer	550	550	470	481
Bosmansdam Hoer (Bothasig)	650	650	564	501
Bosmansdam Lae (Bothasig)	650	650	449	457
Boston Primary (Bellville)	700	700	660	619
Brackenfell Hoer	700	700	705	706
Brackenfell Primary	600	600	924	968
De Kuilen Hoer (Kuilsrivier)	500	500	756	754
De Kuilen Laer (Kuilsrivier)	900	900	755	748
De Ruyter Hoer (Ruyterwacht)	500	500	353	328
De Tyger Laer (Parow)	600	600	501	543
De Vrije Zee Primary (Vrijzee)	700	700	398	406
De Waveren Laer (Ruyterwacht)	600	600	357	324
Durbanville Hoer	650	650	836	738
Durbanville Laer	1 000	1 000	573	586
Durbanville Voorbereiding	400	400	397	441
D F Malan Hoer (Bellville)	800	800	1 098	1 060
Eben Donges Hoer (Kraaifontein)	600	600	1 224	1 097
Kraaifontein No 2 Hoër (Nuut)	0	850	0	222
Edgemead High	850	850	371	533
Edgemead Primary	700	700	937	948
Eversdal Primary	750	750	926	951
Excelsior Laer (Bellville)	700	700	540	551
Fairbairn High (Goodwood)	800	800	661	656
Fairmont High (Durbanville)	700	700	925	876
Fanie Theron Primary (Kraaifontein)	750	750	761	791
Gene Louw Laer (Amanda Glen)	850	850	800	893
Goodwood Voorbereiding	450	450	332	367
Goodwood-Park Laer	750	750	820	837
J G Meiring Hoer (Goodwood)	700	700	724	735
J J du Preez Hoer (Parowvallei)	600	600	484	482
Kenridge Primary	700	700	703	739
Koos Sadie Laer (Goodwood)	650	650	487	433
Labiance Laer (Bellville)	150	150	240	213
Mikro Laer (Kuilsrivier)	700	700	545	570

Airlines report ticket sales are taking off

DEMAND for international air travel is growing in spite of the weak rand

Airlines added the rise had also come in the face of recent increases ranging from 19% to 28,2% for flights during an eight-month high season

The cheapest Johannesburg-London return fare has risen 143% since April 1985; 224% return between Johannesburg-New York and 128% return between Johannesburg-Sydney

SAA spokesman Zelda Roux said the airline had had a 5%-10% annual increase in demand since the rand crashed in 1985.

RIAAN SMIT

Fare hikes last month had not resulted in a drop in demand SAA would add another direct Cape Town-London flight each week from next month.

Lufthansa spokesman Karen Lambson said demand was more than last year and had not been affected by fare increases. The airline's four flights a week to Frankfurt were usually full.

"The initial shock when the rand dropped is over South Africans seem to have come to terms with a weak rand."

BA SA manager Malcolm Freeman said overseas travel used to be regarded as a luxury but had become part of the lifestyle of many South Africans in spite of the cost

He added BA bookings were "looking very healthy" There was an increase in advance ticket sales compared with the same time last year, particularly in first and business classes

None of the three airlines could say whether more businessmen were taking advantage of the weak rand to boost exports through sales trips

Key Market Movements — May 18 to May 19

Gold			JSE	Currencies									
Lon close $/oz	Lon PM $/oz	Lon PM R/oz	Kruger-rand	R per $ Comm	$ per R Comm	R per $ Fin	$ per R Fin	Fwrd close BM/$	Lon close R/£	3 months BA	Johannesburg Stock Exchange		
											All Gold BD Index	Indust BD Index	ISE Ov'll Index
367,95	370,00	1000,36	1120	2,7082	0,3698	4,1200	0,2475	1,9720	4,3832	17,50	1184,9	3105,0	2418,0

To Page 2

Faster troop pull-out in Namibia

BIDay 22/5/87

KEVIN JACOBS

WINDHOEK — SA is speeding up its demilitarisation of northern Namibia to ease pressure on the UN-managed programme for the territory's independence

The territory's military supremo, Maj-Gen Willie Meyer, said military withdrawal and demobilisation required under the peace plan would be completed a week ahead of schedule, in spite of a six-week compression of the programme caused by Swapo's insurgency

Meyer, General Officer Commanding SADF and SWA Territory Force units in Namibia, said the required run-down to 1 500 soldiers would be completed by June 24, ahead of the July 1 deadline stipulated by the UN's Security Council resolution 435 settlement plan

"The seriousness with which the military regard this aspect of the Namibian independence plan should be apparent from the SADF and SWATF being way ahead of schedule on April 1, when Swapo armed members violated the settlement by a large-scale incursion," he said at the weekend

Demilitarisation "will now continue until June 24, when the withdrawal process will be back on schedule

"On that date there will be 1 500 remaining personnel confined to bases at Grootfontein and Oshivelo," he said

Meyer's announcement of accelerated demobilisation came at the start of a week

To Page 2

Local link to follow Ernst & Young merger

BIDay 22/5/87

KAY TURVEY

ACCOUNTANCY firms Arthur Young (AY) and Ernst & Whinney will begin talks today on a local tie-up, after announcing an international merger on Friday

With total billings of R9,5bn last year, the merged company — to be known as Ernst & Young — becomes the world's largest professional services organisation.

Ernst & Whinney senior partner Roy Andersen and AY chairman Tom Wixley said yesterday it was too early to say what benefits would accrue locally from a link-up, although it was hoped to wrap up details as soon as possible

The two firms should now pip Aiken & Peat — Peat Marwick and KMG Main Hurdman prior to a merger two years ago — in terms of listed clients

Both partnerships are locally owned and will remain so after a possible merger, although they will continue to draw on the expertise and technology of their international links

It is understood discussions will involve the future direction of the firms

Industry observers say it should be an interesting marriage as Ernst & Whinney, under the dynamic Roy Andersen, has pursued an aggressive marketing approach, whereas AY has tended to grow through amalgamation of small country practices

The tie-up should create a broad-based concern Ernst & Whinney strengths lie in the mining sector, banking, insurance, construction and retail, whereas Arthur Young has concentrated on retail, transport, food and distribution..

rt ticket sales are taking off

IDay 22/5/87

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None of the three airlines could say whether more businessmen were taking advantage of the weak rand to boost exports through sales trips.

Fewer are travelling by bus, says transport chief

By Stan Hlophe

A sharp decrease in bus passengers — by more than one third — especially in urban areas had created problems for the bus industry, the director-general of transport, Mr R G Meyer, said yesterday.

Mr Meyer was speaking at the annual meeting of the Southern African Bus Operators Association (Sabua) in Sandton.

He said the drop in passenger numbers compounded by the affluency and selective means of transport adopted by bus passengers contributed to the sharp fall of the market.

He pointed out that the introduction of the minibus-taxi had played a big role over the past few years in influencing passengers' choice of transport.

"As this country developed, the role of the taxi in the transportation industry has changed considerably. A number of years ago the orginal purpose of the taxi was to render to individual passengers a door-to-door service as well as a supplementary and feeder service to bus and rail transport.

"The advent of combi-type vehicles as taxis greatly contributed to their increase in popularity. Theoretically one would have thought that the combi-taxi would only be competitive and attractive at distances ranging from 10 to 20 km.

"But in practice these vehicles operate on a commuting basis over much longer distances — as much as 40 km and even longer distances such as Johannesburg to Durban, or Pretoria to Pietersburg," he said.

53c + 7c GST

CP enraged by decision, DP sceptical

All-white Jo'burg buses to end 'soon'

Star 26/4/89 (269)

Johannesburg's all-white bus service is to be desegregated — but no timetable for the landmark move has been set by the city council.

The decision, by the Nationalist-controlled council, will bring to an end a lengthy controversy that has simmered in the city for many years, highlighted by numerous bitter incidents in which black passengers boarding the buses have been ejected, or involved in embarrassing altercations with bus drivers

The decision was announced to a city council meeting last night by new management committee chairman Mr Jan Burger, who said "Soon the wheels will turn for everyone in the city"

His announcement has been greeted with rage by the Conservative Party and with some scepticism by the Democratic Party, which has long campaigned for the opening of the buses to all races

Mr Burger told reporters after last night's council meeting "We are looking at all bus routes in the city in the interests of everyone"

He refused to elaborate but gave the impression that "only paperwork" stood in the way of opening certain routes, or even the entire bus service, to all races

Talk, no action

Mrs Claire Quail, Democratic Party councillor for Norwood who has long campaigned for desegregation, said today she would have been happier had Mr Burger set a deadline for desegregation.

"The Nats have been promising to open the bus service for the past two years. Apart from the three experimental routes in the northern suburbs, they keep saying they are working towards it — but they just don't move," she said

Mrs Quail was convinced there were fewer incidents of racial friction on the experimental routes than on the ones on which apartheid was ostensibly still in force.

By Shirley Woodgate and Dan Side

"It's always a potentially explosive situation," she said, "when it depends on the political persuasions of a driver to determine who is allowed to ride on a particular bus"

Conservative Party spokesman Mr Fred Rundle said any move to desegregate would turn the service "black".

He said the people agitating for mixing were mainly from the northern suburbs. These residents used their cars to go to and from work and rarely used public transport

"The working man, from the south, east and west suburbs, does take the bus and if blacks are officially allowed on his routes, he will take his car to work — adding to congestion on the roads," said Mr Rundle

"In no time these services will be virtually black. The Conservative Party's policy is clear: "White people need, and demand, a service for their own exclusive use."

Mr Burger said at the meeting that permits had be submitted for each route to be opened, and this was a time-consuming proce Because of pressure of administrative pa perwork, it was not possible to give a time limit or indicate hich routes would be desegregated soon"

Mr Burger indicated any desegregated service would not clash with existing routes served by Putco and black taxis

White

By Peter Fabricius, Political Correspondent

CAPE TOWN — Police have arrested an alleged white African National Congress saboteur, whom, they claim, moved overseas in the company of alleged ANC bomber Mr Hein Grosskopf

Minister of Law and Order Mr Adriaan Vlok referred to the man yesterday in Parliament while discussing his current row with Mr Grosskopf's mother. She claims he "publicly condemned" her son without a trial



Yesterday was a special day for Basil Revelas (6) and Nekke Eklektos (6) — their school, Saheti in Bedfordview, was visited by the Pope and Patriarch of Alexandria and the whole of Africa, Parthenios III, who is visiting the Greek community in South Africa. ● Picture by Etienne Rothbart.

Eli Louw sticking fast in fiasco of toll roads

269
Star 26/5/89

BY BRUCE CAMERON, Political Staff

"Never send to know for whom the bell tolls, it tolls for thee, oh Eli" might be well be what poet John Donne would have written if he had been around during the current toll road fiasco.

Mr Eli Louw, Minister of Transport Affairs, manages to pull one foot out of the tarry bog of the toll roads only to have another foot stick fast

His announcement that tolls on existing roads were to be reduced in the face of almost unprecedented public resistance is hardly likely to end the controversy over the cavalier way in which the entire system has been foisted on the public.

To be fair to Mr Louw, much of the controversy is not of his making, but that of his predecessor, Mr Hendrik Schoeman, for whom the political bell has already tolled

The ham-handed handling of particularly the privatisation of toll roads has resulted in question marks being placed over the whole privatisation process

Virtually from the very start the toll road concept, even before the idea of privatisation had started to germinate, has been a sorry story with the Government being accused of gross ineptitude.

Launch party

The first toll road, introduced in 1984 on the new stretch of road through the Tsitsikama with bridges spanning spectacular gorges, received no public reaction

They were pre-warned and the rates were very reasonable

But then the Department of Transport held a launch party which cost R46 171,40 and paid the company of former National Party MP, Mr Jan S Marais, R250 000 to publicise the toll road.

The toll road concept was accepted by a parliamentary select committee, but in its report the all-party committee stated "the primary objective of toll financing at this stage is to obtain additional funds to finance new road projects".

There was no mention of tolling existing roads

Since the Tsitsikamma toll the Government gradually reduced its own commitment to roads as it cast around for new income

Its next step was to announce the privatisation of roads The public was under the impression this would only be new roads Then the Government quietly moved to privatise roads already paid for by the taxpayer — virtually twice over through direct tax and through a levy on the sale of petrol

Until the Government announced that it intended to toll existing roads public reaction was low key.

But when it introduced tolls on existing roads in Johannesburg and Mooi River, the bubble burst, culminating in motorists defying the law and busting through the tolls

However, the Government attempted to ignore the anger and treated objectors with total contempt

For example, an agreement was reached in 1984 that Ministerial or deputy Ministerial level talks would be held with the people of Mooi River in 1984 The Deputy Minister of Transport, Mr Myburg Streicher, pitched up last year

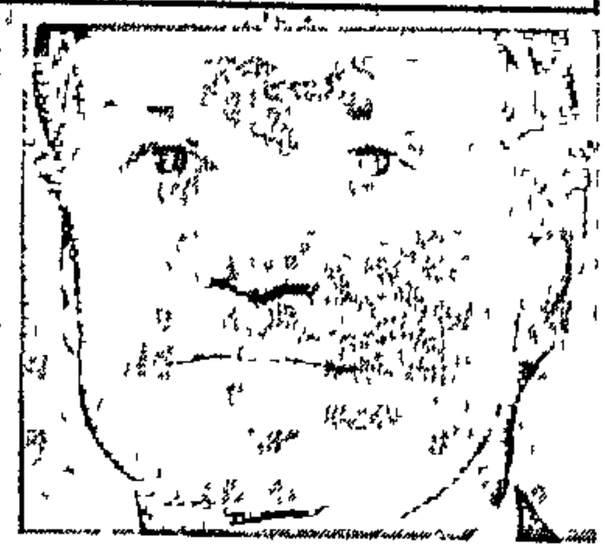
Persistent critic of the Mooi River toll, Mr Ralph Hardingham, says the Government made a number of fatal errors

The first was to place tolls on existing roads

The second was that it set tolls far too high and it based the formula on the saving to the motorist instead of on the cost of the road or the maintenance of the road

There was no consultation with affected people and, finally, it was a disastrous public relations exercise

This was all compounded earlier



Mr Eli Louw . . must explain how he can reduce toll charges

this year when Finance Minister Mr Barend du Plessis announced that the fuel levy was to go into the general coffers.

The levy on the sale of fuel was introduced on the basis that users of roads became the payers.

In one quick move, Mr du Plessis removed R1 000 million from the pocket of the national road fund

Although no one is prepared to say it on the record, it is quite clear that the businessmen involved in the two road toll companies, Tolcon and Tolway, have run circles around the officials and politicians who negotiated the privatisation of the tolls

The Government has attempted to keep the terms of these contracts secret and no one is quite sure what profits the two companies stand to make or whether the whole scheme is finally going to cost the motorist substantially more

There have been plenty of accusations that the two companies have virtually been given a licence to print money

It has also not been privatisation in the real sense of the word The accepted manner of privatisation has been to sell off Government assets to the public through the stock exchange, not through private and secret deals with select groups of businessmen

This has all been compounded by what has been criticised as the absolute contempt with which the public has been treated by both the toll companies and the Government

The privatisation has gone ahead although legislation putting it into force is only scheduled to be put through Parliament next year.

In the meantime, the Government is using the technicality that the toll companies are acting as agents for the Government With the money being apparently being paid to the Government and then back to the toll companies

Profit margins

Democratic Party spokesman Mr Harry Schwarz says there are a number of questions the Government must answer such as what profit margins are being allowed

Mr Hardingham said he could only hope that the issue of whether privatisation would result in a saving to the motorist had been properly investigated before the Government went ahead with privatisation

"Privatisation should not merely be a transfer of responsibility for roads"

The story is far from ended Mr Louw still faces demands for explanations of how he could suddenly reduce tolls, in some cases almost by half

He still has to announce where he is going to get the money to make up the shortfall

And any new toll road is likely to be looked at askance by the motorist And if he needs any convincing of the fact, he need only look at the Automobile Association survey which showed an overwhelming rejection of tolls on existing roads

Comair applies for SAA routes

NORMAN CHANDLER

COMAIR has applied to the National Transport Commission to fly daily scheduled services from Jan Smuts Airport to Cape Town and to Durban, using Boeing 737s.

A notice in yesterday's Government Gazette says the airline wants three return flights a day to Cape Town and four to Durban.

Comair is the first of the country's private airlines to want to fly the two most lucrative routes presently flown only by South African Airways.

Mr Eli Louw, the Minister of Transport Affairs, told Parliament recently that private operators could start applying for licences to fly new routes in terms of a possible deregulation of existing air transport facilities

The Government Gazette also confirmed that SAA has started flying to Zaire SAA flies to Lubumbashi direct or through Lusaka, Zambia.

Another airline which has applied for a route is Namib Air, the Namibian carrier It has asked for a route from Windhoek to Lusaka on Wednesdays.

Toll reduction indicates we're on a road to nowhere

"NEVER send to know for whom the bell tolls, it tolls for thee, oh Eli" might well be what poet John Donne would have written if he had been around during the current toll road fiasco

For Eli Louw, Minister of Transport, only manages to pull one foot out of the tarry bog of the toll roads to have another foot stick fast

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The Government has attempted to keep the terms of these contracts secret and no one is quite sure what profits the two companies stand to make or whether the whole scheme is finally going to cost the motorist substantially more

...withdrawal symptoms.

...P O Box 27892, Sunnyside 0132.
— Pretoria Bureau

SAA Namibia flights become international

Staff Reporter

Air passengers and crew of aircraft on flights between South Africa and Namibia will have to travel with identity documents from Thursday, the Department of Home Affairs said yesterday

Passengers will have to identify themselves to immigration officers of the department, or to members of the South African Police, before leaving or entering South Africa.

This arrangement means that aircraft flying between South Africa and Namibia will be required to take off and land at specified airfields in South Africa

All major airports in South Africa have been specified.

Other airports in the Transvaal which are specified include Grand Central, Lanseria, Rand Airport, Wonderboom (Pretoria), Ermelo, Nelspruit, and Messina.

SA Airways announced yesterday that it would operate all flights to and from Windhoek as international flights from Thursday

Passengers would board Windhoek flights from the international departures hall at Jan Smuts and D F Malan airports, the announcement said.

"The new measures will affect check-in cut-off times (flights will close for check-in 30 minutes before departure and not 15 minutes as with domestic flights) and also mean that, in line with other international flights, no lounge facilities will be available to business class passengers," said SAA.

"Passengers are requested to ensure that they have the necessary documentation at hand (as specified by the Department of Home Affairs) as they will not be allowed to travel without it," the announcement added.

FLIGHT MONITORING FROM JUNE 1

PRETORIA — Air traffic between SA and Namibia would be monitored from June 1, the Home Affairs Department said yesterday.

It said from June 1, all passengers and crew on flights across the border would be examined for identity. All aircraft would also be required to depart from and land at specified airports or airfields in SA.

Immigration officers or SAP members would monitor passengers and crew at these airports and airfields:

☐ Transvaal: Ermelo, Grand Central, Jan Smuts, Komatipoort, Lanseria, Messina, Nelspruit, Piet Retief, Pongola, Rand, Wonderboom and Zeerust;

☐ Cape: Alexander Bay, Aliwal North, Ben Schoeman, B J Vorster, D.F Malan, H F Verwoerd, Pierre van Ryneveld, Springbok and Rooikoppe (Walvis Bay);

☐ Free State: Ficksburg, J B M Hertzog, Ladybrand and Wepener;

☐ Natal: Louis Botha, Matatiele, Oribi, Richards Bay and Virginia.

At some airfields the monitoring service would run only between 6am and 5pm, backed up by an after-hours standby service.

The department said: "Citizens of countries who are subject to visa requirements for admission to SA must note that a visa for entry into SA does not automatically allow entry into Namibia." — Sapa.