PUBLIC SECTOR - TRANSPORT - GENERAL

1992

JANUARY - MARCH.
Sailing to prosperity

In a brave attempt to turn Port Elizabeth into one of SA’s premier tourist meccas, Transnet’s newly established property unit, Proport, is to make parts of the city’s harbour waterfront and surrounding railway land available for development. PE desperately needs such an economic injection.

Proport CE Fuzz Loubser tells the FM the property unit was established in August 1991 with the principal aim of turning surplus and under-utilised property owned by Transnet to commercial gain. Transnet’s current fixed investments portfolio (land and buildings) was recently valued at R9.2bn, this includes 100% ownership of the Victoria & Alfred Waterfront Company.

Loubser says much of the more than 100 ha Transnet owns in the PE area is being used for Transnet functions — there are railways (Spoornet) and commercial harbour (Proport), as well as staff housing. However, as part of a continuing survey of its holdings, Spoornet has initially made available for development two portions of land (the Slipway and Campanile precincts) as well as several other areas, including that around Hume Park Club, the Kings Beach area, and the area around the Mission to Seamen building, a haven for sailors in port.

Loubser’s announcement was made in mid-December and was accompanied by an invitation to the local authorities, the community and developers to enter discussions on realising the potential of the Bay Waterfront area.

Loubser says he has not spoken specifically to any developers except in terms of market research: “They have been waiting for us to make the land available,” he says. Development opportunities will involve normal market mechanisms such as joint ventures, leasing and so on.

First steps to get the harbour redevelopment going have been undertaken by PE port engineer Sidney Chant, who headed a steering committee on the matter. He has been supported by PE’s port manager and Spoornet’s regional manager.

In September 1990, Chant’s committee appointed a consortium of consultants, led by architectural and urban design expert Greg S, which recently submitted a proposed urban design framework for the Bay Waterfront. Other efforts by Chant included organising a workshop on the issue at which community delegates made valuable input. Business and government organisations also attended and, thereafter, developers and council officials were consulted.

The idea behind Chant’s plan is to link the CBD and the harbour and encourage development to move back into PE.

Transnet’s ambitions to realise the full potential of its substantial property holdings on the Bay Waterfront is reportedly “in line” with the findings of a March 1989 report on the tourism potential of the port. The report was produced by a committee chaired by Portnet assistant chief engineer Arne Burgin.

Areas in the vicinity of the Mission to Seamen

According to Transnet, a number of factors would have to be taken into account in the development — particularly in the short to medium term, such as ore bins, the tank farm and the deep water berthing facilities, which would have to remain in place.

A feedback meeting will be held soon at which the urban design framework will provide a base for further discussion and contributions from the general public, community and business organisations.

The first homes at Cape Town’s Victoria & Alfred Waterfront phase three development could come on stream in two years.

The New Basin Precinct plan, unveiled last month and presented to the city council for consideration, is regarded as crucial to the long-term success of the development. It includes the flooding of the old lower fuel storage tank farm to create a 5.2ha pool to accommodate a marina, the construction of an aquarium, a Victorian-era railway station with an hotel set in a mixed-use area, and a canal with lock system and drawbridges.

About 100 homes are planned initially. They are likely to include private, self-catering and timeshare units. Further phases of the waterfront development include many more homes.

The plan also provides for the flooding of the upper tank farm and creation of a canal linked to the marina by locks. The canal will eventually extend to the lower CBD. It is envisaged that a light rail system will connect the waterfront to the city and possibly run on to Greenpoint and Sea Point later.

The building programme sets late 1992 as the target date for the last tanks to be removed. In the third quarter, excavation of the upper tank farm should begin. The flooding of the basin is scheduled for the third quarter of 1993 and later the first residential units should be available.

Detailed plans for each development within the New Basin Precinct still have to be submitted for council approval. The first is expected to be the aquarium and its surroundings.

The first phase of the Victoria and Alfred development, the Peerhead Precinct, was completed more than a year ago and officially opened in May. The second phase, the Portwood Precinct, is under construction and includes Cape Town University’s new Graduate School of Business and Victoria
LENORE OLIVER
Weekend Argus Reporter

RAIL commuters are up in arms about recent fare increases and say posters informing them of the price hikes are misleading.

Last year, the South African Rail Commuter Corporation announced that train fares were to go up by 15 percent from January 1.

But according to outraged commuters who have bought tickets during the past three days, fare increases have been between 18 and 25 percent.

Mr Peter Johnson of Crawford told Weekend Argus: "A ticket from Cape Town to Crawford that cost me R2,50 last year is now costing R2,50. I therefore had to pay an increase of 25 percent."

"But posters at stations state that fares are to go up by 15 percent, nothing less and nothing more. That is daylight robbery and something must be done about it."

Another commuter complained that fares from Cape Town to Lakeside had gone up by 18 percent.

According to the commuter corporation's marketing director, Dr Koos Meyer, all fares have in effect been increased by 15 percent only.

The corporation is responsible for the increases, which are worked out on a kilometre-to-kilometre basis.

Dr Meyer said the corporation was in the process of phasing out the old mechanical ticket-issuing machine with a new electronic version.

"The old machine was not as accurate as the new machine and therefore distances were often wrong, resulting in commuters paying incorrect fares."

He said that at some stations both machines were being used and thus caused the difference in the increase.

"Because the distances of the old and new machines differ, commuters were paying different prices."

Some commuters were actually paying less at some stations, Dr Meyer added.

"Where the new electronic machine showed a distance was recorded incorrectly previously, the fare is adjusted according to the distance applicable."

"Even where the distances are longer the increase still remains 15 percent, whether it be the old or new machines. Perhaps we should have been more explicit in our explanation of the fare increases."

Mr Rosebery Sontor of the Western Cape Civic Association said trains were always the last resort of the working class and the recent increase was unnecessary.

"People are now working for transport instead of their families and in civic circles this is unacceptable," he said.

The corporation has announced it will adjust the old mechanical and the new electronic machines this weekend so that all ticket fares will be increased by 15 percent across-the-board.

All tickets should be correctly priced by Monday.
Singapore airline set to begin SA service

By John Miller

Singapore Airlines will begin its first scheduled service to the African continent when one of its aircraft lands at Jan Smuts Airport on March 29.

An industry source told The Star that the airline would operate two flights a week between the two countries.

During the past 27 years the airline has won numerous awards for its in-flight service and operates the youngest fleet of aircraft in the world, flying to 65 destinations.

SAA spokesman Mike Pfeiffer said there had also been informal talks between SAA and Japan’s national airline.

“At this stage there is no indication when formal talks will take place. One of the big concerns for any carrier operating to Japan is obtaining a convenient slot time. Tokyo is one of the busiest airports in the world,” he said.

In another first, an independent African airline jetted into Jan Smuts at the weekend.

A spokesman for the Department of Civil Aviation said African Airlines International, based in Nairobi, recently applied for a non-scheduled licence to bring Muslims back from a pilgrimage in Saudi Arabia.

According to the application, the airline requested permission to fly from Mombasa to Johannesburg, Durban and Cape Town.

To date only Jan Smuts has been allowed as a gateway to South Africa.

The department is currently considering the application.
Airline seeks Muslim flights

LINDEN BIRNS

NAIROBI-based African Airlines International has asked for permission to start regular charter flights between Mombasa, Nairobi, Durban and Cape Town, primarily to carry Muslim pilgrims to Kenya to catch connecting flights to Mecca.

The airline has applied to the Directorate of Civil Aviation (DCA) in Pretoria for a non-scheduled route licence and plans to use a 174-seater Boeing 707 for the proposed twice weekly flights.

Meanwhile, Johannesburg-based charter company Air Supply has re-applied for a licence to use a 106-seater British Aerospace Bae 1-11 jetliner on flights between SA and other southern African destinations not served by SAA or other scheduled airline operations.

Last month DCA upheld SAA’s objection to Air Supply’s first application despite the introduction of a new interim international civil aviation policy which provides for charter flights.

A second flying is scheduled for later this month.
New service popular

MORE than 90% of seats in the first month of SAA flights from Johannesburg to Perth and Sydney have been sold, while only about half the seats on inbound flights are taken, spokesman Anelda Renecke said yesterday.

SAA will resume flights to Australia on January 10 after a four-year interval.

Australian international carrier Qantas will also resume flights on the route. That airline stopped flights to Johannesburg in 1977.
SAA ‘to lose veto powers’

Own Correspondent

JOHANNESBURG — SAA is likely to be stripped of its “veto” powers over proposed air fares for flights to and from South Africa when the government introduces its new international civil aviation policy in April.

At present all foreign airlines wanting to file new fares must submit their proposals to SAA, which passes them on to the Directorate of Civil Aviation (DCA). Failing this airlines must lodge fare applications with the DCA, which refers them to SAA “for comment.”

Some foreign carriers claim that this amounts to an SAA veto.

A document circulated recently to some airlines serving South Africa said the DCA’s steering committee appointed to review international aviation policy was mooting a “double-disapproval” arrangement to replace the current air-fare filing system.

Unfair

Double-disapproval means that an air fare can be disallowed only if the governments of both countries served on a particular route reject the proposed fare.

In a recent interview Austrian Airlines Southern African general manager, Mr Siggi Kuchling, said, “In other countries airlines file fares directly with civil aviation authorities, but this system gives SAA an unfair advantage as they get to know all your plans.”

British Airways general manager in South Africa Mr Malcolm Freeman said BA would support a double-disapproval arrangement. He said that “as a matter of principle” BA filed its proposals to DCA, instead of dealing directly with SAA.

SAA spokesman Mr Anelisa Reinecke declined to comment.
SAA seeks new routes

SAA has earmarked five new destinations to add to its international route network this year, airline sources claim. Among the likely destinations are Malaysia, India, Singapore and Tokyo. (21/9)

The sources said talks had been held with Malaysian Airlines, which was keen to begin flights to Johannesburg, as was Air India, but there had not yet been any formal dialogue with the latter.
SAA bids to reclaim clients

SAA is to launch a marketing strategy to win back air cargo clients which it lost when its flights to the US were suspended in 1988. Cargo and Domestic Marketing senior manager Andre Kleynhans said yesterday.

He said since the airline resumed its New York service in November, it was struggling to win back many former clients which had, in the interim, relied on major European carriers to move cargo.

"I’m busy appointing my cargo marketing team, then together we’ll devise the strategy and approach major export clients with the plan," said Kleynhans.

Perishables, flour and textiles accounted for most of the export air cargo items, while higher-value items such as electronics components, computers and engineering machinery made up most imports.

He said the airline was consistently filling an average of 75% of its cargo capacity on its aircraft, although there were often payload restrictions on some of its aircraft on flights out of Jan Smuts Airport.

This was because the air was less dense on the Highveld plateau and airliners need
ed to carry less weight on takeoff — or runways would have to be extended.

The loss of the Helderberg 747 and the subsequent conversion of SAA’s remaining Boeing 747 Combi to a standard configuration were severe blows to the airline’s cargo capacity, Kleynhans said.

Kleynhans said SAA would have to consider acquiring a dedicated cargo plane in the medium to long term. However, it would not be viable until the economy showed signs of growth, and until there was a sufficient recovery in foreign investment, imports and exports.

While the US market was proving a tough nut to crack, SAA has sold virtually all its cargo capacity for the first month of its soon to be resumed Australian service.

Although Australia was never as big a cargo market as the US or Europe, SAA would soon be able to get a more equal share of revenue generated by air freight on the route, sharing it with Qantas (Australia’s international airline), which transferred its flights to Harare from Johannesburg in 1977, said Kleynhans.
Spoornet to charge rental on trucks left at harbours

PORTNET will have to pay Spoornet an estimated R6m a year for trucks which exceed the free period in harbours.

This follows a recent internal agreement. However, PORTNET will be able to recover some of the costs from shipping agents and brokers.

The agreement, effective from April 1, means port officials and shipping agents will have to plan carefully and provide correct information.

Unproductive

The alternative is to risk having to pay Spoornet truck rental costs that will be calculated on an hourly basis.

Sources said Spoornet was “tired of trucks lying unproductive at harbours where they are often used to store cargo.”

PORTNET GM cargo, J.J. Knight said PORTNET would not always “be the guilty party at harbours.”

Shipping companies which caused delays would also be subject to Spoornet’s “truck hire charge.” He said negotiations with shippers and the SA Association of Freight Forwarders were still being conducted to clear up certain points.

According to PORTNET’s Journal Portlink the question was first addressed in 1977.

A special commission was appointed to indentify individual cost centres within Transnet.

The task of the commission was to determine what costs should be claimed by Transnet’s different groups for services rendered to each other.

But the commission’s investigation was so extensive that it was only completed in 1991, Portlink says.

A spin-off of Spoornet’s move is that bottlenecks at harbours will be reduced. This will help to increase efficiency.
SAA licence at risk as US airline blocked

Squabble over American route

SOUTH African aviation authorities could be jeopardising SAA's licence to fly to the US by refusing to allow a US-based charter group to fly there.

An American airline, Florida-based Rich International, this month applied to operate weekly charter flights between Miami and Johannesburg beginning in April.

The Rich International application has apparently been turned down in order to protect SAA's lucrative US route, where a return fare costs more than R9 000.

**Designated**

South African law allows international charter flights to enter the country — with some restrictions — but the general practice has been that charters flying into the country on a regular basis are not allowed.

US aviation law, however, does not differentiate between scheduled and non-scheduled operators. It does not restrict the number of operators on a route unless a carrier is designated to operate a route.

So any application by a US airline for a route which is not yet utilised in terms of the reciprocal agreements would be expected to be approved.

If South African authorities persist with their current attitude, sources say, the US authorities could take a closer look at the terms of SAA's licence SAA currently flies to the US on an operating licence that is renewed annually.

A spokesman for the Department of Civil Aviation says the schedule applied for by Rich International is being discussed with the airline's local agent, "so we cannot give further comment at this time".

A spokesman for Rich International says the airline will reapply for a licence to fly the Miami-Johannesburg route as a scheduled service if the current application is turned down.

"The difference to us will simply be the price we charge our passengers. On a charter licence, we will be at liberty to set our own fare structure, as a scheduled airline, we would have to comply with the fare structure used by SAA which is set and approved by the South African Government."

The other option would in essence mean Rich International would merely mop up the excess demand of the thrice-weekly SAA flights to New York. But, the spokesman says, if the airline is allowed to operate regular charter flights it would in fact create a whole new market and destination.

The cost factor would be pivotal to the airline's marketability on the route.

The spokesman says there is no doubt that on a charter basis the airline could offer substantial savings on the US fare which SAA charges. A return fare in economy class to New York currently costs R9 230.

Rich International is the first bona fide American carrier to apply to fly the lucrative long-haul route between the two continents since US sanctions were lifted a few months ago. SAA resumed its services to New York in November after a break of nearly five years. According to an SAA spokesman, load factors have averaged 80 percent since the inaugural flight.

Rich International will use a DC8-62 aircraft on the route, which can carry up to 189 passengers. Load factors are expected to be 100 percent.

**Certified**

The airline was founded in 1970 by Jean Rich with one small aircraft flying cargo. Today it operates a fleet of DC8-62 aircraft and two L1-11 aircraft. It has schedule and charter authority on various international routes and is certified by the internationally recognised US aviation body, the Federal Aviation Authority.

Among its charters were guests flown from New York to Morocco for Malcolm Forbes' 70th birthday party, Saudi Arabian royalty, the US and British military relief supplies for Sudan and Ethiopia, and mercy flights to Cuba.

In addition, it operates numerous tourist flights to destinations all over the world.
Joint venture to provide cut-price charter flights

THEO RAWANA

BUSINESS development organisation Black Challenge and cargo airline Safair have teamed up in a venture to provide cut-price charter flights for business, political, church and other trips to various parts of the country.

Business Challenge executive director Phil Khumalo said at the weekend the deal involved launching a company to arrange tours on Safair planes.

He said for a start, two groups of schoolchildren would go on trips to destinations — as yet unidentified — inside SA at the end of the month.

"If we had been ready we would have flown the ANC to Bloemfontein for their anniversary this week. We are geared towards such trips, but the prospects are limitless and could range from overseas trips to ski resorts to groups travelling locally."

Khumalo said response from businesses, schools and other sectors had been so great that they managed to get full plane loads for the two trips, having marketed the idea only by word of mouth.

Safair commercial manager Hugh Flynn said the airline had access to many planes, from Boeing 747s downwards.

"We are trying to meet the requirements of a new business sector. A reservations organisation is to be set up and Safair is to work out appropriate fares for passengers," said Flynn.
KLM seeks additional SA flights

THE HAGUE — Dutch airlines are anxious to increase the number of flights between SA and the Netherlands to cater for the expected tourism boom following the elimination of apartheid.

A delegation from the Dutch Civil Aviation Board leaves for SA this week seeking to increase the number of KLM flights between Amsterdam and Johannesburg to four a week and possibly to extend this later to daily flights.

KLM spokesman Peter Wellhuner envisaged a considerable growth in passenger traffic between the two countries.

At present there are two KLM and two SAA flights a week between Schiphol Airport and Jan Smuts, but SA has granted permission for one extra weekly flight.

The news follows an announcement last week that a Dutch businessman is planning to start “see-the-real-South Africa” tours, including stopovers in the major towns, ships and homelands. — Star Foreign Service.
SAA hopes to dash Flitestar's Kenyan bid

FLITESTAR has applied to the National Transport Commission to start flights to the Kenyan port of Mombasa. However, SAA spokesman Anselm Reincke confirmed yesterday that the airline would appeal against the application.

The appeal would be on the grounds that a charter service between the two countries would "overlap uneconomically" with SAA and Kenya Airways which operate reciprocal scheduled flights between Johannesburg and Nairobi, even though Flitestar has not applied for traffic rights to Nairobi.

According to Flitestar's application, in the latest Government Gazette, return airfares would cost between R800 and R1,600.

It is not known when the commission will evaluate Flitestar's application.

Another Johannesburg-based charter company, Air Supply, recently had its application for flights on the same route rejected by the commission after SAA lodged a formal objection. SAA argued that the introduction of a 100-seater jetliner on a route to a country served by itself and the national airline of the country concerned would be detrimental to business.

In a recent statement SAA chief spokesman Leon Els said the airline would object to charter applications only if they were not in accordance with the Directorate of Civil Aviation's interim international civil aviation policy guidelines.

The policy was implemented in a bid to deregulate SA's international civil aviation code which previously restricted charter operations and the granting of scheduled flight service licences to SA airlines other than SAA.
US airline forced to delay flights to SA

WASHINGTON — Investors were sceptical this week about the chances of a new US airline in the Middle East, particularly after the break-up of Pan Am last November.

US Africa Airways (USAA) had hoped to begin flying to Sao Paulo by April, but has been unable to raise the necessary capital to begin the service, initially using a leased Boeing 747.

Company president Michael Meszaros, a former US sales manager for SAA, said:

"We have been unable to secure the necessary backing to begin flying by mid-year and could be fully capitalised by the end of the month if promises turn into signatures."

According to the detailed business plan submitted to the department, it plans to spend $8m during its first year promoting SA as a destination."
SAA may block rival service

By John Miller

South African Airways is likely to oppose Flutestar's charter application to fly weekly to Mombasa in Kenya.

Flutestar's application, published in the Government Gazette, states that an Airbus A-320 would be used on the proposed route and would cost passengers $800 for a single ticket or $1600 for a return ticket.

SAA's service to Nairobi at present costs more than $2000 for an economy-class return ticket. However, cheaper fares are available subject to various rules and regulations.

SAA spokesman Mike Pheifer said the airline could oppose any other airline's request to do charter operations if they financially affected SAA's scheduled services. This was in accordance with the interim International Aviation Policy of November 15, 1990.

He denied that the possible action was in line with SAA's protectionist policy.
Qantas critical of Jan Smuts facilities

AUSTRALIA's Qantas airline officials have criticised the arrivals and immigration facilities at Jan Smuts Airport's international terminal for being unable to cope with the high influx of foreign passengers.

The airline's Africa manager Jeff Murdoch said yesterday he had reservations about the alterations at the airport, which he described as "mostly cosmetic".

He described a scenario where, as soon as more than two or three fully laden wide-body airliners arrived within an hour of each other, then the arrivals, immigration and baggage claim hall would be overcrowded and the processing of passengers would slow down.

However, Murdoch did praise the airport's management for finding accommodation for Qantas while large parts of the airport were closed for alterations.

In addition to a proper airport infrastructure, more five-star hotels were essential if SA was to make inroads into the lucrative Japanese and southeast Asian tourist markets, he said.

Murdoch came to Johannesburg from Harare to oversee arrangements for the arrival of the airline's first flight to SA since 1977, when it pulled out for economic and political reasons.

He is also negotiating an interline (mutual ticket recognition) agreement between Qantas and Flitestar, which would see the local domestic airline being marketed in Australia through Qantas.

In the short term, most Qantas passengers would be in the "friends and relatives visitors" category, but once all sanctions had been lifted, an increase in business travel could be expected, Murdoch said.

A Sydney-Harare flight will operate every Thursday. Murdoch said most of the introductory special offer return tickets (R1 999) had already been sold and advance bookings were good. First-class return tickets from Johannesburg to Sydney cost R15 945 and business class R12 223.

Qantas marketed in Australia through Qantas if agreement is reached, SA-bound Australian travellers would be able to buy Flitestar tickets from Qantas agents before arriving in SA.

Murdoch was due to meet Flitestar's management later yesterday.

Initially Qantas flights will land at Jan Smuts early on Tuesday mornings, departing for Perth and Sydney later that day.

From mid-February the airline will switch its flights to Sundays.
Protest as SAA lands again in Australia

MELBOURNE — For the first time in more than four years a South African Airways aircraft landed in Australia yesterday. The flight from Johannesburg to Perth and Sydney marked the end of the airline’s absence from Australia due to sanctions SAA was forced to suspend its flights in October 1987.

A handful of ANC protesters demonstrated at Perth airport when the jet arrived. They called on SAA to change its springbok logo.
Flights to Australia resume

SYDNEY — SAA resumed its weekly service to Australia yesterday, more than four years after the Australian government withdrew landing rights as a protest against apartheid.

In a move heralded as a further step on the road towards complete normalisation of relations between the two countries, Flight SA289 touched down in Perth nine hours after taking off from Johannesburg.

Several ANC supporters staged a protest in the arrivals lounge as the SAA jumbo landed, but there was no sign of demonstrators when the plane landed in Sydney a few hours later 8/12/12.

SAA chief executive Gerit van der Veer said "I think it adds strength to a process of normalisation that has been taking place for the past 18 months and that is culminating now in all sanctions disappearing."

He said prospective bookings already were satisfactory.

Van der Veer said the resumption of old routes meant the airline could look forward to a period of growth.

"It means we can start taking people on again, especially other population groups, and that's very needed at this point in time. We must do our social share in bringing the people who have been disadvantaged into the organisation."

SA ambassador to Australia David Tottle said "SAA's return represents a further step on the road towards complete normalisation of Australian-SA relations."

"I believe that the few impediments to complete normalisation — by that I mean trade and other sanctions — will be history quite soon. Quite likely before the end of the year."

LINDENBIRNS reports that Austrian Airlines is to introduce a second weekly flight on its Vienna-Nairobi-Johannesburg service from April 1 as a result of increased demand on the route, which has proved to be one of its more profitable services.

The airline’s overseas marketing vice-president Franz Zochbauer said on Friday the passenger and cargo load factors on the route had steadily increased since the introduction of the service last July.

The airline’s GM Sigg Ruchling confirmed that Austrian Airlines and Finnair had negotiated a mutual ticket recognition or “interline” agreement, which was recently sent to Vienna for signing by the Austrian Airlines board.

Meanwhile Ghana’s left-wing government said on Friday travel restrictions between it and SA would be lifted and a direct air link might be established.

Foreign Minister Obed Assamoah said Ghana’s new policy was in line with the decision by other commonwealth members to lift sanctions gradually in step with political changes in SA. — Sapa-Reuter
SAA likely to lose ‘veto’

SAA is likely to be stripped of its “veto” powers over proposed airfares for flights to and from SA when government introduces its new international civil aviation policy in April.

At present all foreign airlines wanting to file new fares must submit their proposals to SAA, which passes them on to the Directorate of Civil Aviation (DCA). Failing this airlines may lodge fare applications with the DCA, which refers them back to SAA for comment.

Some foreign carriers claim that in effect this amounts to an SAA veto.

British Airways SA GM Malcolm Freeman said yesterday there were strong indications a new arrangement for airfare approval would be included in the new policy.

A document circulated recently to some airlines serving SA said the DCA’s steering committee appointed to review international aviation policy was mooting a “double-disapproval” arrangement to replace the current, airfare filing system.

Double-disapproval means that an airfare can be disallowed only if the governments of both countries served on a particular route reject the proposed fare. For an airline to introduce the new fare, only one government’s approval is required.

This has already been put into practice by some European countries, where airlines are granted virtual automatic fare approval, although some have opted to follow the International Air Transport Association’s recommended prices.

In his paper at last year’s conference on SA’s international aviation policy, DCA commissioner Japie Smut conceded the current system of bilateral agreements, which regulated the designation of airlines on routes, the frequency of services, capacity to be made available, tariffs and routes, reflected a protectionist attitude.

“It is imperative to weigh up the implications of this policy against the government’s national goals as it manifests itself in the broader economic policy,” he added.

In a recent interview, Transair Airlines southern Africa GM, Siggi Kuchling, confirmed that SAA had insisted on seeing proposed new fares before they were sent to the DCA for approval.

“In other countries airlines file fares directly with civil aviation authorities, but this system gives SAA an unfair advantage as they get to know all your plans,” he said.

Kuchling said he was sure the situation would change with the new policy.

Lufthansa spokesman Karin Lambien said the airline had an agreement with SAA to follow and match its fares “At the moment we are not filing fares, but if we did we would go to SAA and notify them, at the same time telling DCA,” she said.

Freeman said BA would support a double-disapproval arrangement. He said that “as a matter of principle” BA filed only to DCA, which referred the proposals to SAA “for comment”, but that it would not file straight to SAA.

SAA spokesmen Anelda Remeke declined to comment.

Smut and other DCA spokesmen could not be reached for comment yesterday.
SAA slashes local fares

South African Airways has reduced certain domestic off-peak fares by 25 percent in an attempt to fill empty seats.

According to a spokesman for the airline, Mike Pheiffer, this latest move was not in response to rival airline Elitestar, but merely one more addition to the 10 options already available to the domestic traveller.

The latest discount, known as Skylite, means that an economy-class ticket between Johannesburg and Durban could cost R171 instead of R277 and a similar ticket between Cape Town and Johannesburg R319 compared to R426.

Elitestar's managing director, Ian Blake said the airline would have to study SAA's latest move before announcing any changes in its fare structure — Staff Reporter.
SAA to offer local cut fares

Own Correspondent

JOHANNESBURG. — SAA Airways will offer discounts of up to 25% on selected domestic air fares from January 28, airline spokesman Mr Mike Pheiffer said yesterday.

The offer follows hard on the heels of repeated assurances by SAA management that the airline would not be drawn into a fare war with Flitestar.

Last year both airlines' management claimed they could not afford to reduce standard fares, which are identical on all routes, as they were operating close to break-even point.

SAA's special discount fare, to be known as Sky-Pex, will be made available on selected off-peak flights. A Sky-Pex ticket for a flight between Johannesburg and Durban will cost R171 instead of R229.

"Further details on which flights the discounts would apply were not available."

Ask agents

The SKY-Pex fare would appeal to "cost-sensitive" passengers whose flight schedules were not dictated by time, said the SAA statement.

"Passengers wanting to make use of the special offer should ask their travel agents for a Sky-Pex ticket on a specific date. The agents will then tell the client for which flight the ticket will be made available."

Flitestar managing director Mr. Ian Blake said yesterday it was difficult to say if SAA were trying to match their competitor's off-peak discount fares.

"It all depends on the types of restrictions the ticket carriers and whether they make all of their off-peak flights available for the discount fares."

Flitestar has offered up to 30% discounts on economy class and up to 15% on business class for off-peak flights.

Mr Blake said Flitestar would review its fares structure next month. He said the airline did have some innovative air fare ideas up its sleeve, but declined to discuss them.

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SAA offers 25% cut on local fares

22/11/72 LINDEN BURNS

SAA would offer discounts of up to 25% on selected domestic air fares from January 28, airline spokesman Mike Pfeiffer said in a statement yesterday.

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Last year both airlines' managers claimed they could not afford to reduce standard fares, which are identical on all routes, as they were operating close to break-even point.

SAA's special discount fare, to be known as Sky-pex, will be made available on selected off-peak flights. A Sky-pex ticket for a flight between Johannesburg and Durban will cost R171 instead of R228.

Further details were not available.

Passengers wanting to make use of the special offer should ask their travel agents for a Sky-pex ticket on a specific date. The agent would then tell the client for which flight the ticket would be made available.

Fliestar's MD Jan Blake said yesterday it was difficult to say if SAA was trying to match its competitor's off-peak discount fares. "It all depends on the types of restrictions the ticket carries and whether they make all of their off-peak flights available for the discount fares."

Fliestar has offered up to 30% discounts on economy class and up to 45% on business class for off-peak flights. The fare structure will be reviewed next month.
Scared Sowetans turn backs on trains

Staff Reporters

As the death and injury toll from savage attacks on Soweto train commuters mounted, many Sowetans today turned their backs on the train service.

Trains were swamped as commuters stayed away from trains hit by vicious gangs.

The rush to taxis ranks left many commuters stranded, with taxis unable to cope with the load.

The death toll from attacks on commuter trains this week is six, with 23 injured.

In the past 18 months train killings have claimed almost 150 lives.

The latest attack was yesterday evening.

Captain Govumzimayo Mamanthuso of the South African Police said a man was stabbed and thrown off a train between Orlando and Melville stations at about 6pm.

He died on his way to hospital.

In another incident, a man fractured his arm and leg when he was thrown off a train between Ikweni and Naledi stations at about 6.30pm.

He is being treated at Baragwanath Hospital.

Captain Joseph Ngobeni, liaison officer for the Soweto police, believed there were enough policemen available on trains in and out of Soweto.

Problems encountered by these policemen could, he said, be attributed to the fact that commuters were crammed into one compartment.

There are no interconnecting doors between compartments for the commuters to spread out.

The police, too, were restricted to the compartments they were in.

Police were undertaking daily patrols on trains and used metal detectors during peak hours at stations.

Captain Ngobeni said if commuters spotted armed men on the trains, they should alight at the next station and report the matter to the police.

"Stay calm and many lives could be saved," he advised commuters.

The captain added that many attacks were of a criminal nature.

Any person with information concerning train attacks could telephone either (011) 509-0991 or 980-6200 during office hours.

Callers could remain anonymous.

Community leaders of concerned groups are invited to contact Captain Ngobeni.

He can be contacted at (011) 509-8128 during office hours.
American Airlines keep on flights to SA

AMERICAN Airlines, the Western world’s biggest airline in terms of fleet size, will probably begin flights to SA next year or early in 1994, a spokesman said yesterday.

The airline’s Southern African head, Mike Tyler, said American’s management in Dallas had indicated it was keen to increase flights to SA, but that it was waiting for the market to grow sufficiently before it could justify the costs of setting up a full operation in SA.

“The airline is looking at 1993 or 1994 as an entry to the route,” he said.

The last US carrier to operate regular transatlantic flights between SA and New York was the now defunct Pan Am, which went bankrupt in December shortly after most of its assets were bought by its rival, Delta.

Yesterday American Airlines announced several special discount incentive fares for people flying to the US from SA via any point in Europe served by the airline.

These “breakthrough fares”, matched SAA’s direct Johannesburg-New York Super-Pex prices, but offered the traveller a break in their journey in Europe at no extra cost.

Tyler said low-season, economy class, discount return tickets to New York and Boston would cost R3 480, while tickets to Chicago, St Louis and Cincinnati were R3 985, and R4 444 to most west coast cities.

High season tickets to New York and Boston will sell for R3 999, Chicago, St Louis and Cincinnati for R4 504 and west coast cities for R4 968.

He said that in the early and mid-80s American Airlines offered similarly structured discount fares to SA travellers even while SAA at that time had five return flights a week to the US.

American Airlines was also negotiating a ticketing agreement with Flitestar which would enable the US carrier to issue tickets to people travelling to SA but who wanted to make use of a domestic service after arriving in the country.

The airline already displays Flitestar flight information and seat availability on Sabre, a computerised global distribution system.

Meanwhile, SAA spokesman Leon Els yesterday said SAA was not entering a fare war with Flitestar, but was merely trying to stimulate the off-peak travel market with its 25% Sky-Pex domestic discount fares.

SAA was not cutting fares, but was offering discount incentives in a bid to fill its aircraft during periods when they were underutilised, he added.

Sky-Pex fares will be available on selected off-peak flights. A Sky-Pex ticket for a flight between Johannesburg and Durban will cost R171 instead of R228.

Flitestar has offered up to 30% discounts on economy class and up to 15% on business class for off-peak flights.
British Airways team holds talks on SA-UK air accord

BRITISH Airways has sent its top negotiators to Johannesburg for talks on an air traffic services agreement between Britain and SA, and to discuss fares and the number of flights to be offered during the next European summer season.

Robert Edson, BA’s head of commercial and government affairs, and Michelle Ballinger, the department’s manager, arrived in SA earlier this week. They held talks with the Directorate of Civil Aviation (DCA) on Wednesday, and met SAA representatives yesterday.

Edson said BA was seeking to negotiate a less restrictive agreement which was open on passenger capacity ceilings, the frequency of flights, pricing, and the designation of airlines offering services between various points in SA and Britain.

Formal talks are set to begin on February 24, but Edson said they did not expect a new agreement to be agreed after just one sitting. “I don’t anticipate this coming off in one fell swoop, although that would be nice,” he said.

BA would like to offer two return flights a day between London and Johannesburg, while regularising its non-stop services to Durban and Cape Town, although there would first have to be enough demand, said Edson.

Inbound tourism from the UK to SA had increased since BA had resumed advertising SA as a destination, he said.

He predicted that greater deregulation of scheduled services and freeing airlines from fares set by government would kill off charter services, as these would no longer be able to offer competitive prices.

The last time formal negotiations took place between the two airlines was in the 1970s, when BA applied to amend the SA/UK bilateral agreement to include Hong Kong- and Seychelles-to-Johannesburg traffic rights, the former now being operated by Cathay Pacific.

The current bilateral agreement, signed in 1945 by Prime Minister Jan Smuts, was Britain’s oldest operative agreement on air traffic rights, Edson said.

He said that most other African countries presented a problem in negotiations, in that the poorer countries restricted airlines from repatriating revenues. SA, at present, was an exception and as such presented an incentive to foreign carriers.

In a scenario where a “less-commercially inclined” interim SA government wanted to make any changes to a bilateral agreement, it would be compelled to do so either after negotiations with the country concerned, or by terminating the agreement after 12 months’ notice, Edson said.
Metro to speed up improvements

By ELIAS MALULEKE

The South African Rail Commuter Corporation, Metro, has embarked on a campaign to improve security and service on all its stations and trains in the PWV area, Cape Town and Durban.

This emerged in a plan unveiled to City Press this week by the managing director of Metro, Dr JJ Nel, in which he stated Metro would consult with mass-based organisations, trade unions, businesses and the man in the street to make the plan a success.

Police stations will be established and permanent, special and temporary police will be employed to control all stations and trains.

In addition, Metro will set up shopping centres, clinics and entertainment centres at all major stations.

"Consultations with whoever will talk to us is our major priority if we must make rail commuting in this country what it must be," he said.

Nel said a study has shown that high on the list of the community's needs was transport, followed by entertainment, health, shops and police stations.

"However, when Metro was inherited from Transnet on April 1, 1990, we inherited many problems, including unkempt coaches, stations and the general lack of facilities for commuters."

"This is now changing drastically. We have started by changing the features of our trains, damaged coaches are being repaired as soon as they are spotted and upgrading schemes are being undertaken at stations to make the lot of commuters easier," he said.

Nel said Metro operated two major services and should not be confused with Transnet, which is responsible for long-distance routes.

"Our responsibility is to ensure that workers are transported to their workplace and back in as much comfort as possible,"
Travel agents slam govt’s charter policy

GOVERNMENT’S decision to reject air charter licence applications for flights between Johannesburg and Mombasa has come under fire from the Association of SA Travel Agents (Asata).

Asata executive director Chris du Toit said on Friday that the association’s initial reaction to the issue was that the National Transport Commission (NTC) was not demonstrating any foresight.

“The more people travelling in and out of SA means more money for Asata members (travel agents). Growth in traffic would also be good for the local tourism and travel industry,” he explained.

His remarks follow the release of the NTC’s reasons for supporting an SAA objection to a Johannesburg-Mombasa charter application last December by Northlands-based Air Supply. The NTC indicated it was satisfied SAA and Kenya Airways were providing adequate capacity on flights between Johannesburg and Nairobi and that charter flights to Mombasa would harm SAA.

The NTC made no mention of the potential growth in the package holiday market which travel agents believe could be stimulated to fill the extra capacity offered by the addition of charter flights.

Air Supply has reapplied for the same licence, as has Flitestar. SAA has indicated it will oppose both applications on the grounds that charters to Mombasa would “overlap uneconomically” with SAA’s and Kenya Airways’ scheduled service between Johannesburg and Nairobi. The NTC will hear Air Supply’s second application on Thursday.

Du Toit said Asata favoured further liberalisation of the intern civil aviation policy as far as charters were concerned. At the same time, he said, government should still exercise caution against opening the skies to “fly-by-night” firms.

“There should still be a veto, but it should not be placed in the hands of an organisation with a vested interest, such as SAA, which would use the veto to protect itself.”
Pension deficit at R17bn

CAPE TOWN — Transnet had a deficit of R17.18bn in its pension fund in April 1990, its first annual report since becoming a public company said yesterday.

The shortfall arose because the pension fund had invested surplus money in government and semi-government bonds which had yielded a lower return than growth assets.

As the Pension Fund Act had been amended in 1991, the fund could now invest in growth assets such as shares and property.

Transnet's board decided to rectify the deficit in the pension fund through partial funding by issuing shares, increasing the company's contribution rate from 9% to 12% and by allocating profits to it.

Due to Transnet's sensitivity to market fluctuations the balance sheet was not sound, which would impede any privatisation.

Transnet MD Anton Moodman said Spoornet traffic volumes were down 8% over the previous financial year. The decrease was more marked in the general sector than in bulk traffic.

"The poor performance of the agricultural sector contributed to the decline."

Portnet handled 5.4% less traffic through its eight harbours although container tonnage increased 1.9%.

SAA had fewer travellers and higher fuel costs.

Domestic passenger bookings decreased 7.9% while international passenger numbers decreased 4.5%.

AutoNet was also affected by the reduced demand for transport and showed a 25.8% decrease during the financial year.

"To alleviate the management cutback on costs at all levels a programme of natural employee attrition was implemented," the annual report said, adding the staff complement had been cut by 4.8% by March 15 last year compared with the same date in 1990. — Sapa.
Transnet notches up net profit of R515-m

Political Reporter
and Sapa

CAPE TOWN — Transnet's economic performance was satisfactory during the 1990/91 financial year despite the sluggish economy and comprehensive changes.

That is the word from Transnet chairman Dr Marius de Waal in his annual report for the period April 1 1990 to March 31 1991 tabled in Parliament yesterday.

He said the unfavourable economic climate which had prevailed since 1989, and worsened during the year under review, affected Transnet's traffic levels negatively. This was partially offset by cost-cutting which resulted in a turnover of R11.538 million and net profit of R515 million.

Transnet had a deficit of R17.130 000 in its pension fund in April 1990, Dr de Waal added.

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Transnet's staff complement had been cut by 4,8 percent by March 15 1991 compared with a year earlier.
Arrest could be break in train killings

POLICE have arrested a man who they believe may help them in connection with their investigations into the ongoing attacks on commuters.

Witwatersrand police spokesman Captain Eugene Opperman told Sowetan yesterday that the arrest of the armed man on Monday night outside Johannesburg Station may be a breakthrough.

He said the man jumped off a train outside the station at about 6pm when he saw policemen in a coach.

He was arrested and police found a panga and a sharpened iron rod in his possession.

"We are concerned about the resurgence of train violence. We believe the man might assist us with further investigations connected with past attacks," he said.

The man is expected to appear in the Johannesburg Magistrate's Court today.

At least nine people are reported to have been killed and about 30 injured in train attacks since last week.

In the past 18 months train killers have claimed about 150 lives and more than 700 people have been injured.

"This is not practical," he said.

Anyone with information about the attacks should phone 10111 or report to the station master of that specific railway station.

Those in Soweto can call either (011) 980-8321 or 980-8320. Callers are free to remain anonymous.

Community leaders with ideas on train safety and crime prevention, in general, are invited to contact Captain Joseph Ngobeni at (011) 980-8126 (office hours).
Bullish Boeing homes in on SA

BOEING is to focus its African marketing campaign on the continent's southwest coast and SA this year in a bid to buttress the "fortress" already established by the US manufacturer on the eastern seaboard.

International sales vice-president Seddiq Belyamani said in Sandton yesterday that Boeing was bullish in its outlook for 1993.

Yesterday Belyamani and other Boeing representatives held a demonstration for SAA at Jan Smuts airport of the wide-bodied twin-jet 767, which Mozambique's national airline LAM took delivery of earlier this week.

SAA has shown an interest in the 767 as a possible replacement for its 747-200s which were built in the early 70s and are close to retirement.

Other Boeing's potential clients in southern Africa include Air Namibia and the Angolan airline TAAG.
A price war took off last week when KLM announced a special Early Bird return fare to Amsterdam of only R2 595 — about R1 000 cheaper than anything on offer a year ago. It also offers to match any lower fare to a European destination of an equivalent distance. SAA responded swiftly by undercutting KLM’s offer by R95. Most other airlines are offering to match the new fares.

However, BA’s Malcolm Freeman does not see this as a price war. "We are still in a tough period, but by the end of March business will pick up and prices should even out." Travel agent and airfare discount specialist Bob Williams disagrees. He believes the trend will continue. "We could see return fares to London drop below R2 000 by the end of the year." Williams has long advocated lowering fares to increase passenger numbers. Until recently, SAA, with government’s backing, set the rules for air traffic to and from SA, fixing prices, dictating the number of flights and even the number of seats per flight — thus the rows of empty seats on many flights.

SAA argued it needed the protection to recover additional costs of flying around the bulge of Africa while its pool partners were prepared to reap the profits from the inflated ticket prices and artificially reduced number of flights (BA’s route to SA is its most profitable). But with political barriers crumbling, government’s attitude is changing. Support for total deregulation of international aviation policy has come from the hotel industry. Government introduced an interim international aviation policy in November to end much of the regulation that has kept out competition. For the first time, two or more airlines from a country will be allowed to fly a route and restrictions on charter flights have been eased to allow charters to pick up passengers from SA and operate regular flights to destinations not served by scheduled flights.

A "double disapproval" policy will replace the current "double approval" policy that allows the aviation authorities of one country to block a proposed airfare. But much remains uncertain. While the industry awaits the final policy — expected to be announced in midyear, many regulations are being ignored. Certainly, the airlines didn’t wait for SAA or Department of Civil Aviation approval when they filed their latest fares.

KLM’s David Pegg explains that waiting for approval would take too long and give SAA an unfair advantage. Pegg stresses that SA needs to create business opportunities.

"The travel industry needs to be stimulated outside the high season." He points out that outbound traffic could be redirected from the regional destinations — Mauritius and Seychelles — to long-haul destinations. Pegg predicts that inbound traffic could well pick up as political problems fade.

AIRWAYS FM 31/1/92

Space scramble

SA Airways (SAA) and Finetou will have competition on the Durban-Johannesburg route.

The Air Services Licensing Council (ASLC) is likely to grant Bass Airways, a small Durban-based airline, permission to operate a scheduled service between Durban and Grand Central airport, less than 20 km north-west of Jan Smuts airport and midway between Johannesberg and Pretoria.

Bass Airways applied for permission late last year. It was asked to furnish more information, which it did, and, says an official of the ASLC, "its application will probably be granted this week."

The service will start by July at the latest, if the licence is granted this week, says Bass Airways MD Mike Basson.

De Havilland Dash 8-300 STOL (short take-off and landing) turbo-prop aircraft will be used on the route. The aircraft can
AIRWAYS FM 31/1/92

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De Havilland Dash 8-300 STOL (short take-off and landing) turbo-prop aircraft will be used on the route. The aircraft can take off and land with full complement of 50 passengers on even the hottest day at Grand Central.

The success of the scheme depends on Basson's ability to siphon passengers away from Jan Smuts, which he says is "a disaster that will be five years behind the times, even when its modernisation is completed. It will become a congested international airport that will have difficulty coping with domestic traffic."

He stressed in his application that he intends to provide a regional service. His target market is businessmen in Pretoria, Sandton, Randburg, Midrand and Johannesburg's northern suburbs. Research shows that 21% of passengers who use Jan Smuts come from Pretoria, which is 50 minutes away from Jan Smuts and only 20 minutes away from Grand Central.

But there is a limit to the market and he will have to make his competitors' business. He estimates that even if he reaches his planned maximum of six flights per day in each direction during business hours and even if flights are all filled, he won't be able to take more than 7,5% of SAA's and Flitestar's passengers from them.

But Flitestar MD Jan Blake estimates he'll take more than 13% away from the two airlines if he hits that peak. Together, SAA and Flitestar can accommodate 2 250 passengers a day each way.

Bass Airways' aircraft will take 12 minutes longer than SAA's or Flitestar's large jets to fly between the two points, but Basson claims passengers will save one-and-a-half hours on a round trip. They have to check in only 15 minutes before their flight at Grand Central, instead of more than an hour before when they fly from Jan Smuts. The reason is because parking is closer to the terminal building and because there will be fewer passengers on each plane.

Moreover, the modern terminal will be designed to ease the flow of passengers (Grand Central's multimillion rand upgrading is scheduled for completion in September) so they will be processed more rapidly. This, he says, will compensate for the higher fares he proposes to charge.

Basson plans to eventually use Grand Central as a hub to service what he terms second-level airports, such as those at Maritzburg, Pietersburg and Skukuza, where the runways are too short for the big carriers' planes.

The application by Lanseria-based airline Air Supply to add a 100-seater or a 130-seater plane to its existing licence to fly to any destination in Africa and its offshore islands, was due to come before the National Transport Commission (NTC) this week.

The NTC deliberates on international flights and the ASLC on domestic flights. SAA intends opposing that application, as it did Air Supply's application last year.

"If our application is turned down again, we'll take the matter to court," says MD Bradley Amoils. "We are licensed to fly smaller aircraft to any destination in Africa or its offshore islands where we can get landing rights. We're only asking to be allowed to use a bigger machine. No way will that threaten SAA's domination of the Kenya route."

Flitestar's application for a licence to operate weekly charter flights between Jan Smuts and Mombasa (Business & Technology January 17) cannot be heard before March or April, says the NTC.

SAA will also oppose the granting of that licence. Certainly, it is likely to erode its market. Flitestar's return fare will be between R800 and R1 600. SAA's business class return fare to Nairobi is R2 666 and R2 320 for economy class, which would make it attractive for a businessman to fly to Mombasa with Flitestar and get a connecting flight from there to Nairobi.

But, says Blake, "we'll be marketing holiday packages. The airfare will be part of the package."
Direct Singapore-SA flights

DURBAN — Singapore Airlines will be flying directly to South Africa from March 29, joining the ranks of several other foreign carriers to fly to this country in recent months.

Miss Zubeda Bux of Orient Travel in Durban said "Thousands of South Africans travel to Singapore each year, especially for shopping and business. With direct connections, it will save the South African traveler the inconvenience of taking a connecting flight from Mauritius."

The airline will fly direct from Johannesburg to Singapore every Friday. On Sundays it will.

Own Correspondent.
Gearing up

Durban harbour is preparing for a post-sanctions era. Recent weeks have seen the inauguration of a Russian freight liner service between SA and Europe, the acquisition of a new giant container vessel by SA’s largest shipper, Safmarine, and the creation of a Franco-SA consortium to trade with Sri Lanka and Singapore.

It is too early to quantify the threat from the Russians to SA-European trade routes, dominated as they are by Safmarine and its partners in the international container consortium SA-European Container Service. Their agreement has just been renewed for another 10 years. The core of their fleet comprises six cellular vessels but it also has three multipurpose ships.

Against this Russia’s Baltic shipping line, of St Petersburg, has sent in the 17 000-t ro-ro vessel Kolomna in its inaugural voyage to SA it called at Richards Bay, where it picked up paper and pulp, and Durban where it topped up with a variety of other goods before leaving for Europe.

The Durban-based Unicorn shipping line has also been active. Unicorn, which concentrates on routes in the Indian Ocean and to east and west Africa, South America and the eastern Mediterranean, has formed a joint venture with the French company SCAC Delmas-Vieljeux to provide a service between SA and Sri Lanka, Singapore, Japan and other Far East ports, with four ships.

The agreement could be interpreted as a move by Unicorn and its French partner to position itself for trade between SA and the Indian subcontinent when the Commonwealth lifts trade sanctions against SA. Foreign services GM Mike Ford believes that such a move could come as early as April and not later than year’s end.

He points out that India and Pakistan are attractive trade areas because they offer two-way business. One of the problems with many ventures into Africa is that they involve one-way traffic and the SA business has to put up the finance for export deals. He also sees Unicorn taking advantage of shipping opportunities to the Persian Gulf.

Safmarine, too, has been gearing itself up. CE Tony Farr says, “SA, along with many of its trading partners, is going through a recession so we shouldn’t expect a sudden surge in trade.” But Safmarine obviously doesn’t want to be caught out. The Orange — its latest addition to the Far East fleet — made its maiden voyage to SA last week. The R100m-plus, 1 800-TEU Orange container ves-

sel, built in Croatia, fits into the Safmarine consortium of shipping companies operating in the Far East. Though Farr points out that the Orange replaces the Langeberg, which has been sold, it has a far bigger container capacity than its predecessor which could carry 1 300 containers.

Safmarine is also having a 150 000-t bulk carrier built in Romania — for a joint-venture company with Iscor Safore — and two refrigerator ships built in Poland.
More stops for Singapore Airlines in SA

Singapore Airlines will also stop off in Durban and Cape Town once it has established its Johannesburg route which begins on March 29.

Sales manager Jenny Kearney said an introductory airfare would not be offered, but the airline would continue with the published discounted fare of R3 350.

South Africans do not need visas for the first 14 days in Singapore.

Ms Kearney said South Africans could now visit Malaysia and could obtain visas in Singapore. This would take three days, she said.

London-Jo’burg air fares ‘not likely to drop much further’

By John Miller

Air-fares on South Africa’s most lucrative international route, that between Johannesburg and London, are not likely to drop much more, according to the present two operators.

Passengers are now paying as little as R2 750 for a super-per ticket, but this type of travel has certain restrictions.

SAA media manager Leon Els said the increase in the number of discounted fares was a result of the Gulf War and worldwide recession. These fares were specifically designed to stimulate the market, especially during off- or low-peak periods.

There is no open price war. Airlines are trying to stimulate the market. You cannot have a fight comprised of only discount seats, this would not be economically viable for any airline, that is why there are only a certain number of discounted seats and on selected flights.

“We do not foresee that fares will drop much further but we will continue to look at discounts on certain routes where passenger loads need to be -- or can be -- increased,” Malcolm Freeman, manager British Airways, said pricing was at a satisfactory level and that load factors were very good.

“We feel there is no reason now to go any lower than we have done. It seems to be just enough to stimulate enough market to keep our loads at where we want them.”

Mr Freeman said passenger loads had picked up dramatically mainly due to a large surge in incoming passengers to South Africa, almost 40 percent up on this time last year.
Transport overspent by R703-m

By Alun Dunn
Political Staff

South African Transport Services overspent its budget by a whopping R703 million in its final year before splitting into Transnet and the SA Commuter Corporation.

Parliament has yet to approve the expenditure, noted in the Auditor-General’s report tabled yesterday.

The Sats budget in that year was R13.2 billion. It spent R13.9 billion.

The report reviewed the service’s 1989-90 accounts, also highlighting a net deficit of R417.7 million in the operating results.

Announcement of the change from Sats to Transnet in April 1990 cost R7.2 million in media advertising, postal costs, a glossy magazine and functions.

Fruitless/avoidable expenditure, such as abandoned projects, totalled R5.8 million, Auditor-General Peter Wrensley confirmed.

These included 11 cases in the rail and commuter services, and one involving the airways. The R5.8 million formed part of R12 million written off as irrecoverable debts and sundry losses.

Theft or fraud of Sats funds and property totalled R3.3 million and 166 cases.

Sats paid out R43 million (R38 million the previous year) in compensation for death, injury, loss, damage or delays while conveying people, livestock and goods.

Part of that was R15.145, paid in eight cases “for 150 260 kg of sugar which went missing in transit.”

More than R11.3 million was spent on repairing locomotives, coaches and goods stock damaged in accidents, compared with R7.8 million the previous years.

Train accidents increased from 211 in 1988/89 to 243 in 1989/1990 (16 collisions and 227 derailments).

The cost of free train and privileged passes and free or concessionary air tickets was R243.8 million, a vast increase on R180.2 million the previous year.

Compensation to Sats employees for death or injury came to R12 million in 7140 cases.

Sats motor vehicles were involved in 6142 collisions, damaging 4463 vehicles.

Repair costs were R9 million compared with R8 million the year before.

In 915 cases, disciplinary or legal action was instituted against Sats employees, the report said.

SA Airways’ total revenue was R2.87 billion compared with R2.16 billion the previous year while expenditure for 1989/90 was R2.61 billion as against R2.03 billion for 1988/89, showing a surplus of R62.7 million compared with R132 million the previous year.

In 1989/90, SAA paid out a further R1.2 billion related to the 1988 Helderberg disaster bringing the total cost of the 274 crash to more than R16 billion.
Sats criticised as deficit snowballs

CAPE TOWN — The Auditor-General, in his report on Sats (South African Transport Services), has raised concerns about the company's financial position. The report highlights a deficit of R128.7m for the financial year ending March 31, 1990, which is more than double the R57m deficit reported in the previous year. The auditor-general's report states that this deficit is due to various factors, including the company's inability to adequately control its financial affairs.

The report also notes that the Auditor-General has found deficiencies in the company's financial management, particularly in the areas of capital investment and fixed assets. It is recommended that the company urgently address these issues to ensure the sustainability of its operations.

The Auditor-General has also found that Sats' financial statements for the year ending March 31, 1990, were not properly audited, and that there were significant discrepancies in the company's financial records. The report recommends that the company take immediate action to rectify these problems.

LINDA ENSOR

The report also highlights the need for the company to improve its management practices and to ensure that its financial statements are in line with international standards. The Auditor-General has recommended that the company take urgent action to address these issues and to ensure the financial stability of the company.

Sats 6/10/91

Serious deficiencies were found in accounting for capital investment and fixed assets in Road Transport Services. The auditor-general said a positive opinion could not be expressed on the accuracy of amounts accounted for by regional offices. "This disturbing state of affairs apparently requires immediate attention."

Regrettably, the auditor-general also found inadequate accounting methods, which made it impossible to form a meaningful audit opinion on the reasonableness of SAR Travel's revenue and expenditure for the financial year 1989/90 as well as of its assets and liabilities as at March 31, 1990.

The report said private sector portfolio managers had invested R25.5m in the assets of Railways and Harbours Superannuation Fund and R1.8m from the Railways and Harbours Pension Fund for Non-White Employees as at March 31, 1990.

Our political staff reports that Sats paid R25.2m to 126 072 of its employees (R200 each) for not joining a strike in 1990. The report said:

The strike lasted for five weeks and resulted in the dismissal of 23 000 workers.
NEWS IN BRIEF

No funds for transport

NO NEW transport projects in Cape Town could be undertaken this year because of the low allocation of funds by the Department of Transport, a report submitted to the Cape Town City Council's utilities and works committee yesterday said.

Possible local sources of funding were being sought.

Expenditure of R33m was required for the planning and implementation of a transport plan for the core city area, but the actual allocation was R21m for planning and R27m for implementation.
SAA to lease out another 747

SAA is to lease out another of its Boeing 747s, despite recently expanding its route network to include two more long-haul services, and in the face of further potential expansion this year.

The airline placed an advertisement in a recent edition of UK-based African Airlines magazine, offering the lease (with or without pilots and crew) of one of its older 300-seater Jumbos for an unspecified period. (24/4/92)

SAA already has three of its smaller Boeing 747SPs leased out to Air Mauritius, Air Namibia and Luxair.

A fourth 747SP was recently returned to SAA from an unidentified Canadian airline.

Airlines were unable to provide accurate details on how many of its aircraft were leased out and for how long.

Late last year SAA began to lease out some of its wide-bodied Airbus A300s.

At least four of SAA's Boeing 737s were put up for sale after the airline took delivery of four new Airbus A320s. None have been sold yet.

During the past three months SAA reintroduced direct flights to New York, Perth and Sydney. The older 747-200 aircraft are used on these routes.

These have a shorter range and are more expensive to run than the two $120m 747-400s SAA acquired last year.

A third 747-400 is scheduled for delivery later this year, and a fourth in 1993.

SAA spokesman Leon Els said there was no demand for extra flights to New York, Australia or on any of the airline's long-haul services.

"We are able to adequately service all our routes with our present staff and equipment," he said...
The MINISTER OF EDUCATION AND TRAINING

Yes

(a) (i) 680 (as a result of the construction of new classrooms) 6421 (due to the implementation of the platoon system)

(ii) 420 (as a result of the construction of new classrooms) 240 (due to the implementation of the platoon system)

(b) New classroom places as a result of the construction of new classrooms

Primary Classrooms Places
Mkhasane 3 120
Mfuleni 14 560

Secondary
Langa 12 420

New classroom places as a result of the introduction of the platoon system

Primary Places
Iifa 500
Chuma 960
Intshayelelo 960
Nkazimulo 1,040
Encotheni 1,060
Lwazi 333

Transnet: hiring out of locomotives/carrages

*15 Mr F J LE ROUX asked the Minister for Public Enterprises

(1) Whether Transnet Limited hires out or makes available railway locomotives and/or carriages to agencies in Africa, if so, (a) to whom and (b) for what consideration.

(2) whether this consideration has been paid to date?

The MINISTER FOR PUBLIC ENTERPRISES

The Managing Director of Transnet Limited replied as follows to the Honourable Member’s question

(1) Yes

(a) Swaziland, Zimbabwe, Zambia, Malawi and Botswana

(b) Locomotive hire varies from R2 000 to R3 000 per day Carriage hire amounts to R358 per day

(2) Yes, except in one case and arrangements in this instance have already been made

The lion’s share of the balance of R39,8 million was originally voted for stock farmers’ disaster relief scheme but, in the 1989-90 financial year, the department received claims for only R15,91 million in respect of this scheme, and this was paid because it had rained and the drought did not persist.

In consequence, it is difficult to budget exactly for this disaster scheme. In the 1987-88 financial year, for instance, R76,01 million was budgeted and all of it paid. The next year’s estimate was also R76,17 million. In 1989-90 it was only R15,91 million. The next year we budgeted for R60 million but only R9,94 million was paid. This year we budgeted for only R30 million and we have already paid R45 million. This is as a result of the unpredictable nature of droughts for which we have to budget. Consequently when there are surplus funds they are carried over to the next year, having been assessed as needed now.

With regard to this fund, this year, which funds were budgeted for drought last year were therefore rolled over, appear in this year’s budget and are being spent. To the question of whether funds will be redeployed this year, the reply is also yes. On the basis of statistics in our possession it appears that we are approximately 2% within the 2% limit of the total amount voted which is normal.

*Mr C H PIENAAR Mr Speaker, this question was put earlier as a result of the most cynical comment which appeared in the Auditor-General’s report on the appropriation in miscellaneous accounts of the Administration House of Assembly for 1989-90 where the reason for this repayment is given, and this reason came from this hon. Minister’s department. I shall quote from page 32 of that report

the demand for financial assistance was less than expected, owing to improved agricultural conditions.

Does that hon. Minister want to tell us now that his department furnished the Auditor-General with these statistics? From what other source could the Auditor-General have obtained them? Did his department say that agricultural conditions had improved during that period? I want to allege that this is an extremely cynical attitude which is characteristic of this Government and which would indicate that department’s attitude toward farmers who are caught up in an unprecedented crisis.

* Remark: one paragraph mark (remark sign)

* Remark: one paragraph mark (remark sign)
Mr J CHIOLE asked the Minister of Transport:

(1) Who are serving on the National Transport Commission at present?
(2) Whether the composition of the commission changed recently, if so, (a) what was the nature of the changes and (b) who served on the previous National Transport Commission and (a) for what length of time did each of the permanent members serve on it,
(3) whether members of the previous commission whose services were terminated were furnished with reasons for the termination of their service, if not, why not, if so, what reasons?

The MINISTER OF TRANSPORT:

(1) The following eight members presently serve on the National Transport Commission:
Dr M F Mitchell Chairman and Acting Director-General Transport
Mr R G Meyer
Mr H J Claassens
Mr J J Smit
Mr G R Pauw
Mr S Petersen
Mr P F M Chetty
Prof S J Zondi

Dr C F Schepers who has been appointed Director-General-Transport as from 1 March 1992, will from that date be appointed chairman of the Commission.

(2) Yes, the composition of the Commission has changed with effect from 1 January 1992.

(a) The membership has been decreased from ten to eight members. The powers, functions and duties of the Commission have been scaled down over the past year to such an extent that it now concerns itself primarily with matters regarding civil aviation and commuter subsidies.
(b) (i) The following members served on the previous Commission
Mr R G Meyer Chairman and Director-General Transport
Mr H C van Zyl
Mr B Slabbert
Mr E F Nitsch
Mr G R Pauw
Mr J J S Germishuys
Mr A M Brynard
Mr H Hoyer
Mr C J Grové

(n) The permanent members served on the previous Commission for the following periods:
Mr R G Meyer — 1 October 1987 until 31 December 1991
Mr J J Smit — 1 May 1987 until 31 December 1991
Mr H C van Zyl — 1 October 1976 until 31 December 1991
Mr B Slabbert — 1 October 1971 until 31 December 1991
Mr E F Nitsch — 1 June 1977 until 31 December 1991

(3) Yes, the members were informed that their periods of service expired on 31 December 1991 and that the demand of the changing transport environment necessitated the re-composition of the Commission.

Mr D J DALLING asked the Minister of Justice:

(a) Whether in July 1991 he received a letter from the Acting Judge President of Natal in connection with the release of criminals from prison, if so,
(b) whether he will disclose the contents of this letter, if not, why not, if so, what was (a) the content of the letter and (b) his response thereto?

The MINISTER OF JUSTICE:

(1) Yes
(2) No

The MINISTER OF JUSTICE is in no position to disclose the contents of correspondence addressed to me. In fact, the Honourable Member may wish to refer to his question, referring to the action of a court official, to what a Judge President, is in order in terms of Parliamentary convention. The Honourable Member is referred to regald E May, Parliamentary Practice (21st Edition), p 291 and also p 286.

The matter of release of prisoners, both under the amnesty announced by the State President and in terms of normal policy, was subsequently discussed at a conference held with the Chief Justice and all the Judges President.

A mutual understanding was reached in respect of both the concerns voiced on behalf of the administration of justice and the particular demands on the Executive at a crucial stage in South Africa's development, when exceptional steps had to be taken in order to deal with the question of political prisoners and the necessity of an envisaged approach as far as other prisoners were concerned.

SABC: educational television service

Mr M J ELLIS asked the Minister of National Education and Training:

(1) Whether, since her reply to Question No 15 on 12 March 1991, her Department has taken any further steps to establish, through the South African Broadcasting Corporation, a full-scale educational television service to Black schools throughout the country, if not, why not, if so, what further steps, if any, were taken?

The MINISTER OF EDUCATION AND TRAINING:

(1) No

(a) The establishment of a full-scale educational television service to Black schools country-wide cannot be afforded by the Department at this stage.

The department is currently planning a project in co-operation with the SABC to assist standard 10 candidates with the aid of television broadcasts for two hours per day from 1 April 1992 to 30 September 1992.

Furthermore the Department and the SABC are jointly planning a pilot television project, a project which will be directed at pupils from standard 5-7, parents and teachers. The programmes will be broadcast during 1992.

An interdepartmental committee is currently investigating all aspects of distance education. This includes, inter alia, educational radio and television.

(b) Falls away.
Govt rebuked for aviation response

RETIRRED Supreme Court judge and leading local aviation authority Cecil Margo yesterday criticised government for not taking enough action on recommendations he made in his 1982 probe into civil aviation.

He launched his criticisms during his opening address at the International Aircraft Owners and Pilots Association (Iopa) World Assembly, which is being held in Johannesburg this week and which is being attended by delegates from 33 countries.

Margo said government had taken cognisance but not action on his recommendations for SA to enter into multilateral agreements with other southern African countries with a view to standardising search and rescue, air traffic control, pilot and technical training and several other aspects vital to civil aviation.

He also questioned government's plans to cut tax and other concessions to aircraft owners.

Several southern African countries, SA excluded, did not fully appreciate the contribution civil aviation made to the region, both in contributing towards growth in industry, agriculture, imports and exports, tourism and in improving inter-personal relations between political and commercial leaders of different countries, he said.

A multilateral aviation treaty would advance peace, prosperity and welfare of the entire community in the area, he added.

Regional aviation standardisation would enhance the export of technological know-how from southern Africa, and would aid regional economic development currently hindered by poor, ineffectual, and in some instances, non-existent ground transport infrastructure, he said.

"A mile of road leads nowhere, but a mile of runway leads everywhere," he remarked.

Government has approved the idea of multilateral treaties, but has done nothing about it, said Margo.

Iopa is regarded as one of the most influential non-government international civil aviation bodies. Its recommendations are usually incorporated into legislation by governments' civil aviation authorities. It is the first time in the organisation's 30-year history that it has convened a meeting in Africa.

The assembly will discuss issues such as the impact on civil aviation of recent EC and International Civil Aviation Organisation decisions.

Iopa represents more than 550,000 pilots and owners of general aviation aircraft flown for business or privately. General aviation has been defined as "all civil aviation operations other than scheduled and non-scheduled air transport services for remuneration or hire".

LINDEN BIRNS

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Alleged bomber to plead over bail

September 17, earlier told the court that his wife paid for his defence, but experienced cash flow problems because of difficulties in selling her Waterkloof home.

He believed that the proceeds of such a sale — even if it was a sale in execution by the trustees of his estate — would bring in enough cash to repay two bonds on the property as well as his defence.

Vermun's advocates and attorneys withdrew from his trial because he could not afford to pay them.

He expressed the hope that he would be able to employ them again in future, but was warned by the trial judge that he should be prepared to defend himself if his plans failed. — Sapa.

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Waal (DP) was the only voice Zeven...
Leon: 'Meek' acquiescences to SAA

Political Staff

The civil aviation authorities had agreed to every application brought by South African Airways and they had passively upheld every objection to competition ever lodged by SAA, the Democratic Party MP for Houghton, Mr Tony Leon, said yesterday.

"In fact, it goes beyond civil aviation, meekly acquiescing to every demand of SAA: A recent example suggests SAA does not even bother too much with legal niceties," he said during the debate on the Air Services Licensing Amendment Bill.

"When the airline introduces its new Airbus, the A320, several months ago, it started operating the aircraft before it had received the requisite consent to do so from civil aviation authorities.

"The required authorisation from the Department of Civil Aviation appeared in the Government Gazette only after operations had commenced.

"It is quite clear that SAA regards itself as a law unto itself, while the Department of Civil Aviation acquiesces in all SAA's anti-free market stance."

SAA had objected to applications by Air Supply and Flightstar to fly to the Kenyan port of Mombasa on the grounds that this would be economic suicide for SAA.
MP slams SA air safety measures

By BARRY STREEK

SAFETY measures at two of South Africa’s main airports were slammed yesterday.

Wynberg’s DP MP Mr Robin Carlisle condemned the Low Visibility Landing Systems in Johannesburg and Durban as not up to requirements. He said radio communication throughout Ninjal was unacceptable below 15,000 feet and the security handling area at Jan Smuts Airport was inadequate.

He also said pilots were unable to get weather maps at all times.

The Directorate of Civil Aviation had for years been the weak sister in the transport field, Mr Carlisle said.

"In my experience, it has been repeatedly and roundly denounced by airline pilots, SAA, air safety committees, international airlines and anyone else who has to do with it.

Mr Japie Smut, chief director of Civil Aviation, said last night he would like to study Mr Carlisle’s claims before commenting.

Meanwhile, in Johannesburg, retired Supreme Court judge and leading aviation authority Mr Justice Cecil Margo has criticised the government for not taking enough action on recommendations he made in his 1982 Commission of Inquiry into Civil Aviation.
Meeting to quell train violence

THE SA Rail Commuter Corporation are to meet Police Commissioner General Johan van der Merwe next week to discuss ways of quelling the renewed violence on Reef trains. This was confirmed in a statement yesterday by the corporation's managing director, Dr Kobus Nel.

Body searches and metal detectors had been implemented in addition to security measures announced last year, which included the erection of security fencing and charge offices, improved lighting and access control, Nel said.

As many as possible random searches were being made, particularly in affected areas, to prevent dangerous weapons from being sneak on to trains, and all dangerous weapons found were being confiscated.

However, with some 2.7 million commuters using 2 300 trains daily, the magnitude of the problem far outweighed the number of available policemen, he said.

Nel appealed to commuters to help both police and his corporation in their efforts to ensure safe trains.

Nel also expressed his condolences to the families and friends of the latest victims of train violence. - Sapa.
PORTNET CARGO

EXPORTS constituted 81.6-million tons (85.5%) of the total 107.9-million tons of cargo handled by Portnet at SA ports last year, figures from the port authority show. Imports constituted 14.9-million tons (15.5%) of the total.

The total cargo handled last year represented a drop of under 1% against the previous year.
Air freight rules may be reviewed

AMENDMENTS could be made to rules which gave the Civil Aviation Commissioner powers to exempt aircraft and crew from dangerous goods regulations if the conveyance of such items was in the national interest, Transport Minister Piet Welgemeed said recently.

He was responding to questions, dealing with dangerous goods legislation and airport security, which Business Day faxed to him nearly two months ago.

A full list of deficiencies at SA's main state airports, and the issue of the commissioner's rights to exempt commercial aircraft from regulations regarding the carriage of dangerous goods, came under scrutiny during the parliamentary debate on the Air Services Licencing Amendment Bill on Tuesday.

Exempt

The debate comes more than two months after Business Day exposed the shortcomings in airport security and dangerous goods regulations.

Under the current system the commissioner may exempt an aircraft from dangerous goods regulations if he feels it would "be in the national interest".

The term "in the national interest" was never defined in detail in the regulations. No one has definitely confirmed that the Helderberg, SAA's Boeing 747 which crashed off Mauritius in 1987, was not exempt from the regulations, although several leading aviation authorities have said they did not think it was exempted.

Welgemeed said the Dangerous Goods exemption clause was drawn up in 1986 by one of his predecessors who considered it necessary at the time, but that a Department of Transport standing committee made up of department officials and aviation industry representatives was continuously reviewing legislation, and, if necessary, would redraft regulations for his consideration.

"I am sure that when the regulations on the conveyance of dangerous goods are to be considered, the necessity of Section 25 (the exemption clause) of the Regulations will be reviewed," he added.

Although no direct connection has ever been found, Section 25 of the regulations was introduced just months before the Helderberg disaster. The direct cause of the fire which sent the aircraft crashing into the ocean has not been ascertained.

Welgemeed declined to directly answer any questions relating to airport security standards, security budgets, equipment used and personnel.

The nine state airports in SA have been declared National Key Points and as such, informed about security measures or the strategy to be followed in any given set of circumstances is of a sensitive nature, and for obvious reasons must be treated as confidential," he said.

He said he was satisfied with the security systems and the manner in which incidents were monitored and handled at Jan Smuts Airport. However, he conceded that the airport's accessibility to the public, its many kilometres of fencing and numerous access points, especially in the air freight area where airlines have to provide their own security control, made it impossible to have perfect security.

Welgemeed said he readily admitted that the travelling public was entitled to be made aware of risks or threats in connection with aviation security at state airports. "They should, from time to time, be given the assurance that flying is still the safest form of transportation," he added.
Cops conduct body searches on trains

SOVETO police, backed by members of the SADF, yesterday stopped two trains at New Canada station to conduct body searches in a bid to end the carnage on suburban trains.

Captain Joseph Ngobeni, spokesman for the Soweto police, said the operation was an ongoing process.

More than 15 people were killed and 30 injured on Reef trains in the past few weeks. In the past 18 months, train killers claimed almost 150 lives. More than 700 people were injured.

Because of the resurgence of train attacks, many Soweto commuters have turned their backs on train services and are using taxis.

Ngobeni said no one was arrested during yesterday's operation on the Vereeniging-bound trains — numbers 9062 and 0677.

However, police found a spear, a toy gun, a hunting knife and a dagger in one of the couches.

"The operation, the third by a large contingent of police in Soweto, for the first time involved women police. The women were roped in after we became aware that in some instances women also harboured weapons," he said.

Anyone with information concerning attacks on trains is asked to phone 10111 or report to the station master of that specific railway station.

Those in Soweto can also phone either (011) 980-8321 or (011) 980-8320.

All calls will be treated with the utmost confidence.
'Forced to falsify licences'

Part of the problem of unlicenced drivers on South Africa's roads had been spawned by racial discrimination in the past, Wessel Nel (DP Mook River) said in Parliament yesterday.

Speaking on the Road Traffic Amendment Bill, he asked how much racism there had been at testing stations.

Black people had been failed again and again until they were driven to acquire false licences.

"We have something to answer for," he said.

The DP welcomed the legislation, which would make it compulsory for a driver to carry his licence with him or her.

"We are plagued in this country by unlicenced, rude and reckless drivers, so we desperately need tools with teeth," Mr Jurg Prinsloo (CP Roodepoort) said.

Mr Nel implied that black people had been forced to falsify licences.

This was nothing but a racist slur on all white testing officials, and the CP dissociated itself from his words.

Mr Sakkie Blanche (NP Boksburg) said that if municipalities had not already made provision for the increased bureaucratic load involved in the Bill's proposal for endorsing offences on a licence, one should not expect too much immediately.

He asked whether more than one copy of a licence could be made available to each driver in case one was lost, and so that people who drove more than one car could keep a copy in each vehicle — Sapa.
Public gets to air its views

According to Corin Havenga, a transport engineer responsible for coordinating the public involvement programme, the intention is to involve the users of public transport in planning for the future. So far, however, the steering committee is weighted heavily in favour of South African parastatals and homeland government departments.

Havenga says: "Approaches have been made to a variety of civic associations through the Civic Association of the Southern Transvaal, and Cast has been invited to steering committee level. "Cast has been very helpful," she says, "but nothing has been finalised." The TPA has also been talking to the Bophuthatswana Civic Association and representatives of various transport user committees set up by the bus companies. The programme got off to a slow start in 1991, she admits, but now "everyone wants to participate. We're spending taxpayers' money here: everyone is paying for it so everyone should be involved." The TPA is quick to point out, however, that it cannot canvass the views of every one of the millions of individuals living in the area, but will give organisations the opportunity to express their opinions.

The study, co-ordinated by a multidisciplinary team of engineers in town and regional planners, white urban planners, will examine the transport problems associated with urbanisation in the context of PWV, South Africa's fastest growing region.

So far three smaller scale, isolated, metropolitan studies are under way: Pretoria, the Pretoria, Pietermaritzburg, and the Pietermaritzburg region, govern by a charitable organisation, governed by a charitable.

Three smaller-scale, isolated, metropolitan studies are under way: Pretoria, Pietermaritzburg, and the Pietermaritzburg region. The study, co-ordinated by a multidisciplinary team of engineers and urban planners, will examine the transport problems associated with urbanisation in the context of PWV, South Africa's fastest growing region.

For once, the government is going to the people by looking at how glass issues are raised in the Unit (NEPRU). Applicants should have a degree in social sciences, background in economics. As a further guide, they will be required to have administrative skills, training methods, and administrative skills.
Plane fare war may hit island resorts

Airlines serving Indian Ocean island resorts will probably experience some losses if the competition in air fare pricing on routes between SA and Europe continues and fares drop to the R 2 000 mark.

Some of the latest discount fares on the north-south route are close to what it costs to fly from Johannesburg to Seychelles and similar resorts.

On Tuesday Transport Minister Piet Welsgema told Parliament he would welcome air fares of R 2 000 for flights between SA and Europe, and Johannesburg air fare broker Bob Williams said on television last week that fares would drop to the R 2 000 mark by year's end.

Air Seychelles marketing GM John Kirby said from Mahe that the carrier would monitor the fierce air fare competition on the SA-European routes to see what effect it would have on traffic between SA and Indian Ocean island resorts.

"We'll be watching developments in SA to ensure that the potential attractiveness of destinations such as the Seychelles is not eroded by the competitive pricing of fares on SA-European services," he said.

Kirby said the airline did expect to lose some business, but the extent of the loss was difficult to estimate at this stage.

"We'll probably lose some traffic to the European routes, but we don't expect to lose people whose destination choice was the Seychelles.

"If they were coming to the Seychelles, then they'll probably still come here," he said.

He said that even with discount fares, a package holiday in Europe would still work out more expensive than one at an Indian Ocean island resort. He ascribed this to the unfavourable foreign exchange rate between the rand and European currencies, and to the costs of accommodation and transport in Europe.

The Seychelles had a more favourable exchange rate, and travel costs, even between islands, were relatively cheap, he said.

An Air Mauritius spokesman in Johannesburg said the airline required at least two days to respond to queries on what tactics it would adopt in regard to the fare competition.

Williams world air fare brokers MD Bob Williams said yesterday any losses would depend on supply and demand.

"At the moment Indian Ocean resorts are very popular and flights between SA and these destinations are mostly full, so it doesn't look as though they'll have any reason to drop their fares," he said.

However, if SA adopted an "open skies" approach to civil aviation, there could be more airlines flying on the Indian Ocean resort routes, which have always been protected, he said.

This would stimulate competition, and there might be some fare adjustments. "(Ed)" Travel MD Gordon Young said Mauritius was a particular destination that would have to "shake up its promotion" and adjust fares. This was because there were now many regional destinations, previously out of bounds to SA tourists, competing for a slice of the same pie.

Places like Mauritius and Malawi will see the hardcore of SA tourists, which traditionally has always gone back to those places, exploring the new destinations," he said.

SAA seeks Mombasa route

The SAA plan was hatched at the legal team representing the airline at the SAA hearing of Air Supply's second application last week.

SAA said the plan would involve a reciprocal agreement allowing Kenya Airways to send one of its two weekly flights to Durban instead of Johannesburg. In return, SAA would request a second weekly flight to Kenya, terminating in Mombasa.

SAA currently operates one flight a week to Nairobi. Because SAA is still banned from flying over Tanzania, it flies over Mozambique and along the east coast to Mombasa, then sets course for Nairobi.

"(Ed)" said the application was being readied for submission.

Air Supply director Bradley Almott said yesterday SAA's decision was a contradiction. When Air Supply first applied for permission to fly on the route, SAA's objection was based on the argument that such a service would not be viable and that there was no need for flights to Mombasa.

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Inkatha-linked firm to guard stations

THE private security company
Springbok Patrols — hired by Spoornet to guard troubled PWV
and Natal stations — has had close links with
Inkatha.

The company is alleged to have trained Inkatha men implicated in
anti-African National Congress violence in Alexandra.

Spoornet spokesman Jacques Penaar confirmed this week that
Springbok Patrols is used to bolster the Spoornet security department
in the PWV and Natal.

Where there have been arrests follow-
ing train attacks, suspects have been
Inkatha members.

According to a former senior
Inkatha official, who asked not to be
named, in January 1991 Springbok
recruited about 100 young men from
the Emandeni Youth Camp in
Umlazi.

“I know this happened because I
dealt directly with senior Springbok
officials at the time, and was lecturing
in politics at the youth camp,” said the
former Inkatha leader.

“The youths were also provided
with paramilitary training at the camp.
The man who was then the Springbok
operations director, Gavin Answirth,
insisted on getting people who were
strongly pro-Inkatha, and we gave
him the people he wanted.”

“These men were then transported
to Johannesburg, and trained by
Springbok, at their expense. They
were then assigned as Springbok
armed guards and used to patrol sta-
tions. I know that these chaps killed
a number of people in the Durban
area,” he said.

According to three Springbok
Patrol guards previously interviewed
by The Weekly Mail, the course
involved training in the use of a pump
action shotgun, a rifle and a 138
revolver, unarmed and armed combat.

The Inkatha source said there was
a very close relation between
Springbok and Inkatha.

“I got to know Wali Baartman
when he was in Natal, and worked
closely with his brother Francois, who
was managing director in Durban,
and with Answirth, who is now a
very enthusiastic Inkatha member.

“On one occasion Francois asked
me to take him to Buthelezi, in order
to kill an ox in appreciation of the
close relation with inkatha, but in the
end this fell through. In his office
there is a big picture of Buthelezi and
another of King Goodwill,” he said.

Francois Baartman did not return
The Weekly Mail’s calls, but fellow
director and former Springbok rugby
player Wahl Baartman said the allega-
tions about the company were not
true, and insisted there was no political
bias in the company.

“When we recruit we don’t worry
about a guy’s politics. If he is quali-
ﬁed for the job then he can join us. If a
man is Inkatha it is not my problem,
but we have no particular relation
with Inkatha. I also recruit from
Nelspruit, Rustenburg, Cape Town,
all over, and I’m not interested in pol-
itics.”

He acknowledged, however, that
Answirth was an enthusiastic Inkatha
supporter, but said he had resigned
from the company eight months ago,
and now had his own company,
Crest Watch Security.

“Maybe he could have favoured
some people but he is no longer in
my employ,” Answirth confirmed.

Answirth, however, said he was
a member of Inkatha but said he would
not comment on whether 100 Inkatha
youths were recruited from
Emandeni camp, “because I no
longer work for Springbok and I don’t
want the Baartmans on my back”.

Last year Abraham Baartman and
Springbok Patrols were convicted in
the Johannesburg Regional Court of
707 charges of unlawful possession of
firearms.

Springbok Patrols has been one of
the country’s most controversial
private security companies. Each of
the guards interviewed by The Weekly
Mail cited cases of their colleagues
being prevented from leaving after
having been recruited, being assault-
ed by their superiors and fired if they
complained.
Transnet plans a fresh Elfi issue when the bond would be issued. Further details would be released closer to the launch, he said.

It was Transnet's policy to follow up on a maturing Elfi issue with a new issue, he added. Transnet currently has two issues of Elfi: Elfi II was launched in April 1990 and Elfi III was launched last May. Elfi is an SA-registered loan stock which is denominated in rands.

The issue is primarily intended for domestic investors, but foreigners wishing to invest in Elfi can do so through the financial market.
'Gaps' in 
SAA radio 
confirmed

Staff Reporter

THE Chief Director of 
Civil Aviation, Mr Japie 
Smit, yesterday con-

firm ed that there were 
"gaps" in radio com- 

munications with SAA air-

craft, particularly in 
Natal.

DP MP Mr Robin Car- 

tlec this week said that 
radio communications 
throughout Natal were 
unacceptable below 
around 6,000 metres.

Mr Smit said this was 
not true.

"What is true is that 
there are gaps in our 
communications cover-

age - specifically over 
north-eastern Natal and 
south-eastern Natal. To 
resolve these we are in-
stalling additional for-
ward relays on a pro-
grammed basis for 
example at Louwsburg."

"28"

Paul

Zaid

Fardie

Qmeena

Zoli

Aner
Own Correspondent

JOHANNESBURG — More than 100,000 airline seats went unsold on flights to Europe last year.

The number of vacant seats was equivalent to at least 312 'empty' Boeing 747s being flown between Europe and Johannesburg. This was calculated by taking the number of flights airlines flew on SA routes over the year at an average of 80-90% passenger loads, and then adding up the number of seats left over. In reality, last year's load factors for most airlines serving South Africa were in the 65-70% bracket.

This represents a 25% surplus on the market, and with more foreign airlines entering the market and existing airlines adding more flights to their schedules, the surplus appears set to rise. Just the Ticket managing director Mr Kevin Rawnsley said yesterday.

Nedtravel managing director Mr Gordon Young said that instead of offering discounts on confirmed tickets, it would be more viable for airlines to introduce a heavily-discounted standby one-way ticket system.
We're in the clear over accounts, says Transnet

THE financial performance of Sats in the year before it became State-owned company Transnet was far better than appears from a quick reading of the Auditor-General's report.

So says Transnet assistant group financial manager Piet Greving.


"But the facts reveal that the losses resulted from a technical accounting factor," he says.

The Auditor-General's accounts reflect Sats' revenue for 12 months, but shows its expenditure for 12½ months.

Obscure

Had expenditure for the 12 months been used, Sats would have had a R704-million surplus.

Press reports this week made much of the fact that Sats' expenditure was R704-million greater than approved by Parliament. This is partly because the financial statements show Sats' expenditure for 12½ months and not the 12 for which parliamentary approval applied.

Had the figures for 12 months been used, the over-spending would have been R137-million—less than 2% of total authorised expenditure of R13.2-billion for the year.

For some obscure reason, Sats' financial statements have always compared income for a given 12 months with expenditure for 12 months beginning two weeks earlier.

The anomaly came to light when it was necessary to close Sats' books before the establishment of Transnet on April 1, 1990.

The position was complicated by the fact that Sats' financial year ends on March 15—two weeks before this date. In accordance with statutory requirements, Sats had prepared its 1989-1990 financial statements for its traditional year-end.

But it was instructed to amend them to include the two weeks to the end of March. This was the main cause of the late submission of its statements—mentioned in the Auditor-General's report.

The Auditor-General gives many instances of "serious deficiencies" in Sats' accounting procedures and systems.

When asked by Business Times why this report was so critical in contrast to previous ones, a source in the Auditor-General's office said: "In the past we had intimations of slackness in certain areas that warranted further investigation. But because of a shortage of staff it could not be done.

"For the last audit we appointed private auditing firms to investigate these areas of concern which brought certain shortcomings to light. We hope this has helped to put Sats managers on their toes."

The Auditor-General appears to have achieved this objective. One of the auditing firms, Welhain Moggrel, which is still with Transnet, said in a letter to Transnet about its latest figures: "It is a pleasure to report that since the audit we did on behalf of the Auditor-General we have observed a noteworthy improvement in accounting systems, general control measures and record-keeping."
Airline market burdened with empty seats

MORE than 100 000 airline seats went unsold on scheduled flights between SA and Europe last year, and the situation showed little sign of improving this year, leading airfare brokers said at the weekend.

The number of empty seats was equivalent to 312 empty Boeing 747s flying between Europe and Johannesburg.

Last year's load factors for most airlines serving SA were between 63% and 70%, which, industry sources said could be interpreted as a 25% surplus on the market.

With more foreign airlines flying into SA and with existing carriers adding more flights to the SA route, the surplus was likely to rise in the short term, said just the Ticket MD Kevin Rawnsley.

Williamsworld MD Bob Williams said lowering the cheapest class of fare (some airlines offered up to 15 different classes) would stimulate growth in outbound traffic from SA on European routes.

In recent years outbound traffic from SA has remained static, although inbound traffic was on "the up and up", he added.

The vacant-seats statistics needed to be seen against the payload penalty factor for flights taking off from Jan Smuts Airport, Nedtravel MD Gordon Young said.

Jan Smuts is one of a few major international airports at high altitude which experience hot weather for prolonged periods. This means wide-bodied jettins often have to wait until evening when the temperature has dropped and the air becomes more dense, before they can take off.

Even then they are rarely able to take off with full cargo loads, and occasionally a handful of seats are deliberately left unsold to reduce the aircraft's weight.
Commuters vow to fight

BAHWADUBA Bus Service in Petersburg has applied for a two-phased fare increase for all its routes.

The announcement of the intended increases has angered a commuter organisation, the Fur Northern Transvaal Transport Co-ordinating Committee, which has vowed to fight the increases if granted.

The increases, which will be 14 percent to be implemented on April 1 and 12 percent in September, have not yet been approved by the Lebowa Transportation Board, according to BBS general manager Mrs Claudia McLean.

The BBS application would be made in conjunction with the parastatal Lebowa Transport, which is the major transport company in the region.

An attempt to increase fares in 1990 backfired for both companies, with the LT being ordered by the Cabinet to reduce fares.

FNTTCC chairman the Rev Kgotsupu Leputu said representatives from all villages and townships serviced by both LT and BBS would meet soon to discuss the matter.
Train violence report knocks police, Spoornet

By Mike Sliuma

The Independent Board of Inquiry into Informal Repression (IBIIR) has criticised the police and Spoornet for their failure to stem the tide of violence against train commuters, which has claimed more than 100 lives and left at least 560 injured in the past 18 months.

In a special report on train violence, entitled "Blood on the Tracks", compiled mainly from media and police reports, the IBIIR said that despite promises to curb violence, the police and Spoornet's response to the violence was "at best poor".

"After 18 months and 50 attacks, there has as yet not been a single conviction. This from a police force which claims to be one of the best in the world. . . the SAP took 13 months to come up with a tactic which satisfied commuters' searches (of passengers and trains).

"While the announcement banning the carrying of weapons is to be welcomed, it is a mystery as to why this was not done when the attacks first started," the IBIIR said.

Spoornet's attempt to control violence by locking interlinking carriage doors and providing metal detectors came too late and was, the IBIIR charged, "by no means satisfactory".

On the pattern of train attacks, the IBIIR noted that although there had been some incidents on the West Rand and Pretoria lines, nearly all the attacks took place on the Soweto-Johannesburg line.

"Many attacks had occurred at stations near to inner-city or Soweto hostels, and there had been numerous reports of attacks around hostels after these attacks.

"Despite the violence's ostensibly political nature, in most cases the victims appeared to have been chosen at random."

"If any particular group of commuters can be said to have been targeted, it is those who hold church services in the carriages. As far as other victims are concerned, they cover the entire spectrum of black commuters. Young and old, male and female, supporters of all political parties and representatives of all the ethnic groups have fallen victim to the violence," the IBIIR said.

It added that the weapons used were generally those that could be hidden before the attack began, such as pangas, knives and handguns. But AK-47 assault rifles had been used on at least two occasions and a hand grenade once.

Welcoming last month's decision by the Goldstone Commission to investigate violence on commuter trains, the IBIIR said it would forward its report to the commission.

"The police board felt "the whole issue of train attacks and the safety of commuters should be made one of the highest priorities and that effective counter-measures should be speedily developed and implemented. If this is not done, the carnage on our trains will continue."

Reacting to the IBIIR report, a Rail Commuter Corporation spokesman said he could not comment fully on the report without having seen it.

He emphasised, however, that measures taken by the corporation to make trains safer could achieve results only with the co-operation of the public and the media.

He reiterated the corporation's view that commuter safety was, ultimately, the responsibility of the police. The corporation would do everything possible to help.

Measures already taken included installing metal detectors and security fencing, as well as improving access control and lighting and establishing police charge-offices at many of the affected stations.

Police spokesmen Lieutenant-Colonel Reg Crewe rejected the IBIIR's criticism, saying the SAP had, in fact, made a number of arrests in connection with train attacks.

"Although the police cannot arrest the alleged perpetrators, it is up to the courts to convict them. It is also the courts which set bail. It would seem that no matter what the police do, it is not enough to satisfy certain people. The SAP is doing its utmost to safeguard commuters and is concerned for their safety," said Colonel Crewe.
Fares softened by competition

AIR fares to the Far East are beginning to reflect the growing competition on the Indian Ocean routes.

Cathay Pacific has introduced a discount package fare as a counter to any incentive offers Singapore Airlines might bring to the market when it starts its service to Johannesburg.

Air links to Far East and Pacific Rim destinations have, in the last decade, become recognised as highly lucrative and as having plenty of potential for further growth.

For many international airlines, Far East and Pacific routes have surpassed European and North American services in importance.

Until recently, SAA was the only airline directly linking SA to the Far East, with flights to Taipei and Hong Kong.

Last July Hong Kong-based Cathay Pacific began weekly services to Johannesburg, and has recorded an average passenger load factor (the number of seats) of 65% between July and December, although last month's load factor was 83%.

Singapore Airlines national sales manager Jenny Kearney said the airline would be announcing an introductory special offer, but the fare of R3 999 (ex Mauritius) was unlikely to be altered.

"For about R700 more we'll be offering a week's accommodation with the return fare," she said.

This would place Singapore Airlines in direct competition with Cathay Pacific which last week announced a R3 999 package. This included a return air ticket and a week's accommodation in Hong Kong.

Fewer

Cathay Pacific's southern Africa and Indian Ocean manager Angus Robson said prices would soften with the entry of Singapore Airlines to the market, but they would not fall as rapidly as European routes were doing.

This was because there would be relatively fewer flights to the East than to northern and central Europe.

Robson said Cathay's new "Super City" offer had been introduced to pre-empt any special package that Singapore Airlines was planning.

In the past five months China Airlines and Australia's Qantas have begun direct services to Johannesburg from Taipei and Sydney respectively.

"Japan Air Lines and Malaysian Airlines have held talks with SAA with a view to establishing air links this year."
Top UK airline appoints an SA marketing agent

BRITAIN's second largest airline, British Midland, has appointed a Johannesburg-based company, Development Promotions, as its sales promotion and marketing representative in SA. Although the airline does not plan to launch a service to SA, it does feed flights linking the UK with SA.

Official estimates are that British Midland has in excess of a 20% share in this market. Last year British Midland carried more than 2.5 million passengers and generated more than £200m in turnover. The airline's agreement with Development Promotions will come into effect on March 1. SAA will continue to act as the British airline's general sales agent, issuing tickets in SA on its behalf.

British Midland, which operates mainly out of Heathrow, Birmingham and Derby, has been voted the UK's best domestic airline on several occasions. It has a rapidly expanding European route network, with its 29 aircraft flying more than 70 flights a day.

The airline is unique in that its aircraft are configured for Business Class only. Development Promotions also represents the US carrier, Continental, in SA.
Train safety plan ahead of schedule

SECURITY upgrading at 370 railway stations would be completed two years ahead of schedule in an urgent response to attacks on township trains, the SA Rail Commuter Corporation said yesterday.

Police have given the R50m plan their full support and have pledged to deploy personnel at upgraded stations.

Corporation MD Kobus Nel met SAP Commissioner Gen Johan van der Merwe yesterday to discuss a co-ordinated response to train attacks.

The corporation's Cabinet-approved security plan — to be completed by March next year instead of the originally envisaged March 1995 — includes installing lighting, access control points and temporary police bases at every station in SA.

On Saturday Nel will meet the Civics Association of the Southern Transvaal and other community representatives to discuss further measures.

Our correspondent reports from Durban that government is to pledge extra resources to speed up the implementation of the national peace accord in Natal following a high-level emergency meeting in Durban yesterday to discuss the recent escalation in violence in the province.

National peace secretariat chairman Antone Gildenhuys said this would include making available facilities, secretarial staff, facilitators and services.

'Patriotic front' to look at education

WILSON ZWANE

A "PATRIOTIC front" of organisations, including the ANC and the National Education Co-ordinating Committee (NECC), is to address the crisis in education.

ANC education department chief John Samuel said a three-day conference in Broedersrroom, north of Johannesburg, next month would lay the basis for an "education patriotic front".

The conference would be held from March 6 under the auspices of the Education Delegation — a multiorganisational body formed last February to find ways to resolve the crisis.

Education Delegation chairman Jakes Gerwel said four objectives had been identified:

☐ The development of broad principles, norms and values that should underpin a future education system;

☐ The development and implementation of a code of conduct regarding a culture of learning;

☐ The development of joint strategies and campaigns for addressing the crisis;

☐ The development of mechanisms for arriving at a new education system and for dealing with education in the transition period.
Transport forum challenges govt

GOVERNMENT policy on transport came under fire yesterday when leaders in various transport fields met in Johannesburg to establish a forum to formulate an alternative policy.

A meeting held to address what delegates called "the inertia of government in addressing transport problems" elected an interim steering committee which included Transnet MD Anton Moelmann, ANC transport head "Andrew" Mlangeni, National African Federated Transport Organisation (Natofo) chairman Peter Rabah and SA Bus Operators' Association (Saboa) executive director Jackie Walters.

Interim co-ordinator George Negota attacked transport policies as inadequate and ineffective because they did not satisfy the needs of the majority of users.

"The people of SA deserve a better transport system: dispensation and policies that are capable of addressing the very serious issues and problems that people are facing daily," he added.

Rabah said various organisations would make inputs to the forum and it was planned that the forum would have formulated a policy document by October.

This would be forwarded to government "not in an advisory capacity but as a bundle of recommendations worked out with people at grassroots level," he stressed.

"We will be looking at the whole structure of the Department of Transport and see where they are failing. We will investigate existing policy as regards sea, air, road and rail transport and confront government with our policy document," he added.

Some of the main problem areas which the current policies were said to have failed to address were:

- Inadequate roads and facilities in areas where people relied on public transport.
- Unsafe transport, the high accident rate and inadequate security with a subsequent high level of violence on public transport.
- Escalating transport costs which disproportionately eroded disposable income in the lower income sections of the population.

The meeting resolved that the 10-person steering committee should be extended to 15 members.

Several specialist sub-committees — one of which would look at legislation as it affected road, sea, air and rail transport — would be set up to assist the steering committee.

Another would look at the coordination of the various transport modes, while others would investigate subsidisation and identify further problem areas.

Mlangeni said ANC experts were still working on the formulation of transport policy and his organisation would make its contribution in due course.
A new image for the Johannesburg City Council transport department is being created after the management committee gave officials two years to improve the service.

New colours, new livery for bus drivers and the active participation of ratepayers in planning new routes are being investigated.

The council took the first step in taking commuters’ wishes into account, when it reintroduced the season bus ticket last week.

In the short term the fare structure will be revised and the dual fare system of lower tariff and higher tariff buses phased out.

Marketing director Jenny Gray said it was no secret that the transport department was in “a lot of trouble”.

“What’s out there is not very good. We have had very bad press, buses are late, drivers miss shifts... the management committee has given us two years to turn the department around.

“We must provide a good service, one Johannesburg can be proud of. At the moment, our costs are out of proportion with the service provided,” Miss Gray said.

She stressed that the commuter was the customer and in future, passengers and ratepayers’ associations would be asked about new routes and where bus stops should be positioned.

More temporary drivers will be hired, driver training will be stepped up, more traffic inspectors appointed, routes will be revamped and more buses concentrated in high service areas.
A BLACK US airline company is all set to begin flights between the US and SA in April. Pegasus Air International, which had teamed up with local transport organisation Nafto, had all but concluded talks on the operation with the US Transport Department. Pegasus International chairman L H Maepa said in Johannesburg at the weekend.

An electrical engineer and computer software developer who had taken up US citizenship after leaving SA 25 years ago, Maepa said negotiations with a US carrier, begun last November, were at an advanced stage.

"Our first operation should start around April 5 and we intend to begin with three flights a week to Johannesburg, using a Boeing 747," said Maepa.

"The idea is to give blacks in the US and SA an opportunity to get involved in our transport.

Pegasus International was also engaged in talks with feeder airlines in southern African countries such as Lesotho, Botswana and Swaziland. Nafto chairman Peter Ntshelake said the establishment of the air service was in line with his organisation's programme to get blacks involved in all modes of transport."
Mr R M BURROWS Mr Chairman, arising from the hon the Minister’s reply—and whilst I am fully aware of the fact that the hon the Minister of Finance still has to deliver the Budget on 18 March—it is not perfectly true that each university has already been informed of the amount of money it will receive for the 1992 calendar year, and that the hon the Minister certainly could answer part 1 of this question without referring to any statistics, and certainly, if he chose, could make a statement on what the universities and technikons have already been told they will be receiving this year.

The MINISTER Mr Chairmain, provisional figures have been given to the various universities to allow them to get their planning in order for the new year, but these figures have not been made public and cannot be made public until such time as they are disclosed in the budget.

Mr R M BURROWS Mr Chairman, further arising from the hon the Minister’s reply, is it not correct that a number of universities and technikons have had a reduction, in real terms, of the amounts that they received in the 1991-92 year, and that the cash-strapped universities and technikons have been placed in an enormously difficult position because of this hon the Minister’s policy of not supplying the subsidy formula that he should, in fact, be supplying?

The MINISTER Mr Chairmain, I will reply to the hon member’s question after the publication is released.

Discussion: document consultation with organisations

3 Mr A GERBER asked the Minister of National Education whether the drafters of a certain discussion document consulted with representatives from within and outside formal education, including the organised teaching profession, as well as experts from within and outside formal education. In the case of experts, consultation was in the light of their personal expertise and they were not seen as representative of any organisation. Representatives were consulted in accordance with existing legislation in terms of which there are structures for advising the Minister of National Education in the process of developing general policy. Representation involved the various education departments, including those of the self-governing territories, the organised teaching profession, universities and technikons. Organisations with which I am aware that experts have used include the Anglo American, the English Aspect on Southern Africa, the HSRC, the Independent Schools Council, Pruec, the SA Academy for Kunst en Wetenskap and the SA Agricultural Union.

4 Whether the drafters of the document consulted beforehand with any representatives from within and outside formal education, if so (a) what organisations within and outside formal education were consulted with, and (b) who is the name of this document.

5 Whether the drafters of the document were approached by these organisations, if not, on what basis was it decided to consult with the organisations concerned.

ANC: members entertained by NI

4 Mr A GERBER asked the Minister of National Intelligence whether he will furnish information on whether the top strata attributed to existing legislation regarding advisory structures for the development of general policy. It is not a result of the fact that they approached the persons who drafted the document. With the release of the Curriculum Model in the form of a discussion document it is hoped to extend the involvement already achieved as far as possible.

3 No

The MINISTER of National Intelligence Service whether he will make a statement on the matter.

1 Whether he will furnish information on whether the top strata attributed to existing legislation regarding advisory structures for the development of general policy. It is not a result of the fact that they approached the persons who drafted the document. With the release of the Curriculum Model in the form of a discussion document it is hoped to extend the involvement already achieved as far as possible.

2 Whether he will make a statement on the matter.

The MINISTER of the National Intelligence Service:

1 (a) and (b)

Yes, Members of the National Intelligence Service (NIS) meet and have discussions with many people over the full relevant intelligence spectrum and vocation all over the world, in the execution of its statutory task, in order to provide security intelligence and in particular security intelligence for national security, defence and foreign policy. It would be out of place and discourteous to disclose or enter into details of such discussions.

I am prepared according to tradition to discuss with concerned colleagues the meaning and ambit of the Service’s activities over a cup of tea.

Kuppl rail transit system: Johannesburg

5 Mr P G SOAL asked the Minister of Transport whether, with reference to his reply to Question No 106 of 2 March 1988, a decision has been taken on the introduction of a rapid rail transit system for Johannesburg, if not, why not, if so, what was the decision?

The MINISTER of Transport No. This decision will be taken by the relevant local authorities after research regarding the financial aspects surrounding the implementation of a rapid rail transit system has been undertaken.

However, the feasibility study regarding the implementation of a mass transportation system undertaken by the Department of Transport is already available and recommends that the planning for the HSRC be revised to incorporate the partial light railway system to be done on the premise of the finding that the road network in the central area will reach saturation over the medium term.

It is also recommended in the report that the existing public transport system be utilised maximally over the short term. This will result in existing rail, bus and combi-taxi services being continually rationalised.

SAP: increase in number

5 Mr P G SOAL asked the Minister of Law and Order whether, with reference to the reply to Question No 2 on 4 June 1991, (a) what was the total net increase in the number of policemen in the South African Police Force in 1991 and (b) how many are still in training and (c) in respect of what date is this information furnished.

Mr P G SOAL: Mr Chairmain, may I see the honourable member’s answer?
whether he will make a statement on the matter? B70E

The DEPUTY MINISTER OF LAW AND ORDER
(1) (a) 9 132 (inclusive of Municipal Police and Police Assistants)
(b) 1 733
(2) 5 February 1992

Mr P G SOAL. Mr Chairman, arising out of the hon the Deputy Minister’s reply, while indicating how pleased I am that there appears to be an increase in the number of policemen who have been recruited, I should like to ask him whether he will assure the House that he will have a discussion with his Minister about how to allay the fear and concern of suburban residents about the increase in crime. I want to assure hon and the House that there is indeed great concern and worry about this increase in crime.

The DEPUTY MINISTER Mr Chairman, we are also concerned about the high crime rate, and this question has already been addressed by the Department and the hon the Minister.

Illegitimate children: rights of access to fathers

Mr L FUCHS asked the Minister of Justice whether it is the intention to introduce legislation in terms of which rights of access will be granted to fathers of illegitimate children, if not, why not, and if so, (a) when and (b) what is envisaged in this regard? B78E

The MINISTER OF JUSTICE
The rights of a father regarding his illegitimate child are being investigated by the South African Law Commission. A working paper is being compiled at present and it is expected that it will be published during this year.

SARC: protection of commuters

Mr J CHOLE, asked the Minister of Transport whether the South African Rail Commuter Corporation recently announced additional measures for the protection of commuters, if so, (a) what is the extent of these measures and (b) what is the cost involved in these measures, B78E

(2) whether any other State departments are involved in the application of these measures, if so, (a) which State departments, (b) to what extent and (c) at what cost?

THE MINISTER OF TRANSPORT
(1) Yes
(a) and (b) The five-year security programme which would have been completed on 31 March 1995, has been accelerated and will be completed by 31 March 1993. This entails that all stations will be secured for policing by erecting security fences, providing lighting, introducing access control and providing on-site accommodation for the SAP Communication between the train driver, control room and the SAP is being improved to permit the speedier reporting of dangerous situations and incidents. The costs involved in this are estimated at R9.5 million for the 1991/92 financial year and at R18.24 million for the 1992/93 financial year.

(2) No
(a) and (b) The SAP is responsible for ensuring that stations which are already secured for policing and for the maintenance of law and order on premises and trains Stations not policed on a full-time basis are intensively patrolled. The SA Defence Forces renders a support function at the request of the SAP.

(c) The costs involved to that is not readily available and will be furnished to the Member who posed the question as soon as the information has been received from the organisations concerned.

Damaging of ozone layer: research

Mr J CHOLE asked the Minister of Environment Affairs whether any independent research in respect of the damaging of the ozone layer is being undertaken by South Africa at present, if so, (a) to what extent is his Department involved in this research, (b) the amount that has been budgeted for it and (c) how many researchers are involved in it at present, (d) what do the findings indicate so far?

THE MINISTER OF ENVIRONMENT AFFAIRS

(1) Yes
(a) The Department of Environment Affairs provides financial backing for a joint Weather Bureau/Natal University programme, namely the South African National Ozone Research Programme (SANORP). The Department of Environment Affairs in collaboration with the Department of National Health and Population Development also provides financial back-up for the Cape Point Trace Gas Research project implemented by the CSIR.

(b) The project was allocated R280 000 for the 1991/92 financial year.

(c) Two researchers of the Weather Bureau and two professors of the University of Natal and a number of student researchers are involved in SANORP. There are several researchers involved with the Trace Gas Project.

(d) A comparative study between ozone data of the mid-1960s and data collected since August 1989 show that in the stratospheric ozone layer (between 12 and 36 km altitude) ozone concentrations have decreased by 6%, relative to the earlier period. The decrease in ozone concentrations in the stratosphere between the mid-1970s and 1980s was 3% to 4% over South Africa and 17% at SANAPE. Ozone concentrations in the lower atmosphere over South Africa have, conversely, increased. Comprehensive information is available from the Department of Environment Affairs.

**Business interrupted in accordance with Rule 180C (3) of the Standing Rules of Parliament**

Codes: costs paid by State

Adv J S PRINSLOO asked the Minister of Constitutional Development whether the part of the expenditure in respect of the institution called Convention for a

HOUSE OF ASSEMBLY
First commercial air rights development gets go-ahead

The SARCC was involved with the upgrading of 14 Soweto stations, which involved improving security and catering for commercial development.

While these areas were problematic, they offered huge potential. Flanagan agreed with this, saying the black areas were becoming a focal point as they have no facilities at present.

"As a result, commuters are flooding into the CBD and we have to move into these residential areas.

"Investors are slightly hesitant at present, but this will reduce as political factors stabilise. Initially we will see developments of around 5,000m2 to 6,000m2 with a capital investment of about R15m," he said.

The Bridge has a gross lettable area of 75,600m² over three levels, with shops ranging from 10m² to 150m² and rentals of between R60/m² and R80/m², RMS MD Pat Flanagan said.

The Bridge is expected to open in March 2003 and about 45% of the retail space has been pre-let, with a letting launch planned for April.

The lower floor will serve as a taxi station for about 110 taxis, with the other two floors dedicated primarily to retail, anchored by a 1,500m² Pick 'n Pay.

SARCC GM Dirk Ackerman said the group had a property portfolio in excess of R2,2bn, which had been "fairly neglected" in the past as far as developmental possibilities were concerned.

"We have 74 developments underway, in the pipeline or being considered at present, which we expect to be complete in the next three to five years. However, these are not the only developments we will undertake over this period," Ackerman said.

The next airspace development would be the new conference centre and hotel planned for Johannesburg.
Flitestar to bid for UK route

FLITESTAR, SA’s youngest domestic airline, is to apply for several international routes, including Britain and the Gulf region, MD Jan Blake confirmed yesterday.

Although the airline will not be represented at this week’s talks between the UK and SA aimed at establishing a new air services agreement, indications are that Flitestar and the UK’s Virgin Atlantic will be allowed to start flights on the lucrative route. This would end the stranglehold British Airways and SAA have held on the route since the 1960s.

Talks will take place today and tomorrow in Pretoria, and will be attended by representatives from SAA, British Airways, Virgin Atlantic, the UK embassy and SA’s transport department.

“Absolutely,” was Blake’s reply when asked if Flitestar was interested in flights to the UK. An airline delegation was visiting the Gulf region and had already visited several other countries which Flitestar is keen to start flights to.

Blake said the airline’s applications for several routes, including the Gulf, would appear in Government Gazettes soon.

The airline was considering leasing new aircraft for its planned international operations, but in the interim would use its twin-engined Airbus A320s, which required only one refuelling stop en route to most European and Middle East destinations.

Virgin Atlantic’s presence at this week’s talks fuelled speculation that SA’s soon-to-be-announced revamped international civil aviation policy would open the way to a multilateral agreement system, scrapping the policy whereby SAA and the national carrier

Airline industry leaders are confident that SA’s new aviation policy, which is expected to come into effect in April, will allow free airlines from restrictions governing price fixing, the number of flights each carrier may fly to and from SA each week, access to alternative SA gateway destinations such as Durban and Cape Town and charter flights.
Flitestar targets international air routes

Own Correspondent

JOHANNESBURG — Flitestar, South Africa's youngest domestic airline, is to apply for several international routes, including Britain and the Gulf region, managing director Mr Jan Blake said yesterday.

Although the airline will not be represented at this week's talks between the UK and South Africa aimed at establishing a new air services agreement, indications are that Flitestar and the UK's Virgin Atlantic will be allowed to start flights on the lucrative route, ending the stranglehold British Airways and SAA have held on it since the 1940s. Talks will take place today and tomorrow in Pretoria, and will be attended by representatives from SAA, BA, Virgin Atlantic, the UK embassy and South Africa's transport department.

Mr Blake said the airline's applications for several routes, including the Gulf, would appear in Government Gazettes soon.

Airline industry leaders are confident that South Africa's new aviation policy, expected to come into action in April, will also free airlines from restrictions governing price fixing, the number of flights each carrier may fly to and from South Africa each week, access to alternative gateway destinations such as Durban and Cape Town and charter flights.
transport services

deficit doubles

By LINDA ENSOR

SA TRANSPORT Services accumulated a deficit of R417.7m in the financial year to end-March 1990 — more than double the R147.4m deficit of the previous year — and has been sharply criticised for the lax financial controls which existed in some of its operations by the Auditor-General.

The Auditor-General's report for the last year of Sats existence was tabled in Parliament yesterday. It reveals that Sats exceeded its authorised Parliamentary grant of R13.2bn by R703.6m. Parliament still has to decide what to do about this excess.

In the 1987-88 financial year Sats lost R3bn in unrealised foreign exchange losses which in the end did not proceed through Parliament for approval.

A delay in finalising the 1989-90 figures which should have been submitted to the Auditor-General within three months of the end of the financial year resulted in them only being signed by Sats' GM on January 22, 1991.

"Operating expenditure of R487m for the period March 16 1989 to March 31, 1990 was not accounted for in the financial statements and had to be updated at Audit's insistence," the report said.

The Auditor-General found unsatisfactory aspects in the system of revenue accounting. Shortcomings in the recording and control of stores were such "that no opinion can be given on the reasonableness of the accounting of stores".

Serious deficiencies were found in accounting for capital investment and fixed assets in Road Transport Services. The Auditor-General said a positive opinion on the accuracy of amounts accounted for by the regional offices could not be expressed.

"This disturbing state of affairs apparently requires immediate attention."

Regarding SAR Travel the Auditor-General also found inadequate accounting methods which made it "impossible to form a meaningful audit opinion on the reasonableness of SAR Travel's revenue and expenditure for the financial year 1989-90 as well as of its assets and liabilities as at March 31, 1990."

The report said private sector portfolio managers had invested R2.5bn of the assets of Railways and Harbours Superannuation Fund and R1.3bn of the assets of the Railways and Harbours Pension Fund for Non-White Employees as at March 31, 1990.
Discounting could put airlines out of business

When the war risk subsided, the industry found that passengers were not flocking back to the airlines as they could no longer afford to fly at the published tariffs. So a heavy bout of discounting ensued as the industry tried to revive the market.

Even traditionally sound airlines such as British Airways took a few chances. At one stage they gave away whole flights, and were offering upgrades from First Class to Concorde on transatlantic routes.

BA was, in fact, one of the few airlines able to record profits in the quarter ending December but, by its own admission, this was aided by the sale of its engine maintenance subsidiary to General Electric, staff cuts and productivity increases. Revenue from ticket sales has not substantially increased over the 1988/89 boom-year figures.

The term "fares war" is a dirty word as far as SAA is concerned. The new buzzword at SAA Towers, and at other airlines' headquarters, is "yield management".

In layman's terms this means trying to earn a return on a given flight through the maximum utilisation of the revenue-generating seating and cargo space available.

In the passenger cabin this is achieved by offering a range of fares (in some cases up to 15 fares for one flight), some of which are incentive tariffs. In normal practice the bigger the discount the more restrictions it carries and the later it is released onto the market.

Because an aircraft seat is one of the most perishable products available, airlines should try to generate some revenue for the seat. "R10 on a seat is better than nothing at all," one local manager for a major airline said recently.

This is why passenger who need an unrestricted ticket at a minute's notice pay a premium fare, while those who do not mind returning on specific dates, with heavy penalties for alteration to tickets, can often pick up bargains in the last couple of days before a flight.

However, it is easy for airlines to fall into a downward spiral of discounting, forgetting that the aim of yield management is to yield some operating surplus.

SAA does not disclose details of its yield management, although chief spokesman Leon E's said it was "very strong" and effectively used in determining the allocation of discount fares to the number of available seats.

Maldutis suggested a double ingredient recipe for airline survival in the early 1990s. The first is quality. "BA realised this and offer a high quality product. Pan Am and TWA did not," he says.

If that is so, then SAA is well placed for survival. Its in-flight service is rated one of the best in the world, although the resident and port chaos has often managed to wipe out any good impressions the airline might have instilled in passengers.

Maldutis's second ingredient is ruthless privatisation. He opposes the idea of governments selling only 49% of their airlines. This is not attractive to investors, he says. "What they should do is hold one 'golden share' which gives them the power to veto the airline's acquisition by a foreign government," he explains.

The key to successful privatisation is the character of the CE. "If government is sincere in its desire to privatise, then it must create an environment and appoint the people that will bring about the change."
Aeroflot hopes to fly to Jo'burg

RUSSIAN airline Aeroflot is to send a delegation to SA this week to negotiate an air services agreement which would allow the world's former biggest airline to start direct flights between Moscow and Johannesburg.

Aeroflot's local representative, Roman Sodawski yesterday declined to say when the airline hoped to start flights, but confirmed a delegation was to hold talks with Department of Transport officials.

It is believed Aeroflot is keen to start flights before the middle of the year, but it is not known whether it hopes to implement scheduled or charter flights.

It could not be established yesterday whether the Aeroflot visit was related to that by a Russian delegation led by Foreign Minister Andrei Kozyrev, to arrive in SA this week.

Last year SAA and Aeroflot signed an agreement which allows the two carriers to issue tickets on each other's behalf and for Aeroflot to market SA as a destination.

SAA CE Gert van der Veer said at the time that the airline had no immediate desire to start scheduled flights to Moscow.

Since the demise of the Soviet Union, Aeroflot has been split into 24 companies, representing the different states that made up the union.

The Russian arm suffered heavy losses last month when the Federation gave the go-ahead for the trebling of fares on international routes.

SA and Russia to set up embassies

SA and Russia are set to establish full diplomatic relations for the first time with the arrival of a Russian delegation in this country.

Russian Foreign Minister Andrei Kozyrev's arrival on Thursday will coincide with that of a German political and economic delegations led by German Economics Minister Jürgen Möllemann.

A Foreign Affairs Ministry spokesman said yesterday that Kozyrev, who visited SA in December when Russia was still part of the Soviet Union — would be in SA "as the guest of the Minister of Foreign Affairs Pik Botha."

Satellites

Informed sources said yesterday Kozyrev and Botha would almost certainly sign an agreement establishing full ambassadorial relations.

SA and Russia are currently represented by interest sections in Moscow and Pretoria, established late last year.

SA has already established full diplomatic relations with Czechoslovakia, Hungary and Poland, all former Soviet "satellite states" in central Europe.

Möllemann, who is Germany's equivalent of a trade and industry minister, will be accompanied by 30 bankers and businessmen, said a German embassy spokesman.

A spokesman for the German-SA Chamber said yesterday the arrival of the business delegation with Möllemann was important, but did not signal the beginning of a wave of investment in SA by German companies.

"With some parties not clear on their nationalisation policy and saying they will not honour foreign debts, German firms are adapting a 'wait and see' attitude, the spokesman said.

A member of the centrist Freie Demokratische Partei (FDP) in the ruling coalition, Möllemann will be the highest ranking German minister to visit SA, but a source close to the German government said the visit should not be seen as granting a German seal of approval to the SA government.

The source said this would only come with visits by Chancellor Helmut Kohl or Foreign Minister Hans-Dietrich Genscher — and these were unlikely to occur before an interim government was in place.

The embassy spokesman said Möllemann would meet ANC President Nelson Mandela, President FW de Klerk, Trade and Industry Minister Derek Keays and Cosatu general secretary Jay Naidoo during his five-day stay.

He would also host a banquet attended by De Klerk celebrating the 40th anniversary of the German-SA Chamber of Commerce.
Whether only his Department is involved in the sale of stockpiled crude oil, if not, (a) which other State Departments are involved in it and (b) why they thus involved?

The MINISTER OF MINERAL AND ENERGY AFFAIRS
Yes, (a) and (b) fall away

Sale of stockpiled crude oil: tenders
2 Mr P J PAULUS asked the Minister of Mineral and Energy Affairs:

(1) Whether tenders were invited for the sale of stockpiled crude oil, if not, why not, if so (a) how were the prices determined and (b) what are the relevant details,

(2) whether any agents or intermediaries were involved in the transactions in connection with the sale of this crude oil, if so, (a) why and (b) who are these agents or intermediaries?

The MINISTER OF MINERAL AND ENERGY AFFAIRS:

(1) No, because the stockpiled crude oil comprises different types of crude oil which are not stored on a segregated basis. This mixture is difficult to market internationally and within the limited South African market at a highly unlikely that favourable prices could be achieved through tender

(a) and (b) Fall away. It can, however, be mentioned that on grounds of an analysis of the stockpiled crude oil, a price base was negotiated with local refiners, ultimate selling prices were comparable to international market prices

(2) Yes, for sales to Madagascar,

(a) because they had a supply agreement with Madagascar in 1991, and

(b) the Addax and Oryx Group Ltd

Mr A J Leon—Justice [Question standing over]

(1) Which Board members have since 1 January 1990 been appointed and/or designated to serve on the National Parks Board of Trustees,

(2) whether any non-Whites have been appointed to the top structure of this Board since the said date, if so, to which posts,

(3) whether these appointments were the result of normal promotions, if not, for what reasons were the appointments made?

The MINISTER OF ENVIRONMENT AFFAIRS:

(1) Prof F C Electro—

Reappointed with effect from 17 September 1990 for one year

Reappointed with effect from 17 September 1991 for one year

Mr T J Steenkamp—

Appointed with effect from 1 March 1990 for five years

Mr C J van R Rooba—

Ex officio with effect from 1 April 1990 by virtue of his appointment as Administrator of Natal

Mr A E G Troll—

Reappointed with effect from 17 September 1991 for one year

Dr L van de Watt—

Ex officio with effect from 1 August 1991 by virtue of his appointment as Administrator of the Orange Free State

Mr N E J Malus—

Appointed with effect from 1 September 1991 for five years

(2) Yes, one non-White has been appointed in the post of Executive Director Human Resources

(3) No, the appointment was not a promotion from the ranks of serving personnel but the applicant was found the most suitable candidate for the vacant post as a result of his appropriate qualifications and previous experience

Transect bursaries
5 Mr J CHOLÈ asked the Minister for Public Enterprises:

(1) What was the purpose of the instruction by Transect of the Transect bursaries,

(b) when were these bursaries instituted and (c) what are the conditions attached to the granting thereof,

(2) how many Transect bursaries have been granted to (a) Whites and (b) non-Whites for the 1992 study year?

The MINISTER FOR PUBLIC ENTERPRISES:

The Managing Director of Transect Limited replied as follows to the hon member's question

(1) Transect was at a stage only a planning concept to determine needs

The MINISTER FOR PUBLIC ENTERPRISES:

(a) It was never introduced as a bursary scheme

(c) Falls away

(2) (a) and (b) Full away

Mr J CHOLÈ Mr Speaker, arising out of the hon the Minister's reply, I want to ask whether the hon the State President exercised any pressure in his personal capacity on the executive of the Natal Parks Board in respect of the appointment of board members and non-Whites to their executive

The MINISTER Mr Speaker, I cannot speak on behalf of the hon the State President, but as far as I am concerned—if it was a function I was to perform for him—I can frankly say to the hon member that no pressure whatsoever was exerted on the Parks Board in respect of the appointment of board members during the time that I have been Minister of Environment Affairs.

Mr J CHOLÈ Mr Speaker, further arising out of the hon the Minister's reply, I want to ask him whether any pressure has thus far been exerted by the ANC or whether the Government has entered into any agreement with the ANC to appoint exiles in certain posts [Interjections]

An HON MEMBER: Ah, you are backtalking!

The MINISTER Mr Speaker, I can assure the hon member that there was no such agreement and that no such negotiations occurred

An HON MEMBER: Go and say that in your constituency!

The MINISTER Mr Speaker, I can reply to questions, but not to speculations [Interjections]
Jo'burg calls for tenders on new light rail system

TENDERS for the construction of SA's first light rail system, will be called for before the year-end, it was announced at a news conference in Johannesburg yesterday.

The planning of the first two routes, a starter line running from Alexandra township into downtown Johannesburg and a distribution line within the CBD was expected to be approved by the Johannesburg City Council last night.

At an estimated cost of R760m, the mass transit system will form part of an overall urban transportation blueprint for Johannesburg into the 21st century which includes enhancing the existing modes of transport such as taxis, the heavy rail system and buses.

An objective of the project is that commuters will be able to purchase one ticket for use on all modes of transport in an integrated system “Buses and kombi taxis will not be shouldered out into the cold,” said council transportation and utilities committee chairman Paul Asherson.

Council planning executive director Ian Symon said he believed the light rail system was the answer to Johannesburg's transportation and road congestion problems.

At present 62.6% of commuters in Johannesburg use public transport. As the population in Johannesburg is likely to double over the next 15 years, Symon said it was a major task of the council to retain existing levels of public transportation usage.

Management committee chairman Ian Davidson said ratepayers should not be expected to finance the project on their own. Substantial contributions would be sought from central government, the Transvaal Provincial Administration, the central Witwatersrand Regional Services Council and the private sector.

Stop systems are envisaged as being little more than inexpensive "glorified bus shelters". The major stations, however, are expected to form new hubs of residential and business development.

One aim of the project, said Asherson, was to encourage the residential redensification of the CBD.

Planners say public participation in the mass transit system proposals is seen as crucial to the success of the plan. 

"We are not plunging willy nilly into digging up the streets and then finding out that we made a rather expensive mistake," said Asherson.

The RSC will take responsibilities from the Transport Department for the planning, financing and implementation of the system next month.

Death toll increases as RAC war rages on.
Commuters slam ‘back-door’ rule

SHARKEY ISAACS
Transport Reporter

THIRD class rail commuters are up in arms at being forced to use “back door” exits at Cape Town station.

The rule, long applied on the platforms serving the southern suburbs and Cape Flats lines, was this week also enforced on irate commuters using platforms 22 to 24 where trains on the Monte Vista line and main line from Paarl stop.

Commuters complained bitterly at being forced to walk the extra distance across the exposed station parking deck, in pelting rain, and also alleged they were rudely treated at the first class ticket barriers.

They claimed they had walked unchallenged through first class barriers for two years and demanded to know why the rule had suddenly been applied.

Several commuters telephoned The Argus to complain, but the Rail Commuter Corporation (RCC) appeared unmoved.

“All procedures at Cape Town station are designed to facilitate practical and orderly passenger flow,” regional Metro transit services manager Mr André Harrison responded.

Mrs Philda January of Bernadette Heights, Kraaifontein, described the rule as “very humiliating”.

“If it rains or if the trains are late, many commuters are forced to run the extra distance. It appears the Adderley Street entrance is hallowed ground and out of bounds for third class passengers. We are decent people and should not be treated this way.”

Mr Patrick Vcaanse of Eerste River said the rule smacked of “class discrimination.”

Miss Erica Basson of Avondale, Monte Vista, described the step as “laughable at a time when the country is undergoing rapid changes to a new South Africa.

“I believe it is just a ploy to force us to travel first class,”

Mr Gerhard Potgieter of Welgelegen, Parow, said the behavior of the ticket collectors, who had been backed by police, had been “most appalling.”

“They were far from polite and the manner in which they treated commuters left much to be desired,” he said.

Mr Harrison responded that the architectural design of Cape Town did not allow large numbers of commuters to use entrances or exits at only one side.

The situation dictated methods to ease the flow of 143 000 commuters through the station each day as fast as possible to avoid bottlenecks at exits.

He said “Each commuter has the choice to purchase a first class ticket. That person, as is expected throughout the world, is entitled to certain conveniences, such as softer seats and more convenient exits.”

Spoornet public relations officer Mrs Yvette Olwage said the rule was not applied racially.

“It affects white commuters who travel third class as well,” she said.
Spoornet firm on station exits

Staff Reporter

FIRST-CLASS train commuters should use the exits at Cape Town station for first-class ticket holders only, and the same applied to third-class ticket holders, a Spoornet spokeswoman said yesterday.

The spokeswoman said some commuters did not buy tickets and left the station through the first-class exits, which were not manned continuously.
Airports privatised?

JOHANNESBURG. Plans are afoot to hand over nine state-run airports to private enterprise, including the controversial Jan Smuts, the Financial Mail reports.

It says Transport Minister Dr Piet Waltjemoed wants businessmen to lease all the terminal facilities — including restaurants, offices, shops and car parks — while the state would retain control of air traffic movements.

"Negotiations began recently and he believes that getting all the approvals may prove sticky but not impossible," the Financial Mail says.
Landing fees won’t alter local airfare

South Africa’s three major airlines do not intend increasing fares following the 15 percent hike in landing and parking fees at all State-run airports.

The increases are the first in almost three years and the money collected helps in the maintenance and upkeep of runways and other aviation facilities.

A spokesman for SAA, Mike Pheiffer, said the increase in Civil Aviation fees will not lead to an increase in airfares. The airline will absorb the additional costs.

He also denied rumours a domestic fare increase was imminent.

From March 1 landing fees for a 737 on a domestic flight will cost R508.80 and, on an international flight into South Africa R975.70. Landing fees for a 747 will cost R3 383.20 within the Republic and R6 678.10 on international routes. — Staff Reporter.
Chamber set to boost trade with Netherlands

TRADE between SA and the Netherlands is set to rise following the recent formation of the SA-Netherlands Chamber of Commerce.

The launch of the chamber is regarded as particularly significant because of Rotterdam's increasing importance in the development of the European single market. Rotterdam is already the largest port to handle SA exports.

"When we talk of the SA-Netherlands chamber, we are talking of SA's gateway to Europe," said chairman Bas Karuli.

"The chamber will act to stimulate trade, tourism and services between the two countries."

Trade with the Netherlands, SA's sixth biggest trading partner before sanctions, has been growing significantly in the past two years, says Saffo CE Wim Holtes.

Kardol and Holtes, the chamber's vice-chairman, were both born in Holland.

Exports to the Netherlands, which peaked in 1987 at $575m, dropped to $388m in 1990. Imports were $534m in 1989 — slightly down on the 1980 peak of $542m.

Netherlands Foreign Trade Minister Yvonne van Rooy, who arrives in SA on Tuesday, will be the guest of honour at the official launch of the new chamber.

The launch will coincide with the Holland Trade Fair in Johannesburg next week. The fair will feature 45 companies.

Holtes feels Dutch groups will initially enter SA through joint ventures, "but I am confident new investment will flow in over the longer term."

Sapa reports the Rotterdam Chamber of Commerce will host seven SA companies on a trade mission to the Netherlands next month. Chamber spokesman P van Vierken said yesterday the "Cape Town Trade Mission 1992" was expected to meet local businessmen in Rotterdam on March 24.

Talks 'inconclusive', but Virgin plans SA flights

TALKS on a new air services agreement between SA and Britain ended inconclusively on Wednesday evening, although some progress was made, a Directorate of Civil Aviation (DCA) spokesman said yesterday.

Representatives from the Transport Department, the British Embassy, British Airways, SAA and Virgin Atlantic Airwaves attended the talks, which began in Pretoria on Monday.

DCA spokesman Maureen Nel yesterday said the talks would continue in London once SA's international civil aviation policy review was complete. She could not say when this would be.

Industry sources said they expected the new policy to be announced on April 1.

Virgin Atlantic strategy and route planning director Ed Hullah said agreement was reached in principle to end the exclusive rights enjoyed by BA and SAA to the SA-UK routes.

"The talks went well, except for making a decision on capacity. Virgin is allowed to fly to SA, but has no frequencies to actually undertake the service," he said.

Virgin planned to spend several million pounds setting up its SA route operation "initially we'd like to offer four flights a week between Heathrow and Jan Smuts airports, but we'd like to go daily as soon as possible," said Hullah.

The airline was still hoping to start flights on the route by November this year, he said. However, delays in announcing SA's revised international civil aviation policy could hold back Virgin's start-up date on the route.

Hullah did not envisage any attempt by Virgin to negotiate a deal with BA in which BA would surrender some of its flights, as Virgin had not wanted to reduce the number of flights it planned.

"Our argument is that it is not in BA's interests to limit the frequency of flights as it does at present," he said.

In terms of the current bilateral agreement, SAA and BA split the route capacity and flight frequencies on a 40-60 basis. A 60-40 share was mooted last year by several local industry leaders.

Hullah said he hoped the next round of talks would take place as soon as SA had issued a clear statement regarding its new policy.

A steering committee comprising representatives from several SA airlines, the Association of SA Travel Agents and other institutions was appointed last year to investigate the local airline industry requirements, and to draft a new international aviation policy for SA.

Several sources have indicated that the new policy will free the industry from regulations governing tariffs, the number of airlines which may operate on a specific route, the number of times an airline may operate on a route each week, and access to other local destinations as an alternative to Johannesburg.

A liberalisation of the policy regarding international charter flights is also expected.

Virgin already has British authorisation to begin flights to SA, but is prevented from doing so by SA legislation, which permits only SAA and BA to offer scheduled flights between the two countries.

Flietsar has also indicated its intention to start flights to Britain.
TRANSNET ORDERED TO REPAY MILLIONS

By BILL KRIGE

TRANSNET has been ordered by the commissioner for Inland Revenue to repay millions of rands incorrectly deducted from the pay packets of thousands of Spoornet employees.

The unexpected bonus, which must be paid by the end of April, results from the discovery of irregularities by tax consultants hired by the SA Railways and Harbours Workers' Union (SAHRWU).

About 60 000 of Spoornet's 160 000 workers belong to the union.

Tax consultant Eric Fleet believes the repayments could amount to R60 million. The same irregularities could surface in the current tax year.

Mr Andre Freemantle, general manager of Spoornet's Cape Midland's region, blamed over-deductions on "administrative problems" and said there would be a one-off payment in April.

Discrepancies centre on IRPS forms, which indicate an employee's marital and parenting status. Thousands of the forms were never issued, depriving employees of automatic rebates of R2100 for a spouse and R100 for each child.
Recession shows in lower profit

CAPE TOWN — The severity of the domestic and international recession is starkly reflected in the fact that Safren subsidiaries, Safmarine and Rennes, both suffered a 5% decline in operating profit in the six months to end-December.

A stronger performance from Kerstel helped to keep the group in the black, despite a 7.5% rise in operating costs and a 3.5% increase in depreciation charges.

“Cash management and tax played a vital role,” Safren deputy chairman and CEO Buddy Hawton said.

Due to capital investment allowances in Kerstel and the lower rate of corporate tax, the group’s tax rate fell to 31.7% (38.5%), enabling it to convert a 5% rise in pre-tax profit to R295.5m (R240.8m) into a 16% increase in attributable earnings before extraordinary items.

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Group turnover rose 9.3% to R2.3bn (R2.1bn) and operating profit by 10% to R495.7m (R459.6m). After a 5% rise in depreciation to R95.2m (R91.7m), and after the reversion to paying a small amount of interest rather than receiving interest, the group notched up a 5% increase in pre-tax profit.

Safmarine’s contribution to group attributable earnings of R133.3m rose 8.7% to R145.2m (R141.6m), Rennies by 11.3% to R121.6m (R109.4m), and Kerstel’s by 13.7% to R56.4m (R49.5m). The contribution of other interests suffered a 25.7% drop to R1.1m (R1.5m).

Commenting on the performance, Hawton said shipping volumes had been lower than at any time since the introduction of containerisation 15 years ago. Bulk freight rates were weak in all areas and were likely to remain so.

Hawton did not see volumes turning up in the short term, but did expect the rand to start sliding against the dollar, which would give Safmarine a rand hedge benefit in the current six months.

The bulk shipping division could receive a fillup from SA’s planned import of maize.

The performance of Rennes, which is involved in cargo services and transport, marine services, freight, terminals, travel and trading, was aided by its tight cash management and developments in central Africa.

The terminals division performed well but travel had not returned to the levels expected. Increased foreign travel allowances had helped the foreign currency division which performed well. Prospects for freight and travel remained tough, but Hawton thought Rennes would continue to show a profit improvement.

It was too early to gauge the value of Safren’s 37.5% stake in the fledgling airline Flutter, but volumes were building up nicely and international opportunities were opening up.

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Graph by: L.E. SAMPLIN  Source: I.N.E.
Safren makes headway

Safren had a good six months to December and has reported a substantial increase in profits.

Earnings attributable to shareholders was R133 million, compared with the previous R120 million.

Earnings per share were 240,9c (224,3c). An interim dividend of 65c (60c) has been declared.

However, the board says profits are continuing to be affected by the deteriorating economy.

It says Safmarine continued to experience reduced cargo volumes which, together with the relatively stable rand during the period, resulted in a lower profit-growth rate.

Tax paid was down at R106,7 million (R122,2 million) as a result of the lower company tax rate.

Turnover was up at R2,3 billion (R2,1 billion), while interest received fell to R42,6 million from the previous R56,8 million.

The board feels that given economic conditions, results for the year should be satisfactory.

-Sapa.
SAA to discuss Thai air link

THAI Airways representatives are to meet SAA management today to discuss a possible air link between Thailand and SA.

This follows SAA's announcement last week that it would open an office in Bangkok.

However, Thai Airways's Italy and Africa area manager, Bruno Ventischi, who is in SA, said yesterday SAA had already asked the Thai government for landing and traffic rights at Bangkok, for an envisaged twice-a-week service.

If SAA was given permission and was allocated landing slots at Bangkok airport, this could be read as a sign that Thai Airways was also interested in starting flights to SA as the Thai government would not give such permission without the national carrier's approval, Ventischi indicated.

Ventischi estimated that, by offering a twice-a-week service with a 240-seater McDonnell Douglas MD-11, Thai Airways could generate at least R72m in revenue a year between Bangkok and SA.

SAA spokesman Leon Ee's last night confirmed that representatives of the two airlines were to meet, but that 'in turn, any funds' agreements...
Safmarine in massive write-down

By Derek Tommey 5/3/92

Safmarine has written down its investment in Belgium's Compagnie Maritime Belge Transport (CMBT) from R78.5 million to R1.

It was done to ensure that the management of CMBT was not diverted from its task of restoring it to financial health by having to worry about giving Safmarine an immediate return, Safmarine MD Tony Farr said last night.

Safmarine bought a stake in CMBT to get a foothold in the EC: CMBT operates liner services from Europe to East and West Africa, to India, Pakistan South America, Canada and Portugal.

He said CMBT probably transported more containers than Safmarine.

It also has a large trucking business in Belgium and a freight agency.

Mr Farr said Safmarine knew CMBT had problems, mainly because it was over-geared, when it bought the company last August.

Since then 260 people have been retrenched and unprofitable operations shut down.

It was planned to solve the gearing problem, out of cash flow and 'Safmarine was prepared to take a four-to-five-year view.}
Military officers in Russian trade group

A HIGH-LEVEL Russian trade delegation, which includes two senior air force officers and several representatives of military aerospace design bureaus, is to arrive in SA today.

A statement released yesterday by the delegation's Hanover-based organisers, The Marvol Group, said the aim of the visit was to tie up a deal with Pilkington Glass and to finalise another deal involving the pharmaceutical industry.

But the main emphasis seems to be on promoting the Russian aerospace industry.

On March 20 a Russian Antonov-124 freight aeroplane — the second largest aircraft in the world — will land at Jan Smuts Airport to pick up a cargo of glass valued at about R1,5m and an unspecified amount of pharmaceutical products which it will fly to Russia on behalf of Pilkington and an unnamed pharmaceutical firm.

The group will hold a seminar on Russian-SA commercial co-operation in Cape Town later this week. The seminar will be opened by Foreign Affairs director-general Neil van Heerden.

Of the 24 delegates, at least nine represent Russia's defence force and design bureaus involved in the development and production of jet fighter technology.

The most senior delegate is Government Committee of Conversion of Defence Industry chairman Mikhail Bazjanov.

One delegate is from the Klimov design bureau, which was recently reported to be collaborating with the SA Air Force in testing the suitability of its jet engines as a replacement for the French Snecma-Atar engines in the SAAF's Mirage F1 jet fighter.

Russians

The SAAF has not denied the accuracy of that report.

Also in the delegation are the chief designer and general director of Rusjet.

High-level discussions relating to civil aviation are also on the visitors' agenda.

The visit follows one last September when Marvol — which has extensive business interests in Russia — entered a joint agreement with an SA and an Italian company to produce solar electrical modules and systems in SA, and to relocate a packaging factory from SA to Moscow.

Other delegates represent Russia's foreign affairs department, the Moscow Legal Bar, Moscow General Industries, the Agricultural and Chemical Trade Organisation of Russia and Omek Manufacturers.
Russian maker of planes to exhibit at Jan Smuts fair

RUSSIAN fighter and commercial airliner manufacturer Yakovlev is to exhibit at Aviation Africa '92, the international aerospace industry trade fair, which will be held at Jan Smuts Airport between April 1 and 4.

Showplan director Lynn Browne, who is organising the event in conjunction with the Commercial Aviation Association of SA, would not confirm Yakovlev’s participation in the exhibition yesterday.

However, a source close to the organisers said the Russian firm had reserved a stand and would take part in the trade fair.

Evaluation

It is not yet clear whether Yakovlev will bring any aircraft to SA or if it will promote its products with display models and brochures on its exhibition stand.

Yakovlev’s participation follows the visit last week of a high-powered Russian delegation which met aviation authorities to discuss Aeroflot’s access to SA.

Last month it was reported that engines for Mikoyan MiG 29 fighters, built by another Russian aerospace company, Klimov, were being evaluated by the SA Air Force as a possible upgrade for its Mirage F1 interceptors.

Yakovlev is one of Russia’s five biggest aircraft manufacturers along with Ilyushin, Mikoyan, Tupolev and Sukhoi.

It produces military and civil aircraft, although it has not developed any new civil aircraft for several years.

Last year the firm made aviation headlines when it published details of its most recent fighter, the Yak 141 Freestyle jumper, which can take off and land like a helicopter.

Although in some respects it resembles the British Aerospace Harrier, the Freestyle is currently the only vertical takeoff and landing aircraft capable of supersonic flight.

Jane’s Defence Weekly reported last June that Yakovlev had embarked on a campaign to attract foreign interest in the aircraft, as at the time the Soviet Union, which needed large numbers of the aircraft, did not have the necessary money to finance mass production.

Like its Russian competitors, Yakovlev is thought to be keen on recouping some of its investment made in developing new aircraft. It is said to be hoping some of the “wealthier” Third World states would find its aircraft attractive.

The firm has already approached the Indian Navy with an offer on the Freestyle.

Apart from Yakovlev and local military suppliers such as Kentron and Atlas Aircraft Corporation, only British Aerospace will actively promote military equipment — the Hawk trainer jet fighter and tactical support systems — at the exposition.

Main focus of the event is expected to be in the civil sector with exhibitors promoting products which range from light, single-engined propeller planes to large jetliners.

CONSOLIDATED

<table>
<thead>
<tr>
<th>12 months ended</th>
<th>30 June 1991</th>
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R11,9m revamp for Soweto stations

THE SA Rail Commuter Corporation is to pump R11,9m into upgrading 11 Soweto railway stations.

The aim of the project was to make the rail service safer, more convenient and more aesthetically pleasing, Commuter Corporation MD Kobus Nel told a news briefing yesterday.

Concern about attacks on commuters meant improving security at stations and on trains was top priority, Nel said.

"Statistics show there are at least three attacks on commuters every week."

Nel said black business and community organisations would be consulted on the planning of the project, which would start later this month and be completed by June. The project would not affect fares.

Commuter Corporation senior MD Koos Meyer said the number of security guards on metropolitan trains would be trebled. The feasibility of installing closed-circuit cameras in coaches was being studied.

Nel said the upgrading of the 11 stations — Naledi, Thokoza, Bhele, Dube, Phomolo, Phophi, Mabopane, Midway, Chawelo, Nancefield and Mamelodi (Berg) — was part of a larger project...
Flitestar dismisses claims of pending coup or problems

FLITESTAR MD Jan Blake yesterday scotched rumours that the fledgling airline was facing tough financial headwinds, and said it could continue to operate at current passenger loads for another two years before fresh capital was required.

The airline wanted to enlarge its domestic fleet, but had put its plans on hold because an addition to the current domestic surplus would lower fares to levels where only SAA could operate.

Blake dismissed claims published in a recent edition of an Afrikaans financial weekly that Flitestar's major shareholder, Safren, was about to execute a coup against the airline's original partners and shareholders, Rentmeester Beleggings and the Meulkin Trust.

"The three owners have been partners for a long time, and their relationship is very good. There is no truth in the coup allegations, or in the magazine's claims that we owe any of our shareholders money," he said.

Between SAA and Flitestar, 15 new aircraft have been added to the domestic fleet. SAA bought four new Airbus A320s (with three more on order), to replace some of its older aircraft, but it has not sold its older equipment. Meanwhile, SA's domestic passenger market has shrunk by 15% last year, with no sign of recovery, said Blake.

"When the economy recovers, the market will recover, but until then over-capacity is what comes into play. If SAA puts all of its aircraft into the sky, then all the other domestic carriers' loads will drop to 40% and fares will be depressed a further 10%. This will push costs above break-even and it will be impossible to carry on operating," he explained.

Flitestar's aircraft run on a 55% load factor, about 2-3% above break-even for its fleet of four Airbus A320s and two ATR 72 turbo-prop airliners.

Compounding the situation were the increases in landing and parking fees announced last week, and SAA's hike in aircraft ground-handling fees. SAA is the sole handling licencee for domestic flights at the nine state-owned airports.

Blake said the recent reconfiguration of Flitestar's A320s, in which Business Class seating was halved and the Economy Class extended, was not due to any financial drain. He said people were still flying for business, but in the current economic climate they favoured Economy Class.

The airline recently said it was to start night flights on its Johannesburg-Port Elizabeth and Johannesburg-Cape Town routes. Unlike SAA's similarly priced midnight flights, Flitestar will be offering a full snack and bar service.
FEELING THE BITE

An earnings undertow is evident in the results for the half year to end-December. Both the fall in world trade and local recession are apparent in the skimpy turnover and earnings growth produced by all three of the major divisions.

As always at the interim stage, Kersaf was the main contributor to attributable earnings. It pushed its contribution of R65.4m up by 13.7%. But, as group CE Buddy Hawton emphasises, the leisure and hotel organisation was unable to escape effects of the poor economy. The number of visitors to the new Carousel resort at Belebeg met expectations, Hawton says, but they spent considerably less than expected. Hotel occupancy was also well down.

On the shipping front, Safmarine is vulnerable to reduced international trade. While exports have shown some growth — fuelled by the softer rand — lack of demand has dampened imports.

Half-year results show attributable earnings growth of 8.7%, to R45.2m, but do not take into account Safmarine's most important cargo — movement of southern hemisphere fruit to the north. These will feature in the second six months and boost earnings for that period. But the weakened global trade may result in Safmarine's full-year attributable earnings being below that of Kersaf's for the first time.

Safmarine will not receive any profit contribution from last year's purchase of an interest in Compagnie Maritime Belge Transport in Belgium. On the contrary, Hawton says this investment has required higher up-front non-recurring expenditure.

As a "prudent measure," the R78.5m investment has been written off as an extraordinary item. It is not expected to break even for another two to three years, though this was apparently in line with initial projections.

Rennies, according to Hawton, has shown resilience so far this year. He says it has managed its book and cash flow well and is likely to remain under pressure for the rest of the year. Its contribution to the group rose to R21.6m from the year ago R19.4m. Unless the economy improves markedly, it's difficult to see its earnings contribution rising materially above last year's R39m.

Hawton makes no bones that the recession "is clearly bringing into group business," and he does not see much of an improvement in the economy during 1992. Earnings growth should continue, but at a lower rate. Barring one or two possibilities that might enhance Safmarine's performance — such as a large slice of the maize imports now required, improved exports after the referendum or a much weaker rand — it is difficult to see a substantial improvement in EPS.

Having all bat doubled since this time last year, the share, at R95, stands on an historical dividend yield of 2.5% and a p/e of 16.8. With earnings growth slackening, the share has probably entered a consolidation phase and may even weaken. However, given a positive referendum result, the inherent long-term strength of the group should attract buyers before too long.

Gerald Hitchon

Safren's Hawton prudent measures

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<tr>
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<th>Dec 31 '90</th>
<th>Jan 30 '91</th>
<th>Dec 31 '92</th>
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<td>Operating income (Rm)</td>
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<td>Pre-tax profit (Rm)</td>
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<td>Earnings (c)</td>
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<tr>
<td>Dividends (c)</td>
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<td>177.6</td>
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Zimbabwe opens its tenders to Transnet

HARARE — National Railways of Zimbabwe (NRZ) has opened its tenders to Transnet for the first time, the weekly Financial Gazette reported yesterday.

Transnet had previously been barred from bidding for projects and supplies for Zimbabwe's state-owned railway.

However, the NRZ has leased locomotives and freight cars from SA.

The Financial Gazette quoted Transnet's marketing arm Transtrade MD Bertie Heckroodt as saying SA was keen to participate in the programme, which is partly funded by the World Bank, to rehabilitate the NRZ.

Harare and Pretoria still do not have official diplomatic relations although SA is Zimbabwe's biggest trading partner.

President Robert Mugabe has said full ties would be established only when SA's anti-apartheid movements gave the go-ahead — Reuter
No escape from deregulation

The negotiations on a new bilateral air services agreement between SA and the UK are taking place against an inexorable movement towards deregulation in western Europe. That trend has profound implications for SA and its national carrier.

As Bob Ebdon, British Airways’ head of government affairs, sees it, no airline that operates services into the deregulated EC after January 1 will be able to maintain regulation in its home market.

“Europe is seeking to remove barriers to trade and aviation is just one part of that,” Ebdon said in London last month. “The EC is pushing for a liberal, open and competitive environment. In return for such a system here, we will expect liberal, open systems in other countries.”

The reward for such willingness to embrace competition is, BA believes, vastly improved prospects for expansion. On the SA route, for example, he insists that BA has no objection to the introduction of competition from Virgin Atlantic Airways.

“Our experience has shown that there is no point in resisting the entry of additional British carriers,” he says. “We object only if their access hampers our opportunities to do what we want to do. It’s foolish to say we want a liberal agreement and at the same time try to restrict the access of other airlines. Increased access will give us an opportunity to promote and expand the route.”

The new bilateral agreement is expected to eliminate many of the restrictions on the SA-UK route. The way could be cleared for one or possibly two new airlines — Virgin Atlantic and Flitestar — to begin to serve the route. Representatives from BA, SA Airways, Virgin Atlantic, the Department of Transport and the British Embassy met in Pretoria last week for the first round of talks. They are expected to meet again in London in the next few months.

The reciprocal nature of the current agreement prevents BA and SAA from fully developing the route because sanctions forced SAA to fly around the bulge of Africa. This pushed up SAA’s costs and helped to maintain high fares for both airlines on the route.

“But if we are free to operate a normal, nonstop service, as we want to, to fly direct to Cape Town or Durban, we are confident we will expand the market and make more money,” Ebdon says.

Certainly, BA is well-placed to take advantage of a freer environment. It is one of perhaps 20 world airlines (among the top 200) that makes an operating profit. Latest results show that in the nine months to December the airline recorded an operating profit of R1,6bn — 13.5% better than the previous year.

“What we have now is a regulatory system that keeps airlines in existence that would not be there in a normal economic environment,” he says.

Therefore, the cost of deregulation, almost inevitably, is short-term turmoil that may well result in many airlines going under. The new ones that start up will also have a tough time. Salomon Brothers airline analyst Julius Maldutis says deregulation in the US in 1978 brought 178 new airlines into existence.

“Only one survives today and that is in Chapter 11 bankruptcy Mergers caused 22 of them to disappear. Others reorganised.”

With a pronounced shift from domestic to international travel by Americans, he adds: “There will be further asset sales and acquisition of international routes by the stronger companies.”

Will the same thing happen in Europe? Maldutis believes not. “This is because no government will permit its national flag carrier to disappear. In Europe, you are seeing a consolidation and disappearance of the smaller charter carriers.”

“Far more important is the globalization of the airline industry, in which national airlines are looking for partnerships or engagements with other national airlines. To survive in the international arena you will have to be a global airline.”

Tie-ups have been negotiated or mooted, involving Swissair, Delta and Singapore Airlines; BA and KLM; and Japan Airlines and Lufthansa. These last two groups are, reportedly looking for further expansion via a link with a US airline. Where does this leave small national carriers such as SAA? “They will survive,” Maldutis says. “There is plenty of room for niche players to make good profits. There will be continued growth for smaller specialist airlines.”

The lesson of privatization at BA — which Maldutis regards as “one of the great success stories of the last decade” — is significant for all government-owned airlines. Says Ebdon. “BA was not profitable when it had huge government support. Now it operates on a commercial basis and makes money. I would hope governments would see that running airlines is a matter for business people.”

Deregulation will inevitably lead to concentrations of airline power in Europe, he agrees. Five or six mega-airlines may end up handling most of the European travel business. But this won’t mean less competition.

“Regulation should create a more competitive environment, even if it means fewer airlines. You will have a few mega-airlines competing very fiercely.”

Mega-airlines... are they ready for open skies?

70 • FINANCIAL TIMES • MARCH 6 • 1992
Safer stations for Soweto

By NOMVULA KHALO

THE South African Rail Commuter Corporation (SARCC) is to upgrade 10 railway stations in Soweto. Naledi, Inhlabane, Ikwezi, Dube, Phomolong, Phetheni, Mzimhlope, Midway, Tshawelo, Nancefield and Mamlamthumzi stations will be beautified and made safer and more convenient for commuters.

Security will be tightened, facilitating controlled access to and from trains.

SARCC managing director Dr K Nel said funds for the project were available and were not in any way related to past fare increases or future fare structures.

Nel said the programme would create job opportunities for local builders and improved opportunities for those who wish to run businesses in the area.
Virgin ‘to cut fares 40%’

Richard Branson says he can cut London-Johannesburg fares by 40% if allowed to fly the route.

Last year, when Branson first said he wanted his airline to compete with British Airways (BA) and South African Airways (SAA) on the route, he promised to cut fares by 30%.

He did not say if the 40% discount fare would be an introductory offer or if it would be across the board.

Virgin Atlantic, BA, SAA, and the UK and SA governments are involved in talks aimed at drafting a new bi-lateral air services agreement between the two countries, which would make provision for airlines other than BA and SAA to operate on the route.

SAA spokesman Leon Elns said it was not prudent to comment on Branson’s proposal until the new agreement was in place.

BA southern Africa GM Malcolm Freeman said if Branson ‘could sustain’ a 40% drop in the fares, ‘then good luck to him’.

BA was unlikely to be able to sustain any further drop in price that the 25% discount introduced on its Peak fares late last year, he said. Thus the cost of a ticket at R2 955.
SAA to fly directly to Cairo and Luanda

By John Miller

SA Airways will shortly begin direct flights to Luanda and Cairo. The service will be weekly and continue to Athens.

Although the travel industry has been told the first flight to Cairo will be on April 1, SAA spokesman Zelda Roux said she could not say exactly when the service would commence.

Last year, the airline received permission to overfly Egypt on flights to and from Europe.

While technical staff are busy installing the airline's first Boeing 747-400 and Airbus A320 simulators — the first in Africa — the airline has denied reports that it has been forced to cancel outstanding aircraft orders.

Miss Roux said two more A320s would arrive in August this year. A 747-400 would be delivered in November.

The final A320 and 747-400 are to be delivered some time next year, she said.
SAA may join African body

SAA may be admitted to the African Airlines Association (Afraa) before the end of the year, giving the airline better access to African markets and improving its relations with other carriers on the continent.

London-based African Airlines reports in its latest issue that Afraa secretary-general Mohammed Ahmed said he was certain SAA would become a member, and that he hoped to welcome the airline into Afraa by the end of 1992.

Several African airlines, notably Air Zimbabwe and Zambia Airways, are reluctant to have SAA as an Afraa member as they fear they would be dwarfed by it and would lose a lot of traffic within Africa.

However Egyptair, Kenya Airways and Ethiopian Airlines are keen to develop air links with SA.

SAA spokesman Zelda Roux yesterday said admission to Afraa would enable the airline to foster better business relations with other African carriers "SAA believes it can offer help to the other African carriers in the way of training and maintenance expertise"
Air India men fly in

A two-man delegation representing Air India was due to arrive in SA last night on a 10-day fact-finding mission with a view to establishing air links between SA and India.

The delegation comprises Air India's deputy commercial marketing manager V G Choubal and its senior marketing official M. Bharucha.
Overseas arrivals in SA boosted by marketing

SA's growing acceptability as a tourist destination and Satour's marketing initiatives had boosted the overseas arrivals figure for November last year by 26.4% when compared with the same month in the previous year, Satour said yesterday.

Overseas arrivals last November totalled 59,650, as against the 46,634 who arrived in November 1990.

Satour said in a statement one of the main results of political reforms in SA was that foreign airlines had intensified their marketing of SA as a destination, and that much of this marketing was done in co-operation with Satour and SAA.

This enabled Satour to broaden its marketing thrust and gain greater penetration in existing and new markets, the board said.

The most significant increase in foreign arrivals came from Asia, where various joint marketing campaigns between Satour, SAA and China Airlines, and between Satour, SAA and Cathay Pacific, respectively, resulted in an average 87.8% increase.

"Taiwan, with an increase of 122.4%, is a particularly vibrant market, although Japan, with an increase of 46.3%, is also growing," Satour said.

The joint advertising campaign which Satour launched with SAA in the UK in June last year — aimed at niche markets to promote tourism in slow-local periods — resulted in an increase of 23.3% over November 1990, said Satour.
Commuters cheer as trains are searched

By Peter Davies

Passengers burst into song, clapped and stamped until carriages rocked as 180 armed riot police from the Internal Stability Unit — armed with rifles, shotguns and pistols — yesterday searched late afternoon trains bringing commuters back to Soweto.

The hour-long blitz at Mlilwane station yielded a 50 cm long sharpened meat cleaver, a homemade axe, a knobkerrie, a shortened panga and a hand gun.

Despite almost daily killings, the trains running from George Goch to Lenz and Residencia were crowded.

One commuter said "We have no other transport. What must we do? I wish the police were always on the trains. People are getting hurt."

The conductor of train number 9072 from George Goch to Residencia, watched as police searched commuters, rifled through possessions and scoured boxes and bags for weapons.

"I've been with the railways for more than 30 years. Last week I had seven stitches in my head. Five guys beat me with a kerrie when I told them to move. I don't mind how long it takes, these cops can search the train for sure," he said.

All of the passengers to whom The Star spoke agreed police presence on trains was a good thing, but many believed police should be visible in the early mornings, when most killings occur.

Soweto police spokesman Captain Joseph Ngobeni said random train searches were conducted in mornings and afternoons, but it was impossible to search every train.

"We are doing our best to curb violence on trains, but we also need the co-operation of the public. People need to stop provoking each other and change their attitudes before this senseless violence will stop."
Train boycott mooted

By THEMBA KHUMALO

AZAPO has threatened to start a massive train boycott unless Spoornet takes drastic measures to curb the violence on trains.

By Friday the death toll stood at 25 and more than 100 injured.

Lawyers for Human Rights has offered a reward of R10 000 for information leading to the arrest of those involved in the attacks.
Germans expected for air services talks

GERMANY is sending a high-level Transport Department delegation to negotiate a bilateral air services agreement with the SA government.

No such agreement exists at present, and flights are operated in terms of a commercial agreement between Lufthansa and SAA. Lufthansa spokesman Karin Lambson said the delegation was due to visit within the next few weeks, probably after SA Transport Minister Piet Weigemoed announced SA's new international civil aviation policy.

Germany is SA's number one trade partner and the conditions of a bilateral agreement could have a bearing on imports and exports.

If government approves a multi-designation arrangement - whereby airlines other than SAA and Lufthansa are given access to Germany-SA routes - then stiff competition can be expected between carriers vying for lucrative air freight contracts.

Lambson said passenger and freight traffic on the route had boomed since Germany lifted sanctions in January.

She declined to say if or when the airline would press ahead with its announced intention to increase its five weekly flights to a daily service.

SAA and Lufthansa currently have an almost 50-50 split on the passenger market, but Lufthansa, through its subsidiary German Air Cargo, dominates the air freight market.

Representatives from the Department of Transport, the Directorate of Civil Aviation, SAA and Lufthansa will attend the talks next month.

It is expected, however, that invitations will be extended to other interested parties, possibly including Flitestar and Lufthansa rival LTU.
Germany readies for SA air pact

Own Correspondent
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HOUSE OF ASSEMBLY

QUESTIONS

Indicates translated version
For written reply
General Affairs

Total tonnage of cargo moved

119 Mr E W TRENT asked the Minister for Public Enterprises

What was the total tonnage of cargo moved through the Port Elizabeth harbour during the latest specified calendar year or 12-month period for which figures are available?

(2) (a) what was the percentage use of container capacity in Port Elizabeth over this calendar year or 12-month period broken down into each month of that year or period and (b) how do these percentages compare with those in respect of Cape Town, Durban and Kaserne (Johannesburg)?

The MINISTER FOR PUBLIC ENTERPRISES

The Managing Director of TRANSET LIMITED has furnished the following information in reply to the hon member's question

1. 3 859 263 ton (1 January 1991-31 January 1992)

2. (a) Cape Town

Port Eliza-

Cape

Durban

(a) R220.310

(m)

(b) R839 942

(m)

(c) 10 3%

Kaserne

Port Elizabeth

R124 499

(m)

Nil

February 1991

25%

March 1991

22%

April 1991

30%

May 1991

24%

June 1991

26%

July 1991

24%

August 1991

24%

September 1991

28%

October 1991

26%
COMPAINES

Foreigners eye fourth Elfi issue

TRANSPORT will launch the fourth issue of its equity-linked fixed investment security, Elfi IV, on April 1.

Transnet treasury manager Johan van Schoor said at a launch in Johannesburg last night that the commencement of trade on the new Elfi issue would coincide with the redemption date of the group’s Elfi III issue on April 1.

Although aimed at domestic investors, foreigners would be able to invest in Elfi through the framework. Van Schoor said Transnet recently met with potential foreign investors who were very interested in the issue, but reluctant to commit themselves before the referendum outcome.

Transnet first launched the Elfi stock in November 1986 and, since then, the company has raised R2.2bn from Elfi issuing.

The Elfi instrument consists of a Bull and a Bear tranche with a positive and negative link to the JSE’s all share index.

Transnet said the issued combination represented a fixed interest loan of determined life for Transnet, “Because Transnet always endeavours to balance the two tranches, it has no capital risk, and the average coupon on the two tranches can be pitched below ruling interest rates to the effect that Elfi becomes a relatively inexpensive means of funding.”
Whether, with reference to his reply to Question No 27 on 27 March 1990 and Question No 55 on 13 March 1991, any persons have been detained, arrested, charged and/or convicted in connection with the alleged murders of 16 persons, whose names have been furnished to the South African Police for the purpose of the Minister’s reply, if not, why not, if so, (a) what are the names of the persons (i) detained, (ii) arrested, (iii) charged and/or (iv) convicted in connection with each of these alleged murders and (b) in respect of what date is this information furnished?

The MINISTER OF LAW AND ORDER

No, nobody has yet been charged or convicted for the alleged murders, because no evidence could be obtained to connect anybody with the cases.

(a) (i), (ii) and (iv) Fall away
(b) 9 March 1992

Note

As a result of Mr Dirk Coetzee’s confession regarding the murder on Griffiths Mzenge, a warrant for his arrest was issued. The warrant of arrest was cancelled on 1 October 1991 by the Attorney-General of Natal, Alfred Nofmoela, who was condemned to death, also alleged that he was involved in the murder of Griffiths Mzenge. The Attorney-General of Natal intended to institute charges against Nofmoela, but the charge has been preliminary withdrawn. Nofmoela also appeared before the Harms Commission in connection with his and Dirk Coetzee’s allegations. The ruling of the Judge is common knowledge.

Prostitution

135 Mr M J ELLIS asked the Minister of Law and Order

(1) How many women were arrested for prostitution during the course of 1991?
(2) whether these women were tested for sexually transmitted diseases, if not, why not; if so, how many of them were found to be HIV-positive?

The MINISTER OF LAW AND ORDER

(1) 2 601

(2) No, the South African Police has no authority to subject women to such tests.

Investigation: Ibhayi Town Council/Municipal Police Force

142. Mr E W TRENT asked the Minister of Law and Order

(1) Whether, with reference to the reply to Question No 17 on 14 May 1991, the investigation into the affairs of the (a) Ibhayi Town Council and (b) Ibhayi Municipal Police Force has been completed, if not, (i) why not and (ii) when is it anticipated that it will be completed, if so, what are the findings,
(2) whether any interim reports have been received, if so, what are the relevant details,
(3) whether any charges have been laid as a result of the above investigation and (b) any of those charges have appeared in court, if so, (i) what charges and (b) against whom these charges have been laid and (ii) what are the names of those who have appeared in court,
(4) whether any of these persons have been convicted, if not, why not, if so, what are their names?

The MINISTER OF LAW AND ORDER

(1), (2), (3) and (4)

Because of the number of cases involved and the various stages of the investigation, it is not possible to answer the question point by point but rather as a whole.

The investigation of the following cases has already been completed:

New Brighton CR(A) 28/8/90 — fraud
New Brighton CR(A) 29/8/90 — fraud
New Brighton CR(A) 30/8/90 — fraud
New Brighton CR(A) 30/8/90 — fraud
New Brighton CR(A) 30/8/90 — fraud
New Brighton CR(A) 31/8/90 — fraud
New Brighton CR(A) 32/1/91 — fraud
New Brighton CR(A) 32/1/91 — fraud
New Brighton CR(A) 32/1/91 — fraud
Lous le Grange Square CR(A) 491/1991 — fraud

In the following cases the accused have already been found guilty and sentenced:

New Brighton CR(A) 32/8/90 — State versus Phula N Mamango — fraud
New Brighton CR(A) 33/8/90 — State versus Mocca F Sosi — fraud

In the case Lous le Grange Square CR(A) 522/9/90 Jacobus Johannes Neman was charged with corruption. He was acquitted as the State could not prove corruption to the satisfaction of the court.

The investigation of the following cases has not been finalized:

New Brighton CR(A) 32/4/92 — fraud
New Brighton CR(A) 32/4/92 — fraud
New Brighton CR(A) 32/4/92 — fraud
New Brighton CR(A) 32/4/92 — fraud
New Brighton CR(A) 32/4/92 — fraud
New Brighton CR(A) 32/4/92 — fraud

In the following cases the accused have been charged:

New Brighton CR(A) 28/8/90, 29/8/90, 30/8/90, 31/8/90 — fraud
New Brighton CR(A) 30/8/90, 31/8/90, 32/1/91, 329/1/91, 329/1/91 and 329/1/91 — fraud

In the cases New Brighton CR(A) 28/8/90, 29/8/90, 30/8/90 and New Brighton CR(A) 33/8/90 — fraud has been completed. The Attorney-General is awaiting the final report.

The investigation of the cases Algoa Park CR(A) 4/2/91, New Brighton CR(A) 32/4/90, 33/4/90 — fraud has been completed. The Attorney-General is awaiting the final report.

The investigation of the cases of the Ibhayi Town Council and the Ibhayi Municipal Police Force has been completed. The investigation of the two cases will be completed.

The investigation of the following cases has not been finalised:

New Brighton CR(A) 324/2/92 — fraud — goods obtained with false Town Council order forms

The MINISTER FOR PUBLIC ENTERPRISES

The Managing Director of TRANSNET LIMITED has furnished the following information in reply to the hon member’s question:

(1) (a) R21,9 million
(b) As on 11 February 1992
(c) R3 million is charged on an annual basis.

Port Elizabeth Airport

144 Mr E W TRENT asked the Minister for Public Enterprises
In respect of the latest specified calendar year or 12-month period for which information is available, what was the (a) total number of (i) South African Airways, (ii) other commercial and (iii) private flights that landed at Port Elizabeth Airport, (b) capacity percentage of the above South African Airways flights, (c) total number of passengers (i) arriving at and (ii) departing from Port Elizabeth and (d) total weight of freight transported (i) to and (ii) from Port Elizabeth Airport?

The MINISTER FOR PUBLIC ENTERPRISES

The Managing Director of TRANSNET LIMITED has furnished the following information in reply to the hon member's question

(a) (i) 6 550 (1 January 1991-31 December 1991)
(b) 66.55%
(c) (a) and (ii), (c) (ii) and (d) (i) and (ii)

This information must be obtained from the Department of Transport

SAP: printing presses

156 Mr J VAN ECK asked the Minister of Law and Order

(1) Whether any branches and units of the South African Police have their own printing presses, if so, (a) which branches and/or units, (b) where are these printing presses located, (c) how many are there in total, (d) how many persons are employed to man these printing presses and (e) what categories of material are printed,

(2) whether any material printed on these presses is used for distribution amongst criminals, if so, what kind of material is distributed?

The MINISTER OF LAW AND ORDER

(1) Yes
(a) Division Logistics
(b) Pretoria
(c) One (1)

own Affairs

42 Mr E W TRENT asked the Minister of Housing and Works

How many houses being rented in the Port Elizabeth metropole were owned by (a) the Government, (b) Port Elizabeth Municipality, (c) Uitenhage Municipality and (d) Despatch Municipality as at the latest specified date for which information is available?

(2) Yes
(a) As in paragraph (1) (e) (ii) and (iii)

SAP: National Peace Accord/code of conduct

157 Mr J VAN ECK asked the Minister of Law and Order

(1) Whether all members of all branches of the South African Police are required to sign the National Peace Accord code of conduct for the South African Police, if so, how many members (a) had signed and (b) still had to sign this code of conduct as at the latest specified date for which information is available,

(2) whether any members have refused to sign, if so, (a) how many and (b) what steps have been or are to be taken against these members,

(3) whether contraventions of the code of conduct by members of the South African Police will be dealt with in the same manner as misconduct in terms of the provisions of the Police Act, No 7 of 1958, if not, (a) why not and (b) in what manner will such contraventions be dealt with?

The MINISTER OF LAW AND ORDER

(1) Yes
(a) All members who served in the Force on 13 March 1992
(b) Falls away
(2) No
(a) and (b) Fall away
(3) Yes
(a) and (b) Fall away

(c) Municipality of Uitenhage
Houses — 26
Flats — 36

(d) Municipality of Despatch
Nil

Permanent/non-permanent housing units

43 Mr E W TRENT asked the Minister of Housing and Works

(a) What was the total number of (i) permanent and (ii) non-permanent housing units in the (a) previously White area of Port Elizabeth Municipality, (bb) Port Elizabeth District, (cc) previously White area of Despatch Municipality, (dd) previously White area of Uitenhage Municipality and (ee) Uitenhage District as at 31 December 1991 and (b) what is the estimated number of persons per housing unit as at the above date?

The MINISTER OF HOUSING AND WORKS

On 29 February 1992 the following units being rented in the Port Elizabeth Metropole, were owned by

(a) Government
Houses — 209
Flats — 1 335
(b) Municipality of Port Elizabeth
Houses — 404
Flats — 535

I regret that I am unable to supply the required information due to the fact that my Department does not keep the relevant statistics, and the local authorities concerned also indicated that they are unable to supply the necessary information.

458
Number of persons sentenced to community service.

*6 Mr J A LEON asked the Minister of Justice:

How many persons were sentenced to community service during the 1991 calendar year?

**358 E

The MINISTER OF JUSTICE

755

Reotication of or-terminal: PE

*7 Mr E W TRENT asked the Minister for Public Enterprises:

(a) What is the estimated cost of relocating the Port Elizabeth ore-terminal to another con-

The MINISTER FOR PUBLIC ENTERPI

The Managing Director of TRANSNET LIM-

The relocation of the existing ore loading facility (equipment, etc) to another site

The moving of the facility to Saldanha Bay has been considered and the esti-

The estimate with regard to the shifting to Saldanha is at 1990/91 cost levels

Cango Caves: concerts/moss

*8 Mr J VAN ECK asked the Minister of National Education:

(a) On what date was the first concert held inside the largest chamber of the Cango Caves and (b) how many per-

B358 E

The Minister of National Education

In terms of the Cango Caves Ordinance, 1971 (Ordinance 5 of 1971) the Cango Caves fall

B358 INT

The Minister of Education and Culture

Mr R M BURROWS asked the Minister of Education and Culture:

(1) Whether he intends to prevent schools in his Department from restricting admis-

B344 INT

The Minister of Education and Culture

Mr Chairman, in his address at the opening of Parliament on 1 February 1991 the

Hansard, col 15

If we wish to create a future South Africa without discrimination and with equality of

opportunity, this will have to be true of education as well. However, distinctive or

autogenous education, conducted with Gov-

ernment assistance within a single system for those who desire it, has to remain an option.

That is how we see the future and that is what we are working for. Our efforts will undoubtedly be given

tremendous momentum by the outcome of yesterday's referendum.

In regard to this process the hon President also said that the present educational sys-

The MINISTER OF NATIONAL EDUCATION

WEDNESDAY, 18 MARCH 1992

House of Assembly

Possibly that section 14 and Schedule 1 of the Republic of South Africa Constitution Act will disappear, and we will then be pleased [Interjec-

However, differentiation also rests purely on the basis of race or colour, which cannot be regarded as relevant for inequality of treat-

Then they go on to propose a new draft article 10 for a bill of human rights for South Africa which would contain the following clause:

Everyone has the right to freedom of choice with regard to the available public educational and training institutions and fields of study. Provided that (c) no state school or state-aided school or institution for education and training shall refuse to admit a pupil or student merely on the ground of his or her race, colour, religion or ethnic origin.

Less than three weeks ago the hon the Minister of Justice said that this country should get an interim bill of rights in the near future. I am now asking the hon the Minister of Education and Culture to commit himself to what the interim bill of rights may say and to state categorically that it is the policy of the NP that no State school or State-funded institution should be able to refuse racial admission restrictions. That is the keypoint. The hon the Minister should commit himself to a goal, he should commit himself to getting rid of apartheid and to promoting open schools. Today is the perfect day to do so. He has 68% of the country behind him to do so [Time expired]

*Mr A GERBER Mr Chairman, the hon mem-

Mr Chairman, in his address at the opening of Parliament on 1 February 1991 the State President said the following (Hansard, col 15)

If we wish to create a future South Africa without discrimination and with equality of

The MINISTER OF NATIONAL EDUCATION

WEDNESDAY, 18 MARCH 1992

House of Assembly
French may finance rail system

A FRENCH bank has in principle accepted a proposal to facilitate the Rital in financing required for a proposed light rail system for Johannesburg.

Merchant bankers Edmond de Rothschild of Paris accepted an initial proposal and feasibility study by Johannesburg-based consulting engineer BKS Inc for an inner city distribution system designed to alleviate the city’s transport problems.

The bank accepted the proposal on the condition that Matra, France’s biggest manufacturer of transport systems, was involved in the project, Rothschild’s local representative Johan Erasmus said yesterday.

“This is the type of transaction Rothschild would like to be involved in, subject to normal banking practices,” he said.

He said the bank had looked at the initial feasibility study put forward by BKS, and would now like to go into the next phase of the proposal.

Erasmus stressed that Rothschild’s involvement should be seen as a French credit export and not as an investment in SA. The bank’s involvement was merely to facilitate financing of the project.

BKS transport engineer Risaan Perold said his company had discussed the proposed scheme — an automated guideway “Val” system — with the Johannesburg City Council and intended to be consulted by a consortium which would submit a tender to the council later this year when tenders were called for.

Perold said their system was not an alternative to that of the council, but was a system that could pay largely for itself as a starter for the city’s mass transport system.

Some subsidies may be required.

The Matra system proposed by BKS, which would use rubber wheels and as a result would be quieter, would cover the entire CBD including Hillbrow, Braamfontein and as far as Parkrand and Westgate.

The system would be used 18 hours a day with a train every minute.

One train, which consists of four coaches, can transport 330 people a minute, translating into about five buses or 22 minutes taxis a minute.

Taxis and buses would transport people from the townships and suburbs to various stations around the city and from there the automated guideway system will transport passengers into the CBD.
R1.2bn for bus, rail subsidies

CAPE TOWN — Government subsidies for bus and train passengers will total R1.2bn during the 1992/93 financial year.

Although the provision under the Transport vote is nearly double the R655.5m provided in the last financial year, R894.5m for rail commuter services has been included under this vote for the first time.

The subsidies for buses are to go down slightly from R645m to R641.5m.

The government has said in the past that it wanted to phase out the subsidies.
Weapons banned on trains and at stations

LAW and Order Minister Herans Kriel has prohibited the carrying of "dangerous weapons" on trains and at railway stations.

The announcement came amid a spate of attacks on Reef trains and stations yesterday and on Wednesday, and after repeated calls from various organisations for such a ban.

Police spokesman Capt Burger van Rooyen said in a statement yesterday the prohibition would be published in the Government Gazette on Monday and be enforced immediately.

"In terms of the prohibition it was an offence to "take any firearm or dangerous weapon on to the premises of the SA Rail Commuter Corporation, except when permission has been obtained," he said.

"The SAP will do everything within its power to enforce the prohibition and an appeal is made to every person who makes use of the trains to co-operate with the police," he said.

Meanwhile yesterday, six people were injured when they were tossed from a train between Johannesburg and Braamfontein stations, police said.

In another incident, three men were seriously injured when they jumped out of a moving train to escape attackers.

At Jeppe Station, a man was attacked and thrown off a moving train He sustained head injuries.

A body was found at Longdale Station near Soweto, and a man was injured on a train at George Goch Station by a group of people.

Police spokesman Lt-Col Tienie Halgren said six people were injured -- one seriously -- when a hand grenade exploded at Meadowlands taxi rank, Soweto, early yesterday.

It could not be established whether the grenade was flung from a moving vehicle.

Halgren said police were investigating the incident.

Sapa reports that a man was killed and four others were wounded when they were attacked yesterday at Malmehlopa by a group of men armed with pangas.

At Meadowlands, police found the body of a man who had apparently burned to death. The body of a man who was shot was found in Zola. A man was arrested at Mersafe station after a hand grenade was found in his possession.

The body of a man who had been shot was found in Alexandra, police said. An ANC Alexandra official said the man was killed in the township's 5th Avenue.

Organisations in Alexandra, including the ANC, Azapo, PAC, church and civic bodies, have called for a stayaway and a march next week to protest against violence which has raged in the township since March 7.

The ANC official said the residents would march to the town council's offices and police station, where they would hand over a memorandum demanding closure of the Madala Hostel and increased policing in the township.

Alexandra residents were continuing to evacuate their homes and seek refuge at the council's offices and at the local community centre.

The ANC official said about 1 000 people had left their homes since the violence began. "The people are being forced out by Inkatha supporters at Madala Hostel," he said.

Inkatha Alexandra chairman Simon Mxualate could not be reached for comment yesterday evening, but has said that although his organisation was committed to peace, unruly elements were 'looting residents' property.
POLICE yesterday announced a blanket ban on carrying of all dangerous weapons at stations and on trains.

In an unprecedented move, Minister of Law and Order Mr Hernus Kriel also announced that toll-free phone numbers had been made available so that commuters could report crimes without any cost to themselves.

He said the prohibition "on the possession of all firearms and dangerous weapons on the premises of the Rail Commuter Corporation" would be published in the Government Gazette on Monday.

He said the police would do everything in their power to enforce this prohibition.

The announcement came as violence on suburban trains continues.

Yesterday a man was killed and at least 13 others injured in train violence in Johannesburg.

In one of the incidents, seven people were injured during a scuffle between Xhosa and Zulu-speaking commuters between Braamfontein and Johannesburg stations about 8am yesterday.

Police said witnesses claimed that the men had boarded a train at Longdale Station.

The Zulus allegedly demanded to search the Xhosas for weapons.

A scuffle broke out and police said a Zulu man pulled out a gun and fired at the Xhosas.

"In the mayhem that followed, a man and a woman jumped from the train," a police spokesman said.

In a separate attack, a man was hacked to death and his body dumped at Longdale Station. Three were injured near George Goch stations.
SAA to resume flights to Angola.

LUANDA. — South African Airways will resume flights to Luanda on April 6 after a 17-year break, Angola's state-run daily Jornal de Angola reported on Wednesday.

It quoted an SAA official in Johannesburg as saying regular flights between Johannesburg and Luanda would be shared between SAA and the Angolan state airline TAAG.

Direct flights between the two countries were suspended in 1974 after an SAA aircraft was fired at on the ground at Luanda Airport, during the period of transitional government following Portugal's decision to leave its African colonies.

South Africa and Angola agreed to open interest offices in each other's capitals — Reuter
Big cut in CPA roads budget

THE Cape Provincial Administration roads budget has been slashed by nearly R54 million, with construction and maintenance taking the biggest cuts as the government moves to economise.

An explanatory memorandum to the budget tabled in Parliament says that R23.67m less will be spent on the resurfacing of roads and R12.38m on constructing regional roads by RSCs.

A further R12.1m will be saved because fewer road contracts are to be awarded to private contractors.

The memorandum states that the cuts result from "compulsory economic measures." An extra R8.1m will be given to RSCs for essential maintenance to main, divisional and minor roads, and an extra R2.5m for more surveys and investigations and traffic counts.

Nearly R2 million more is to be given to municipalities for road building and maintenance, while an extra R1.3 million is earmarked for expansion of the provincial traffic force.
Flitestar wants to set course for East

LINDEN BURNS

FLITESTAR has proposed fares of R2 000 return for its envisaged flights to India and the United Arab Emirates.

The fares were published in a recent Government Gazette as part of the airline's application to have the scope of its operating licence widened to include international routes.

A delegation from the airline, which only began domestic operations last October, visited India and several Arab states last month. There they held discussions with civil aviation authorities on the possibility of inaugurating flights between those countries and SA.

If the application is approved, Flitestar would be allowed to start non-scheduled weekend flights to Bombay, Delhi, Bahrain, Abu Dhabi and Dubai.

Flitestar MD Jon Blake said in a recent interview that initially the airline would operate these flights on a non-scheduled basis, but that once sufficient demand had been built up, it would apply for a scheduled licence on the routes.

He said the airline would use on the routes its 135-seater Airbus A320s, as they were underutilised at weekends. This would necessitate a refuelling stop in either Kenya or the Seychelles.

SAA and Air India are known to be having talks aimed at establishing a scheduled service between SA and India.
Virgin has still not got official SA go-ahead

LINDEN BIRN

VIRGIN Atlantic airline owner and chairman Richard Branson has not been given Transport Minister Piet Welsgrove's full approval to start flights in October, nor has any formal agreement been reached regarding the allocation of landing slots.

Transport officials confirmed last night that the Minister "definitely did not give his signature or stamp of approval to anything he discussed with Mr Branson".

Yesterday afternoon Branson said his airline had been given the Minister's go-ahead to offer five direct flights a week between the UK and SA and that it would inaugurate its new service in October.

Branson and Welsgrove met in Cape Town to discuss Virgin Atlantic's envisaged operation on the UK-SA route.

If Welsgrove had given his seal of approval, he would have pre-empted the next round of negotiations between the UK and SA governments, British Airways, Virgin and SAA, which concern the drafting of a new bilateral air services agreement.

Welsgrove would also have pre-empted the publication of SA's new international civil aviation policy, which is expected to announce next Wednesday.

Transport director-general Kippie Schepers said Welsgrove could not, and did not, grant Virgin final approval, but that the licensing committee would not be adverse to considering Virgin's application.

He said his department did not want to give the impression that it was repudiating Branson's statements, but that the Minister could not pre-empt the committee.

On Monday Branson said he was looking for an SA partner to take a 25% share in his airline, and that he would invest also in a hotel chain, music and book retail outlets and a model agency in SA.

He warned that if Virgin Atlantic was not given an adequate number of landing slots in SA, he would take his investment proposals and capital elsewhere.

Virgin Atlantic's ultimate plan is for daily flights on the UK-SA route. Should it be allocated fewer slots, this would end the 50-year-old bilateral air services agreement.

Virgin between the UK and SA enshrining BA's and SAA's monopoly of scheduled flights.

Talks last month between the two governments and three airlines - BA, SAA and Virgin - were postponed until April, after deadlocked was reached over the allocation of landing slots.

BA Southern Africa GM Malcolm Freeman said that Branson's plans and any decision by Welsgrove would be subject to negotiation and finalisation of the new bilateral agreement.

On Monday, Branson said if Virgin was not awarded enough slots, he would apply to the UK's Civil Aviation Authority to strip BA of three of its 10 weekly flights and award them to Virgin.

Branson recently used similar tactics against BA in its bid to increase landing slots at Tokyo's Narita Airport, but eventually had to settle on a compromise agreement after BA successfully appealed against the CAA's initial approval of Virgin's application.

Freeman said Branson's threat was a legitimate one, but that BA would "vigorously defend" any such application to the CAA. He said that while welcoming competition, BA would continue to offer market-related fares on the route.

During recent weeks Branson has steadily increased his discount promises, from 20% to 40% by yesterday.

SAA spokesman Zelda Roux declined to comment until an official statement was released by Welsgrove.
Tollgate sells Tramway Holdings

Business Staff

INVESTMENT holding company Tollgate has sold Tramway Holdings to a consortium of South African investors for an undisclosed sum.

Tollgate directors said the sale would have a positive effect on the group's gearing ratios and earnings.

The group has also decided to delay the publication of its final results for the year to end December in order to incorporate the financial effects of the sale of Tramways.

According to a financial notice today, the consortium of investors bought Tramways's operating licences with the effect from April 1.

Tramways's properties would also be sold in a separate but related transaction.

The consortium, controlled by Tramways's existing management under the chairmanship of Nic Cronje, will change Tramways's operating name to "Golden Arrow Bus Services".

Tramways's current operations comprise the commuter bus service of City Tramways in the Cape Town metropolitan area, Boland Passenger Transport and Southern Cape Passenger Transport.

A return to taxing status for Kansym prevented it from turning a sound performance at operating level into an equally sound performance at attributable level.

Turnover for the group rose eight percent to R343.9 million in the half-year to February.

Operating income, despite tough conditions caused by the drought and declining consumer expenditure, rose 24 percent to R29.1 million. But after a finance charge of R6.11 million (R5.0 million) it stood at R23.02 million.

Executive chairman Dirk Jacobs said yesterday that with some assessed tax losses still not yet fully utilised, no tax had actually been due in the first half of the financial year.

Kansym, however, had deemed it prudent to make provision for tax at a rate of 20 percent (R4.668 million) — the estimated average for the whole year.

This left earnings attributable to ordinary shareholders up five percent at R18.3 million, or 33.4c per share. The dividend has been left unchanged at 10c.

Transvaal Clothing Industries continued its recovery for the first half of the year ended December 31, 1991, pushing turnover up by 29 percent to R26.3 million compared to the previous year.

Continuing the recovery which began in the second half of 1990, the group achieved earnings of one cent per share for the six months, up from a low base of 0.4c in the previous interim period.

Operating profit improved by 30 percent to R1.1 million.
Toll road triumph celebrated

SHARKEY ISAACS
Transport Reporter

The millionth truck through the Huguenot Tunnel was proof of the success of the toll road system, Minister of Transport Dr Piet Welgemoed said at the fourth anniversary of the opening of the R180 million tunnel.

He said the curved tunnel between Paarl and Worcester through the Klein Drakenstein Mountains was one of the greatest civil engineering feats in the history of road construction in South Africa and he praised the ingenuity of the engineers.

The tunnel had seen a saving of R55 million in fuel.

More than 10 million kilometres had been clocked up by heavy vehicles since the tunnel opened on March 18, 1980.

Dr Welgemoed said the 4 km tunnel had had an impact on road safety.

There was an average of 125 collisions every year in Du Toitskloof Pass before the tunnel opened and three years later the figure had dropped to 41.
TOLLGATE's City Tramways Limited has been taken over by Golden Arrow Bus-Services

Tramways' spokesman, Bob Krause, said last night the change in ownership would have "absolutely no effect" on the commuter service and operations would continue as normal.

Golden Arrow is controlled by the existing management of City Tramways under the chairmanship of Nic Cronje.

An announcement from Tollgate says the sale of Tramway — involving just under 1 000 buses — is effective from April 1. Properties occupied by Tramways will also be sold in a separate transaction.

The sales would positively affect Tollgate's gearing and earnings, the announcement said, and as a result the publication of Tollgate's annual results had been delayed.

Details of the amounts involved had not been published because the transactions had not yet been finalised, a company spokesman said yesterday.

Tramway's operations consist of commuter bus services City Tramways, which operates in Cape Town, Boland Passenger Transport in Paarl, Hottentots Holland and Malmesbury areas and Southern Cape Transport in the Mossel Bay area.

Tollgate sold its Transvaal commuter bus operations early in 1990 and its Port Elizabeth commuter operations in December 1990. Its remaining bus services are Greyhound Citiliner, which specialises in long distance travel, and tourist transport operator Springbok Atlas.

Staff Reporter and Own Correspondent
Boycott the trains - PAC

THE Pan Africanist Congress yesterday called for a boycott of trains and a one-day stayaway to protest against the killings of commuters on Reif trains.

The organisation also called for the establishment of an independent international commission of inquiry to investigate the killings.

So far more than 300 people have been killed in violent attacks on trains, which intensified after the announcement of the whites-only referendum on February 20. 

Speaking at a Press conference in Johannesburg yesterday, Mr Ntundem Khuzwayo, chairman of the committee preparing for the campaign, said the PAC had still to contact other liberation movements.

By KENOSI MODISANE

He said international organisations such as the Organisation of African Unity (OAU) and the United Nations would be asked to set up independent commissions of inquiry into the attacks.

"The call for such a campaign was in fact made by our president, Mr. Bheki Makhwebi, last year. And all we are doing is bringing it into effect," Madzunya said.

In another statement released yesterday, the organisation said it would revive talks with the African National Congress on the Patriotic Front formed last year.

<table>
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<th>Rail horror: man held</th>
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| A THIRD man was arrested yesterday morning for his alleged involvement in last Thursday's train attack in which 10 people were injured, the public relations division of the SA Police said yesterday. The 25-year-old man was arrested at his place of work in Johannesburg.

Two men were arrested on Monday. The three were expected to appear in court late yesterday.

Meanwhile, police yesterday arrested six men linked to murders, kidnapings and robberies in the East Rand townships of Katlehong and Tokozan. Police said yesterday they had tracked down a suspect after a tip-off and his arrest led to five more men being rounded up.

Police seized guns and stolen property. - Sapa. |
BAe opens office in SA

BRITISH Aerospace (BAe) has opened a permanent southern African office in Johannesburg, allowing the company to strengthen its ties with potential airciner and corporate jet customers in the region.

Initially the office will concentrate on corporate and regional commercial jet sales.

BAe plc's other business interests include military aircraft, satellite communications, specialised electronics, armaments, the Rover motor vehicle company and business property development.

Regional Director Bill Jones yesterday said it was impossible to predict whether BAe would eventually use its regional office to promote these other interests.

The company has spent the last four years consolidating its position in Africa.

Next week BAe will be demonstrating its latest corporate jet, the BAe 125-1000, at the Aviation Africa '92 aerospace trade fair at Jan Smuts Airport.

It is believed that AngloVaal chairman Basil Hersov ordered one of these $1m jets before the aircraft prototype had been fully certified.
Flitestar’s Mombasa bid reviewed

THE National Transport Committee (NTC) is expected this morning to review an application by Flitestar for charter flights between Johannesburg and the Kenyan coastal city, Mombasa.

Once the NTC has heard Flitestar’s application, it will probably adjourn for several weeks before making a final decision on which carrier – SAA, Flitestar or Air Supply – it will award the route licence to.

Air Supply first applied last year to start charter flights on the route, but the NTC upheld an objection lodged by SAA on the grounds that charters would be uneconomic and would threaten SAA’s revenue on the Johannesburg-Nairobi route.

Shortly after the NTC made its initial decision, Flitestar lodged its own application for a charter service on the Mombasa route. SAA repeated its objection, but because Air Supply submitted a second application for the same service, the NTC announced in January it would delay its decision.

Since January, SAA has lodged its own application for scheduled flights to Mombasa and has added a second weekly flight to Nairobi.

SAA spokesman Leon Els recently said the airline planned to have one of its weekly Kenya flights land in Mombasa on route to and from Nairobi.

An Air Supply spokesman said yesterday the company would not lodge any objections against Flitestar’s application.

It is unlikely that the NTC will make a final decision before Transport Minister Piet Welgemoed announces SA’s new international civil aviation policy, which observers expect will liberalise the market from SAA domination.
Branson discusses SA deals for Virgin with Kerzner and Safren

BRITISH tycoon Richard Branson has held talks with hotel magnate Sol Kerzner and Safren deputy chairperson and CEO Buddy Hawton concerning possible co-operation in several areas, including the £55m sale of a 20%-25% holding in Virgin Atlantic.

Hawton, whose company has diversified interests in leisure, transport and insurance, said the talks focused on areas of "possible opportunity and co-operation" and were not limited to Branson's airline. The three men met at Jan Smuts Airport on Tuesday evening shortly before Branson returned to London.

Hawton indicated that Safren, through its interests in Fliestar, Safair, Rennies Travel, Sun International, Interleisure, Ster-Kinekor and numerous other companies, presented an attractive partner to Branson's Virgin Group.

Kerzner was involved in the talks from the Sun City point of view, since there was the possibility of providing package tours linked to Sun International tourist destinations, Hawton said.

Mo Foster, a spokesman for the Virgin group of companies, confirmed that talks had taken place concerning the possible sale of a 20% holding in Virgin Atlantic.

Apart from talks with Safren and Kerzner, Branson has also met Allied Bank MD Bob Aldworth, and according to sources, is involved in negotiations with Future Bank.

Involvement with Safren presents several opportunities in the travel and leisure industry for Virgin Holdings, the ultimate owner of Virgin Atlantic.

Safren, through Safmarine, owns Safair Freighters and has a 37.2% stake in Trek Airways, which trades as Lucavia and Fliestar. Virgin and Safair have extensive interests in air freight and are active in the aircraft maintenance industry.

The UK-based airline has already asked Safair if it would be prepared to service its Boeing 747s at Jan Smuts Airport and handle freight carried on those aircraft.

Safar's human resources and administrative services GM Eric Visser said yesterday that irrespective of talks between Safren and Branson, Safar would be interested in co-operating with Virgin in terms of cargo capacity on their aircraft and other services.

Through Safren's 75% stake in Rennies Travel, Virgin would enjoy greater exposure on the local travel market for its air-

Virgin

line, hotel and holiday packages.

Co-operation between another subsidiary, Virgin Mailing and Distribution, and Safren's other air, land and marine freight subsidiaries could provide Branson with the infrastructure he needs if he is to set up Virgin Megastore retail outlets in SA.

CHRIS BATEMAN reports from London

From Page 1

that British transport department spokesman Paul McKee said yesterday Virgin's cut-price air route to SA was "anything but sewn up", and depended on the outcome of the SA government's air policy review and negotiations between competitors. He was responding to claims by Branson that SA Transport Minister Piet Wiggers had given him the go-ahead.

To Page 2
Safren denies it will take stake in Virgin

By Derek Tommero

Safren had no plans to take an equity stake in Richard Branson’s Virgin airline, said Safren’s chief executive, Mr Buddy Hawthorn, last night.

He was commenting on a report in a British newspaper yesterday that Safren, the country’s 12th biggest commercial group, could end up taking up to a 20 percent holding in Virgin at a cost of £55 million (R275 million).

Mr Hawthorn said the proposal was new to him. He had held discussions with Mr Branson about ways Safren could work with Virgin. But at no time had the possibility of Safren taking an equity stake in Virgin been discussed.

Talks about how the two groups could co-operate were still in the exploratory stage. But there were a number of areas where opportunities for co-operation existed.

FliteStar, in which Safren had a 37.5 percent stake, and Trek could also co-operate with Virgin.
An insurance policy scheme aimed at protecting road and rail commuters in the event of death or disability in accidents or violence was launched in Johannesburg yesterday.

Robin Pogur, a director of the company behind the Safe Journey Commuter Policy, says it is aimed mainly at black commuters, but whites who travel by bus, taxi, aeroplane or train also qualify.

The policy covers any fare-paying commuter for a fixed amount, payable in cash, to his/her nominated beneficiary in the event of the policy holder being killed or permanently disabled while commuting.

It costs R50 a year, is paid in full on issue and provides cover of R10 000.

Individuals may purchase up to 10 policies and increase the cover to a maximum of R100 000.

Children over the age of five and under 16 qualify for the policy, but are only eligible to R5 000 life cover, irrespective of the number of policies bought.

Disability cover for children will increase from R10 000 to a maximum of R100 000, depending on the number of policies purchased.

The riots and strike limitation clause has been removed from the provisions of the scheme, Mr Pogur says, adding that the policy has been underwritten by certain underwriters at Lloyd's of London.
Transport ‘collapsing’

By PETER DENNEHY

THE public transport system in Cape Town is collapsing, transport planner Mr Paul Mann told the taxi war committee of the Goldstone Commission yesterday.

He said that major problems were being experienced in the taxi, bus and rail industries, and there was a rapid increase in congestion on the roads.

"At the heart of the problem has been inadequate understand-

ing of metropolitan transport problems," said Mr Mann, who has spent over a year drawing up a 16-part transport study for the Cape Town City Council.

"The powers that are available to deal with the situation are divided between a plethora of different departments."

He advocated that there should be a single political body at metropolitan level with full power to decide on transport policy, and that no taxi permits should be issued until this had been achieved.

Mr Mann quoted a survey in which 83% of commuter respondents said they were unhappy with overcrowding of taxis, and 73% with the way they were driven.

His ideal system would be one in which private operators provided taxi, bus and rail transport in parameters laid down by the authority.
PAC to meet rail company over violence

By JOSHUA RABOROKO

A HIGH-LEVEL delegation of the Pan Africanist Congress is to meet officials of the South African Rail Commuter Corporation in Johannesburg today to discuss the ongoing violence on trains.

PAC deputy president Mr Dikgang Moseuke said the meeting would take place at the request of his movement and would focus on violence and steps taken by the corporation.

The meeting would also discuss possible steps the organisation could take to ensure the safety of commuters on the trains.
SAA, Flittestar hearing postponed

THE National Transport Commission yesterday postponed its hearing on Flittestar's application for permission to begin charter operations between Johannesburg and Mombasa.

Commission chairman Japie Smit adjourned the hearing after SAA's counsel J J Reyneke told the hearing he was not adequately prepared for Flittestar's motivating arguments.

The issue is the first challenge by local competitors to SAA's dominance in operating flights to African destinations.

Three airlines, Air Supply, Flittestar and SAA have applied for permission to start flights between Johannesburg and Mombasa. Air Supply did not oppose Flittestar's application at yesterday's third round of the hearing.

During the hearing it was learnt that SAA had reversed its intention to offer flights to Mombasa in the short-term.

SAA recently acquired permission to offer a second weekly flight between Johannesburg and Nairobi.

Counsel for Flittestar Nic Maritz told the commission in terms of the interim international civil aviation policy, the airline only had to prove that it could offer a safe and reliable service on the route, and that the envisaged service would not "overlap uneconomically" with any existing scheduled service on the route.

Reyneke argued that the interim policy regulations were not applicable, and that Flittestar's proposals constituted a scheduled and not a non-scheduled service.

Arguing that Flittestar had misled SAA and the commission, he appealed, unsuccessfully, to the chairman to "kill mercilessly" Flittestar's application.

Flittestar's witness, Uzisa business economics lecturer Berendien Lubbe, presented a study the airline had commissioned her to undertake.

SAA stood to lose about 5% of its traffic on its twice-weekly Johannesburg to Nairobi flights if Flittestar was allowed to set up a charter service to Mombasa, she said.

"A 5% reduction in profits doesn't equal an overall loss on SAA's service, and shouldn't be allowed to hinder proper competition," said Maritz.

For this reason, SAA could not claim that a charter service to Mombasa would overlap uneconomically with its scheduled service, she added.

The NTC will reconvene the hearing on May 8.
Air show is SA’s window of opportunity

AVIATION Africa ’92 can help SA regain its credibility to the extent that countries still imposing an arms embargo on Pretoria will be forced to reconsider if they do not want to miss out on golden opportunities.

SA is in the market for new force trainers and it also wants foreign markets for its military aircraft, such as the Rooivalk combat support helicopter.

In the long term, it is going to need new jet fighters, even though the chief of the SA Air Force has said it really needs stand-off “smart” weapons systems.

Since the arms embargo was imposed, the SAA has had to rely on home-grown aircraft refurbishment programmes. And recent defence budget cuts forced it to mothball or sell aircraft not urgently required.

Some SAAF aircraft, such as the Harvard trainers, have almost outlived their economically useful lifespans. These planes, ward date back to the Second World War, were forced to remain in service because the SAAF was not allowed to buy more efficient and cheaper-to-run modern trainers.

In 1999, the then chief of the SAAF Lieutenant-General Jan van Loghemberg announced that the Harvards would be replaced from 1995 and called for a modern turbo-prop trainer.

Several foreign firms have presented potential replacements. Last year, the Council for Scientific and Industrial Research (CSIR) unveiled a two-seater trainer designed to meet all the SAAF’s requirements.

The world’s major contenders will be taking advantage of the mounting pressure on the SAAF to choose its replacement.

The CSIR’s “un-name brand” demonstrator will have its first public outing since the project was unveiled.

Brazilian manufacturer Embraer is flying its Tucano trainer to the expo, where it will make its SA debut.

This aircraft was recently selected by the Royal Air Force as its new pilot trainer.

Other contenders for the SAAF contract include Swiss company Pilatus, which has equipped the Botswana Air Force with its PC-7 trainers and PC-6 Turbo-Porter light personnel transporters.

Pilatus will be showing off its PC-7 and the newer PC-9 trainer and will be marketing its PC-12 multi-mission turbo-prop trainer.

Stiff competition will also come from Eastern Europe with, among others, Poland’s Orlik turbo-prop trainer also on show.

The Atlas Aircraft Corporation’s pride and joy, the Rooivalk, will be worth an appearance.

Until recently, the helicopter promised to become an expensive white elephant, but perseverance on the part of the project leaders has convinced the SADF to reconsider its decision to cancel its Rooivalk orders.

The first prototype will perform a flying display, while the second, featuring a new cockpit layout, will be on static display.
British Aerospace hot on the trail of new local sales

BRITISH Aerospace (BAe) has been active in the southern African market for many years. With the lifting of sanctions it has been able to raise its profile, something it did long before several of its competitors saw the value of open business in SA.

The past eight months have been difficult for the company, and it recently implemented measures to counter the effects of depressed economies.

Observers say the company will be vigorously marketing its wares during the next year and needs to do business in all spheres of its operation.

BAe will showcase its jet and turbo-prop regional airliners, corporate jets and military products. Its interest in the Airbus Industry consortium will be represented by the French-based manufacturer at the airshow.

The company's regional aircraft family incorporates the BAe146 four-engined jetliner, the Advanced Turbo-Prop (ATP) and the Jetstream turbo-prop range. Safari Freighters last year became the latest southern African operator to acquire a BAe146-100, which it uses on its twice-nightly express cargo flights between Johannesburg and Cape Town.

Air Botswana has bought two BAe146-100s and Air Zimbabwe has also purchased a BAe146-200.

Last year, the BAe146 captured 57% of the 70 to 130-seater market with 27 orders for new aircraft.

The ATP, a new generation twin turbo-prop which seats between 64 and 72 passengers, was launched in 1989 and is now in service with several operators around the world. Last year, 27 orders were placed for this aircraft, representing nearly a third of the market.

Computerised

The company's stake in the small airliner market is represented by the Jetstream Super 31 and Jetstream 41 aircraft.

The Super 31 is a 19-seat computerised turbo-prop which has become popular with users in the US. Its larger sister, the Jetstream 41, seats 29 passengers and was introduced a year ago.

The first of 136 Jetstream 41 deliveries is expected in the final quarter of this year.

The regional aircraft are ideally suited to the southern African market, which has been marked by increased levels of inter-airline co-operation and deregulation.

BAe will also use the airshow to introduce the world's first mid-sized intercontinental range twin-jet, the BAe1000, to SA's corporate jet market.

The aircraft was marketed here last year, but only on paper, and a sale of one aircraft to Anglovial chief Basil Hersov was reported last May.

The BAe1000 was manufactured in response to demand for intercontinental range, bigger cabins and increased performance, says BAe local agents Osprey Aviation Holdings chairman Richard Charter.

The aircraft has an rich heritage, being a direct descendent of the BAe125-600 which captured 5% of its market in 1989, the year of its introduction. It is also a descendant of the original Hawker Siddeley HS125, first built in the early '60s.

On the BAe1000, the fuselage has been lengthened by almost a metre, increasing the cabin capacity from six to eight passengers in an executive configuration, or up to 15 in a corporate shuttle layout. This also increased the plane's fuel capacity. By fitting new, efficient engines, power has been increased and consumption reduced.

Both the BAe1000 and the BAe125-600 will be on static display at Aviation Africa.
A history of aviation on the runways of Africa

WHILE Africa might be regarded as the dumping ground for ageing airliners, there is an interesting flip side to the coin. The continent has become home to a range of still-flying aircraft each with its own place in aviation history.

A stroll along the tarmac at Kenya’s Njili airport is akin to entering a time warp — it could be any European airport in the early 70s. Vickers Viscounts rub shoulders with Douglas DC-8s and dubious looking Nord Atlases.

**Scrapped**

Bigger aircraft with longer wings will soon carry more passengers. Forecast apron congestion led Boeing to design folding wingtips for its new B 777.

Slightly decaying Tridents and Britannias share the oncoming apron with what would elsewhere be scrapped Boeing 707s and 720s. You might have to be mad to risk flying in one of these machines, but for aviation buffs it's heaven.

There are two jet airliner types that have become virtually synonymous with African civil aviation both in the passenger and freight markets. These are the venerable Boeing 707 and the Boeing 737 families, several of which are in safe flying condition in SA.

The B 707 was the US’s first commercial jet, and after the UK’s Comet project crashed after a string of disasters, the B 707 went on to usher in the jet age on an international scale. It was designed in the mid-50s, and though production of passenger versions ended in the mid-70s, a military variant was still in production until late last year when the line was closed.

While most of the civil variants are now blacklisted in Europe and the US because of their noisy and smoky engines, the largest population of B 707s outside the US is in Africa. Two are on SA’s register, belonging to Safair Freighters, which also maintains and services several other B 707s on behalf of other African airlines.

At least three converted B 707s are owned by the SA Air Force, which uses them as air-to-air refuelling tankers for its jet fighters.

One engine on a new Boeing 747-400 generates more thrust than the combined thrust of all four engines on a 707.

In 1969 SAA became the first African carrier to introduce the B 707 into service.

**Introduce**

The airline was also the first African carrier to introduce any other Boeing commercial jetliner, except the B 737 and B 767 into service.

The other narrow-body Boeings which have flown under the banner of the flying springboks were the B 727 (introduced by SAA in 1965 and withdrawn in 1981) and the B 737, which is still in service after 24 years.

SAA was also the first African airline to take delivery of the B 747-200 Super B, 747-200 Combi, 747 SP, 747-200 Stretched Upper Deck, and the latest jumbo jet variant, the B 777-300.

Although Boeing has revamped its B 737 jetliner design, more than 30 African airlines still operate over 100 of the type, the majority being the older series 100 and series 200 variants, both of which comprise SAA’s entire B 737 fleet.

More than 2 200 B 737s out of 3 000 orders have been delivered worldwide, making this the world’s most popular airliner.

**Differ**

On the surface the latest B 737 variants, the series 300, 400 and 500, differ from their predecessors in that they feature new engines and an improved tail with an extended fillet section extending forward from the tail’s base.

The three new variants differ in fuselage length and seating capacity.

Several African carriers have recently acquired new-generation B 737s. These are Air Malawi, Egyptair, Royal Air Maroc, Linhas Aéreas de Mocambique and Tansair.

Besides SAA, other operators of the B 737-100 and 200 Advanced in southern African include Air Namibia, Air Zimbabwe, Zambia Airways, Air Zaire and Angola’s national airline TAAG.
'Big Three' jet makers hawking their wares here

COMPETITION is fierce between the big three jetliner manufacturers — Boeing, Airbus Industrie and McDonnell Douglas — which are battling to secure orders in a depressed world market.

Next week, the fight moves to SA, where they compete at Aviation Africa '92 for southern African orders.

The stakes are high, with only a few orders to be secured. Africa accounts for less than 5% of new airliner sales, but in a slow market, any sale is better than none.

SAA is the primary target. The airline is courting all three companies to see which can offer the best

Boeing has for more than the past 18 months been trying to convince SAA of the merits of its B 767 and B 777 jetliners.

Airbus is keen to add SAA to its client list for its new four-engined A 340.

All these aircraft are smaller than the B 747s in operation. However, they will improve SAA's load factors (which is the percentage of revenue-generating passengers and cargo capacity sold on each flight).

The new generation engines on these aircraft are powerful enough to lift a wide-bodied airliner off Jan Smuts Airport without any load penalties, even on hot days when the air is

...lar cockpit layout, which reduces costs in pilot conversion training, and carries a percentage of common parts, reducing maintenance costs.

SAA is about to put some of its domestic and regional service aircraft — Boeing 737s and Airbus A 300s — up for sale or lease, and could look for replacements, although it still has three new 130-seater Airbus A 320s on order.

Flitestar, too, is a potential customer for long-range aircraft following its announced intention of becoming an international airline.

SAA recently returned to Rolls Royce power for its new Boeing 747-400s. The UK firm co-manufactures the IAE V2500 engines on SAA's new Airbus A320s.

Prefer

Whether it will purchase
package for its '95 fleet update

Head start

Boeing and the European Airbus consortium have a head start on McDonnell Douglas as SAA already uses their latest aircraft. McDonnell Douglas's last SAA sale was for DC-7B long-range propliners in the late '70s, although it has maintained a presence through several DC-10s operated by airlines based in neighbouring states.

By 1995, SAA will be replacing some of its older 350-seater Boeing 747s, the first of which was delivered thinner than normal.

During daylight hours in summer, first generation B 747s cannot take off from Jan Smuts with a full load.

Although SAA has been taking part in development programmes for McDonnell Douglas's MD-12, it is doubtful it will order the aircraft, or the Californian-based company's DC-10 replacement, the MD-11.

These aircraft would cost SAA more in gearing up to operate and maintain as they have little in common with the Boeing and Airbus planes in service.

Boeing and Airbus have focused on producing aircraft families with a similarity between aircraft or lease them through Irish-based Guinness Peat Aviation or the International Lease Finance Corporation, remains to be seen, although experience has shown Flightstar's shareholders prefer the reduced risks and lower capital outlay of leasing.

Other local potential buyers include Comair, which is on the brink of an expansion programme, Safair, which wants to augment its freighter jet fleet, and Air Supply, which has visions of moving beyond executive turbo-prop, jet and helicopter charters and into the holiday package charter business.

McDonnell Douglas hopes to break into the local market with its MD-11.
Field work pays dividends right across the continent

FIELD Aviation SA is a prime example of a company which has, over many years, built up a portfolio of aircraft maintenance clients across Africa.

The company has solicited maintenance and overhaul work from Zaire, Angola, Mozambique, Botswana, Lesotho, Swaziland, Malawi, Zambia, Chad, Burundi, Cape Verde, Namibia, Indian Ocean islands and SA.

Field is also a major contractor to the SA Defence Force, on whose behalf it services Harvard trainers, DC-3 Dakota and DC-4 SkyMaster transports.

It is one of SA’s largest privately owned aircraft maintenance organisations and has accumulated more than 57 years of experience looking after Viscounts, Fokker F28s, Hawker Siddeley HS-748s, De Havilland Twin Otters, Caribous and a variety of other light and medium aircraft.

The company headquarters and main workshops are at Germiston’s Rand Airport, while a separate parts manufacturing and reconditioning facility is based at Lanseria.

Field offers a full overhaul capability for Pratt & Whitney PT6 turbo-prop engines as well as for Rolls Royce Dart, a range of P & W, Lycoming and Continental piston engines. This service includes the supply and refurbishment of aircraft and engine components and accessories.

Africa is littered with types of aircraft on which Field has experience, making it the ideal hunting ground for work-hungry and ambitious maintenance firms such as Field.

The company is also intent on expanding its position in the turbo-prop maintenance sector through its new P & W PT-6 engine workshop which came online last October.

The new facility, which also allows for the testing and repair of several other small turbo-prop engines, represents an initial investment of about R3m.

Many corporate aircraft, such as the Beech King Air series, the Cessna Caravan and the Pilatus Turbo-Porter, and agricultural service aircraft, including Thrush and AgCats are powered by the PT6 engines.

Field’s Rand Airport workshop space is about 8 500m² and carries a staff of more than 275 people responsible for maintaining and overhauling airframes, engines, propellers, instrumentation and electronic components.

Other on-site capabilities include painting, welding, modifications, non-destructive testing, aircraft weighing and certification, sheetmetal work and composite material repair and manufacturing.
Business Day

SURVEY

The biggest aviation exhibition in the southern hemisphere, Aviation Africa '92, opens at the SAA Technical Centre at Jan Smuts airport on Wednesday. Some 98 companies, 35 of them from 11 different countries, will be exhibiting. Aircraft on show range from jetliners to light aircraft and helicopters. LINDEN BIRNS reports.

New fliers offer competition this year

SAA's major airlines — SAA, Flitestar and Safair Freighters — will be exhibiting at Aviation Africa '92 — the first air show since domestic air services were deregulated in 1991.

The airlines will promote their services, although SAA has the advantage of hosting the expo in the heart of its technical centre at Jan Smuts Airport.

SAA's consumer product is well known, but the airline will be promoting its maintenance capabilities in a bid to attract third-party contracts from foreign airlines.

Flitestar will be showing off its new A320 jetliners and ATR 72 turbo-propliners, which are the backbone of its fleet.

The airline recently announced its intention to start flying international routes and its stand is likely to be visit-ed by all three of the hopeful major airtliner manufacturers.

Together with its partner company Safair Freighters, Flitestar will promote the cargo capacity on its aircraft.

Safair markets this on behalf of Flitestar.

Apart from marketing its maintenance and operational capabilities, Safair will be showing off its latest acquisition, a British Aerospace Bae 146-100 "Quiet Trader".

Earlier this month, Safair MD Braam Loots said further Bae 146 acquisitions could be in the offing. Aviation Africa could well be the platform from which any sale announcements are made.

Aviation Africa founder and joint promoter, World Airnews editor Tom Chalmers, says it is the norm for companies to keep sales under their hats and announce them at air expos.

"Exhibitors are inclined to promote their products rather than sit down and hammer out deals, but this year's show should act as a catalyst to the industry's local recovery," Chalmers says.

This year's is the biggest in the event's 17-year history. The first two attracted a lot of attention, but as sanctions crippled, attendance dropped. The turnout came at the 1990 show.

"When we started in 1975 it was just after the fuel crisis and many companies were cancelling their demonstration flights around Africa. So we felt an aviation expo in Africa would be a good thing. It was well received and supported by the manufacturers," says Chalmers.

Plans to hold Aviation Africa in different countries were scrapped in 1977. Initially, there was a plan to take the show to Nairobi, and Jomo Kenyatta had given the project his backing.

However, before anything was finalised the Kenyan leader died and the organisers faced increasing problems and corruption, which forced them to keep the event in SA.

Flitestar, which operates two ATR 72s, is the European consortium's first SA customer.
Beware! The midnight express is coming...

SHARKEY ISAACS
Transport Reporter

NEW overnight express freight trains, travelling at nearly twice the speed of normal goods trains, will be introduced between Cape Town and Johannesburg on April 1.

High speed 14E locomotives will travel at 120km/h — 50km/h faster than the average goods train speed of 70km/h.

Each electrical locomotive will haul 20 trucks with 240 mini-containers on board.

The trains, leaving at 6pm from Belville and Nataispruit near Johannesburg will make the journey in 17½ hours.

Spoornet has already taken delivery of three of the 10 locomotives it ordered from Siemens in Switzerland. The SML13 trucks with high speed bogies were constructed in South Africa.

But the revolutionary service holds a danger for users of stations and 700 unguarded level crossings on the 1523 km railway line.

Mr Wicus Pretorius, executive manager of PX, Spoornet’s parcel and mini-container division, said: “Contact has been made with organised commerce and industry and we will also be launching a campaign to warn users of level crossings to be more careful.

“We are concerned about the level crossings as well as the stations the trains will pass through.

“We want to provide a better and faster service to our customers without prejudice to anyone and therefore want to inform people how fast PX has become and tell them to be extremely cautious when approaching level crossings.”

He said Spoornet was investigating improving the running times of the trains as well as the possibility of introducing the services to Durban, Bloemfontein and the northern Transvaal.

Mr Paul Pfister, head of the communications department of the National Road Safety Council, warned motorists to be more alert at level crossings.

He said: “Motorists have now to cope with the additional hazard of high speed goods trains flashing past level crossings. I want to warn them to keep this in mind and it might be a good idea for drivers to ascertain what times these trains pass through their areas.”

Meanwhile, the Argus Correspondent in Johannesburg reports that an insurance policy aimed at protecting road and rail commuters in the event of death or disability in accidents or violence has been launched.

Mr Robin Pogir, a director of the company behind the Safe Journey Commuter Policy, says it is aimed at fare-paying passengers.

“Everyone we’ve spoken to — churches, soccer clubs, big firms who employ lots of people — think it’s a terrific idea.

“A lot of families have been left destitute because of the horrific accident rate on buses and taxis and the violence on the trains,” Mr Pogir said.

The policy covers any fare-paying commuter for a fixed amount, payable in cash, to his/her nominated beneficiary in the event of the policy holder being killed or permanently disabled while commuting.

It costs R56 a year, is paid in full on issue and provides cover of R10 000.

Individuals may buy up to 10 policies and increase the cover to a maximum of R100 000.

Children over the age of five and under 16 qualify for the policy but are only eligible to R5 000 life cover, irrespective of the number of policies bought.

Disability cover for children will increase from R10 000 to a maximum of R100 000, depending on the number of policies bought.
Speedy rail link to Rand

Staff Reporter

DAILY high-speed trains that will cut the delivery time of small goods by about six hours will be introduced between Johannesburg and Cape Town next Wednesday.

The trains — which will travel at speeds of up to 120 kilometres an hour — will reach their destinations in 17½ hours, compared to the current 23½-hour journeys travelled at an average speed of 70km/h, said the executive manager of Spoornet's PX division, Mr Wicus Pretorius.

The new service will not be available to passengers at this stage. Passenger trains — including the Blue Train — take about 25 hours to travel between Johannesburg and Cape Town.

Mr Pretorius said the high-speed trains, which comprise 20 SML13 trucks with modified undercarriages, will be drawn by Spoornet's new high-performance class 14E electrical locomotives.

"With the introduction of these trains PX can now render a superb overnight service to our clients that is faster than road transport and very competitive with air freight," said Mr Pretorius.

He expressed concern that there were still 700 protected and unprotected level crossings en route and warned the public to be cautious when approaching the crossings.

A fast passenger train service which was introduced between Cape Town and Pretoria a few years ago was discontinued a while ago, a spokesman told the Cape Times last night.
They have become the world's most elusive killers: Faceless but full of energy and power. Each year, these killers have on average more than 6,000 people a day on rail trains since the beginning of the year. Some arrests have been made, but not in a single conviction has been recorded, reports KESOGI MODISO.

THEIR methods are based on brute force and terror. Commuters are faced with a Hobson's Choice: Allow themselves to be assaulted with flying knuckles, knives, sharpened sticks and axes and then be under the threat of escape the attackers by jumping through the window of a speeding train.

Death is almost all the commuters and in train accidents.

Train deaths have caused a major outcry among commuters and in the Black community. However, are still continuing despite the introduction of various security and safety measures.

These include the deployment of special riot police units and the use of metal detectors at stations and in trains.

Rwandans have been moved by the police, railway companies, newspapers and various NGOs in an attempt to prevent the culprits that the mammoth con-

A R5 000 reward offered by the police was last year for the arrest and convic-

Information

Volunteers for Human Rights has also offered a R11 000 reward.

And on Wednesday the South African Rail Com-

Mashabola (34) Mabhulung (28) and Princele Tshabalala (24) appeared in court on Wednesday. They were remanded in custody to March 31 when their bail application will be heard.

The SAP cutters for the month and yesterday de-

On March 19, 3,000 and Under-Minister Mr Honest Keli announced the banning of weapons - including traditional sticks and other such weapons - the measure has still not stopped.

The proclamation became effective on midnight on Thursday March 22.

seven people, including a railway token examiner were shot in the past week despite the ban on weap-

Electrolyte metal detectors used to search commuters at railway stations have also not helped to re-

The highest number of commuters for the month was on March 11 when more than 1,000 people were killed and seven others were injured in at-

Police keep watch as commuters start to board trains in Soweto during one of the routine searches aimed at curbing the ongoing attacks on trains.
More displays from France as SA comes in from the cold

FRANCE has maintained ties with SA's aviation sector for over three decades. These were traditionally through the sale of military and civil aircraft and parts, although military deals were curtailed by the arms embargo.

Aviation Africa '90 marked a turnaround in that Airbus Industrie, Aérospatiale and Avion Transport d'Regionale (ATR) were all represented in SA. However, this year's expo promises even more from the French, with other prominent aerospace companies taking part.

Promoting

While those interested in airline manufacture will focus on Airbus Industrie and its two US-based "heavy metal" competitors, Boeing and McDonnell Douglas, corporate and military aviation watchers will view activity at other stands flying the tricolour. Aérospatiale will be promoting the Ares IV rocket launcher, satellites and, through its local agent, its stake in the Eurocopter consortium.

Midrand-based Advanced Control and Engineering will represent Dassault and several other French electronic systems, avionics and navigational aid manufacturers, such as Sextant Avionique, Intertechnique, Labinal, Sully Produits Speciaux, Teleflex Syneravia, Secan, Elecma and others.

Cebes will be promoting products in the hardware and electrical/electronics sector, as well as steel and aluminum raw materials.

Other French aeronautical firms will be represented by France's aerospace industry association, Qifas.

A source close to the expo organisers says he hopes by the Aviation Africa expo in 1994 the arms embargo will have been lifted and military aircraft and support equipment will be displayed and sold in SA.

At present, the majority of aircraft and missile systems used by the SA Air Force are either French built or based on French designs.

ATR is back this year, keen to capitalize on the foothold it gained in the SA market when Flitestar bought two ATR 72s for its coastal services.

Limited

Previously, its profile in southern Africa was limited to Air Botswana and Zambia Airways, which have several smaller ATR 42s between them.

Airbus, which had a good year in 1991 as far as the SA airline industry goes, will be promoting its entire family of aircraft, from the single-aisle A320 twinjet to the new wide-bodied four-engined A340 long-haul jetliner.

SAA and Flitestar are both Airbus A320 users, while the national airline was one of Airbus' first customers for A300s in the mid-70s.
Pre-dawn raid of trains

Cops try to halt violence

POLICE moved out in force on Soweto trains yesterday in a desperate bid to halt the violence and killings.

Hundreds of armed members of the Soweto Internal Stability Unit were involved in the pre-dawn operation at stations and on commuter trains.

Several trains were stopped and all commuters searched. Trains were delayed for up to 10 minutes as the policemen moved from coach to coach looking for dangerous weapons.

Passengers appeared to be grateful for the police presence. No weapons were found during the operation.

And, as train violence claimed another victim on Wednesday, the SA Rail Commuter Corporation (Metro) spelled out tough new security measures to enforce the Government’s blanket weapons ban at stations and on trains.

Strict access control, entailing large-scale searching of commuters before they enter Metro property, strict ticket control and thorough policing on stations and trains would be implemented to enforce the ban, said SARCC managing director Dr Kobus Nel.

The body of yet another unidentified victim of the train violence, his throat slit, was found on a train when it pulled into Johannesburg station at 8.40am on Wednesday.

The Human Rights Commission said on Wednesday it had recorded a total of 15 train attacks on March 19, 20 and 23 alone in which eight people were killed and 19 others injured.

Nel’s statement came amid a renewed appeal from the police for commuters to come forward with information on train attackers – and followed a call by the Pan Africanist Congress for a train boycott and one-day stayaway to protest against the killings of Reef commuters.

In his statement, Nel appealed to commuters to co-operate with security force members at search points and not to carry excess luggage so as to avoid unnecessary delays, inconvenience and possible conflict.

● A citizen was killed and three policemen were hurt when a group of commuters attacked 20 mobile unit policemen who were patrolling on a train from New Canada Station to Mafikeng Station in Soweto last night.

Lieutenant Tienie Halgryn of the Soweto police said the policemen boarded the train at about 6pm and were attacked while the train was in motion.

● See pages 13 and 14.
BHYPEMASTER Richard Branson says Transport Minister Piet Welgemoed imposed only one condition in exchange for permission for his Virgin Atlantic airline to fly the UK-SA route — a pledge by Branson to use his influence to change the World Cup rules. Apparently, there are a few more conditions.

Branson’s announcement this week that he had received the go-ahead from SA authorities to begin five flights a week in October, with ticket prices cut by more than half, sounded too good to be true. And it turned out it was, at least for now.

A Transport Ministry spokesman confirmed that Welgemoed met Branson this week but denied the Minister gave him the necessary permission. An assistant to the Minister says he is just one in a long line of authorities who must sign off.

“The Minister is always pleased when another airline flies to SA,” the spokesman says. “He regards that as a boost to tourism and the opening of another door to SA, and he likes the idea of more competition, but he gave no undertaking regarding flights. He may not give permission to fly into SA on his own.

“Virgin (which already has British government approval) will have to go through the normal procedures. It will have to apply to the National Transport Commission, which deals with international air licensing and determines the number of flights a week an airline may operate. Virgin will be dealt with the same as any other airline.”

While Branson may have jumped the gun, this isn’t to say long-suffering travelers won’t soon get an alternative to the 47-year-old SA Airways-British Airways cartel — which has made the route one of the most lucrative in the world.

A BA local manager, Malcolm Freeman, says: “The SA Division of Civil Aviation will first have to give permission before Virgin can fly in, but I’m sure there won’t be any problems. It will get permission.”

Branson, toured SA this week, promises to cut fares by up to 60%, but Freeman says that doesn’t scare him. “Virgin will obviously start its service here with some very tempting cut-rate offers, which doesn’t faze us. We’ll do the same.”

“We don’t object to competition. We already compete with hundreds of airlines all over the world and won’t object to competing with Virgin on this route. We won’t object to their fare structure and hope they won’t object to ours.”
Fast passenger train to Reef?

Staff Reporter

THE inter-city freight train that begins its overnight express run between Cape Town and Johannesburg next week could be the forerunner of a high-speed passenger service between the two centres.

The two brand-new, imported locomotives will travel at a top speed of 130km/h, 60km/h faster than the standard goods train, and will depart daily from each city at 6pm.

They will initially be used to ferry small packages in sealed mini-containers and will compete directly with air and road freight transport services. Goods deposited at the Salt River depot before 5pm will arrive in Johannesburg at 1pm the following day. This cuts six hours off standard train delivery time.

Mr Wicus Pretorius, executive manager of Spoornet's PX division, said Spoornet hoped to be able to increase the speed of the trains to 160km/h by July. He said Spoornet had not ruled out the possibility of using the trains as a passenger service. The overnight train trip between Johannesburg and Cape Town could take about 17 hours and prove a popular alternative to bus transport.

There are 700 unguarded level crossings along the route. Spoornet aims to draw the public's attention to these danger spots but does not propose to establish controls at these points. "The speed on the track is the same as the speed on the roads so it is not necessary to have special protection at these level crossings," Mr Dries Herbst, Spoornet's senior manager of infrastructure research, said.
ABOUT 20 000 people are expected to attend the open day of the Aviation Africa '92 show at Jan Smuts airport on Saturday.

The biggest of its kind to be held in South Africa, the show will have millions of dollars of equipment on display — much of it never before seen in this country.

Among the more than 50 aircraft that will be there, ranging from executive jets and helicopters to trainer, will be a large East European contingent of exhibitors — three companies from Poland, two from Czechoslovakia and one from Russia.

Of specific interest should be the recreational hovercraft which will be exhibited by the US company, Pegasus Aviation.

The scramble by local and international companies for space at the show has been so intense that a second hangar had to be acquired to accommodate exhibitors — in effect making available four times the amount of space necessary for the show two years ago.

Display

Never have so many international companies exhibited at a South African air show, with products from Canada, China, Italy, Brazil, Britain, France, the US, Holland, Poland and Czechoslovakia.

Although the show has an essentially civilian flavour, there will also be something for the military buffs.

Atlas Aircraft Corporation of S.A., exhibiting its Cheetah fighter aircraft 555 prototype, which is expected to take part in the flying display.

The flying display, which begins at 1pm on Saturday until 4:30pm, will include performances by the SAAF's Silver Falcons, the Harvard aerobatic team, the Chubb and Stunmoff Pitts Specials as well as civilian aircraft.

There will not be any flying displays on the trade days from Wednesday to Friday.

On these days tickets will cost R15 each and the courtesy bus will carry visitors from the car park to the exhibition inside the technical area.

Catering will include a restaurant and self-service facility as well as fast-food outlets and a beer tent in the public viewing area.

The show begins at 10am on the open day, and tickets will cost R10 for adults and R5 for accompanied scholars. There is no charge for children under six.
Air links to India to follow "Yes" vote?

By RENÉ DU PREZ

THE overwhelming "Yes" vote in last week's referendum could herald the start of negotiations for direct air links between India and South Africa.

Mr Vinay Choubal, Commercial Manager for Marketing Research for Air India, was in South Africa last week doing market research for a possible direct air link between the two countries.

"I was pleasantly surprised at the huge tourist market potential South Africa has to offer," he said.

What also impressed me were the travel agent infrastructures, which I thought were very good, although they have to work under difficult conditions as visas to travel to India are not available in your country but have to come via countries like Botswana.

About 2,000 people travel to India from South Africa each month, with the majority going for business or visiting family. South Africans travelling to India have to fly to Nairobi, Mauritius, or Lagos on South African Airways before making their way to India on other international airlines.

And unlike the 16 hours it takes South Africans to travel to India today, a direct link between Durban or Johannesburg and India will take eight hours.

VINAY CHOUBAL
Doing research
AIRPORT, TRANSPORT SYSTEM CAN'T
TAKE INFLUX, TRAVEL EXPERTS SAY

'Chaos' if city gets flood of tourists

By FRED ROFFEY

A BIG influx of tourists could cause chaos at Cape Town's ill-equipped D F Malan Airport, while a tourist boom would probably disrupt the airport and the city's public transport system, travel experts warn.

They say adequate measures would have to be taken before British, airline tycoon Mr Richard Branson's scheme for cut-price flights five times a week from London gets underway in October, subject to official approval.

It is estimated that 49 percent of all foreign tourists to South Africa, include Cape Town on their itinerary and Capitour has launched an international marketing campaign to try to increase this to 60 percent, by 1993, says Capitour's Executive Director Mr Gordon Oliver. Capitour is also trying to increase its 20 percent share of the domestic market to 30 percent.

With BA already offering direct flights from Cape Town to London, it seems likely that Virgin would want to route some of its scheduled flights out of the city.

At present most international flights are routed out of Jan Smuts, meaning it can cost up to R200 extra for a Cape Town traveller to fly to Johannesburg to connect a connecting overseas flight.

Mr Branson's airline has been credited with forcing other airlines to cut their prices after he entered the UK market.

Airline sources believe the entry of Virgin into the SA-UK market, one of the most lucrative international routes, will force air fares down and further encourage foreign tourists. Cut-price holiday charter flights should increase with Cape Town certain to capture a large slice of this business.

But travel experts have serious doubts as to whether the city could cope with increased tourism.

Transport planner Mr Paul Mann, who spent more than a year drawing up a 16-part transport study for the Cape Town City Council, has already warned of major problems in the city's taxis, buses and rail infrastructure, plus a rapid increase in road congestion, leading to fears that the public transport system could collapse under the pressure.

During a visit to Cape Town this week, top international travel consultant Mr Dries de Vaal said DF Malan Airport was ill-equipped to deal with the volumes of people SA had to attract if it wanted a successful tourist industry.

Friendly

"South African airports are terrible places for international tourists."

"Jan Smuts is roughly 10 years behind other international airports, so strategic planning for the tourist industry must start now and be given top priority."

He said SA had about one million visitors a year, of which 500 000 were genuine tourists, compared with 16 million to the UK, 24 million to France and 43 million to Spain.

The 500 000 genuine tourists in SA could be increased to about 2.5 million in five to 10 years, if a coherent tourism development strategy was implemented now "from the top."

This would create as many as 2 000 permanent jobs plus a large temporary seasonal workforce, he said.

"The country has everything — the climate, landscape and coastline — and friendly and hospitable people."

President De Klerk's reforms and the Yes referendum result meant Southern Africa would be "fully restored to its rightful place in the international leisure industry," he said.

Mr De Vaal was in Cape Town to commemorate the opening of the local office of Greene Belfield-Smith (GBS), the world's largest tourism and leisure consultancy, which has an international network of 330 offices in 105 countries with 85 000 partners and staff.

It will operate in Africa as the specialist tourism and leisure division of Deloitte Peat Marwick.
Medical cover must for Africa travellers

SOUTH Africans who travel into Africa regularly on business or who stay there for extended periods would be unwise to do so without medical insurance.

George Novus, sales manager for Medstar in Johannesburg, which provides a 24-hour, go-anywhere service to evacuate ill South Africans out of African countries, says people living in foreign Third World states for any length of time face a number of potential medical problems not necessarily encountered at home.

**Archaic**

"In most African countries if a worker falls seriously ill he should be evacuated as soon as possible to receive the best medical attention available. If not, he could well die."

If First World medical attention is required there are few places in Africa where this can be found with the exception of South Africa. Mr Novus says that in most countries north of the Limpopo medical facilities range from non-existent and archaic to downright dangerous. "It is a common practice in Africa to reuse disposable needles, and many of the medicines — if available — have expired. Because of this and the high risk of AIDS, we never use anything that is available locally, taking all our consumables, including blood — and equipment with us."

"It is a fact that 80% of the foreign patients we fly into Johannesburg are HIV-positive, and for this reason our nurses and doctors wear gloves, masks and goggles while attending to them."

He said a lack of foreign exchange in most African countries meant that they either didn't have hi-tech equipment or the money or skills to adequately maintain it.

Basics like X-ray machines and CAT scanners are invariably "out of order" so the diagnosis of the sick or injured is usually suspected.

"For this reason we normally fear the worst and take a full range of miniaturised aircraft-compatible ICU equipment – worth about R3 million — on board even for what may sound like a relatively minor problem," says Mr Novus.

However, the difficulties don't end there. Getting into smaller towns at night can be prearranged, but there have been cases where the aircraft flew to a strip but couldn't land in one instance because the flares used to light the runway had been stolen, and in another where airport staff were drunk.

Another major problem for Medstar is getting a patient to the airport for evacuation. "There are few ambulances in Africa. In a recent case we had to transport a subscriber in a commercial vehicle to the airport because the country does not have an ambulance," Mr Novus said.

In 1991 Medstar evacuated patients from Kenya, Congo, Malawi, Angola, Mozambique, Zaire, Zambia, Zimbabwe and Botswana, most of whom were suffering from industrial or vehicle accident injuries and a variety of infections.

Medstar has a team of ICU nurses who are also aeromedically trained, as well as trauma specialist doctors on 24-hour standby. It also has access to a wide range of specialist doctors if required.

**Policy**

A variety of aircraft are at Medstar's disposal, ranging from Learjets, turboprops and helicopters, depending on requirements and circumstances.

People who plan to travel into Africa or neighbouring countries can take out a travel-assistance policy, available from most travel agents, from R90 to R150 for a stay of one to three weeks.

Companies who have staff travelling regularly into Africa can take out a corporate annual policy either through their brokers or from Mr Novus at (011) 888 6311.

The emergency service is also available to anybody on request subject to financial guarantees.
Flitestar steals a Gulf march on SAA

SOUTH Africa's first independent domestic carrier is determined to break into the international market by taking full advantage of the country's newly liberalised aviation policy. With its recent application to the Directorate of Civil Aviation to begin services to India and the Gulf States — it has secured assurances from from Gulf authorities that operations certificates will be issued — Flitestar is on the verge of taking on SAA in the international market.

Flitestar's application has stolen a march on the national carrier, which is known to be interested in both destinations. SAA has a team in the Gulf evaluating potential and has already expressed an interest in flights to India, but has not yet applied for the routes.

If DCA approval is granted, Flitestar expects to begin weekly flights within weeks. There are no scheduled services from South Africa to either of the destinations and, with SAA's 1 million strong Indian and Muslim communities, demand for seats to Bombay, Delhi and Dubai or Oman is expected to be strong.

Competition

Although the airline was evaluating the acquisition of long-haul aircraft for the flights, MD Jan Blake said, initially the routes would be served by its fleet of Airbus 320s with refueling stops in the Seychelles and Nairobi.

Mr. Blake, besides his recent application to begin a service to Mombasa, which was opposed by SAA, has also expressed an interest in starting long-haul flights to London in competition with BA, SAA and recent applicant Virgin Atlantic Airways.

This move is almost certain to throw a spanner in the already complicated talks going on between SAA, BA and Virgin Atlantic.

Talks this month involving both governments, the Department of Transport, the DCA and the three airlines on a new air services agreement between South Africa and Britain ended inconclusively in Pretoria.

A DCA spokesman said the talks would resume in London once SA's international civil aviation policy review was completed — probably within two months.

Talks are said to have gone well, with agreement being reached that it was time to end the monopoly enjoyed by BA and SAA on the lucrative route.

"But," said Virgin's route planning and strategy director Ed Hullah, "although Virgin is allowed to fly to South Africa we have not been given any frequencies. A decision has to be made on capacity."

Virgin has proposed four flights a week but would eventually like a daily service.

In terms of the existing bilateral agreement, SAA and BA split the route capacity and frequencies on a 50-50 basis. There is no provision for a third carrier.

Overtraded

A 60-40 share was mooted last year by local travel industry leaders, with SAA taking 40 percent, leaving Virgin and BA to work out a compromise on the remaining 60 percent.

Flitestar's interest in the route is not going to make matters any easier to resolve. Should it be given the go-ahead, the formerly lucrative, high-capacity route could find itself overtraded if the expected tourism boom to South Africa doesn't, for political reasons, materialise.
Big expansion plans for Wonderboom

THE new boss at Wonderboom Flying School has big plans for expansion — plans that could make it the premier establishment of its kind in the country.

Andrew McLeod, former SAAF transport and maritime patrol pilot, and general manager of the Pretoria-based flying school, says that although the school is primarily a training establishment with its own maintenance and sales departments, there are plans to start a charter service which will give the school all-round exposure to the aviation market.

Solo

Wonderboom has the only Directorate of Civil Aviation-approved flight training simulator in the country and, with its eight full-time instructors, is the only one that takes students from ab initio standard to the top, which is an airline transport pilot's licence, which includes the commercial or senior commercial licences.

Also on the cards for the school is a plan to move its offices at the airport terminal to the opposite side of the runway, where their own hangars and apron will be constructed at a cost of more than R1-million.

Meters away is the school's accommodation for out-of-town students and lecture rooms.

"At the moment we have 10 students doing the commercial licence, with between 30 and 40 qualified as private pilots each year, and we send between 70 to 90 students on their first solo each year."

Not all the students are South Africans. "Because of the favourable exchange rate we also attract overseas pilots who would otherwise have to pay in their home countries more than double what we charge.

The school has attracted students from Switzerland, the United Kingdom, France, Netherlands and North Africa, some of whom stay at Wonderboom for up to a year.

"Our high standards, excellent flying weather, relatively uncongested air space and cheap rates are the chief attractions," he said.

A recent advertisement in an international aviation magazine attracted 36 inquiries from licensed pilots who wanted to do instrument ratings and commercial licence validations — all of whom pay far more expensive in their own countries and warrant the cost of travel to theWonderboom accommodation.

"Essentially what we are offering is a unique service which will take the pilot from ab initio right up to ALTP standard, rather than the student having to chop and change with several instructors as he attains higher licences."

"We can train students as far as the law allows obviously we can't do the instructor's rating, senior commercial or ALTP exams. Those must be done by the DCA, but our staff — we are the only school in the country to have a full-time DCA-approved Grade 1 testing officer — have approval to do initial as well as renewal flight tests."

Minimum

So what does the student get for the R19 000 he will pay for his private pilot's licence, the first rung on the ladder to becoming a professional?

"Accommodation aside — which will be an extra R40 a day and includes two meals, washing and ironing — everything, including books and equipment, he will need to complete the course."

It takes the average student a minimum of 40 hours, normally completed in about four weeks, before he can be tested for a private pilot's licence.

Wonderboom's assistant chief flying instructor, Alex Dyason, 26, has a Grade 2 instructor's rating, about 3 000 hours logged and an ALTP — the highest licence obtainable.

His baby at the school is the R1-million simulator, the only general flying simulator in the country approved by DCA for advanced licence renewal.

"The benefit to the student is that the instructor can stop the training in flight and sort out mistakes without worrying about keeping the aircraft flying and then take up again where they left off."

Limitations

"If the student was in an aircraft it would be costing him more than twice as much, and he might also not be learning as fast. We can fly whole routes without leaving the ground and programme the simulator so as to concentrate on weak points only," says Alex.

Mr McLeod says the simulator also allows for single- or multi-engine training, depending on which area of flying the student wants to concentrate on.

The Line Oriented Flight Training (LOFT) system is run by our chief flying instructor. This system is used in recurrent training for instructors renewal as well as to train pilots for certain tasks depending on what the pilot wants to pursue — be that an instructor's rating, charter work, small airline or large airline preparation.

It saves him money and time and gives in-depth training.

Mr McLeod says Wonderboom training is geared toward making safety-conscious pilots out of students. "And to be safe the pilot has to know his work and his limitations. For this reason our commercial pilot students are required to maintain a daily average of 70 percent or we don't permit them to write the exams."
Safair's bridging role

Safair, with its wide network of operations, can be described as probably the only truly dedicated African airline on the continent. For years it has been crossing Africa, often in the face of international sanctions, to carry inadequately equipped freight to hard-pressed countries north of the Limpopo. And these countries, until two years ago, would never admit to having dealings with the airline.

"But all that has changed and we are aggressively pursuing new business on the continent — and getting it," says Safair MD Braam Loots. He believes the airline is poised to play a crucial bridging role in the return of South Africa to the African economic marketplace, at the same time helping to invigorate trade relations between many of its countries.

"The will to open trade between SA and our neighbours to the north is irresistible, and the need for an exchange of goods undeniable. Also, the demand for a reliable transport infrastructure is overwhelming, and Safair is in a unique position to meet all these requirements," he says.

With its fleet of eight Hercules transport aircraft capable of landing on short, dirt runways, crews with an intimate knowledge of the sub-Saharan routes and topography and a management team that has widening contacts in Africa, Safair is confident of substantially increasing its foreign-operations turnover.

International business had already decided that South Africa should be the conduit between Africa and world markets, and because of poor road and rail links on the continent it would seem that aviation, and Safair in particular, had a pivotal role to play.

Mr Loots says that Safair, active in Kenya, Angola, Cameroon and Zaïre, is flying freight not only from South Africa into Africa but from one African country to another and domestically for some countries.

"Safair is a thoroughly African aviation company, one that is structured and equipped to suit African markets and flying conditions."

Contract

"We know Africa and we understand our customers, and we've gone to great lengths — even in the years when we were shut out — to put together the aircraft, trained personnel and the maintenance facilities that can handle anything the continent can throw at us."

Maintenance is another aspect of aviation that the company is ready to boost with the recent vote in the referendum which will significantly boost ExecuJet's business in Africa, says the managing director of sales, Mr Andre du Plessis.

"Companies have been holding back on contracts waiting for the referendum's outcome, but now that it's been positive we can expect business to boom," he said.

ExecuJet specialises in flying major SA companies executives into Africa.

"We are popular with a SA companies because of our expertise in Africa in getting flight clearances, our wide range of contacts, knowledge of conditions and the range of our Learjets, which enable us to fly non-stop to destinations as far away as Kenya," said Mr du Plessis.

"Flying into Africa is fraught with problems, which include corruption, inferior air-traffic control and a total lack of medical services. It is therefore essential to use long-range aircraft that can fly high and fast and do not need to make time-consuming and expensive refueling stops."

Mr du Plessis says companies involved in construction, road transport and foods flying mainly to destinations like Zambia, Zaïre, Malawi and Zimbabwe are their biggest customers.

"Yes" will boost ExecuJet

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"Yes" will boost ExecuJet
Sub-Saharan depends on SA — the key
is aviation

AVIATION is the key to
development in southern
Africa — and with out
countries north of the
Limpopo and south of
the Sahara face bleak
and ever-deteriorating futures.

Gone are the days when East and West vied for
the attention of southern African
countries with unlimited
and they have identified
larger markets
worthy of exploration in
the now-liberated eastern
Europe with better
chances of returns on their
investments.

With many of the countries
locked and road systems
in poor repair, the only way
they can kick-start their
parasitic economies is by trading
with and through South
Africa, the country which, it
would seem, has been given
the task of motivating these
economies.

Cheaper

To achieve this southern
African countries have to improve
their aviation
structures, says Cor Beek,
executive director of the
Commercial Aviation
Association and organizer of
the Aviation Africa 92 show.

"It is far cheaper to extend
a runway, upgrade landing
systems and lease modern
aircraft than it is to rebuild
hundreds of
kilometres of
roads," says Mr Beek, who
also points to the obvious
benefits of aviation as a
means of transport.

Even if the roads and
railways were in good repair,
these vehicles have to fend
off attacks by bandits. Length of
time en route would also be a
problem in the case of pro-
ducts.

He says most African coun-
tries realize this and because
of the changes in South
Africa are now prepared to be seen
openly "doing business in the
south.

And for this reason the
major manufacturers of air-
craft, airport technology as
well as related aviation indus-
tries have decided to exhibit
at the Aviation Africa 92
show at Jan Smuts airport
from April 1, making it the
biggest in SA since its incep-
tion in 1976.

The show now ranks in size
with those held in Singapore
and Dubai, with global giants
like Boeing, McDonnell
Douglas, Airbus Industrie, British
Aerospace and Am Brite
exhibiting and hoping for a
slice of the expected action.

Contacts

"South Africa is the gate-
way to Africa — we have the
harbours, airports and roads
as well as the industry
and skilled labour which the
major companies can use to
launch their products. Our
entrepreneurs are geared to
dealing with the Africans and
know their countries."

But it is up to South Africa,
as the economic power in the
region, to get the ball rolling
and become the motivating
force in the drive to get sub-
Saharan economies going.

"Our aviation infrastruc-
ture is probably the best in
Africa, and because of our
proximity it would be advan-
tageous to Africa to come to
us for the assistance they will
need to upgrade their aviation
capabilities," says Mr Beek.

Localising African air-
lines are in a sorry state
mainly because of bird man-
agement, widespread corrup-
tion, government interference
and a lack of capital.

"We have the expertise to
solve all these problems and,
for this reason has been
to some countries to remedy these
shortcomings."

SAA has assisted numerous
fledgling airlines — Air Man-
ra and Air Namibia, to
name just two successful op-
erators in southern Africa
by leasing aircraft and crew to
them and helping to train
their own staff as well as ser-
vicing their aircraft.

But how are these cash-
strapped countries to pay for
the services SAA is able to pro-
vide?"

Barter

"We could conceivably in-
roduce a system of barter
though a new concept in avi-
ation it is not new in world
economics. These countries
have an abundance of labour
and minerals and some pro-
duce which they could ex-
change for South African ser-
services.

"This is a problem we will
have to solve. If we don't, the
whole sub-Saharan continent
will collapse eventually,
dragging SAA with it," says Mr
Beek.
Living in the fast track

BY SIZA KHAMO

CONNE Nkonisi is not frantic about working for a parastatal institution that is partly blamed for the raging violence that has claimed hundreds of black lives in commuter trains. The final black woman to receive a MHR degree, she was recently appointed to the all-male management team of the South African Rail Commuter Corporation (SARCC).

Position

Nkonisi, the corporate communication manager of the SARCC, takes a position she said entailed a greater responsibility than the one she held before. The problem is that a position she also hopes to use to maintain the community that presently dogs her company. She believes that the task she has set herself is not impossible. She says, "As a woman, I want to rise above the average woman to be a..." Nkonisi added.

"I know this that a lot of the responsible men have been found wanting as far as the demands of the women are concerned. I am not a woman who is going to go along with this," she said.

Disbanded

Member of the SARCC was appointed to head the organisation, buying out the existing black owners for example and working to introduce the railway system, a force, which was disbanded.

"He is also a man who has been involved in the railway system for more than 30 years. His experience and expertise will be invaluable," Nkonisi said.

Affable

The affable nature of two women is in contrast to the one, if not all of the company's female directors who work. Nkonisi, a member of the SARCC, four months ago, Power said, was managing her own business. She, in turn, directed the women's council and the "SARCC, a works council with women as the chairmen and representatives who meet to find out what the SARCC can do to assist them on the issues that arise.

Together with another Cabinet Minister, a former Transkei councillor,
Murder trial judgment begins

JUDGMENT in the murder trial of five Numsa members and a man they allegedly hired to help with an intimidation campaign against non-strike colleagues at Raggie Rand, in which five people were killed, began in the Rand Supreme Court yesterday.

Shop stewards chairman Richard Ngobeni and worker representatives Jeffrey Mshali, Malver Ngubane, Malan Khumalo and Samuel Malepo have pleaded not guilty to five counts of murder, nine counts of attempted murder, two counts of arson and one count each of unlawfully possessing firearms and ammunition.

Joseph Bhengu, allegedly hired as a "hit man" by leaders of the intimidation campaign, also pleaded not guilty on all 14 counts.

"Ngoenle and the other Numsa members on trial were dismissed after an illegal strike in October 1989," Judge du Plessis, sitting with two assessors, said it was most probable that the gatherings dismissed workers during the dispute were organised by a workers' representative group known as the "committee of 10" as claimed by Abram Keele, an alleged accomplice of the six who turned State witness.

Ngobeni, the judge said, was clearly a member of the committee or intimately involved with it. As committee members, the other Numsa members would have been regarded as leaders by co-workers.

All the victims except one worked in the wire mill section. The one exception had been in the company of an employee from that section when he was attacked.

"This common feature renders the possibility that the attacks were individually planned remote," Du Plessis said. "Furthermore it indicates the attack was planned by people opposed to the continual working of the victims."

"Judgment will continue today."

Railways police set to return

A SECURITY force similar to the disbanded SA Railways Police could soon be patrolling trains and railway stations if high-level talks between the SA Rail Commuter Corporation and the SAP are successful.

This was disclosed yesterday by MD J J Nel, who said the force on the trains since July last year had led the corporation to investigate all possible means of ending train violence.

The Railways Police was integrated into the SAP in 1986.

"The corporation and the SAP are investigating the possibility of a dedicated security force to concentrate on the 'security of commuters' and their environment such as railway stations and trains," Nel said.

Police stations are also planned for railway property. — Sapa.
Flitestar operations ‘picking up’

HIGHER capacity from existing carriers and the ‘definite’ entry of Virgin Airlines means competition on international airline routes will intensify substantially, says Rentmeesterbeleggings (Rentbel) MD Joachim Vermooten.

Vermooten said this when presenting the results of the group — which has a 44% interest in Trek Airways, the operator of Luxavia, and fledging local airline Flitestar — for the six months to December.

A departure from short-term insurance activities, the disposal of its steel interests and rationalisation at its Alnet subsidiary helped Rentbel turn in a trading profit of R2.4m. The group recorded a trading loss of R8.1m for the comparable period in the previous year.

But start-up costs at Flitestar knocked the income contribution from associate Trek to R18 000 from R22m. Vermooten said the contribution was down as Trek had written off most of the start-up costs of the airline in the six months to December.

He said Flitestar was “operating above break even” on those routes inaugurated last October, and passenger loads on the routes started up this February were

WILLIAM GILPILLAN

“picking up from week to week.”

Interest and taxation charges of R2.7m and R433 000 moved the group’s trading profit into an attributable loss of R738 000, a loss of 20.3c a share.

As the group ceased its activities in the short-term insurance market in June last year and disposed of its steel interests, any comparison to last year’s figures were meaningless.

Rentbel’s principal operations consist of subsidiaries Rentmeester Versekurars, a niche life insurer in which it holds 78%; and netting business Alnet, in which the group has a 78% stake. Rentbel’s remaining major investment is its stake in associate Trek Airways, which is held in partnership with Saframme (38%) and the D De Muinenaere family (18%).

As the group had been unable to offset losses in some companies against taxable income in its remaining operations, Rentbel had been exposed to the tax charge despite its R281 000 taxable loss. Alnet recorded an attributable loss of R12m.
Railways police could be reintroduced at stations

A security force similar to the disbanded SA Railways Police could soon be patrolling trains and railway stations if high-level talks currently under way between the SA Rail Commuter Corporation (SARCC) and the SA Police are successful.

This was revealed yesterday by SARCC managing director J J Nel, who said the carnage on the trains since July had led the corporation to investigate all possible means of ending train violence.

"The corporation and the SAP are investigating the possibility of a dedicated security force to concentrate on the security of commuters and their environment.

"It is a high-level investigation that involves a wide variety of components, such as the financing of such a force, its deployment, the manpower levels and whether we can get the manpower," Dr Nel said.

"There are just too many people losing their lives on our trains, and while certain measures have already been instituted, we hope the outcome of the current talks will finally end such killings."

Asked about allegations that renegade taxi operators may be fomenting the violence to decrease the corporation's current passenger rate, Dr Nel said they were aware of the rumours.

"The police, too, are aware of the allegations and are investigating them.

"But I don't believe at all that the taxi associations are involved in this — we speak regularly to the SA Black Taxi Association and Sedatu (SA Long Distances Taxi Union). We have, therefore, no reason whatsoever to believe they are involved in the violence." — Sapa.
Bus fares only R1 for just one day

Staff Reporter

GOLDEN Arrow Bus Services (GABS) will celebrate their city bus transport take-over with one-day-only concessionary fares for passengers tomorrow.

From midnight tonight to midnight tomorrow a maximum fare of R1 will be charged on all scheduled buses operating in Cape Town Metro area.

In a statement yesterday the company said the "special concession is to celebrate the fact that as from April 1 GABS will control all services rendered by City Tramways in the Greater Cape Town metropolitan area".

The special concessions would not apply to services in Paarl, Hottentots Holland and Malmesbury, the statement said.

GABS has not divulged the full financial details involved in their takeover of Tollgate's City Tramways Limited as the transaction had yet to be finalised.
Railway police soon?

JOHANNESBURG — A security force similar to the disbanded SA Railways Police could soon be patrolling trains and railway stations if high-level talks currently under way between the SA Rail Commuter Corporation (SARCC) and the SA Police are successful.

This was disclosed yesterday by SARCC managing director Dr JJ Nel.

The Railways Police force was integrated into the SAP in 1992.

Asked about allegations that renegade taxi operators might be fomenting the train violence to decrease the corporation’s current passenger rate, Dr Nel said they were aware of the rumours. — Sapa
Public Sector—TRANSPORT_GENERAL

1992

APRIL — JUNE
Expansion of Beit Bridge under way.

HARARE — SA and Zimbabwe are expanding the strategic Beit Bridge border crossing point as the funnel for huge quantities of emergency food supplies for drought-stricken southern Africa.

The number of trucks crossing the narrow steel girder bridge across the Limpopo River has jumped to 250 a day from 120.

The number of Zimbabweans visiting SA, most through Beit Bridge, is also increasing dramatically.

Nico Nel, a senior diplomat and SA’s trade representative in Harare, said yesterday his mission issued 250 000 visas last year.

Nel said serious consideration was being given to upgrading facilities this year. The scheme had been originally scheduled for 1984/85. — Reuters 11/4/92.
Atlas starts civil aviation arm

ATLAS Aircraft Corporation, long standing supplier of military hardware to the Air Force, is to change its identity and culture — in line with diminishing local defence requirements.

Atlas announced yesterday it would trade under the name of Simera and pursue commercial work in civil aviation.

CEO Kobus Eckstein said while the military would remain an important client, the old Atlas would undertake a wide variety of commercial work, including subcontracting and maintenance. He said contract negotiations were already under way locally, in Europe and the UK.

Aerospace group executive director T Gibson said a thorough analysis of Atlas's potential and capabilities led to the decision to cease operating under the name of Atlas and to establish a civil aviation division of Denel.

"Simera will undertake commercial work in SA and abroad, involving modifications, civil maintenance and co-operative ventures for fixed and rotary wing aircraft and engines," Gibson said.

Atlas Aviation, the military arm of Simera, would continue to service the needs of the military locally and abroad.

The civil aviation division would also be known as Simera while the property arm, which had some 230 hectares of ground adjacent to Jan Smuts Airport, would be known as Astor Park.

Some 36ha of this ground was covered and Simera intended leasing available capacity to aviation companies — Sapa.
It is the role of police to stop even political crime, writes Victor Nell

Police force passes the buck

A documentary, "War on the Trains", was screened on TV1 at the weekend. On the bal-last next to the railway sleepers lay torn bodies, blood oozing through white shirts. An immigrant from Mozambique coughs up his last breath as a bright yellow train speeds by. In the background is a policeman in camouflage uniform. "But political violence is a common crime, no more or less criminal than any other kind of crime, to turn it into the responsibility of 'political parties' is devious isn't it the job of the police to prevent crime? Why has the responsibility for "stopping Inkatha" or "curbing the ANC" been passed back to political leaders?"

This is a new trend for the new South Africa, do-it-yourself policing? It's an interesting view of police work and very South African. For years traffic chiefs have persuaded drivers safety is in their own hands. Traffic police shirk their simple duty to enforce the law and instead convince drivers that South Africa's high accident rate is because they have bad attitudes.

Victor Nell ... do-it-yourself policing is not the answer.

But political violence is a common crime, no more or less criminal than any other kind of crime, to turn it into the responsibility of "political parties" is devious isn't it the job of the police to prevent crime? Why has the responsibility for "stopping Inkatha" or "curbing the ANC" been passed back to political leaders?

This is an ominous metamorphosis in State perceptions of how law and order are to be maintained. In what other country do governments and police forces stand back, turning law and order over to the communities and politicians?

It is very clever saying that train security will need shifts of 70,000 men. By analogy, metaphorically hijacking security on all of the world's airlines that between them carry, say, 1 000 times more passengers a day than Soweto trains, would need shifts of 70,000 men at a time. Yet since the '60s, when hijacking was something of an international sport, an astonishing degree of airline security has been achieved, using something less than 70 million or even seven million security personnel a day.

Duty ... while "clever" arguments are used to avoid supplying more train security, people are dying.

The exiled South African poet Dennis Brutus was talking on the radio on Sunday night, just before "War on the Trains" came on TV. He recalled living in Pordsburg in the '60s and writing about the incessant screaming of police sirens up and down his road, enforcing the pass laws and arresting "terrorists".

This country had a police force famous (or notorious) throughout the world for its speed and efficiency. Nothing was beyond its powers. It penetrated every nook and cranny of South African society. In 1960, or even 1980, how far would a car carrying four men armed with automatic rifles killing pedestrians at random have travelled before it was hunted down and surrounded?

If the ANC had been suspected of orchestrating "unrest" on trains, how long would it have continued? How many arrests would have been made on Day 1 and how many on Day 2? Now the hands of the police are tied. The community must come forward.

There is something very sick in our society, and all of us are dying from it. Some of us are dying literally, with dreadful wounds, others feel hope dying, and our belief that decent people can live decent lives in this society that is slipping headlong into anarchy.

Of all the priorities facing South Africans at this time, one stands out above the rest how to get a police force that takes responsibility for doing its own job, and is accountable for doing it well.

Professor Victor Nell is director of Umsa's Health Psychology Unit, which has special interests in violence, civil anarchy and accountability.
Station upgrade getting on track

THE upgrading of eleven railway stations in Soweto by black property and construction developers and individual companies gets off the ground this month.

Intensive consultation has taken place between the South African Rail Commuter Corporation (SARCC), the black-owned Marketing Builder Services (MBS) and the Soweto Home-Builders Association (SHBA) towards the massive project.

This was said by the corporation's communications manager, Mrs Connie Nkosi, at a Press briefing in Johannesburg this week.

The money for the projects would come from the R290-million which was approved by the Minister of Finance, Mr Barend du Plessis, in his 1992/93 Budget.

They have also consulted other groups, such as civic associations, trade unions and political organisations on the project, which she said, would create jobs.

"We want to refurbish the stations so that they should look attractive. We appeal to the community to stop destroying the railway properties because they are also yours," she said.

Informal business

At the same briefing, SARCC's manager, Mr Kobus Nel, said that the company was planning to build shops, entertainment and informal business centres near the railway stations.

He said that police stations would also be built near the stations where people could report their cases in case of violence on trains.

This, he said, would probably help curb the escalating violence that has claimed many lives on trains in the past few months.

It was also their wish to develop entrepreneurial skills among the black community so that they could help the country's economy to grow as well as to help themselves.

He added that all these projects would be undertaken in consultation with the community.

The managing director of MBS, Mr Ken Dlamini, yesterday confirmed that they had been consulted by the SARCC in order to participate in development of the projects. It was expected that finality on the issue would be reached tomorrow.
SAA aims at 22 new routes

SAA has applied for traffic and landing rights at 22 new destinations in the Far East, Europe and Africa – from Buju-
bura to Warsaw.

If the modifications to its scheduled air transport licence are approved, it will be able to widen its international route net-
work substantially.

In the application, published last week’s Government Gazette, SAA applied for routes between Johannesburg, Durban,
or Cape Town and Brazzaville (Congo), Lagos (Nigeria), Douala (Cameroon), Bu-
jumbura (Burundi) and Dakar (Senegal).

The airline envisaged these cities as end-
point destinations or as points of extension to other destinations in Africa, Europe, Russia and North America.

In the second part of the application, SAA asked for permission to include routes from Johannesburg, Durban or Cape Town to Nice (France), Dusseldorf, Munich and Berlin (Germany), Warsaw (Poland), Prague (Czechoslovakia), Bucharest (Ro-
mania), Budapest (Hungary), Belgrade (Yugoslavia) and Moscow (Russia).

SAA has also applied to operate flights on routes between Johannesburg, Durban
or Cape Town and Bangkok (Thailand), Tokyo (Japan), Kuala Lumpur (Malaysia), Singapore, Jakarta (Indonesia), Seoul (South Korea) and Bombay (India). The
flights could terminate at these destina-
tions or be used as stopovers en route to other Far Eastern and Australasian cities.

SAA has been negotiating for landing rights at Tokyo’s Narita Airport, but the
lack of spare capacity at the airport has
placed the airline under pressure to seek an alternative Japanese destination. It has
already announced its decision not to use
Bangkok as an end-point destination, but
as a stopover on its Johannesburg-Tokyo
service.

Although SAA has applied for traffic
rights in Russia and other eastern Europe-
countries, it is unlikely to inaugurate
services until there is sufficient demand
for a direct service from SA.

SAA’s application follows recent an-
nouncements of inter-airline agreements
with several carriers, including Czechoslo-
vakia’s CSA and Russia’s Aeroflot.

Sum lost to music pirates ‘theoretical’

The headline, “R600m lost to music piracy”, to a report last Wednesday may have
overstated the position.

The report said the SA music industry
believed piracy was costing it R600m a
year in potential lost turnover.

Brian Ellis, CE of the Association of the
SA Music Industry, says the figure does not
reflect the viewpoint of either his associa-
tion or the record companies.

Independent market research had indi-
cated that more than 20-million blank
Tapes were sold legally to SA in 1991, and
that 36% of these had been used exclusive-
ly for the illegal rerecording of music.

“The figure of R600m is arrived at as a
result of a theoretical extrapolation de-
rived from the sale of 20-million blank
tapes multiplied by an average retail price
of R30 per prerecorded music cassette.” It
was not a factual figure.
SA ‘set to free its international air routes’

SA’s reformulated international civil aviation policy, which is expected to free international routes to SA from domination by SAA and other countries’ national carriers, will be announced in mid-May, Transport Minister Piet Welgemoed said yesterday.

Welgemoed spoke at the official opening of the Aviation Africa ’92 trade fair being held at Jan Smuts Airport until tomorrow.

The Minister surprised industry observers by not making a formal statement on the new policy.

However, he said it would be more flexible than previous interim policies and would be “in line” with SA’s recently deregulated domestic civil aviation policy.

After a conference in Cape Town last April, Welgemoed appointed a steering committee of airline and tourism industry leaders to investigate and present proposals for a new international policy.

He said the final draft proposals had been given to him yesterday morning and he would study them as soon as possible.

Industry leaders and sources close to the steering committee have indicated that the new policy will free airlines from regulations governing the fixing of air fares. They expect it to pave the way for renegotiated air services agreements with other countries. These would ensur e the rights of access to more than just SAA and one reciprocal national carrier on any given route in any market.

SAA CE Gert van der Veer said after Welgemoed’s speech he was not prepared to say what the airline regarded as its ideal for a new policy, as that would preempt the steering committee’s findings.

Welgemoed said he hoped to publish the new policy within six weeks if Cabinet approved the proposals.

Représentatives from McDonnell Douglas, Boeing and Airbus Industrie said yesterday a substantial liberalisation of the current policy would help to stimulate growth in the local airline industry.
Minister hints at cheaper air fares

Own Correspondent

JOHANNESBURG - South Africa's restructured international civil aviation policy, which is expected to liberalise international routes to South Africa, will be announced in mid-May. Transport Minister Dr Piet Welgemoed said yesterday

He said the new policy would be "in line" with the recently deregulated domestic civil aviation policy.

Last year, Dr Welgemoed appointed a steering committee of airline and tourism leaders to present proposals which he had received yesterday and would study.

Industry leaders and sources close to the steering committee have indicated that the new policy will free airlines from regulations that govern the fixing of air fares and domination by South African Airways.

Dr Welgemoed said he hoped to publish the new policy within six weeks if the cabinet approved the proposals.
Thailand and SA to sign accord

BANGKOK—Thailand and South Africa are expected to sign an agreement to open air services between the two countries soon, a Thai official said here in Bangkok yesterday.

A delegation of Thai Communications Ministry officials were due to return home yesterday after talks with their counterparts here on opening two-way air services between Bangkok and Johannesburg.

Although no formal agreement had been signed, the Thai side is expected to allow South African Airways to fly once a week to Bangkok and on to Hong Kong and Taipei and return on the same route to Johannesburg.

A spokeswoman for Thai Airways International, the national airline, said this would be the first time Thai would be flying to South Africa, but the service would not begin until early next year.

Sapa-AFP
SOUTH African Airways has announced a common-rated fare of R2 599 from any of the country’s domestic airports to Frankfurt on 4/4/97.

The fare, SAA’s cheapest to any destination in Europe, marks the 40th anniversary of SAA’s flights to Frankfurt. It is also the first time the airline has offered a common-rated fare to Europe.
Cape to Europe air fares slashed

PATRICK FARRELL
Weekend Argus Reporter

The price of flying from Cape Town to Europe has been cut by a minimum of R840 in terms of a new special fare announced by South African Airways.

Travellers flying to and from Europe via Durban will also benefit.

The concession has been widely welcomed by businessmen and it should provide a big boost for tourism.

SAA say the low fare of R2 599 return will enable travellers to fly direct from Cape Town to Frankfurt, one of the busiest destinations in Europe, without adding in the Cape Town-Johannesburg fare.

It is the cheapest fare on offer by the airline to a destination in Europe.

The previous best SAA rate to Frankfurt was between R3 440 and R4 090, depending on the season.

The flights will still stop in Johannes burg but the common rating fare means that passengers will not have to pay extra for the flight to and from Jan Smuts.

Two flights a week are already in operation and the special is on offer until December 31.

Travellers will be required to stay in Europe a minimum of 14 days and a maximum of two months.

Reservations are subject to availability and bookings must be made before June 30.

The special rate will also work from Frankfurt to Cape Town, allowing Germans to fly to Cape Town for 1 952 Deutschmarks. 1952 being the year the service to Germany was introduced.
SA lines on ship buying spree

By ZILLA EFRAT

SOUTH Africa's national carriers are making large investments in their fleets to handle growing trade as sanctions slide away.

Unicorn Shipping Lines has bought a new 14,000 ton multi-purpose vessel for about R17 million for trade with South America.

Unicorn managing director Ivan Clark says the line bought two vessels from Poland for about R130 million at the beginning of last year.

The R20 million-annua carrier handles SA oil companies' growing operations.

Safmarine, anticipating that trade with SA would improve, ordered its first new ship in 10 years in December 1995 - the R100 million Oranje container carrier.

Three of its dry-bulk vessels are already in service in Japan. Next month its 198,000 dry-bulk ship will be launched in Romania.

Two refrigerated vessels are being built in Poland and will go into service for Safmarine later this year. Safmarine and Unicorn have been expanding their shipping routes.
Aviation hazards reporting system started

THE soaring rate of aircraft accidents and “near-misses” in SA has prompted the Southern African Aviation Safety Council to introduce a confidential aviation incident reporting system in an attempt to alert pilots to hazards.

Speaking at Aviation Africa ’92 at the weekend, council spokesman Lesle Stokoe said reports would be processed and published in a newsletter format for distribution by the Director of Civil Aviation (DCA) with its monthly Notices to Airmen.

DCA statistics showed there were 172 reported accidents in SA during 1991, 21 more than in 1990 and 30 more than in 1989.

Research by the council has shown

that for each reportable accident — one where serious injury, death or substantial damage to property was incurred — there were about 500 unreported incidents.

“If we know from a report that a hazard situation exists, and we can tell pilots about it, then there is less likelihood of an accident occurring as a result of those conditions,” Stokoe said.

Pilots involved in legally non-reportable incidents are urged to submit confidential reports. This type of reporting system is in use in several countries abroad.

Stokoe said pilots’ identities and the registration numbers of the aircraft concerned would not be divulged in the reports or to any third parties.

Aviation risk analyst Brett Gebers said of 40 incident reports received this year about 10% were mid-air near-misses between aircraft, hang-gliders, helicopters and microlights in uncontrolled airspace.

About 50% of the incidents related to pilot confusion regarding what radio frequencies to tune into while another problem area was pilots who did not keep a “proper lookout” through their cockpit windows.

The statistics showed experienced pilots were more of a risk than pupils and recently graduated pilots.
Trains peace plan

A MAJOR effort by Soweto community leaders to end the train violence is under way with a large company to be formed to police the trains.

The company is to enlist 2,000 people to police the trains independently of the police.

The idea has already been accepted in principle by the SA Rail Commuter Corporation, which gave its blessing to the steering committee last Thursday.

Further consultations with the African National Congress, Pan Africanist Congress, Azanian Peoples Organisation and the Inkatha Freedom Party began this week.

The plan is awaiting the go-ahead from the Minister of Transport, Dr Pret Nelgenoed.

Informed sources at the meeting with the SARCC said on Sunday that two companies would be formed and later amalgamated to deal with the train violence.

"One wholly black-owned company will be formed with 10,000 shareholders who will pay R100 for each share. Another company, comprising security firms such as Chubb Security and Fidelity Guards, will also be formed.

"The two companies will then merge with the amalgamated company being 60 percent owned by the black shareholders and the rest held by the security firms."

"It will be a private placing of shares on a public basis."

"Immediately after the company is formed, we expect that initially 2,000 people will be selected and drawn from the unemployed ranks in Soweto, who will then be trained and will police the trains along the Soweto route," said the source.

The force, for which training facilities have already been identified, will have its own culture and uniforms.

The steering committee comprises Mr Willie Ramoshaba, a prominent business consultant, Dr Manas Buthelezi, a former head of the South African Council of Churches, Mrs Maneki Mabaso, Mr Ishmael Mkhabela, former president of Azapo, Mrs Sally Motlana, lawyer Mr Godfrey Pitje, Chubb security managing director Mr Dirk Ackerman, MD of Fidelity Guards Mr Roy McFarlane and a Brigadier Heymans of the SA Police.

The force will man checkpoints at the various Soweto stations, be provided with metal detectors, radio and television monitors and be allowed free access on trains throughout the route."
SAA back in Luanda

A South African Airways airliner landed in Luanda, Angola, yesterday for the first time in 17 years.

Animosities of the past were clearly forgotten as Angolan government and aviation officials warmly welcomed those aboard the "Olifants" 737.

Among those on SA 054 were Renier Schoeman, South Africa's Deputy Minister of Foreign Affairs, controversial CP MP Koos van der Merwe, SAA executives, businessmen and members of the media.

Joao Bernardo Miranda, Angola's Deputy Foreign Affairs Minister, said it was an important day for both countries and proof that South Africa was on the right track. — Pretoria Correspondent.
A ROW has broken out over SAA’s introduction of weekly flights between Johannesburg and Luanda after the airline announced on Monday its services were to be on a scheduled basis.

According to the Transport Department’s Directorate of Civil Aviation, SAA is allowed to provide only a non-scheduled or ad hoc charter service on the route, and may not advertise set fares.

SAA and Johannesburg-based charter company Air Supply have both submitted applications for a licence on the route.

The first adjudication hearing on the two applications would take place before the National Transport Commission on May 21.

On Monday an SAA Boeing 737 touched down in Luanda, heralding what Deputy Foreign Affairs Minister Reiner Schoeman called an “irregular” service, and which SAA’s news release described as a “weekly scheduled flight.” At the time SAA spokesman Leon Els said return fares on the service would be R1 865 in economy class, R2 178 in business class and R1 364 for advance purchase excursion tickets.

Els said under a non-scheduled or charter arrangement, SAA was allowed to cancel flights on “irregular” services if not enough tickets were sold. Under a scheduled operation the airline was obliged to provide the service on set days at predetermined times.

Els said yesterday it was SAA’s strategy not to market the service as a charter operation, but to promote it as a regular service. He said a mistake had occurred when the news release on the service was drafted to read “scheduled service” instead of “non-scheduled service.”

Travel agents surveyed yesterday said they were under the impression that SAA’s Luanda flights were scheduled.

Els agreed that SAA was not allowed to advertise the flights as a scheduled service, but said the fares were displayed on SAA’s Sasafen computer reservations system to which the majority of SA’s travel agents were linked.

Air Supply director Bradley Amaols argued that SAA’s Luanda operation satisfied the criteria for scheduled services.
SAA poised for weekly Jo’burg-Cairo flights

SAA would introduce weekly direct flights between Johannesburg and Cairo on May 6, an airline spokesman said yesterday.

The north-bound flight would leave Johannesburg at 10am on Wednesdays, arriving in Cairo at 6.30pm in the evening, before continuing to Athens, where it would land at 9.30pm.

The return flight would leave Athens at 11.30pm on Wednesdays, stopping in Cairo about two hours later.

LINDEN BIRNS

would land in Johannesburg at about 9.05am on Thursday mornings.

SAA spokesman Anelda Reinecke said the route would cater mainly for the tourist market.

A second weekly flight could be added to the timetable if there was sufficient demand.

The cheapest ticket on the route would be an excursion return fare of R4123. A full economy return fare would be R6315, business class would cost R7264 and a first class ticket R9438, she added.

SAA has obtained a Scheduled service licence to operate on the route.

In another development SAA and Czechoslovak Airlines (CSA) have signed an interline agreement, under which people travelling to Europe on SAA can take advantage of special fares for CSA flights to Prague.
Train safety scheme ‘still an embryo’

By Bronwyn Wilkinson

A proposed train security concept involving private security companies, the South African Rail Commuter Corporation (SARCC) and several community leaders, was still in an embryonic stage and no mechanical details had been worked out yet, a member of the steering committee emphasised yesterday.

A steering committee met last Thursday to discuss the proposal, which has been accepted and supported in principle by the SARCC.

Once consultations with private enterprise and political organisations begin, the plan, if accepted, could take another 16 weeks to put into action, businessman and steering committee representative Willie Ramoshaba told a Johannesburg press conference.

According to an outline of the concept presented yesterday, a public company would be formed to control another company comprising private security firms such as Fidelity Guards and Chubb Holdings.

Mr Ramoshaba said the emphasis of the concept was on community participation in train security.

“At the moment, people do not see themselves as part of the security machinery and that is not conducive to peace,” he pointed out.

He said shares in the proposed public company would be limited to a maximum of 5 percent for each shareholder and would be sold for as little as R100 a share.

Acting SARCC executive chairman Wynand Burgers said the SARCC supported the idea.

“It has definite possibilities, and we welcome any initiative to end the violence,” he said, but added that the mechanics of the concept had still to be worked out.

Details such as training, uniforms, number of personnel, funding and the extent to which the independent tram security would take could be decided only once the steering committee had consulted with the broad political, business and community spectrum, Mr Ramoshaba said.

That consultation was expected to take eight weeks.

The steering committee consists of Mr Ramoshaba, Fidelity Guards managing director Roy MacFarlane, Chubb managing director D Ackermann, and former head of the South African Council of Churches Dr Manas Buthelezi.

Several community leaders and two senior directors of the SARCC are also involved.
R100m loss:
Rail bosses lose jobs

THE chairman of the SA Rail Commuter Corporation (SARCC), Dr Bart Grové, has lost his job as a result of an investigation into a disastrous investment that has probably cost the railways in the region of R100 million of taxpayers' money.

Managing director Dr Kobus Nel has been shifted to the post of "senior general manager" for the same reason. Dr Grové has been assigned the task of studying the desirability of linking light and heavy rail commuter systems.

A member of the board, Dr Koeve Steyn, has been made acting chairman of the board while Mr Wynand Burger has been appointed acting chief executive officer.

The announcements concerning the top staff shifts were made this week by Dr Piet Welgemoed, the Minister of Transport, following "investigations into the circumstances surrounding the liquidation of the Cape Investment Bank (CIB)."

The SA Rail Commuter Corporation had R249 million invested in the CIB, which collapsed exactly a year ago today.

It is expected that CIB creditors will be paid a settlement in the region of 50 cents to the rand.

Neither Dr Grové nor Dr Nel could be reached for comment yesterday.
Virgin is tops in the air comfort stakes

WE'RE all waiting with bated breath to find out if airfare cut-outs from Virgin Airlines will be allowed to fly the lucrative London-Johannesburg route.

Meanwhile, you may like to know how Virgin and the two other airlines on the route — BA and SAA — compare.

During his recent visit, Virgin chief Richard Branson promised cut-rate fares and a better service, including a business class at economy prices — but didn't give fare details. But here's how they line up in the comfort stakes.

Virgin's Boeing 747-239 and 100 aircraft already plying international routes have seating room that puts SAA and BA 747-400s to shame.

A Virgin economy seat is five centimetres wider than one on BA and three centimetres wider than one on SAA. There is seven centimetres more legroom.

That's more, Virgin claims to have one smiling air hostess or steward for every seven passengers, while BA passengers have to make do with 18 shared among 377 people and SAA passengers with 20 for 362 people. That's 21 and 19 passengers each, respectively.

BA caters for a slightly more portly first-class flyer than SAA, with seats two centimetres wider.

But Virgin beats them both by nearly three centimetres. First-class flyers who are tall rather than round should avoid Virgin, though their leg-room is 16cm less than on BA or SAA.

Flying first-class on BA means eating five-course meals on Royal Doulton china and sipping champagne in crystal glasses whenever the mood takes you.

On SAA and Virgin, first-class passengers get served dinner at mealtimes. All three airlines boast first-class armrest videos, but BA takes the prize for variety with a choice of 93 titles.

BA and SAA economy passengers still have to crane their necks to watch videos on a screen.

If you are into reading, however, fly BA, which stocks many British and South African newspapers and magazines.

Virgin economy class passengers don't get offered newspapers.

If you're flying SAA economy, don't forget your toothbrush. While both other airlines give economy passengers toothbrushes, toothpaste, eyemasks and comfort socks, SAA does not.

Branson promised children "popcorn and ice cream" on his recent visit.

BA hands every child a colourful plastic bag with spongy pads, playing cards and puzzles. Mothers with babies are given a handy nappy change pack in pastel terry cloth.

On SAA, the kids only receive plastic helicopters and Teddy bears.
How railways lost

TWO high-ranking railway officials were demoted this week after it was revealed that they had invested nearly R247-million worth of state loans in the now defunct Cape Investment Bank.

The investment debacle — which involved the board chairman and the managing director of the SA Rail Commuter Corporation — was disclosed in the latest Auditor-General’s report.

SARCC chairman Dr Bart Grové was asked to quit with immediate effect and given the task of conducting a study into commuter systems.

MD Dr Kobus Nel was demoted to the post of senior general manager.

The new chairman is Dr Kees Steyn and the MD is Mr Wynand Burger.

Transport Minister Piet Welgemoed said the changes followed a probe into the liquidation of the Cape Investment Bank.

R500-million.

In the light of the investigation, he said, it had been decided to change the composition and powers of the board and senior personnel of the corporation.

The Auditor-General disclosed that six months before the CIB was declared bankrupt, in April 1991, an investment limit of R60-million was set by the SARCC funding committees.

But, by October 1991, the investment already exceeded the limit by R220-million.

An investigation by the Auditor-General showed that no additional security was obtained for the amount exceeding the R60-million investment limit.

The R247-million still invested with the bank when it collapsed formed part of a state loan granted to the SARCC to cover a projected cash flow shortfall of

R270m.
Road safety council is to go

Political Staff

THE national road safety council is to be abolished and its functions taken over by the department of transport, in terms of a new bill tabled in Parliament yesterday.

The Transport General Amendment Bill proposes that the minister of transport will determine road safety policy and the director-general of transport will take over the functions and powers of the council.

The constitution of the transport advisory council is to be changed and the minister of transport is to be granted the discretion to decide on the number of members of the council.

The bill will also scrap the port welfare committees, appointed in terms of the 1961 Merchant Shipping Act to advise on the welfare of seamen.

This follows an investigation by the commission for administration in the "role, place, function and right of existence of institutions and statutory bodies attached to the department of transport", according to a memorandum attached to the bill.

The bill also provides for the assets, rights, liabilities and obligations of the council to be transferred to the state.

FW stoning — no one charged

Staff Reporter

No charges have been laid after the stoning of President FW de Klerk during his visit to Mitchells Plain on Saturday.

Captain Attie Laubscher said yesterday that police had observed the incident but had received no complaints and therefore were not investigating.

National Party spokesman Mr Karel Greyling said yesterday that laying charges was futile.

Election boost for Solidarity

Own Correspondent

PORT ELIZABETH — Solidarity, the ruling party in the House of Delegates, has increased its parliamentary strength back to 55 in the 45-member Chamber after its candidate in a Port Elizabeth by-election, Mr Kasu Padyachee, was returned unopposed.

Kaolin find ‘won’t stop mine’

BY BARRY STREEK
Political Staff

THE Serina Kaolin company would certainly look at the large kaolin deposits discovered in Nigeria, but these would not replace its Chapman’s Peak plans.

This was said yesterday by Serina’s managing director, Mr Carl Tarrant.

The proposed mining of kaolin in Katsina state was announced last week by the state’s Commissioner for Commerce and Industry, Mr Alhaji Abubaker Jallil Gambo.

Mr Tarrant said the kaolin found in the state was about 88% pure which “makes it among the best found anywhere in the world”.

However, he said the kaolin had to be of an acceptable quality and had to be good enough for paper, which required a high degree of purity.

Kaolin from the Chapman’s Peak site is purer than that from the Katsina deposits, he said.

It has been reported in the past that the kaolin at Chapman’s Peak was about 95% pure.

"It is certainly worth looking at, but it would only be in addition to the Chapman’s Peak project, not in lieu of it," Mr Tarrant stressed.

Large deposits of kaolin have been found at Kankara, Dutsina, Safana and Batsara, all in the Katsina state.

The state’s government is to invest about R1 million in the development of the mines. Other funding is to be provided by the federal government.

Work on the Kankara project is expected to be completed at the end of this year, while work on the Dutsina project will spill over into 1993.

Gering up for honeymoon

Own Correspondent

LOS ANGELES — Cindy Crawford, wife of actor Richard Gere, has revealed how she pleases her man. She went on a grueling fitness campaign in preparation for their honeymoon.

The newlyweds said she worked out for one-and-a-half hours each day to build up stamina — and Gere was thrilled.

Threat: Serina to respond

Political Staff

SERINA Kaolin mining company is to respond publicly to the threat by British multi-millionaire Mr John Aspinall to lie down in front of bulldozers at its controversial proposed mine at Chapman’s Peak.

The company would be issuing a statement, probably today, on Mr Aspinall’s threats, but the statement “is being studied by our attorneys at the moment”, Serina’s managing director, Mr Carl Tarrant, said yesterday.

Mr Aspinall and his wife, Lady Sarah, who recently returned to their Noordhoek estate, said they would fight the proposed mine “relentlessly and with every means at our disposal”.

“Mr Aspinall is a single individual, but Serina has already been supported in court by solid legal opinion and millions of South Africans,” Mr Tarrant said.

The state’s government has already become involved and will use its powers in the event of violence to protect the company’s rights. The company has already invested $100 million in the project.

The state’s government is to invest about R1 million in the development of the mines. Other funding is to be provided by the federal government.

Work on the Kankara project is expected to be completed at the end of this year, while work on the Dutsina project will spill over into 1993.
The SA market looks attractive for the shipping industry at the moment as there is a shortage of handy-sized vessels available for the second half of April, which is likely to firm rates upwards, reports Nomar.

At the moment a 25,000dwt vessel is worth around $4,300 a day from SA to the continent, and a 30,000dwt vessel around $5,000 a day.

A 35,000dwt vessel is worth in the region of $7,500 a day with delivery in India for a trip via SA.

However, the picture is likely to change in May when the grain shipments start to arrive in SA.

With several million tons of grain to be imported for use in southern Africa over the coming months, it looks as though charterers should have a ready supply of vessels in this area then.

In the coal trades, capesized vessels are still being fixed at just under $7 a ton for cargoes from Richards Bay to Rotterdam. Panamax sizes have seen slightly better conditions with, for example, close to $9 being paid for this size of vessel loading from Richards Bay to a Spanish Mediterranean port, as against $8.50 a ton a few weeks ago.

There are many grain cargoes being fixed into SA now, with most from the US and Argentina. Charterers mention rates of $17.50 a ton for a cargo of 30,000 tons out of the Mississippi River against owners' ideas of $13.50 a ton.

Small parcels are also quoted, such as 10,000 tons of wheat from Denmark to Durban or Port Elizabeth. A parcel of about 9,500 tons of barley was also fixed from Denmark to Durban at $27.50 a ton.

There was a cargo of 10,000 tons of agricultural products to be moved from China to SA in April at quotes of $38 a ton.

A 55,000 ton cargo of sulphur was to be shipped from Long Beach in the US to Richards Bay after mid-May. And, 10,000 tons of fertilizer were being quoted from Richards Bay to Kenya for mid-April.

The Chinese had an inquiry to ship about 50,000 tons of iron ore from Saldanha Bay to Dalian in mid-May. A small parcel of concentrates was to be moved from Richards Bay to Japan. - Reuter.
Call to curb tobacco use with tax

CAPE TOWN — Increased tobacco taxes could generate revenue for health promotion projects and fund an extended exemption from VAT on essential foodstuffs, says the group executive for community health research at the Medical Research Council, Dr Derek Yach.

Yach, who returned recently from the eighth world conference on tobacco and health in Argentina, said it was surprising that increased taxes on tobacco products had not been part of a comprehensive approach to controlling tobacco use and preventing children from starting to smoke.

"Tobacco consumption is related to affordability, and an increase in tax on cigarettes would reduce their affordability, particularly for children," Yacht said. 61day 14/4/92

" Compared to increases in other goods, cigarettes have actually become more affordable in the last decade."

An increased tobacco tax would be good for public health, good for government revenue and would probably receive public support ahead of income or sales increases.

While Australia had announced a ban on sport sponsorship by tobacco companies, to be phased in over the next five years, sport sponsorship in SA was being expanded, Yach said.

He cited the Paris-Le Cap Rally sponsored by Camel and the almost hourly radio and television adverts of Benson and Hedges cricket. — Sapa.

New Canadian plane sent to SA

CANADIAN aircraft manufacturing company de Havilland has sent a new 50-seater airliner to SA for demonstration flights to the soon-to-be-launched airline Bass Airways, as well as Comair, Bop Air, SAA and economics research house Econometrix.

The twin-engined Dash-8 series 300 airliner arrived in Johannesburg at the weekend after a ferry flight from Toronto via Greenland, Iceland, Scotland, Austria, Crete, Egypt and Kenya to SA.

Bass Airways MD Mike Basson said he was considering acquiring three of the $13m (about R38m) aircraft for use on scheduled flights between Durban's Louis Botha Airport and Grand Central Airport at Midrand 61doy 14/4/92

He said his new airline would probably begin operations in the final quarter of the year.

LINDEN BIRNS

"Initially we were hoping to operate four return flights a day, but it appears we'll have enough demand to lay on three morning return flights, three afternoon return trips and a return flight for lunch time," said Basson.

De Havilland, which was recently sold by Boeing to a partnership made up of the Canadian government and Bombardier, has sold more than 360 Dash-8s to 52 airlines across the world.

Bombardier also owns Learjet, Shorts Belfast and Canadair Challenger, and is a major subcontractor on several other aircraft manufacturing programmes. It is represented in SA by Lanseria-based Execujet, which is owned by local electronics mogul Roux Maritz.
R15m plus can buy control of airline

FOR a mere R15m — plus some premium in order to gain control — some aspiring local entrepreneur could have his dream come true and own his own airline.

Market capitalisation of Rentmeesterbeleggings (Rentbel), which has a 44% stake in Trek Airways — operator of Luxavia and fledgling local airline Flitestar — is currently standing at R14.7bn, giving a 65% discount to shareholders’ funds of R41.9bn.

As no one party holds more than 50% of the group, control might not be watertight. In fact, a 22% holding in Rentbel is currently under legal dispute after the sale to the Jan Lombard consortium of the interest previously held by Rousseau Snyman. The Vermeulen family, who already hold 22%, has disputed this sale.

The De Muellenere and Bremmer families each hold a 11% stake. Further, the company has gearing of 78% and a negative interest cover which could weaken the current shareholders’ bargaining position.

Its three principal operations include subsidiaries Rentmeester Versekereaars (held 70%) and Alnet (held 78%) and associate Trek. Being an associate, Trek is equity accounted and not consolidated, with the result only a small portion of Rentbel shareholders’ funds would constitute its Trek interests.

The R41.9bn in shareholders funds at end December were split as follows: share capital and premium accounted for R2.1bn; non-distributable reserves, including revaluation reserves of R13.7bn and R10bn from profits on the sale of investments, came to R20.3bn; and distributable reserves were around R10.5bn.

Rentmeester Versekereaars is a niche life assurer, while Alnet is a netting operation.

About 87% of Rentbel’s turnover of R4.4bn in the six months to December was contributed by the netting subsidiary, with the remaining 13% accounted for by the life assurance operation.

Although both Alnet and Rentmeester Versekereaars contribute to Rentbel’s trading profits of R2.3bn according to MD Joachim Vermeulen, management gave no indication on the split between the two (Although Alnet made a positive contribution at trading profit level, it made a bottom-line loss of R1.2bn). The equity accounted contribution from Trek fell to R187m from R2.1bn over the comparable period in the previous year.

Vermeulen said the sharp drop resulted from the write-off of start-up costs at Flitestar. As Rentbel holds a 44% stake in Trek, and as Rentbel equity accounts the results from the airline group, attributable earnings at Trek dropped from R306m in the six months to December from around R4.7bn in the previous period.

WILLIAM GILFILLAN
New Ciskei-based airline links Jo'burg and Bisho

A NEW Ciskei-based regional airline, Southline, which will operate scheduled return flights between Bisho and Johannesburg, was launched yesterday.

The airline will use an ex-Saair Lines twin-engined 52-seater Convair CV 580 propliner on the route.

There will be two return flights on Mondays, Wednesdays and Fridays and a single flight from Johannesburg to Bisho on Sundays.

In a statement yesterday the airline said it was established in response to the need to service the Ciskei's tourist and industry sectors.

The aircraft, which is being leased from Johannesburg-based Airlink Regional, has been configured to carry eight first class seats and 44 economy class seats.

Economy class fares on the route will cost R320 one way and R640 return. First class tickets are being sold for R400 one way and R800 return. Several discount incentive fares are also being offered.

In the past, travellers using scheduled flights to travel between Bisho and Johannesburg have had to travel via East London, which is about 75km from Bisho. Flying time between Johannesburg and Bisho is about one hour and 40 minutes.

Ciskei's previous attempts to start an airline linking the homeland with SA were never realised, even though the Ciskei government spent millions buying two old Convair 990 jetliners.

Last year the Ciskei government auctioned off the two planes for R10 each after they had been left to rust on the tarmac at the Bisho Airport for several years. They were not flown after their delivery to Ciskei.

New look for SAA planes

SAA announced yesterday that it had refurbished several of its older aircraft and would start to phase in new crockery, cutlery and other in-flight service items, as part of its latest "re-imaging" campaign.

Airline spokesman Zelda Roux said SAA was not prepared to say how much the "cabin enhancement programme" would cost.

Several foreign airlines have announced extensive refurbishment and re-imaging programmes.

SAA's oldest Boeing 747-200s, some of which have been in service since 1971, have had their cabins refurbished and given new interiors similar to those installed in its two new Boeing 747-400s.

Airline staff began wearing their new uniforms this morning.

These mark the first uniform update for SAA since the early '80s.
Russia and SA discuss air services agreement

RUSSIA and SA have held talks surrounding the drafting of an air services bilateral agreement between the two countries, the Department of Transport said in a statement issued in Pretoria yesterday.

Department spokesman Maureen Nel said delegates from the two governments met on Monday and again yesterday for talks in Pretoria.

Agreement was reached on all the standard aspects normally contained in such an agreement. These are believed to include agreement on the distribution of landing slots for airlines designated by the two governments to service an air link between SA and Russia.

Nel said it was now the responsibility of the two countries' aeronautical authorities to arrange for their respective governments to formally accept the agreement.

She said no decision had been taken regarding a possible date for the introduction of regular services between Johannesburg and Moscow.

In December, SAA and Russian airline, Aeroflot held talks and signed an "interline agreement" whereby Aeroflot is allowed to market and sell SAA tickets in Russia, and SAA is allowed to do the same for Aeroflot in SA.

SAA CE Gert van der Veen said at the time that traffic demand did not warrant the establishment of a direct scheduled air service between the two countries.

He said SAA passengers wanting to travel to Moscow would have to catch connecting Aeroflot flights from SAA's European destinations. SAA spokesman Leon Els said last week it was unlikely that the airline would start scheduled flights to Russia in the foreseeable future.
South African Airways scored yet another African breakthrough on Tuesday when it signed a commercial agreement with Air Tanzania, allowing flights between South Africa and Tanzania from July 1.

The agreement is regarded as a diplomatic triumph because of Tanzania’s hostile attitude towards South Africa — it remains the leading source of succour to the ANC’s military wing Umkhonto we Sizwe and the PAC’s Azanian People’s Liberation Army.

The agreement, signed by SAA’s Russell Sheldon and Air Tanzania’s commercial director Frank Mkwasa, allows both parties to fly passengers, cargo and mail between Johannesburg and Dar es Salaam.

Air Tanzania’s inaugural flight is scheduled for July 3. It will operate one weekly flight between the two countries. Because of the un-darted waters, SAA has agreed that for the next six months it would not operate flights to Tanzania.

The agreement has yet to be signed by President de Klerk and Tanzania’s President Ali Mwingi.

But the Air Tanzanian delegation said it was just a technical formality as the Tanzanian Government had given its blessing to the delegation’s visit to South Africa. — Sapa
Belville buses petrol bombed

Staff Reporter

TWO Golden Arrow buses were petrol bombed in Belville this week for no apparent reason.

Police said yesterday a man alighted from a taxi at the Belville bus terminus about 11.50am on Tuesday.

He opened the door of one of the buses and threw a petrol bomb into the cabin. The driver of the bus managed to stamp out the flames.

Damage estimated at R150 was caused.

The attacker then repeated the attack on another bus, causing damage of about R550.

Police have not as yet established a motive for the attack, but have ruled out a connection with the ongoing taxi war.
Portnet programme to boost efficiency

ONE WAY of making SA’s exports more competitive internationally is by cutting transport costs.

Portnet management has launched a programme to improve efficiency and increase the rate at which cargo is moved over the quayside.

“A skip standing in harbour costs up to R30 000 a day. If we can reduce the number of days it takes to load and unload cargo it will significantly lower the transport expenses built into exports. Reducing cost must become a way of life,” says Portnet CE Duke Davidson.

Improving efficiency and productivity is a far more positive approach and has greater long-term advantages than merely discounting prices.

Davidson also sees the company playing a role in bringing importers and exporters together. Portnet’s involvement in a number of international trade fairs has entrenched the belief that the company can act as a go-between to promote trade.

Promoting trade is not easy.

The majority of sanctions may have been lifted, but SA’s competitors are firmly established in SA’s old markets. The world recession will also make re-capturing lost market shares difficult.

In fact, the world’s recession has bitten deeply into Portnet’s bottom line. Traffic has been diminishing since October and it is unlikely the company will achieve its 3% forecast increase in cargo-handled in the year to end April 1992.

In addition, the boom expected after the introduction of VAT never materialised.

A total of 107.5 million tons of cargo was handled through Portnet’s eight ports last year, with exports making up 81.6 million tons or 75.2% and imports constituting 25.3 million tons or 14.1% of the total.

The rest was transshipment activity where SA’s “used merely as a stopover on the way to other markets.

However, future projections are more cheerful, with a 3% growth in cargo handling expected in the next financial year, excluding the maize import drought relief project. Maize imports alone will increase cargo handling by 3-4%, or about 220 shiploads.

Ample

Just under 6 000 deepsea vessels will have moved through SA’s ports this year — compared to 6 532 in 1990/91. SA’s harbours have ample capacity to deal with an increase in traffic in the short-term, but Portnet is also investing in future growth.

In the 1992/93 year about R68m will be spent extending Durban’s container wharves. At present the container depot at Durban is being relieved by an aggressive Spoornet marketing strategy which is closing the price gap in train transport between Cape Town and the Reef and Durban and the Reef.

In addition, major investments are planned for Richard’s Bay, where the quays are occupied about 80% of the time. Terminal extensions are under consideration.

Terminals in the Port Elizabeth harbour are also being given a face lift.

Davidson says the company is not only investing in equipment. Its employees are being trained to be more client responsive and flexible — a move away from the “working to rules” formula of the past.

“We want employees to take the initiative — take charge of their own situations.”

The lifting of sanctions may not be obvious in Portnet’s balance sheet but it shows in the different shipping lines which now sail into SA’s ports. Russian, German, US, Italian, Norwegian and Portuguese vessels are becoming familiar sights.
Air Tanzania to start SA route

AIR Tanzania is hoping to start flights between Dar es Salaam and Johannesburg by the beginning of July.

SAA was evaluating the viability of starting its own service on the route, a spokesman confirmed yesterday following the signing of a commercial air services agreement between the two airlines.

SAA spokesman Andile Reyneke said SAA had expressed interest in using Tanzania's technical assistance and service for its Boeing 737-300s similar to those operated by SAA.

"Nothing has been finalised on the technical side yet, but they have been shown our facilities and we are just waiting for the Tanzanians to make a decision," he said.

SAPA reports that an Air Tanzania delegation visiting SAA held talks yesterday with several travel companies, including Thompson Tours and Orient Travel. The talks concerned the compilation of various package tours.

Tanzania recently lifted its ban on SA-registered aircraft passing through its airspace.

This enabled SAA to reroute its Nairobi flights over Tanzania instead of its aircraft having to first fly east and then north over the Indian Ocean before turning west to cross the Kenyan coast near Mombasa.

Air Tanzania said in a statement yesterday that it hoped to start operating weekly flights to Jan Smuts Airport by July.

SAA had no plans to introduce a flight, but was willing to assist Air Tanzania in developing the route, said Reyneke.

Market demand would dictate whether SAA would put its aircraft into service on the route.
Bringing in the maize

The massive effort to import nearly 9 Mt of maize may be denting the foreign exchange reserves of SA, Zimbabwe and other countries affected by the drought, but it is boosting the local transport industry.

Trucks and goods trains are kept busy as the shipments land in SA ports to be distributed throughout southern Africa.

The maize loads won’t solve all the industry’s problems but they will help to keep equipment more profitably employed.

Last year was a slow year for transporters. Independent private-sector truckers carried 488,1 Mt of goods in the 12 months to November, 5.3% less than in the same period the previous year, according to the latest figures from the Central Statistical Service. And there was a 7.3% decrease in the number of trucks in use in November, compared with the same month the year before.

Government-owned public transporters Spoornet and Autonet are also believed to have carried less tonnage last year. Now Spoornet has slowed the demolition of its oldest wagons and private road haulers are blowing the cobwebs off vehicles they had mothballed because of the recession.

André Jacobs, executive director of the National Association of Private Transport, said operators, which represents truckers who carry mostly their companies’ own goods, says the road transporters that will benefit quickly are those with “bathtub” trailers that can convey bulk, unbagged maize. Those with flatbed trailers can only convey bagged maize, which is not available yet.

Cultivated maize by road will not be cheap. Hauliers operating 30 t payload vehicles “won’t be able to do more than 10 trips a month between Durban and Harare,” Jacobs says. “To cover costs, including the empty-leg return trip, and still show a profit, they will have to charge R840/t, which is a lot of money to transport a high-bulk, low-value commodity such as maize.” In fact, that figure is about what the maize itself costs.

Spoornet has allocated 6000 wagons — with a capacity of 44 t each — to transport to inland silos, for storage and bagging, the 4.7 Mt SA is importing for its own use. And it has allocated 7000 wagons with a capacity of 40 t each to transport the nearly 4 Mt that other nearby countries have ordered so far — Zimbabwe 2 Mt, Zambia 900 000 t, Malawi 800 000 t, Botswana 800 000 t and Lesotho 50 000 t. Spoornet is not saying what it is charging.

The huge transport operation begins at local ports, where a total of 220 ships will bring the maize in 140 of those will be laden with maize for SA, the rest with maize destined for other countries in the region. Durban will handle at least 4.5 Mt of maize, Cape Town will handle 1.2 Mt and East London will handle 1.13 Mt.

The maize lift began last week. The first ship, with 47 250 t on board, docked in Cape Town on Tuesday and the next one, with 53 000 t, arrived in Durban three days later, The shipments continued this week.

An operations office has been set up at Johannesburg to co-ordinate the effort. It is staffed by representatives of all the importing countries and their railways. Spokesman for the office Jacques Pienaar says Spoornet and Portnet can handle everything that arrives.

“If the designated ports cannot handle everything, we will use Saldanha Bay or Richards Bay as a backup.” He says the seemingly antiquated hosts being used can each unload ships at a rate of 30 t an hour. Up to eight will be used per ship, “and if we need more capacity, we’ll bring in pneumatic unloading equipment.”

The operations office plans to haul two 40-wagon trains across Zimbabwe’s border at Best Bridge every day. As the operation unfolds, the office will decide how much maize will be carried by train and how much by truck.

The biggest obstacle in this sprawling relief scheme — aside from the bottlenecks at Best Bridge that has delayed road haulers carrying regular maize shipments for up to a day — is the Zimbabwean government. It refused that all the maize crossing Best Bridge by road be carried by Zimbabwean haulers.

But officials of the SA Ministry of Transport balked and finally reached a compromise that reserves one-third of the traffic into Zimbabwe for SA trucks.

That is only one example of Zimbabwe’s bloody-mindedness. It is also insisting that its locomotives haul all trains once they cross Best Bridge. Spoornet is opposing this vigorously and has logic on its side. Changing locomotives takes time and increases the turnaround time of trains — and with 78 Spoornet locomotives hired out north of the Limpopo, chances are one Spoornet locomotive would be switched for another.

Meanwhile, Namibia will import the maize it needs through Walvis Bay Portnet, which runs the port, will provide the equipment and staff needed to handle maize in bulk. Walvis Bay has never had to import maize in bulk before. When Namibia had a drought, SA always had maize to spare and so it was readily there.
Spoornet lets firm run up R50m debt

RAILWAY officials have allowed an embattled coal export company to run up a staggering R50-million debt — exceeding its credit limit by R40-million.

Minesa Energy (Pty) Ltd, headed by South African businessman Jose Holgado, owes Spoornet R301 620.60 on a 30-day credit line with a R2-million limit.

By PETER MALHERBE

The account, which has been operating over-limit for a number of years, was suspended in April last year, but Spoornet is still transporting coal for the company on a cash-only basis.

A Spoornet spokesman said yesterday that a strategic decision had been taken not to put the company into liquidation as Spoornet was still hoping to recover its money.

Meanwhile, Minesa Energy faces a Supreme Court of Appeal application on Tuesday for summary judgment in a $1.5-million claim from a German company, Thyssen.

Minesa also owes Allied Bank R4.6-million, but Mr Holgado said yesterday that his company would contest the Thyssen claim and was “making arrangements with all creditors, including the Allied”.

Mr Holgado, who is due to leave on an overseas trip on Tuesday, said the huge debt with Spoornet had arisen as a result of the collapse of Bordex Mining, a joint venture between Minesa and Boland Bank.

Spoornet’s financial manager for Southern Transvaal, Mr Pieter Opperman, yesterday confirmed that Minesa had accumulated debts over a lengthy period.

He could not explain how authorities had allowed the credit limit to be exceeded, but said problems with the railway line to Maputo harbour and the collapse of Bordex had contributed to this.

Mr Opperman said a decision had been taken in April last year to allow the company to continue buying cash-only business with Spoornet while the debt accumulated interest at 22 percent a year.

He said Spoornet had decided not to apply for the liquidation of Minesa Energy as an operational company would still generate funds for Spoornet.

“They have promised to pay us back when they get back on track,” he said.

Mr Opperman said the bulk of the debt had been accumulated in the days of Sats (South African Transport Services) and before the rail transport division was relaunched as Spoornet.

He said certain coal stocks at Maputo harbour were seen as security for the debt, but Mr Holgado would not discuss this issue yesterday.

Sources in the coal mining industry were stag-

Spoornet debt

Spoornet debt accumulated by the extent of the debt run up by Minesa. They said that Spoornet would, under ordinary circumstances, refuse further service if an account was overdrawn.

This was confirmed by Mr Opperman, who said creditors were “made to pay up when they go over the limit”.

This did not happen in the case of Minesa because of special circumstances, he said.

Mr Holgado said he had met Spoornet officials a number of times to discuss the debt problem. “They had a very positive attitude,” he said.

He acknowledged that Minesa Energy was under financial pressure and that business had slowed down considerably as a result of the cash-only restriction.

From a high of R5-million a month, business with Spoornet was now worth “a few hundred thousand” a month.

He said an independent consultant, Mr Faan Geyster, was used by Minesa to monitor Spoornet accounts and represent the company.

Mr Holgado claimed that other companies were involved in a campaign to discredit him and his companies.

He acknowledged that two companies in which he had been involved, Borex Mining and Minesa Mining, had been liquidated and that investors had suffered financially.

However, he said his companies had also suffered as a result of the failed ventures.

Problems at Maputo harbour and the collapse of Borex Mining in 1996 had been blows which few companies would have been able to survive, he said.

Boland Bank is claiming at least R23-million against Borex as a result of the failed mining venture, while Mr Holgado’s companies are claiming R3-million.

The companies, most of which are based at Kyalami outside Johannesburg, are also involved in a number of legal disputes.

At present a tussle is raging with Thyssen over the ownership of coal near Vryheid in Natal and a legal battle is being fought with a Belgian-based company, Jackson Shipping and Coal.
Govt 'out of touch with transport sector'

GOVERNMENT was out of touch with the transport industry and should work with black organisations in the formulation of a national transport policy.

This was said by National Transport Policy Forum co-ordinator George Negota at the third annual conference of the National African Federation of Transport Organisations (Nato) in Johannesburg last week.

Negota said Transport Minister Piet Weigemoed had headed the Wolgemoed commission several years ago before becoming the minister who "sought to destroy the taxi industry" and he could not be trusted to develop the sector.

"In its report the commission said taxis should be nullified in favour of buses and (metered) taxis. So how can we expect its chairman to champion the cause of the taxi industry without input from the people?" Negota said.

He said the taxi wars were a direct result of government policy.

"There are inadequate parking facilities for taxis because no room was provided for that mode of transport."

Negota blamed government for the Japanese designing minibus taxis without input from the local taxi industry.

"This shows the unilateral nature in which government worked." Negota said transport subsidies should include black taxis, which also carried schoolchildren.

He said government should see the transport problem as part of a southern African problem which should be addressed in cooperation with neighbouring states.
of the existing accommodation and facilities will be ready this year for the invitation of tenders.

In the light of the very growing border traffic the situation at Bell Bridge is being monitored on a continuous basis in order to counter disruption of the public and officials as far as possible. However, the crux of the problem lies in the expansion of the physical facilities which is already being addressed interdepartmentally.

Grand Prix motor race contribution to sponsorship

*6 Mr A A B BRUWER asked the Minister of National Education

Whether the Government contributed directly or indirectly to the sponsorship of the recent Grand Prix motor race, if not, why not, if so, (a) for what reasons and (b) what was the nature and extent of the Government's contribution?

The MINISTER OF NATIONAL EDUCATION

Yes. The Government contributed indirectly to the 1992 Grand Prix motor race.

(a) Section 18B of the Income Tax Act was introduced on 1986-06-01 with the purpose of encouraging private sponsors to financially support international cultural, sporting and educational events that are held in South Africa. This incentive measure, which was made available in terms of section 18B, is known as a sponsorship allowance and contains specific tax benefits. In the mean time it has been recommended that the provisions of section 18B of the Income Tax Act should be withdrawn.

(b) (i) The Government made an indirect contribution to the project through revenue forgone to the benefit of the sponsor company

(ii) The audited statement of the event is still being awaited in order to enable the Commissioner of Inland Revenue to calculate the total revenue foregone.

Black town councillors' resignations

*8 Mr J CHIOLÉ asked the Minister of Local Government and National Housing

(1) How many Black town councillors resigned in the (a) Transvaal and (b) Orange Free State from 1 January 1992 up to 31 January 1992?

(2) Whether any elections took place in (a) the wards concerned and (b) all the other vacant wards during this period, if not, why not?

(3) Whether he will make a statement on the matter?
the hon member for Losberg, was there with his approval.

*Mr J H VAN DER MERWE They sent him!*

*Mr H D K VAN DER MERWE To say that they sent him so as to be there, is a plan and simple untruth [Interruptions]*

The hon the Minister either does not know what is going on in his department, or he does not know what went on during the referendum. To now criticize the officials and then also my colleague, who cannot be here today, in this manner, is simply not only in bad taste, but what it in fact is, you would not allow me to say, Mr Chairman.

I want to tell the hon the Minister that we have grave doubts about the manner in which the referendum was conducted.

*The MINISTER OF HOME AFFAIRS Mr Chairman, it is surely not a problem. There were guidelines from the chief referendum officer which were very clear about people studying there, working there temporarily and whose passports were subject to alien control. On the computer one can see what such a person applied for and when he left the country [Interruptions].* There are numerous examples, and after so many years the hon member ought to know how to deal with the matter. It is surely no problem.

As regards the hon leader of the CP and the hon member for Losberg [Interruptions] My information is that the hon leader of the CP wanted to cancel the hon member for Losberg's trip because he felt that the costs were too high. Furthermore, controversy arose in that party about that trip. Surely that cannot be denied. Now he is as quiet as a mouse. The hon member's trip was even delayed by 24 hours. When he returned from his journey to London, he of course had to try to prove, with a series of instructions and suspicion mongering and now also with this interpolation, that his visit had been justified. What nonsense is he proclaiming? He issues sensation-seeking press statements, like the one in The Citizen of 16 March 1992.

To my mind about 1 000 if not more people voted in London while being domiciled in London.

What extreme sensation-seeking rubbish! He says here that many people who had emigrated, voted. There has not been a single piece of evidence to prove it. He says.

HOUSE OF ASSEMBLY

All in all, I would like to say the NP thought it fit to use foreign voters to influence the referendum.

That is the kind of argument he wants to use because he cannot face the fact that he lost by 1 048 567 votes. Just look at what a sensation-seeking impression he tries to create in the public's mind.

There were so many irregularities I don't know where to start.

That is what he proclaims in the press. What absolute nonsense it is! [Time expired]

Debate concluded.

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Passports issued at SA Embassy in London

2. Mr A J LEON asked the Minister of Transport:

(1) Whether he will comment on the application by a certain airline, the name of which has been furnished to the Minister's Department for the purpose of his reply, to inaugurate direct, discounted flights between Britain and South Africa, if not why not, if so, what steps does he intend taking to facilitate the introduction of such an air service in particular and the introduction of an open-skies policy in general.

(2) Whether he will make a statement on the matter?

Answered by the Minister of Transport:

B525E INT

The MINISTER OF TRANSPORT Mr Chairman, firstly I should like to discuss the factual position pertaining to the rendering of scheduled air services between countries.

Scheduled air services between countries are usually introduced after the signing of a bilateral agreement between two countries. All aspects relating to the rendering of the particular service are defined in such an agreement. Such an agreement also contains particulars of the frequency of flights that each designated airline and/or airlines of the signatory countries will be allowed to undertake. The number of frequencies is negotiated between the countries on the basis of the need that is determined by the aviation authorities of the two countries through market analysis.

Therefore the following steps have to be followed: The number of frequencies to be operated by each of the respective countries have to be negotiated in terms of the agreement and in the light of the market demands. The total number of frequencies to be operated by each country is allocated to a country and not to a specific airline. The airline and/or airlines have to be designated by each of the countries to operate the required services. Such designation is done by each individual country.

In the case where a country designates a single airline to operate the required service, the airline would then be entitled to operate the total number of frequencies allocated to that country.

However, in the case where a country opts for the designation of more than one airline to operate the allocated frequencies, it stands to reason that it is the responsibility of that other country to allocate to each of its designated airlines the number of frequencies to be operated by each one of the airlines.

I must stress that the opposite country has no say in this process of dividing the allocated number of frequencies between the airlines of the other country. The only responsibility of the opposite country is to grant as a mere formality, after having been informed of the designation or designations, landing rights to the airline and/or airlines concerned, and to approve of its and/or their timetables and tariffs.

Regarding the specific case under discussion I should like to point out that such an agreement between South Africa and Britain has been in existence since 1945. In terms of which initially only one airline per country was designated to render the particular service.

However, South Africa's international aviation policy is currently under review. As a matter of fact, the study has just been completed, and as an interim measure I, in conjunction with the Cabinet, have determined as our policy that other countries may designate more than one airline to render this service to South Africa on behalf of those countries.

This concession has been discussed in each of the 20 bilateral negotiations undertaken since November 1991. During the talks held with Britain on 28 February 1992 this concession also came under discussion. Britain accordingly obtained the rights to appoint more than one airline to undertake the allowed number of frequencies as at present, this frequency amounts to 10 flights per country per week [Time expired]

Mr A J LEON Mr Chairman, I would like to congratulate the hon the Minister on his announcement today that in future more than one airline will be able to render a service between the two countries in a bilateral arrangement. I very much hope that this is something that will be followed because after the very exciting visit to South Africa by Mr Richard Branson, chief executive of Virgin Atlantic, there seems to be a confusion in the hon the Minister's own department as to whether or not an agreement had been struck with Virgin Atlantic. The response given by the Ministry of Transport was that there was no agreement between the airline and the South African Government, because South Africa was not in a position to influence the British leg.

The South African government can, and with respect should, start making an impact by ensuring that the service is now opened up to all competitors who comply with certain basic safety and economically viable criteria. Historically the problem with the bilateral agreement which has been in existence for 46 years—the very one which the hon the Minister is currently renegotiating with the British government—is, that such agreements have been deeply interventionist and protectionist. We had a situation in which the South African Government has overly protected South African Airways at the cost of the South African consumer. It has been a very cosy relationship, but one which resulted in high airfares, high capacity and very low competition.

It is properly what one could call a duopoly. Between 1983 and 1991 air fares between London and Johannesburg rose by an average of 24% per annum, the increase since 1985 being cumulatively 160%. That has grounded South Africans and prevented them from travelling abroad. At the same time, however, on the other major air route in the world—the North Atlantic route between London and New York—air fares have fallen by 22% There is a very simple explanation for those two sets of figures. On the one route there has been a very stringent protectionist attitude of very strict bilateral, on the other, between America and Britain, one has had a relaxation on the bilateral, on those routes and one has accordingly had a drop in air fares, to the
benefit of the consumer and the mass-travelling public.

It is not surprising that, thus far, our route between London and Johannesburg has been the most profitable in the world, with the highest ratios between actual and break-even weight-load factors. SAA, I am afraid, can—or should—no longer rely on the protection of this Government. Last year, when Air Supply applied for a charter flight to Mombasa, SAA's attorney said that SAA is entitled to absolute protection from competition.

For a government which prides itself on becoming a government of competition and of enterprise that is quite unacceptable. If we are going to introduce international airlines to South Africa, are we not going to compete? Why should the private enterprise want to compete? If the private enterprise wants to compete, why should it not be able to compete?

Mr. J. CHOBÉ, Mr. Chairman, the CP took note of the fact that more than 20 applications from international airlines to introduce flights to South Africa are now being considered and for that reason the CP would like to reiterate its standpoint in this regard.

A government airline such as SAA must be retained as a strategic national asset and it is the duty of a responsible government to ensure that such an airline carries out its main functions in a satisfactory manner, namely rendering an efficient service to the public with a maximum degree of safety on a break-even profit motive whilst taking into account the higher replacement cost of equipment. That is why the CP is the strongest terms rejects the allegations that a cheaper and better service will be the long-term result if the private entrepreneur renders this service because the moneyed interests are only interested in strategic profiteering and not in efficient service in the long term.

It is no problem to reduce the cost of flying in the short and medium term and to keep maintenance costs to a minimum, especially on the most lucrative routes and at the most lucrative times. However, as the case in America, a drastic increase in costs is unavoidable just before aircraft have to be replaced, for example, and this has disastrous consequences for the company.

Competition with SAA will mutually only concentrate on the highly profitable routes—such as the one between London and Johannesburg—which, at times, just as Virgin Airways are now doing with British Airways. If the Government allows free competition without taking into account the protection of SAA's long-term strategic value, it will force SAA in the short and medium term to scale down flights on less profitable routes to the detriment of the consumer and thus have serious consequences for its long-term survival.

Bilateral policy agreements must in the first instance provide for the protection of the strategic value of our asset and, secondly, also ensure that it is in the benefit of South Africa.

Mr. W. U. NEL, Mr. Chairman, the hon. member for Pretoria West mentioned that the SAA is a strategic service. In the new South Africa a passenger airline is surely not a strategic service in that we do not present a national airline but we cannot subsidise it at all costs. It therefore pleases me that the hon. the Minister and that we could not continue to subsidise it in that way.

However, we are also suffering from a severe recession, not only because we live in a world in which is suffering from a recession, but particularly because we have for so long suffered from political folly which has isolated, which has resulted in sanctions and which has finally even led to tourists staying away from our shores.

What now desperately need an injection in our economy, there is nothing which has the potential and which can it quickly be effective as this very tourism. I would like to make an appeal to the hon. the Minister to do everything in his power to facilitate this. In order to do that, we will need cheap airfares and the convenient availability of flights. We can have that by not protecting our airline artificially in restrictive bilateral agreements, but rather opening up as far as possible, and if the grace that we have to pay in the end as a more modest airline, then so be it.

We would like to see our airline survive, but let it be something which we can afford. Let the tourists roll in and let us stimulate this country. We also need it because through that we can start a public relations exercise, not only from tourists who come and, also from our tourist who go out. We can quickly become part of that which we have which we have not been part of for so long.

Mr. A. J. LEON, Mr. Chairman, I have to thank the hon. the Minister for saying that we are going to have an open-skies policy in South Africa. We need that and I hope that the Cabinet will speedily approve the document, because that is what everything seems to range on.

Mr. Richard Branson, who came to South Africa 1 month, offers a national airline and opportunities to this country. If the hon. member for Pretoria West is honest, he will look back to his constituency and tell them that if his failed national airline policy is applied it will simply mean that tourists who travel overseas from South Africa will continue to pay such high fares as R2 750 instead of what Mr. Branson offers, namely a discount fare of R1 600. Therefore, it pleases me that the hon. the Minister and that we could not continue to subsidise it in that way.

Mr. Branson offers discount fares of between 25% and 60% off the scheduled current fares between London and Johannesburg. Should we encourage it? Has he not offered investment worth R122 million?

Mr. W. U. NEL, Mr. Chairman, the case of Virgin Airlines elicits a considerable amount of commentary. In conclusion, I wish to state that I am in favour of a more open airspace policy. I convey to Mr. Branson and I wish him all the best with his negotiations with the British Government and British Airways, because they have to grant him permission. I again want to emphasise that it is not South Africa's responsibility to grant him permission. If the British Government allocates flights to Mr. Branson's Virgin Airlines, he is more than welcome in South Africa. On this side, I will do all in my power to see that he gets landing rights at Johannesburg. If he flies there and at D. F. Malan Airport, he flies there. In terms of the bilateral agreement we in South Africa cannot allocate those flights to him.

It would also like to refer to what the hon. members for Momor River and Houghton said. Yes, since we opened the skies in November 1991 in conjunction with my colleague the hon. the Minister responsible for SAA, we have already seen a dramatic decrease in fares to Europe. They dropped by about R1 000 from about November 1991 to April or May this year. I think that with the opening up of the skies we can foresee a further drop in the fares, but we must also remember that there is a possibility of about 55 new airlines flying to South Africa.

The hon. members for Pretoria West are right in that one tourist is another in the long term. It is, however, not our duty to protect the airlines. The airlines must protect themselves. Debate concluded.
QUESTIONs
1. Indicates translated version
For written reply
Own Affairs

Grants made by Department: maladministration

6 Mr T R GEORGE asked the Minister of Health Services and Welfare:
(1) Whether any instances of maladministration were reported to him in 1991 in regard to grants made by the Department, if so, (a) how many individuals were and (b) what total amount was involved and (c) what was the nature of the instances so reported;

(2) whether he will furnish the names of the persons involved in these instances of maladministration, if not, why not, if so, (a) what are their names and (b) what action has been taken against them,

(3) whether his Department has taken any steps to eliminate this problem, if so, what steps,

(4) whether he will make a statement on the matter?

C20E

The MINISTER OF HEALTH SERVICES AND WELFARE

(1) No, no cases of maladministration in regard to grants made by the Department of Health Services and Welfare were reported in 1991.

(2) Falls away

(3) Falls away

(4) Falls away

INTERPELLATION

The sign * indicates a translation. The sign †, used subsequently in the same interpellation, indicates the original language

General Affairs

Toll roads: reviewing of policy

1 Mr M RAJAB asked the Minister of Transport:

(1) Whether it is the intention of his Department to review its policy concerning toll roads, if not, why not, if so, what is contemplated in this regard,

(2) whether he will make a statement on the matter?

D115E INT

The MINISTER OF TRANSPORT: Mr Chairman, the hon member for Springfield has asked me whether it is the intention of my department to review its policy on toll roads. Policy, as the hon member will realise, is dynamic in nature and is always subject to review depending on the external environment in which it operates. However, this does not mean that in the event of reviewing our policy I intend throwing overboard all that is good and still relevant from the past.

The first point I wish to make is that toll roads have provided a very successful mechanism for the construction of certain roads through loan financing which could not otherwise have been provided through the Exchequer. For this reason the policy of building toll roads is here to stay. In fact, almost the only new roads that are currently being built are toll roads. However, only toll roads which are economically viable will be built, and all proposed projects will be subject to thorough economic analysis to determine their viability.

An important aspect regarding the future of toll roads is the institutional body in which they should be housed. At its meeting from 2 to 4 December 1991, the Cabinet laid down certain guidelines regarding toll roads, one of which was that the administration of all toll roads in South Africa should be vested in a statutory authority, the precise form of which would be the subject of an investigation. The Department of Transport has commenced this study, and will consult all parties who have legitimate interests in this matter. Various functional forms of this authority have been, and will be, further analysed within the Cabinet's guidelines that the State will retain full ownership of all toll roads, and that this body should be under full State control. Examples such as Telsan or Transnet already exist. These will provide valuable inputs for the study which will be carried out in close consultation with the Department of Public Enterprises.

The main function of the authority, which may be a company subject to the provisions of the Companies Act, will be to finance, construct and administer all toll roads in South Africa. The financing could be achieved through loans placed on the capital market, and all design parameters, planning, construction and operations would be carried out through private-sector agents on an open-tender basis. Every year the authority would be required to submit to the responsible Minister a five-year business and financial plan which must be updated annually.

Because of the need to protect the public interest, and to ensure that the road user will derive the maximum benefit, a monitoring system had to be instituted to review the business plan annually in this respect the setting of tariffs, which will be aimed at commercially viable levels, will be of prime interest. Therefore, the Minister will, as in the past, determine the tariffs to be levied on all toll roads from time to time. I have instituted a monitoring committee, comprising representatives of the Departments of Justice, Finance, State Expenditure, Transport as well as that of Public Enterprises, to assist me in evaluating the results of the current negotiations with Tolcon and Toll Highway Development Company to enable them to construct and operate certain major toll roads on an agency basis for the Government. These negotiations have been approved by the Cabinet in recognition of the fundamental economic importance of an effective national road infrastructure, and also urgently to relieve certain dangerous bottlenecks on parts of our road system which will contribute to road safety.

In the light of the present financial climate in the country, it might be desirable for the responsibi...
ity for the provision of certain primary sections of our road network to be taken out of direct government administration, and placed in the financial and private arena where the means for the provision of the mobility so necessary for promoting trade and economic development are more readily available.

In answer to part 2 of the question, yes, I do intend making a statement in due course, but that will have to wait until I have received the final report on this matter, and the Cabinet has had the opportunity to study it.

Mr M RAIAB: Mr Chairman, I appreciate and welcome the rather comprehensive statement by the hon. the Minister this afternoon.

I want to say that we are pleased that the Government has accepted a recommendation from an independent advisory committee that an open-tender system be applied in the administration and control of toll roads. We believe this will generate competition, and that it is at the heart of our subscription to the so-called free enterprise economic system. We are also pleased that this new approach would mean a move away from granting Tolecon and the Toll Highway Development Company sole control over toll roads in the country and that the State would retain ownership of the roads while the private sector would be responsible for their administration.

However, we are disappointed that the basic rationale behind the introduction of toll roads in this country has not yet been addressed. That is that by the involvement of the private sector, the resultant release of funds from the Exchequer could be better utilised in the upkeep and maintenance of roads under the control of the various provincial authorities.

We are aware that, despite a deterioration of roads generally, the Government has slashed this year's budget to R2.269 billion when in fact according to the transport department's own estimate, R4.5 billion is needed to repair and maintain our road network. According to the executive director of the SA Bitumen and Tar Association, the backlog in road spending exceeds R1.5 billion.

What is important is that South Africa has now entered a period of socio-economic and political rehabilitation and that economic recovery, so vital to the success of this recovery, depends on the economy's capital core which is its R100 billion road network. With respect, it would appear that the Government has overlooked this vital point.

It would also appear that the Government has overlooked the fact that one of South Africa's most important sections of the national road network has been the central role of the motorway and toll roads in the country's hopes of becoming a world-class tourist destination. This asset, which the Government has overlooked, seems now to be in jeopardy.

Local chambers of commerce and industry throughout the country are crying out for more money for the maintenance and improvement of our provincial roads. So, too, the Automobile Association of SA has called for drastic action to be taken to stem the tide of deteriorating road surfaces.

Against this background I believe it is important to call upon the Government to reintroduce the road-fund levy. There appears to be overwhelming support for the reintroduction of this levy, because it upholds free-market principles and was based on the "user pays" principle. As I understand the hon. the Minister in his speech, we are also extending the "user pays" principle to the "road user". We are also extending the "user pays" principle to the "road user"

The MINISTER OF TRANSPORT: Mr Chairman, I should like to refer to two hon members, the hon member for Springfield and the hon the Leader of the Official Opposition.

With due respect to the hon member for Springfield, to maintain our roads in 1992 we shall need a minimum of approximately R2,8 billion, not R4 billion. If we want to extend our roads, then the figures mentioned is correct. I think he confused the two figures.

I agree that we need more money for roads. That is why we are trying our best to involve as many people and organisations as possible to help us to finance the roads. Funds for roads are allocated on the basis of the growth of the economy and the provision of education, housing, the panning of water, medical services and every other service needed for the people of South Africa.

I should like to say that we have approximately R2 billion this year for the provinces and the National Road Fund. Unfortunately, that is not enough. This is most apparent not so much on our major roads between cities, the longer distance routes, but in our cities. We need more money, specifically to help the bigger cities to accommodate their traffic problems.

I should also like to refer to the figures mentioned by the hon member for Springfield. He mentioned different organisations talking about R15 billion, R20 billion and R28 billion. I should like to query some of these figures, because they are drawn up by people and organisations with vested interests. I am not blaming them for doing this, because this is the best policy and I do the same when I have a vested interest when I am speaking on behalf of the NP, as the hon member for Springfield does when he speaks on behalf of his party. These organisations are therefore doing the same. The only thing I should like to say is that when we carry out a survey we have to conduct a thorough analysis of what is needed in terms of roads in South Africa. We did this, and that is why I can tell the hon member that we need R2.8 billion this year to maintain our roads at World standards.

I should also like to come to the hon the Leader of the Official Opposition: [Time expired]

Mr T PALAN: Mr Chairman, it is a pleasure to follow the hon the Minister of Transport, who is a quite a fund on transport affairs.

In 1983 the principle of toll roads had been entrenched in legislation with the objective of promoting the national road-building programme. This was done in the light of the fact that there were always inadequate funds for improvements to our road-building programme. The road-building programme in South Africa is way behind schedule.

According to statistics as at 31 March 1989 South Africa had 2,109 dual carriage ways, 50,538 single-carrige surfaced roads and 128,794 gravel and earth roads. Of this total of 181,141, only 28.9% are paved. These roads carry approximately 7 million motor vehicles and there is also a considerable flow of traffic to and from our neighbour lands. It is therefore necessary to improve our road-building schedule.

The control of toll roads becomes necessary in order to ensure the participation of private entrepreneurs. This allocation helps the heavy burden on the State, which is ultimately passed on to the taxpayer. While we are appreciative of the "user pay" policy when it comes to roads, I am somewhat concerned about the onerous burden on the road user when it comes to the amounts levied in toll. This is largely because of the
enthusiasm of some of the private entrepreneurs who wish to flourish [Time expired]

Mr M RAJAB Mr Chairman, I stand corrected by the hon Minister of Transport who said that we require R2,8 billion instead of R2,269 billion to keep our roads in a proper state of maintenance. Quite obviously I bow to the hon Minister's expertise in this regard. After all, he is the Minister, not I.

I appreciate the admission made here by the hon the Minister that afternoon that we do require more money for the maintenance of our road system. It is interesting that just two weeks ago, in the debate on provincial affairs, his colleague, the hon MEC in charge of roads in Natal, was decrying the fact that not enough had been allocated to Natal per se for the maintenance of roads in that province. I was wondering whether, in the provincial allocation of the budget for the maintenance of roads, Natal was not in fact short-changed.

The CHAIRMAN OF THE HOUSE Order! I regret that I have to shorten the hon member's time. The time has expired.

The MINISTER OF TRANSPORT Mr Chairman, I agree that everyone is short of money. If that is valid for Natal, it is valid also for all the other provinces as well as the SA Roads Board.

I should like to say that there is an alternative. There is always an alternative. It is part and parcel of the practice of toll roads. I think the hon the Leader of the Opposition is correct in saying we must not push people onto new toll roads. We must have another look at the matter, however. We cannot keep two roads right next to each other in a superb condition.

We shall have to address this again. It will be a political debate, however, and therefore I do not think it would be appropriate to discuss it now.

I should like to say that according to the Budget, the SA Roads Board will get about 52% from the Exchequer in 1992-93. The rest, 48%, will be financed by toll roads. Toll roads, therefore, are a major roleplayer in providing roads in South Africa. Unfortunately it will not be possible to build roads without toll roads.

I should also like to say that because of the shortage of money, we introduced a new policy on roads at the end of last year. I should like to summarise it, as the hon member for Bayview asked me to do. In terms of the new policy for roads, we shall maintain the existing road network. If there is money left in the kitty, we shall upgrade the roads. If there is money left after that, we shall build new roads. That is our policy. We should like to ask the four provinces as well as the independent and self-governing states to help us in implementing this policy.

Our national road assets are valued at about R80 billion. We have to keep those assets intact for future usage. That is why maintenance is our first priority. [Time expired]

Debate concluded.

QUESTIONS

Indicates translated version

For oral reply

General Affairs

Second-hand clothing: permits

1. Mr M RAJAB asked the Minister of Trade and Industry

(1) Whether his Department has issued any permits to churches and welfare bodies to import second-hand clothing duty-free, if so, (a) why and (b) how many such permits were issued,

(2) whether he will make a statement on the matter?

2. Mr M RAJAB asked the Minister of Justice

(1) The provision in rebate item 40504/63/09/01/00 in Annexure 4 to the Customs and Excise Act allows churches and welfare organizations to import second-hand clothing duty-free, provided the churches and organizations distribute the clothing free of charge. To qualify for the duty rebate, these organizations are required to submit a written statement to Customs and Excise in which they undertake to distribute the clothing free of charge. Under normal conditions, the import of second-hand clothing is subject to import control in terms of the Import and Export Control Act, 1963.

1. Mr M RAJAB asked the Minister of Education and Culture

(1) Whether it is the intention of his Department to restructure the facilities at the Springfield College of Education in view of its in-service programme, if not, why not, if so, what are the relevant details,

(2) whether he will make a statement on the matter?

The DEPUTY MINISTER OF JUSTICE (for the Minister of Trade and Industry)

(1) Whether his Department has set up or intends to set up a body to investigate voluntary euthanasia, if not, why not, if so, what are the relevant details,

(2) whether he will make a statement on the matter?

Voluntary euthanasia

2. Mr M RAJAB asked the Minister of Justice

(1) Whether he has set up or intends to set up a body to investigate voluntary euthanasia, if not, why not, if so, what are the relevant details,

(2) whether he will make a statement on the matter?

The DEPUTY MINISTER OF JUSTICE (1) and (2) The South African Law Commission, at its meeting held on 3 February 1992, recommended that the question of "Euthanasia and the artificial preservation of life" be included in an investigation in its programme. On 2 March 1992 I formally approved that the matter be included in the programme of the Law Commission under the title "Living Will". At present the project is receiving the Law Commission's attention and interested parties are welcome to submit proposals in this regard to the Secretariat of the Law Commission.

INTERPELLATION

The sign * indicates a translation. The sign t, used subsequently in the same interpellation, indicates the original language.

Own Affairs

Springfield College of Education: facilities

1. Mr M RAJAB asked the Minister of Education and Culture

(1) Whether it is the intention of his Department to restructure the facilities at the Springfield College of Education in view of its in-service programme, if not, why not, if so, what are the relevant details,

(2) whether he will make a statement on the matter?

The MINISTER OF EDUCATION AND CULTURE The answer to the first part of the interpellation is no. The intention of the Department to restructure facilities at the college is not due to the implementation of the in-service education and training programme.

The facilities and infrastructure at the college are being refurbished by way of renovations and repairs to the tune of R2,169,796 for the preservation programmes on offer at the college. The enrolment in these programmes has increased to approximately 577. The projections for the next two years are an intake of approximately 650 for 1993 and an intake of about 700 students in 1994. These renovations and repairs include offices for the rectorate, updating administration offices, updating the cafeteria, a new staff room, new facilities for the management of the college and a student centre.

Voluntary euthanasia

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(1) Whether he has set up or intends to set up a body to investigate voluntary euthanasia, if not, why not, if so, what are the relevant details,

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Plea for the upgrading of Beit Bridge

By MATHATHA TSEDU

The chaos at the Beit Bridge border gate has led fourteen government departments to recommend to the Cabinet that funds be made available for immediate upgrading.

Faced with a traffic volume of over 250 trucks, 600 cars and 4,000 pedestrians a day, Beit Bridge has been snowed under for the last three years as trade between South Africa and Zimbabwe grows.

With the heaviest drought in living memory having brought Zimbabwe to the brink of mass starvation, an additional 200 trucks a day are expected to start streaming through the gate as maize imports roll through.

This extra volume, and the lack of mechanical implements to check vehicles, led to a meeting of the 14 departments on Thursday last week in Messina, where the problem was discussed.

Convened by the department of Regional Development and Land Affairs, the meeting decided on short-term measures that include longer operating hours by custom officials which would ease the bottleneck. A parking lot for trucks, which are presently having the road on both sides creating a traffic hazard, is also to be cleared.

**Ablution blocks**

Convener of the meeting and Deputy Director-General of the department Mr Meyer Du Toit said more ablution blocks and cleaning of the area would take place immediately.

"On a long-term basis, we realise that facilities at the gate were not built to cope with the volume that has since developed. We are asking the Cabinet as a matter of urgency to approve funding to upgrade the area so that we can deal with the problem.

"If the Government says it has no money, we expect them to give the go ahead for private sector involvement as the situation at the gate is becoming critical by the day," Du Toit said.

When Sowetan visited the border gate, we found long queues of trucks that still had to be cleared. While some of the truck drivers said they only spent up to two hours before clearing, others said they had been there for two days waiting for custom clearance.

The drivers complained of lack of facilities such as sleeping accommodation as the gate is far from the town. Du Toit said the maize trucks, which are expected to reach the gate this week, are not going to be affected by the bottleneck.

"The maize trucks have all their papers ready and are clearly marked. They just drive through," he said.

The maize, which is imported from overseas, is eagerly awaited in Zimbabwe, where this basic and staple commodity is scarce. Zimbabwean truck drivers blamed the shortage on "over exporting" of maize to other countries without giving due regard to home conditions.
Airline protection 'out'

CAPE TOWN — Government was in favour of deregulating the skies, and airfares had dropped substantially since it began a limited open-skies policy in November, Transport Minister Piet Welgemoed said yesterday.

He was responding during a minidebate in Parliament to a call from Tony Leon (DP MP Houghton) for government to approve an open-skies policy and allow Virgin Airlines to fly to SA.

Such a policy was good, but "it is not SA's responsibility to give Virgin Airlines chairman Richard Branson the go-ahead to fly here", Welgemoed said.

He said it was up to the British government and British Airways to grant Virgin Airlines the necessary permission.

He agreed with Leon that it was not up to government to protect the airlines, adding that there were up to 55 which wanted to fly to SA.

"They are going to hurt each other and themselves but we cannot protect them. They must protect themselves," he said.

Leon said government had protected SAA for 46 years.

This had led to high airfares, high capacity and low competition.

The London-SA route was the most lucrative in the world because of this, and fares had in fact increased by 160% since 1985, effectively grounding SA passengers.

However, the increased competition on the London-New York route had led to drastic cuts in airfares, Leon said.

Welcomed

Government intervention in international air travel should be limited to ensuring that services were opened to all competitors and that they complied with safety requirements.

Leon welcomed the Minister's acceptance of an open-skies policy, saying he hoped government would formally approve a report that recommended such a policy.
SAA showing signs of a ‘strong recovery’

SAA was expecting to record its first profit in two years at the end of the current financial year, although it would report a loss of about R20m for 1991/92, CE Gert van der Veer said in Soweto yesterday.

In an interview he said SAA was showing signs of a strong recovery since December revenue-generating passenger and cargo loads had risen by about 33%.

Van der Veer was in Soweto officiating at the airline's launch of three new package holiday products aimed at middle-class blacks.

In 1990/91 SAA reported a loss of about R60m. A similar loss was expected for the financial year which ended in March. The airline has attributed the losses to the knock-on effects of the Gulf war on airline traffic and the world recession.

Van der Veer said SAA would be able to sustain the recent turnaround as long as the economy held up and showed signs of recovery. "We’re expanding monthly and our loads are up 33% because we are flying more routes. What we are witnessing is the recovery from the years of sanctions.”

Van der Veer said SAA’s performance on the SA-US route had improved to the point where the airline was considering adding a fourth weekly flight between Johannesburg and New York.

The new domestic holiday packages are being launched through the informal black business sector with the help of stokvels and various traders’ associations.

SAA senior executive manager Nik Vlok said this was a new attempt by the airline to tap into the potentially lucrative black market. SAA tried several years ago with Rennies and a couple of years ago with Skyburl, but both attempts to penetrate the market failed.

One package launched yesterday was the Namibika Kapa, a three or five night holiday in Cape Town for R1 061 to R1 296 including air fares, top hotel accommodation, transport and sightseeing tours.

In 1991/92 SAA’s total number of passengers carried dropped by 120 000 from the 5.56-million carried the year before. The airline is also burdened with payments for six new aircraft delivered last year and which were financed by foreign loans.
Boycott of trains urged after deaths

By Thabo Leshie and Stan Hophe

Black political, religious, labour and civic organisations on the Reef have called for a six-day boycott of trains as the death toll from the slaughter of passengers continues to mount.

The boycott call was made jointly by the ANC, Cosatu, Nactu, PAC, SACP, Human Rights Commission (HRC), Civic Associations of the Transvaal, the SACC and Soweto's Sosasonke Party at a press conference held in Johannesburg.

The demands include provision of security for commuters, compensation for victims, and that the killers be jailed.

The Azanian People's Organisation endorsed the call.

Consulted

PAC leader Ntsundeni Madzunya, who acted as spokesman for the organisers, said the IFP had been consulted about the idea but could not attend yesterday's meeting to decide about the boycott.

IFP leaders Humphrey Ndlovu and Themba Khosa, whom the organisers claimed they were in contact, could not be reached for comment.

The organisers urged commuters not to buy train tickets during the boycott.

Employers were asked to “take the initiative” and arrange alternative transport for their workers.

The carnage on Reef trains has reached unprecedented levels in spite of the safety measures introduced by police and the railways.

The murder on Wednesday of three passengers on a Johannesburg-Soweto train pushed the death toll this year to 129.

According to the HRC's latest reports, the number of people killed in train attacks during the first three months of the year outstripped the combined figure for the whole of 1990 and 1991, when 97 people died.

Nine community leaders sitting in at the Johannesburg offices of SpoorNet in protest against train violence, last night vowed to continue with their action until a decisive plan to halt the carnage was agreed upon.

The nine, who began their sit-in on Wednesday, are general secretary of the Institute of Contextual Theology Father Smangaliso Mkhathshwa, Cosatu regional general secretary Amos Masenda, Jeanie Durie and Kgomotso Ramego of the ANC Women's League, CAST deputy president Kgabs Masonkutu, Sarhvu regional secretary Elikot Segom, Sarhvu regional vice-chairman Sydney Hlako and Vangard Mkhosana.

Father Mkhathshwa said discussions with representatives of the SAP, Transnet, SpoorNet and Metro were adjourned until today.

The Ministers of Police and Transport could not attend the meeting as the group demanded. The group hold the two Ministers responsible for the safety of train commuters.

- The ANC yesterday claimed one person was killed and two were critically wounded last night in an attack on train commuters in Soweto, Sapa reports.

A Soweto police spokesman said police found the body of a man next to the railway line, but he could not confirm that the death was connected to a train attack.

The body had stab wounds and was found at about 6:30 pm between the Mzimbiope and Phomolong stations in Orlando West. Police were still investigating the cause of his death, the spokesman said.
subsidaries are faring. "But it is withholding information that will enable them to assess whether SAA is being properly run. The State is using the fact that Transnet has been commercialised to persuade taxpayers that it is being properly run, but is denying them the information they need to make informed judgment."

"It's unacceptable that we don't know how SAA is performing, but have to keep protecting it against foreign competition."

After it was commercialised, Transnet was quick to learn that, though fully State-owned, in its new private-sector environment, there is no need to detail the performances of its subsidaries. Group MD Anton Moolman spelled that out towards the end of last year in releasing Transnet's report for fiscal 1991, when he said only the group's bottom line needed be reported.

Flitestar, its domestic competitor, is just as cagey about results. For the past few weeks MD Jan Blake has avoided answering reporters' calls seeking information on how well the six-month-old airline is doing.

All Joachim Verkooi, MD of Rentmeester Beleggings, which has a 44% stake in Flitestar operator Tec Airways, said in his annual report was that the start-up costs of the airline in the six months to December were written off and Flitestar was "operating above breakeven."

The difference is, Flitestar's shareholders are private investors who can move their money elsewhere if they don't like the volume of information they're getting. While SAA's owners are taxpayers who have almost no say in how the airline is run.

SAA's loss is not unexpected. On the domestic scene it is facing competition for the first time on major domestic routes. Internationally, it and other major carriers are still suffering from the effects of last year's Gulf War, which reduced passenger loads substantially.

Roux says the total number of passengers on fiscal 1992 declined to 4.93m, compared with 5.05m in the year before. The airline must also pay for new aircraft and it has started flying to several new foreign destinations, that, though potentially profitable, have been costly to inaugurate.

On the credit side, it is benefiting from an increase in tourists visiting SA; a modest 4.5% to 521 257 last year (Business & Technology April 3), but growing steadily, according to the SA Tourism Board. And its aircraft may now fly the shorter route to Europe directly over Africa, which allows for an extra 20t to be carried on each trip.

Nevertheless, added revenue is not offsetting added costs. But it is not a cash-starved airline, and CE Gert van der Veer's boast that SAA has never been subsidised is founded on a very solid base.

According to the last set of year-end figures made public, the Sats report for fiscal 1990, SAA collected R92.8m in interest, compared with R38.6m in fiscal 1989. It seems that SAA has a substantial nest egg tucked away somewhere.

David Pinna
New approach to channel maize

SENIOR Foreign Affairs officials and delegations from Botswana, Malawi, Zambia and Zimbabwe aim to take a closely co-ordinated, regional approach to channeling shipments of maize from South African ports to neighbouring states.

A conference held in Pretoria on Wednesday night to co-ordinate the drought relief operation decided representatives from all

food requirements of the individual countries and logistical aspects of landing and transporting the food to all the countries in the region on an “expeditious and equitable basis.”

Zimbabwean delegate Dr SB Marume, Deputy Secretary of the Zimbabwean Ministry of Transport, said he was hopeful the objectives set by the conference would improve the country’s situation within the next few weeks. He said substantial shipments of food were expected to arrive in May and June, and their speedy distribution would help alleviate the shortage.

“The situation in Zimbabwe at the moment is perhaps not as bad as in other states but it is not good, considering people used to having plenty most now make do with very little,” he said.

The meeting was chaired by the Deputy Director General for Africa in the Department of Foreign Affairs, Mr DW Auret.
New date set for train boycott

A WEEK-LONG train boycott, due to start yesterday to protest against the train killings on the Witwatersrand, has been postponed to May 4.

This was announced at a Press conference by a newly-formed steering committee of major township groups concerned about the carnage.

The steering committee represents the African National Congress, Pan Africanist Congress, Congress of SA Trade Unions and National Council of Trade Unions.

Other groups are the Civic Association of Southern Transvaal, SA Communist Party, Human Rights Commission, Soweto Party and church groups.

The ANC’s Mr Tokyo Sexwale, who chaired the Press conference, said the steering committee, which had been set up to deal with the violence on the trains, fully supported the train boycott call.

“The carnage taking place on the trains has compelled us to take action to express our anger at the violence. That’s why we have targeted train violence.”

Representatives also pointed out that the SA Railway Commuter Corporation had admitted it could not guarantee the safety of train travellers.

Meanwhile, representatives of the Ministry of Law and Order were last night scheduled to meet nine community leaders who are staging a sit-in at the Spoornet headquarters in Braamfontein, Johannesburg, to protest the killings.
'92 train deaths exceed entire '90, '91 toll

THE number of lives lost in train attacks during the first three months of this year outstripped the combined figure for the whole of 1990 and 1991, according to the Human Rights Commission's latest Area Repression Report.

A total of 97 deaths on the tracks was recorded in 1990 and 1991, while 126 such murders took place in January, February and March this year, the report records.

The number of attacks rose even more sharply than the death toll, each recent attack accounting for substantially fewer deaths and injuries than the mass murders which took place in commuter coaches during 1990.

The HRC has attempted to determine the political affiliation of the victims and the perpetrators of violence during the especially bloody month of March when the death toll in political violence shot to 437 - the highest level since August 1990.

Where perpetrators of violence could be identified, ANC supporters and township residents were responsible for 9.5 percent of the killings and 19.7 percent of injuries, while Inkatha supporters and hostel dwellers inflicted 90.5 percent of the deaths and 80.3 percent of the injuries.

Only in 30 percent of fatalities was it possible to identify the affiliation or community status of the victim. Of this identifiable group, "the victims were ANC supporters and township residents for 76 percent of the dead and 75.4 percent of the injured, including Inkatha supporters and hostel dwellers for 24 percent of the dead and 24.6 percent of the injured," the report states - Sowetan Correspondent.
Leaders protest against violence

Soweto 24/4/92

NINE community leaders who staged a sit-in at Spoornet's Johannesburg offices yesterday vowed to continue their protest against the parastatal's apparent failure to curb the violence on Rail trains.

The protesters, who represent the ANC, Cosatu, the SA Community Party, Sarhwa, Cast and churches, embarked on the sit-in on Wednesday.

**Metal detectors**

Addressing a press conference yesterday, church leader Father Smmuqaliso Mkhatswana said it was apparent after a meeting with Spoornet and the police that the parastatal did not have the capacity to end violence on the trains.

Spoornet's senior general manager Mr Gert Britz said his company, in conjunction with the security forces and the train owners, the SA Railways Commuter Corporation, had taken every reasonable step possible to curb violence.

Some of the steps were security fencing at stations, an increased police presence, and the installation of metal detectors.

But the protesters believe these security measures are not effective.

"Police have simply not done enough," Mr Britz said.

"There have been no significant arrests, or noteworthy convictions."

"Although we believe there are a number of people in the police force who seek to do their job, there are quite a number of policemen who are not committed to doing their job," said Mr Amos Masondo of Cosatu.

By ISMAIL LAGARDIEN

SUPPORT is growing for five MPs who this week resigned from the Democratic Party to join the African National Congress.

Soweto 24/4/92

The support is particularly evident at the areas they represented as members of the Democratic Party.

At a meeting in Cape Town yesterday, the Western Cape leadership of the ANC formally welcomed Mr Jan van Eck and Mr Janne Momborg to the region where they both hold seats.

Van Eck and Momborg were no strangers to the region, the Western Cape leader of the ANC, Dr Allan Boesak, said.

"Asked how they could further the ANC's cause, and whether it could be done through Parliament, Van Eck said, "We have always used Parliament and we will continue to use Parliament to further the struggle."

He stressed, however, that five MPs were not ANC spokesmen in Parliament.

"We're independent MPs who happened to be members of the ANC. We don't have a mandate from the ANC membership," he said.
SA signs flight pact with Tanzania

JOHANNESBURG. — South African Airways scored yet another African breakthrough on Tuesday when it signed a commercial agreement with Air Tanzania, allowing flights between South Africa and Tanzania from July 1.

The agreement is regarded as a diplomatic triumph because of Tanzania's hostile attitude towards South Africa.

The agreement allows both parties to fly passengers, cargo and mail between Johannesburg and Dar es Salaam.

Air Tanzania's inaugural flight is scheduled for July 3. It will operate one weekly flight between the two countries. — Sapa-Reuters
Computer-aided cops to help road safety?

THE functions of the National Road Safety Council (NRSC) would eventually be replaced by traffic police with computers in their cars as this would lead to better road safety.

Director of the Department of Transport's directorate of road traffic safety Mr Eric Wise said this week the demise of the 11-member council would help to centralise road safety initiatives.

The development of a R30-million National Transport Information System was a "holistic" approach to road safety which would keep track of the roadworthiness of vehicles and drivers' offences. The system would standardise drivers' licences and enable accident blackspots to be recorded.

As in the United States, law enforcement officers would eventually have details relevant to road safety available on car computers linked by radio to a master database.
Anti-violence demos stand firm

MONTSHIWA MOROKE

The nine community leaders who have been occupying the Johannesburg offices of Spoornet since Wednesday in protest against train violence could spend the weekend away from their families.

In a statement read by Father Smangaliso Mkhathwana on their behalf, the sit-in group repeated its stand not to leave the premises until the ministers of Transport and of Law and Order had acted decisively to halt the carnage.

The group, who represent the clergy, the SA Railway and Harbour Workers Union (Sarhwu), CAST, Cosatu and the ANC, hold the two ministers responsible for the safety of commuters.

Also attending the press conference at Spoornet yesterday were top-ranking ANC and SACP officials Cyril Ramaphosa, Dr Pallo Jordaan, Tokyo Sexwale and Charles Nqakula.

Mkhathwana, who said the country was in the middle of a national disaster, spelled out demands which he said were reasonable to any right-thinking people.

Some of the demands were that the Government make available “a minimum of R500 million for the purpose of restructuring safety measures because in the past President de Klerk had committed public funds to various national disasters.

“We believe this disaster has claimed more lives in a short space of time than any other and deserves urgent resources to be made available. A special fund is required to give effect to the point above, in addition to adequate compensation.”

As a matter of extreme urgency, measures had to be taken by the police to reduce death on the trains between now and the Cape Town session, Mkhathwana said.

Other demands were:

- The development of well-trained, efficient and adequate security personnel with immediate effect on commuter systems.
- Installation of a permanent security system to screen commuters and refuse access to armed commuters.
- Confiscation of weapons and so-called cultural weapons and to ensure their destruction or storage.
- Erection of security fences alongside the railway lines, especially in close proximity to hostels, as well as erection of adequate gates and permanent metal detectors.

“Central to the maintenance of commuter safety is a need for a specially trained task force to enforce effective policing methods.

“The task force should be jointly maintained by Sarhwu, the community and Transnet. This will ensure that the recruitment, training, and control of the task force is properly managed,” Mkhathwana said.

Already, black political, religious, labour and civic organisations on the Reef have called for a six-day boycott of trains from May 4.
**SUNDAY PROFILES**

**Women must shape their own destiny, urges ANC veteran**

TELEBIZ will be no equality for women in a new South Africa if the issue is left up to men, says veteran women's rights campaigner Dr Prine Ginwala, deputy head of the ANC's Women's Emancipation Commission.

Dr Ginwala, 80, who returned from exile to take up the post, says it is imperative for women take on responsibility and speak for themselves.

"A year or two from now, the average South African woman will know that the new South Africa has brought something to her as a woman," she says.

But, despite a string of impressive credentials, including a doctoral in political science from Oxford University, Dr Ginwala is only second in command to the women's commissioner - the head is Oliver Tambo.

A lifelong member of the ANC, she is described by one political analyst as an inspiration to her constituents.

Vocal on the subject of the cause, she displays all the properties of a role model on the subject of her personal life. She presents a natural, impermeable and noble woman.

About all she will reveal is that she was born in Johannesburg and went into exile in 1962 to set up the ANC's external mission. Her professional background was "as a lawyer and a journalist."

Her homestaying a year ago followed 21 years in "different parts of Southern Africa" and Britain. Octobers regarded her as one of the major Marxist dissident leaders in the liberation movement but she reveals nothing on this point.

She sees no need for further political involvement. Despite her personal modesty, Prine Ginwala will become a formidable figure in the new South Africa.

In addition to her role with the women's commission, she is one of the ANC Office bearers. As an advisor to Mandela's Working Group, she was a key figure in bringing democracy to South Africa.

For her, the universal, cosmic concept of sex discrimination is not the issue - nor is the ideological. She explains the concern of human rights issues is the unifying problem of gender oppression is the role South Africa society has imposed on men and women.

She is undaunted by the ANC's opposition to their candidate for national conference last July. She favours a proposal that 20 percent of posts held by women should be introduced at all levels of the organisation, including the national executive committee, and continues.

**Probe into R50m debt**

TRANSELECT has ordered an independent investigation into an embattled experience's R50m debt.

By ROBERT MALHERBE

A Transnet monitor director, Dr Anton Mostman admitted on Friday that the coal had as little security for the debt, and the situation had dis- appeared.

Dr Mostman said the coal had been held in Maputo and Davide - which were ceded to Spor- net by Mineola Energy (Pty) Ltd - were found to have been "transferred and ex- ploited" when visits were made to them.

The Transnet banded to look at the insolvency in the Bayliss Trust last week.

**By PETER MALHERBE**

had exceeded the 100-million credit limit with the company. Sporset by more than R60-million.

The Kyala-based company, owned by Sporset (1990) Ltd, was bought by the coal company in 1990 and Mineola Energy (Pty) Ltd made a joint venture deal with Transnet's de- partment, South African Transport Services.

Beulah was liquidated in 1990 and Mineola Energy took over its assets and liabilities. Arrangements were made for Mieneola to pay the outstanding debt in instalments.

After it was discovered that the coal had been misused, the mining company and its general manager, Mr Glynn Strevens, chairman of the board, and certain independent auditors found against Mineola and was unable to pay the debt.
Train violence talks fail

TALKS deadlock late on Friday between community leaders staging a sit-in in the Johannesburg offices of Spoornet to protest against train commuter violence, and a delegation from Spoornet and the South African Rail Commuter Corporation.

"(We) regret the fact that no progress was made. We shall nevertheless continue to pursue every possible avenue."

Spoornet and the corporation said they had tabled proposals for the improved safety of rail commuters.
More demos at Spoornet

'Venners of the ANC Women’s League and the SA Railways and Harbour Workers’ Union (Sarhwu) demonstrated outside the Spoornet offices in Johannesburg yesterday in support of the nine people who began a sit-in last week to protest against Reef train violence.

About 50 women demonstrated outside the building in the afternoon before meeting in the auditorium for an hour. They repeated their demand for greater security on trains in the PWV region.

Later, about 100 Sakhwu members marched to the offices and pledged their union’s support to the protesting group.

ANC PWV regional executive committee member Jessie Duarte said “We see the violence on the trains as a crisis, and unless it is treated as such by Spoornet management and the Government … the violence will not stop.”
Threat to ‘take over’ railways

THE ANC PWV region on Saturday threatened to “call on people to occupy all railway stations and railway lines” if Spoornet did not withdraw its request to community leaders staging a sit-in to vacate the premises.

The leaders from the African National Congress, Cosatu, SA Communist Party, churches and SA Railways and Harbours Workers’ Union (Sarhwo) have been staging the sit-in since last Thursday to protest against what they perceive to be ineffective and inadequate measures to counter the wave of attacks on trains in the Witwatersrand.

Spoornet, in an earlier statement, said its attempts to engage the protesting leaders, “to put positive steps in motion,” were rejected and ignored.

“The delegation’s main concern centres around who they want to talk to and not what they want to talk about, which we believed was the safety of the commuters on Metro trains.

“We therefore kindly requested them to vacate our premises voluntarily.”

The ANC called on all organisations to support the sit-in by holding night vigils, candlelight demonstrations and mass rallies on Spoornet premises. - Sapa
Demo to go on despite order to leave

By Charmeela Bhagwat

Community leaders staging a sit-in at the Spoornet offices in Johannesburg said yesterday they had received a letter at the weekend demanding that they leave the premises within 15 minutes.

However, Spoornet communications adviser Jacques Pienaar said the nine community leaders were not threatened but "requested in a friendly manner to vacate the premises".

ANC PWV regional executive member Jesse Duarte said they received the letter from Spoornet's human resources assistant general manager Jan Bredenkamp on Friday night but refused to leave as their demands had not been met.

Mr Pienaar said the group had been requested to leave because "they rejected and ignored the proposals we put to them and we felt there was nowhere to go".

But Ms Duarte said the group did not reject or ignore the proposals—they refused to discuss them until the Minister of Law and Order or someone from his office became involved in the discussions.

"Spoornet has not been able to produce the Minister of Law and Order and we will be here until they do," she said.

Father Smangaliso Mkhathwa, one of the protesters who have been in the building for the past six days, said: "We insist that we meet Government decision-makers because there is a time factor involved."

"More lives can be saved if this crisis is resolved quickly and people are dying while we sit here."

Mr Pienaar said Spoornet officials were doing their best to get the Minister of Law and Order to meet the protesters as they were "just as concerned about the violence."

ANC leader Walter Sisulu was due to meet the protesters late yesterday afternoon.
The Automobile Association (AA) has warned that roads in South Africa could deteriorate to such an extent that they would become irreparable if the government did not reintroduce the dedicated road fund levy.

The organisation said it was estimated that since 1975, the level of funding had decreased by about 50% in real terms.

General manager, public affairs, Mr Robin Schwartz said some tar roads were reverting to gravel and others were, badly pot-holed.

"Roads play a major role in achieving the government's overall social, economic, security and development goal and as such should not be placed at the bottom of the list of priorities."

The Cape Provincial Administration yesterday agreed with the AA.

"It is estimated that if the present trend in funding of the maintenance continue unaltered, the general condition of the surfaced roads will decline from the present average 'good' to very good' to 'fair to good' by mid-1996," said a spokesman.
BA objects to Virgin application

LINDEN BIRNS

BRITISH Airways (BA) is to lodge an objection with the UK’s Civil Aviation Authority (CAA) against a move by Richard Branson’s Virgin Atlantic airline to have BA’s London-Johannesburg flights curtailed.

BA operates 10 flights a week between the UK and SA. It intends to lay on two nonstop flights a day in both directions on the route.

Branson, who recently announced his commitment to inaugurating a Virgin Atlantic service to Johannesburg, applied to the CAA to restrict BA’s expansion on the route and to allow Virgin Atlantic to take over half of BA’s 10 weekly flights.

BA, Virgin Atlantic, SAA, and the UK and SA governments are negotiating a new bilateral air services agreement.

At the last round of talks in February, participants suggested allocating four flights a week to Virgin Atlantic. Branson said he would settle for five.

BA government affairs head Bob Ebden said his airline did not object to Virgin’s designation as the second UK airline to operate on routes to SA, but was not “in the business of transferring revenue . . . to competitors”.

The EC commission yesterday approved Thorn EMI Plc’s proposed purchase of Branson’s Virgin Music Group Ltd for £500m; cash and shares, The Financial Times reports. Branson will invest the proceeds in expansion of Virgin Atlantic.
Bid to improve safety on trains

By Carina le Grange

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Railways authorities and the Ministry of Law and Order have undertaken to implement increased security measures to ensure the safety of train commuters, it was announced last night.

The undertaking marked the end of a seven-day sit-in by nine community leaders led by Father Slangalise Nhlatshwa. The aim of the protesters was to highlight and effect a change to the lack of security on trains.

In a joint statement by the SA Rail Commuter Corporation (SARCC), Spoornet, representatives of political and community organisations and the Ministry of Law and Order, SARCC undertook not to allow armed commuters entry to stations and trains.

Witwatersrand police commissioner Major-General Gerrit Erasmus, as the representative of the Ministry of Law and Order, also gave a commitment that security personnel would urgently be redeployed in affected areas in an attempt to prevent attacks on trains.

Father Nhlatshwa said the speedy implementation of these measures were of the utmost urgency in view of the fact that Codesa 2 takes place next month — and experience had shown that important political events often triggered such attacks. He said he believed some steps had already been taken.

Only two areas of agreement were made public last night, but it was also announced that five working groups with representatives from all the parties involved had been established to monitor their implementation.

Father Nhlatshwa said: "The agreement is a step forward but I don't want to exaggerate the advance made."

He added that the train boycott planned for next week announced earlier by community organisations would still go ahead.

Father Nhlatshwa said the protesters represented the Church, the ANC, Cosatu, the SA Railway and Harbour Workers Union and the Civic Association of the Southern Transvaal."
strategic national stocks. When those stocks are depleted, with what will he in future finance the services he provides which he is now financing from the proceeds of these sales? It would seem that a deficit before borrowing of more than 3% has been structurally established and is on the way to becoming the deficit of a Third World country. It is a pity that this is the monument which the hon the Minister of Finance bequeaths to us.

Dr Stals said that we would run into problems with this kind of deficit. Other economists say that we shall have to live with it. If the hon the Minister of Finance finds a new job, I hope that they will not put him in charge of the Sahara Desert, because then within three years there will be a shortage of sand. [Time expired.]

"The DEPUTY MINISTER OF FINANCE (Dr T G Allant) Mr Speaker, the hon member for Rustenburg has not yet said what his norm is for a deficit before borrowing. There is no norm. It depends on the circumstances and the times in the country concerned.

What we lack in the whole Budget debate are proposals from the hon member for Rustenburg and his colleagues. They must bring their list of proposals in regard to reductions and ask us to spend less on health, education, defence, law and order, and so forth. They must bring their list of proposals in regard to increased state revenue. [Interjections] The proposals thus far have not been worth the paper they are written on.

The hon member for Pretoria West speaks of large-scale mineral beneficiation. Last year we piloted section 37E of the Income Tax Act through Parliament. The hon member did not even understand it. [Interjections] The proposals thus far have not been worth the paper they are written on.

The expected economic growth for this year is 1%, and that is due to restructuring. Many economists point forward with different figures, and today we read in the newspaper that an economist from Sanlam forecasts a growth rate of 4% for next year. Then the hon member will probably be sorry and write about it. [Interjections] Hon members referred to the dismissal of staff.

We regret that, but the economy is in a phase of restructuring. [Interjections] It is no different from the state of the British economy in 1946, after the war, when times were hard.

Debate concluded

SA Rail Commuter Corporation: Investment

2 Mr R V CARLISLE asked the Minister of Transport

Whether any investigation has been carried out into the investment of certain amounts by the South African Rail Commuter Corporation Limited with a certain bank, the name of which has been furnished to the Minister's Department for the purpose of his reply, if not, why not, if so, (a) what did the investigation reveal and (b) what action has been taken as a result?

B566E.INT

The MINISTER OF TRANSPORT (Mr Speaker, I want to start off by informing the hon member for Wynberg that in April 1991 I ordered an independent investigation by Messrs Faure and Monton, experts in the financial and banking field, into the overall financial management and other strategic decision-making actions of the SA Rail Commuter Corporation Limited. I also asked for an evaluation in terms of the guidelines and stipulations laid down by law as well as by both the Minister of Transport and the Minister of Finance. This was done after I had assumed office and after information had come through from the corporation about its financial needs and requirements, as well as rumours of possible overexposure to certain banking institutions.

From this investigation, as well as the one requested by the Auditor-General which followed, a few important facts came to light, the first being that the top management of the corporation attached somewhat undue interpretation to the authority provided to them by law to secure bridging finance for the purpose of financing the cash-flow requirements of a rather heavy loss-making concern. This mainly led to a heavier involvement by the corporation in money and capital market activities than would otherwise have been expected.

From this one may deduce that such a magnitude of financial activities would require at least a minimum level of expertise in proper financial management systems and control. Unfortunately this was lacking, which led to the unfortunate incident when an investment was made without proper pre-evaluation of the risk and a confirmation of securities, which ultimately resulted in an expected substantial loss to the corporation.

This was also confirmed by the Auditor-General in his report, which was tabled recently. The size of the investment in the CIB was disproportionate to the size of the bank. The amount involved was approximately R270 million. It is not yet clear what part of this money will eventually be recovered.

I want to give the assurance to the House that no stone has been left unturned to prevent a recurrence of such an incident in future. As the hon member will remember, in a recent amendment to the Legal Succession to the South African Transport Services Act, Act 9 of 1989, the overall control of the financial and other activities of the corporation was brought much closer to the Minister of Transport and his department.

It will now be expected from the corporation, amongst others, to present a proper business plan annually which must contain a clear financial plan and strategy, including, of course, its intention to make use of money and capital market instruments to finance its cash-flow shortfalls.

Furthermore, with the help of private sector advisers and the Policy Unit for Public Enterprises and Privatisation, the investigation was completed.

Mr R V CARLISLE Mr Speaker, the amount in question is somewhere between R249 million and R270 million. It is taxpayers' money and an amount still to be decided has been lost to the SA Rail Commuter Corporation.

The chairman of the corporation, Dr Bart Grové, and the managing director, Dr Kobus Nel, have both been demoted and effectively sidelined as a result of the inquiry to which the hon the Minister referred. Mr Grové was also the subject of an inquiry into a loss of R3.2 billion in forex deals some years ago.

Problem number one is that when the money was deposited with the Cape Investment Bank, the quantum of the deposits and their authorisation were in conflict with Cabinet instructions. The CIB, whose chief executive was then Jan Pickard Junior, was acquired by Prima Bank, whose directors included J A Bellinger, Clive Ferreira and Prof W Mouton.

Problem number two is that the Deposit-taking Institutions Act provides that no single deposit with a bank may exceed 10% of total deposits without Reserve Bank permission. The RCC's deposits exceeded 80% of the total deposits of the CIB.

The third problem is that the CIB was placed in provisional liquidation on 11 April 1991. Previously, to this the Reserve Bank had advised the Commuter Corporation not to withdraw their deposits, even though the Reserve Bank itself had removed its deposits from the CIB.

On 13 September 1991 the Financial Mail reported:

"...this underlines the tension which has resulted between Finance Minister Du Pisani and Welgemoed.

Those are their words. I would have said "Minister Welgemoed".

Rabe's findings may also have an important political influence on some careers.

Within four weeks of the release of the report to the Cabinet, the Minister of Finance resigned as Minister of Finance and as member of Parliament.

All transactions were classified secret in terms of section 35 of the Reserve Bank Act. However, the following emerges, and I quote again from the Financial Mail, 5 July 1991:

"Allegations have been made of collusion between the CIB Board, controlled by Prima Bank, and the central bank. Further, this has been linked to accusations that CIB assets were stripped by Prins, before it was placed in provisional liquidation, an act which caused it insolvency.

Whilst there is more, time does not permit me to deal with that. However, there are concerns that the Reserve Bank may also have pumped money into other banks in ways that need investigation.

One has to ask who the villains are, and there are very serious villains here. I do not know who the villains are, but we need to find out. What is clear is that suspect activity has occurred, and it is probable that criminal activity has occurred in certain areas.

849

House

850
The Government owes the public of South Africa answers to all the questions raised, and more particularly to the following: Did Mr Barend du Plessis resign as Minister of Finance as a result of these matters? I hope he did not. Why does the Reserve Bank still insist that this matter remain secret?

Mr J P J BLANCHÈ: You are a rumour-monger!

Mr R V CARLISLE: If he says I am a rumour-monger, then let me say this... [Time expired.]

Mr J S PRINSLOOG Mr Speaker, a couple of years ago when the Legal Succession of the SA Transport Services Bill was before the House, the CF and the Independent Members pressed members of the old SA Transport Services for the appointment of a new board. This was rejected.

This debate that is now taking place once again proves the correctness of our argument at that time [Interjections]

Hon members will remember something that is particularly disturbing. Dr Bart Grové was a few years ago—we then debated unauthorized foreign exchange transactions which caused a loss of R3 000 million to the taxpayers and the State—the Chief Manager of the SA Transport Services. What happened there was that a substantial part of that loss occurred as a result of speculation on the foreign exchange market. Then the excuses offered during the debate were more or less the same. This has been repeated here today by the hon Minister, namely that the people concerned attached a somewhat different interpretation to the provisions regulating their actions. This is the same argument put forward by the Minister here today.

It is unbelievable, but the same former Chief Manager under whose control these losses occurred, was a few years later appointed as Chairman of the newly established SA Commuter Corporation. And where do we stand today? Again a loss of several hundred millions of rands and once again the excuse is that the official concerned, including this particular chairman, Dr Bart Grové, attached a little under interpretation to their rights of speculate with the money [Interjections] Where is this going to end? [Time expired.]

The MINISTER OF TRANSPORT Mr Speaker, regarding the action taken following the investigations mentioned, the chairman of the corporation, Dr Bart Grové, and the Chief Executive, Mr Kobus Nel, were requested to relinquish their positions as members of the board. I want to emphasise that the action taken was in relation to the seriousness of the error of judgement in dealing with taxpayers' money.

I must, however, stress that it was clear, from the very extensive investigations, that there was no evidence of self-enrichment of anybody whatsoever. I believe that the recent restructuring of the top management of the corporation will further strengthen management control. Also, very specific directives have been given in regard to management's adherence to land-down levels of delegation of authority and decision-making responsibilities in regard to financial transactions and the board will be required to exercise stricter control. I have also requested monthly reporting on the corporation's cash-flow requirements and its financing proposals.

Further, seen against the background of the continuing bazaar slaughter of people on the commuter lines and the need to spend a lot of money to improve this situation, it is doubly serious. Only today we had an announcement that a large amount of money has now to be set aside to deal with this matter. This amount of R249 million could have gone a long way towards addressing those problems.

The taxpayers have indeed got a right to hear what happened in this case.

We hear strange stories of the Reserve Bank lodging claims on R22.5 million against Cape Investment Bank, and of these being turned down for technical reasons. We find it amazing that a bank such as the Reserve Bank can lodge claims that are turned down. What is going on?

We need to know, and we need to know as a matter of urgency. There are all sorts of allegations in this case. As my colleague has said, there are villains, and the public now has the right to hear answers in this case.

Mr R V CARLISLE. Mr Speaker, the hon member for Boitsfort refers to me as a rumour-monger. Is it a rumour that the hon the Minister has got rid of two senior people in the Rail Commuter Corporation? [Interjections.] No, he says [Interjections.] Is it a rumour that the hon the Minister has had to change the regulations in respect of investments? No! Is it a rumour that the money is gone, to the best of our knowledge? Yes, it has gone.

Mr J P J BLANCHÈ You have a political history of rumour-mongering!

Mr R V CARLISLE: I have made no accusations here. I have quoted from the Financial Mail, which I think the hon the Minister would be the first to accept as a reputable journal, and I am quoting from nine to 12 months ago. I am not quoting something new.

I do not want to bring anyone's name into disrepute, but there is no way this Parliament can walk away from this matter. There is no way it can walk away from this matter. The affair has the potential to be the most serious financial scandal in our history, and this is the last thing we need, but we have to clean these things up. It has gone, therefore, calls for a full public inquiry in which rumour will be scotched, a public inquiry of the whole affair [Time expired.]

The MINISTER OF TRANSPORT Mr Speaker, to reply to the hon member for Mool River, I should like to say that the SA Rail Commuter Corporation had ignored the directive instruction of the hon the Minister of Finance. Very clear instructions had been given that they would only be allowed to borrow, with the necessary help from outside, for that which is necessary to stimulate the cash flow.

These people went and speculated with the money on the capital market on short term. They went to play on the market. They paid the price for it. Both the gentlemen responsible for it paid the price. I think it is sufficient to say that those two gentlemen were both moved out of the management of the SA Rail Commuter Corporation. They now are in a position where they no longer can participate in any managing activities of the company. I think that when somebody paid that price, he had his punishment. [Interjections]

If the hon member knows about the rumour and scandals involving the Reserve Bank, he has to ask the new Minister of Finance who will know exactly what happened in the past. The Minister of Transport has nothing to do with the functions of the Minister of Finance at the Reserve Bank. I do not have any information on the Reserve Bank, and if the hon member has any information, he must please communicate it and ask the Reserve Bank what they have done. It falls outside your field.

I was responsible for the commuter corporation and in consultation with my hon colleagues in the Cabinet I acted in accordance with information I had received.

Debate concluded.

QUESTIONS

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* Mr A GERBER asked the Minister of National Education:
(1) Whether the Government has taken any decisions on the discussion document on...
Aviation boom a boon for lawyers

DEREGULATION of SA's aircraft industry promises to provide legal practitioners with another new area of opportunity, says attorney David Lancaster.

Lancaster, a partner at Wehrer Wenzel, says the firm established its aircraft financing, leasing and acquisition division two years ago. "We realised there would be enormous opportunities for manufacturers and new airlines as a result of deregulation."

"Because new aircraft are expensive, manufacturers and purchasers of aircraft would need to structure the transaction in a tax efficient way," he says.

"Since the last quarter of 1990 there has been a flood of work from manufacturers and local companies which have purchased company jets."

**Improved**

"Opportunities will be further improved with the lifting of sanctions and increased tourism to and from southern Africa."

Lancaster sees developments in aviation following the same pattern as Europe, with regional airlines servicing internal routes with smaller aircraft.

"Foreign manufacturers, sellers or lessors of aircraft have represented a substantial proportion of Wehrer Wenzel's legal work in this area."

Lancaster says British, European, American and Russian manufacturers are showing an interest in SA. This is because the world aircraft industry is depressed at the moment and although the southern African market is small by world standards, foreign manufacturers see it as an opportunity for sales.

Once manufacturers have sold aircraft in Africa it is logical for them to move into SA because this country can offer sophisticated servicing and logistical support, he says.
HUMAN and maternal resources should be made available to combat violence on Reef trains, community leaders engaged in a sit-in at the Spoornet headquarters in Johannesburg demanded yesterday.

In addition, the protesters said, security systems such as fences and metal detectors should be installed, a special task force jointly maintained by Spoornet, the SA Railway and Harbour Workers Union (Sarhwa) and the community should be trained, and R500-million made available to upgrade security.

Compensation should be paid to victims of train attacks, they said at a Press briefing on the sixth day of their protest. They said they had presented their demands to representatives of the Ministry of Law and Order and Spoornet at a meeting lasting about five hours on Monday night and early yesterday.

Saying the meeting had almost ended in another deadlock, the protesters added that another would be held later yesterday. Father Smaagaling Mkhutshwa, spokesman for the group, said: "There is a crisis regarding train safety and this facility (train) needs to be secured.

"We have chosen an orthodox action but we wanted to draw attention to the train killings," Mkhutshwa said the killing rate seemed to increase before important political happenings. The group feared another rise before Cosida 2 and it was this that had prompted the sit-in.

He said there was no co-ordination between Spoornet and the SAP to try to end the violence.

"The fact that there have been hardly any convictions is cause for concern."

Witwatersrand Commissioner of Police General Gerrit Erasmus, representing the Ministry of Law and Order, had been "evasive and unwilling to participate intelligently", the group said. - Sapa.
NEWS IN BRIEF

Charter gets go-ahead

KENYA's government has authorised Johannesburg-based charter company Air Supply for a one-year licence to operate inclusive holiday package charters between Lanseria and Mombasa. The operating licence is valid from July 1. Air Supply will have the right to carry passengers whose journeys started in SA to and from Mombasa. It is believed the Kenyan approval is subject to SA granting reciprocal rights to a Kenyan charter operator.
‘Better deal needed to attract aviation chief’

AVIATION industry leaders and the DP have criticised the Transport Department for the “inadequate package” it is advertising in an attempt to attract a private sector successor to take over as chief director in charge of the Directorate of Civil Aviation (DCA).

Industry leaders agreed that as a civil servant Smit had served as a strong administrator, but they said the post should be advertised to a person from the private sector who would not succumb to petty politics and who would not become a puppet to the major airlines and top aerospace industry companies.

The DP has advertised the post, which carries a salary of R110,172 a year, but industry sources who asked not to be named, criticised the salary package as not attractive enough to attract a suitable person from the private sector.

Incumbent Janie Smit, who has been promoted to Transport deputy director-general, confirmed in a recent interview that the private sector would be canvassed for successors.

In terms of terms of service regulations the post, which carries a salary of R110,172 a year, must also be advertised within the Transport Department.

Several industry sources, who asked not to be named, criticised the salary package as not attractive enough to attract a suitable person from the private sector.

DP transport spokesman Wessel Nel said the package appeared to indicate a downgrading of the job. “This is a vital job and to downplay it is exactly what we don’t need. What we need in SA is a heavy- weight who will take civil aviation by the scruff of its neck and get it into shape.”

Nel said the DP was disappointed the vacancy had not been given more publicity. He said whoever took over the post should have some aviation experience.

According to the newspaper advert for the post, applicants need have only an engineering degree or qualification in financial management and at least 13 years’ experience in a field related to those qualifications.

Industry leaders agreed that as a civil servant Smit had served as a strong administrator, but they said the post should be advertised to a person from the private sector who would not succumb to petty politics and who would not become a puppet to the major airlines and top aerospace industry companies.

Smit said he would retain the duties of commissioner and chairman of the national transport committee until a new DCA chief director was found.

This is the first time that government has advertised in the private sector for a senior DCA position.

DCA aviation safety director Renne van Zyl and airport systems director Stuart Huckwell have been tipped as possible inside successors to Smit.

The DCA is the government body which negotiates bilateral air services agreements with other countries, certifies as safe all civil aircraft to be placed on the SA register, and issues operating licences to airlines and charter firms.

It is also responsible for co-ordinating search and rescue operations, crash investigations, and inspects all aircraft maintenance facilities to ensure they adhere to standards. DCA also administers and manages SA’s nine state-owned airports.
A NEW liberal international civil aviation policy was announced yesterday, deregulating free the skies

deregulated international controls and providing for more than one airline per country to start flights to and from SA. In terms of the new policy SA airlines other than SAA will be allowed to compete on new and existing scheduled international flights. Previously SAA was protected from competition as all fares for flights to and from SA were pegged at levels determined by SAA's operating costs. SAA's position as, in most cases, the only SA carrier allowed to fly on international routes to and from SA, was also protected. Another major departure from the old regulations is that tourist charter flights to SA will now be allowed in a bid to stimulate trade and tourism.

Transport Minister Piet Welgemoed and Public Enterprises Minister Dawie de Villiers announced the new policy in a statement after Welgemoed's budget speech in Parliament yesterday. The Ministers said SA would also ratify certain international conventions, which they did not name, but which they said would make it easier for SA airlines to obtain foreign financing for equipment. Welgemoed said in his speech that Cabinet had approved the new aviation policy. The policy follows a report submitted by a ministerially appointed industry committee which investigated the requirements for a deregulated international code.

According to the statement, the new policy will also promote Durban and Cape Town as alternative gateways for foreign airlines wishing to offer flights to SA. From today each country which concludes air services agreements with SA will be allowed to designate more than one airline on the route. This means that, for example, when the new UK-SA bilateral agreement has been signed, Virgin Atlantic can be appointed as a second UK carrier on the London-Johannesburg route. Minor changes have been made to regulations on charter flights for the transport of cargo and passengers to and from countries where no scheduled service exists.

Welgemoed said the normalisation of SA's foreign relations had made it imperative that the old policy be revised.

Last year's deregulation of SA's domestic policy had also necessitated the international policy review as the old regulations which prohibited international competition were "clearly at odds with this domestic policy".

SAA's transformation from a state organisation to a division of a profit-seeking company called for a clearer distinction to be drawn between what was in SA's best interests and what was in SAA's interests and in the public interest. SAA's transformation from a state organisation to a division of a profit-seeking company called for a clearer distinction to be drawn between what was in SA's best interests and what was in SAA's interests and in the public interest.

Aviation policy

Ministers added that deregulation of SA was also compelled to keep in step with aviation developments abroad, especially the liberalisation of Europe's airline industry and the increasing airline deregulation, privatisation, formation of alliances and mergers into "mega carriers" and greater emphasis on market forces worldwide.

Fitesair MD Jan Blake said yesterday that the policy would enable the airline to alter its strategy and confirmed that Fitesair would start competing against SAA on international routes as soon as it secured the necessary government approval.

He said Fitesair already had its sights set on pioneering schedule services to India and the United Arab Emirates, but would soon also seek permission to start flights to Europe. "We'd like to become the second designated SA airline on routes to the UK and Germany."

He said it was disappointing that the policy had retained the constraints on SA charter companies wanting to provide package tour flights to other countries.

SAA spokesman Leon Els said the airline supported the policy which would form an acceptable framework for the negotiation of future bilateral agreements with other countries.

Lulhanna spokesman Kariem Lamboon welcomed the policy revision, but said the airline regarded as the first step to full liberalisation.

According to the Ministers' statement, legislation on the policy will be prepared for submission to Parliament for approval during the 1993 session.
Cut-rate air fares

RETURN air fares between Johannesburg and London — currently at a base of R3 750 — would be slashed by between 20% and 50%, Virgin Airlines head Richard Branson said in an interview in the latest issue of Leadership, released yesterday.

This would mean that Virgin's fares could be as low as R1 100 and no higher than R2 200.

Branson said Virgin competed on quality of service and price. He outlined features of his airline like stand-up bars and lounges for business class travellers.
Cheaper fares loom in wake of open skies

Political Staff

CAPE TOWN — Cheaper flights and more passengers and cargo services to world and African destinations are expected in the “slipstream of the Government’s fresh “open skies” policy.

Charter flights — for passengers and cargo — get a thumbs-up in the new policy, which sweeps aside outdated regulations.

Stimulating trade and tourism — and competition within the industry — are the chief goals of the new policy.

Minister of Transport Dr Piet Welgemoed told Parliament that the new policy “boils down to an opening up of our skies and a very liberal, modern approach aimed at fulfilling our national economic objectives.”

In a joint statement, Dr Welgemoed and Minister of Public Enterprises Dr Dawie de Villiers unveiled the new package shortly after it was approved by the Cabinet yesterday.

Some elements of the new policy will be implemented immediately, where existing legislation allows.

The entire policy will come into effect once new legislation has been passed by Parliament next year.

The chief element of the policy will be negotiating “liberal aviation agreements” with other countries to

- Deregulate tariff control.
- Allow each country to designate more than one airline to serve on a specific route between the two countries.
- Allow airlines to expand or cut back services according to demand, within certain limits.
- Promote Johannesburg, Cape Town and Durban as gateways to South Africa.

Furthermore, the policy opens the skies to non-scheduled charter flights in various categories, including tourists, within the “broad upper limit”, cargo and passengers to and from countries where there are no scheduled air services, and services to export South African perishable goods.

The policy will also deregulate the movement of small aircraft — up to 5700 kg — to and from countries in Africa.

Dr Welgemoed and Dr de Villiers said that in due course South Africa would ratify international aviation conventions to bring its aviation industry into line with practices throughout the world.

The policy sought to be a “trade-off” between the interests of the State, the public, consumers and the airlines.
Privatised roadworthy tests set for city soon

ANTHONY DOMAN
Motoring Editor

PRIVATISED roadworthy tests, with one big operator offering advance booking, could be commonplace in Cape Town by mid-year.

But don't expect privatisation to bring about bargain rates.

Previously, only provincial and local traffic authorities were allowed to conduct roadworthy tests. Privatisation is now permitted by amendments to the Road Traffic Act.

The Automobile Association already had roadworthy test stations up and running in Johannesburg and Durban and hoped to start in Cape Town within three months, said marketing manager Mr Rob Clark. Bloemfontein and Pretoria are also in line for test centres.

Mr Clark said the opportunity to make bookings for tests would be a major benefit, especially for businesses.

Long delays can occur at municipal testing stations.

"It's first come, first served," confirmed a spokesman for the Cape Town traffic department.

Mr Clark said, "We believe provincial and local testing stations simply cannot cope with the volume of work."

But costs could be a bone of contention.

The AA roadworthy test package costs R199 excluding VAT. This covers the initial test, two retests and certificate plus a steam cleaning for engine and chassis which should be "reasonably clean" according to the traffic department spokesman.

If obtained outside the AA these services would cost about R170, Mr Clark said.

This compared favourably with what the Transvaal traffic departments charged (R45 for the initial test and R25 for retests), he said.

In view of the high first-time failure rate, an estimated 45 percent, the two free retests were worthwhile, he said.

But a little shopping around could cut roadworthy costs.

The Cape Town traffic department charges R45 - R50 for the inspection, R10 for the certificate and a retest free within two weeks. Car valet companies' quotes for steam cleaning range from R28 to R38.50.

Thus outsiders could provide the AA-style package in Cape Town for as little as R73 (test/certificate R45 and steam clean R28) plus a little extra for the driving around involved.

In response Mr Clark said "geographic pricing" might be necessary so that his organisation could offer competitive prices in different regions.

Private sector test centres have to conform to various legislated quality and administrative standards. The examiners themselves have to complete an eight-week certificate course.
SA 'open skies' policy offers cheaper flights, better services

MICHAEL MORRIS, Political Correspondent
CHEAPER flights and more passenger and cargo services to world and African destinations are expected in the slipstream of the government's fresh "open skies" aviation policy.

Charter flights — for passengers and cargo — get a thumbs-up in the new policy, which sweeps aside outdated and restrictive regulations.

Stimulating trade and tourism, and competition within the industry, are the chief goals of the new policy.

Minister of Transport Dr Piet Welgemoed told parliament that it "boils down to an opening up of our skies and a very liberalized, modern approach aimed at fulfilling our national economic objectives".

He foresaw that this new policy will have a profound effect on the influx of foreign tourists into South Africa, especially with a new and open approach on charter flights.

In a joint statement, Dr Welgemoed and Minister of Public Enterprises Dr Dawie de Villiers unveiled the new package soon after it was approved by the Cabinet yesterday.

Some elements of the new policy will be implemented immediately, where existing legislation allows.

The whole package will come into effect once new legislation has been passed by parliament next year.

The chief element will be negotiating "liberal aviation agreements" with other countries to:

- Deregulate tariff controls;
- Allow each country to designate more than one airline to serve on a specific route between the two countries;
- Allow airlines to expand or cut back services according to demand, within certain limits; and
- Promote Johannesburg, Cape Town and Durban as gateways to South Africa.

In addition the policy opens the skies to non-scheduled charter flights in various categories, including:

- Tourists within the "broad upper limit";
- Cargo and passengers to and from countries where there are no scheduled air services; and
- Services to export South African perishable goods.

The policy will also deregulate the movement of small aircraft — up to 5 700 kg — to and from countries in Africa.

Dr Welgemoed and Dr De Villiers said the urgency of the policy review was "enhanced by the normalisation of South Africa's political and economic relations with the world".
HOUSE OF ASSEMBLY

QUESTIONS

Indicates translated version

For written reply

General Affairs:

South African Roads Board: two companies

118. Mr J CHILOÉ asked the Minister of Transport†
(1) Whether it was decided recently that two companies, whose names have been furnished to the Minister's Department for the purpose of his reply, were the most economical appointments for the State regarding various projects; if so, (a) what are the names of the companies concerned, (b) on what grounds was this decision taken, (c) what is the present position of the two companies concerned and (d) is there any connection with the South African Roads Board;
(2) (a) (i) what amounts have been paid to each of these two companies annually since their inception and (ii) what have these amounts been for and (b) how does this expenditure compare with the management costs in respect of the toll roads operated by the State?

The MINISTER OF TRANSPORT

(1) At the time of answering questions no agreement has yet been reached with the two companies concerned. The South African Roads Board (SARB), which is currently negotiating with the two companies, will attempt to conclude the financially most favourable appointments for the State. The contemplated agreements will allow for project management of the N3 toll road between Heidelberg and Cedra, the N1 toll road between Johannesburg and Kroonstad and the N17 toll road between Springs and Krugersdorp.
(a) The names of the two companies concerned are Toll Road Concessions (Pty) Ltd (Tolcon) and Toll Highway Development Company (Pty) Ltd (THDC). Tolcon currently operates the N1 and N3 toll roads while THDC operates the N17 toll road, both as agents for the State.
(b) Toll roads have been in operation in South Africa since 1984. The original toll roads were State toll roads. During the same year an offer was made by a private sector consortium to privatise certain toll roads. Since that date Government has been attempting to involve private sector financing on a risk basis, in the effective provision of urgently needed road links in the primary road network. These roads are highly capital intensive and require major risks to be taken. Private sector entrepreneurs, however, are generally unwilling to assume such risks. Furthermore toll roads involve payments by the public, and consequently require delicate and perceptive management. It is against this background, and taking into account Government policies of open tendering and the need to ensure the provision of services to the best benefit of the State, that attempts have been made to solve the problem of the privatisation of toll roads. In order to make progress with this matter and to attempt to resolve the various conflicting viewpoints which have developed since 1984, the Minister appointed a two man mediation committee comprising Dr J de Loo and Mr P H van Huyssteen to evaluate the situation and to recommend a solution acceptable to all parties involved. The Committee's report has been accepted by the Cabinet. This report proposes a negotiating process with the two parties involved, under the guidance of the SA Roads Board. In addition to this, the Minister has constituted a monitoring committee under the chairmanship of the Director-General of Transport to evaluate any agreement which might be reached. This evaluation will be based on the principles of fairness, justifiability and legality and must be in the general public interest before ministerial approval for any agreement will be given.
(c) The present position of the two companies concerned is that they continue to operate the N1, N3 and N17 toll roads as agents of the State in accordance with a budget which is approved by the SARB every four months. Tolcon and THDC are being reimbursed for their monthly costs with no profit accruing to them.
(d) The SARB is currently negotiating with Tolcon and THDC. Apart from this and their current roles as agents of the State (refer to (a) above) there is no other connection with the Board.

Financial Year

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</table>

Financial Year 1990/91

*These amounts were primarily used by the two toll companies for the payment of a portion of the interest on loans taken out by the two companies on behalf of the State, but also, inter alia, for routine maintenance of roads and equipment, toll plaza and road operation costs and head office costs. The State took over all the above-mentioned loans on 31 March 1991.

**Year to date figures and are in respect of the same expenditure as for previous years, excluding interest which is being paid directly by the State since 31 March 1991.

(a) (i) The amounts paid in the 1988/89, 1989/90 and 1990/91 financial years were primarily utilized by the two toll companies for the payment of a portion of the interest on loans taken out by the two companies as agents of the State but also, for routine maintenance of roads and equipment, toll plaza and road operation costs and head office costs. In the 1991/92 financial year Tolcon and THDC were reimbursed for their

(b) The average operating expenditure, before interest and depreciation, per toll road for the financial year ended 31 March 1991, for the toll roads operated by the State, Tolcon and THDC respectively is as follows:

| Average per Toll Road State — with Huguenot Tunnel included | R 2 827 583 |
| — without Huguenot Tunnel | R 970 386 |
| Tolcon | R 3 779 653 |
| THDC | R 543 852 |

*This amount is the operating expenditure on this toll road for the two mainline plazas on this toll road whereas the other toll roads all have only one mainline plaza each.
Only the average figures in respect of the 1990/91 financial year are reflected here because a number of toll roads only opened in the 1989/90 financial year. A full year's operating expenditure for these toll roads was therefore, only incurred in the 1990/91 financial year. The figures for the 1990/91 financial year therefore provide a more accurate average figure per toll road and also represent the most recent audited results in respect of toll roads.

The expenditure per toll road for the State, Tolcon and THDC is not directly comparable for the following reasons:

- Tolcon and THDC operate their toll roads on the basis of complete route with services such as SOS telephones and patrol vehicles. These services are not offered on State toll roads.
- In the case of the Huguenot Toll Tunnel, which is a State toll road, there are substantial tunnel operating costs which are not applicable to other toll roads. If the Huguenot Tunnel is excluded, the average annual operating expenditure per toll road would be R1 970 836 for State toll roads.
- The traffic volumes on a toll road have an impact on the operating costs of a toll plaza.
- In general, the toll roads operated by the State are older than those operated by Tolcon and THDC and therefore require more maintenance in respect of equipment and buildings.

Persons released on parole

200 Mr D J DALLING asked the Minister of Correctional Services:

How many persons who were serving sentences in excess of three years were released on parole in 1985, 1986, 1987, 1988, 1989, 1990 and 1991, respectively?

B457E

The MINISTER OF CORRECTIONAL SERVICES:

The number of prisoners who were serving sentences of imprisonment of longer than three years who were released on parole during the following calendar years (1 January to 31 December) are as follows:

1989 - 4 785
1990 - 5 398
1991 - 4 655

The statistics for 1985, 1986, 1987 and 1988 are unfortunately not available centrally in the format as requested. However, the following information may be of value to the hon member.

The number of prisoners who were serving sentences of imprisonment of two years and longer who were released on parole during the following statistical years (1 July to 30 June) are as follows:

1984/85 - 6 766
1985/86 - 7 746
1986/87 - 7 601
1987/88 - 8 900
1988/89 - 8 262
1989/90 - 9 168
1990/91 - 11 777

The number of prisoners who were serving sentences of imprisonment of longer than three years who were released on parole during the following statistical years (1 July to 30 June) are as follows:

1989/90 - 4 728
1990/91 - 6 062

Correctional Services: amount spent on sport

203 Mr J H MOMBERG asked the Minister of Correctional Services:

What total amount was spent on sport by his Department in the 1989-90, 1990-91 and 1991-92 financial years, respectively?

B468E

The MINISTER OF CORRECTIONAL SERVICES:

1989-90: R442 057.00
1990-91: R410 944.00
1991-92: R460 400.00

The current financial year (1991-92) has not yet been closed and the amount for this year is not a final amount, but an estimated amount.

The aforementioned amounts which were spent on sport in the Department of Correctional Services, were utilized exclusively for sustenance, travel and transportation expenditure for personnel who participated in Departmental Sports Championships. The Department presents championships to its personnel annually in various types of sport.

In order to operate sport in national interest, expenditure for sport is also financed by the Correctional Services' Sports Fund. This fund is a private fund which is financially maintained by monthly contributions of its members. In addition to the above-mentioned amounts, the following amounts were also expended by the Funds in the various financial years:

1989-90: R63 177.00
1990-91: R60 633.00
1991-92: R87 021.00

The operation of sport at club level is financed exclusively by sub-club funds (also private funds) which is administrated by the various sub-club managements.

Organized sport forms an integral part of the total preparedness programme of the Department of Correctional Services and the following are some of its most important aims:

- To enhance the preparedness of members of the Department with specific reference to the physical fitness of persons forming part of the security contingent,
- To promote orderly co-operation and liaison between staff members, in an official as well as a social context,
- To contribute towards the general physical health of members of the Department of Correctional Services and indirectly to decreasing expenditure on medical costs,
- To increase the productivity of members, and
- To serve as an outlet for stress.

The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING:

Blacks: old age/war veterans pensions

219 Mr P G SOAL asked the Minister of Local Government and National Housing:

(1) How many (a) old-age and (b) war veterans pensions paid to Black persons residing outside the self-governing territories were cancelled in each province in the 1991-92 financial year?

(2) How many of these cancellations took place during the period 1 October 1991 to 29 February 1992?

B498E

The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING:

(1) Transvaal
(a) 22 385
(b) 120

Cape Province
(a) 4 342
(b) 23

Orange Free State
(a) 2 834
(b) 31

Natal
(a) 4 602
(b) 40

Information is supplied for the period 1 June 1991 to 31 March 1992.
Farmers face huge losses

MAULIEF farmers expect to lose more than $1 billion this year in spite of higher prices due to higher rainfall in the past year.

Wheat prices were raised by 82.6% to $22.5 per centum by the MAFS.

Farmers have been70% to $22.5 per centum by the MAFS. A raft of prices and yields are expected to be lower than the average for the past 10 years. A crop of 1.2 million acres is forecast.

Fries, senior economist at the National Association of Maine Producers (NAPA), says prices could fall to as low as $10.8 per centum this year. 

Farmers are about $250 per acre for cereal, beef and feed overstocked.

This leaves a drought of more than 20% a drought because by the price of families is a very low level. 

The MAFS says the prices have been structured to encourage farmers to deliver their eggs to the market and not keep it for use, mostly for survival.

But it is feared they will deliver only 1.2 million bushels to the board — 10,000 tons of red wheat and 500,000 tons of white.

While the current crop of 1.2 million tons is forecast, it will change the price of red wheat to $10.8 per centum. 

Farmers are also concerned about the potential for higher feed prices, as feed costs are expected to increase by 20% this year.

Profit

"I am sure the SAFA does not want to be the bearer of bad news," said a farmer, adding that the price of feed has risen sharply. 

A 20% increase in the price of feed would result in a 20% increase in the price of feed, which would lower the price of feed by 20%.

"We need to be aware of the potential for higher feed prices and ensure that we are prepared," the farmer said.
Tourists, money as skies ‘open’

New air policy set to boost the Cape

By GLENDAS NEVILLE
THE new “open skies” policy announced by the government this week could have a re-sounding effect on the travel and tourism industry in the Cape.

Three major international airlines are considering introducing new routes to South Africa with the Mother City as the point of destination or departure, which would mean increased volumes of foreign tourists.

A Lufthansa spokesman said the airline was “seriously considering” a Cape Town route, which could be in place by November.

“If the market is there, from a European point of view, we will start a flight to Cape Town. We are conducting a market study,” the spokesman said.

Trend

A reliable industry source said Air France (UTA) was planning a Paris-Johannesburg-Cape Town flight “by September.”

And the Dutch airline KLM said it was also looking at Cape Town as a destination, suggesting an important new trend.

Over the past 16 months the number of airlines flying to South Africa has risen from 21 to 30, and the civil aviation authorities have confirmed that they are talking to 25 more wishing to fly to SA.

With Cape Town’s growing status as an international tourist destination, many of these airlines may opt to operate flights to Cape Town.

The internal flights of South African Airways and Fitestar will be protected because international airlines which fly to Johannesburg and then on to Cape Town will not be allowed to pick up passengers for the domestic leg of the flight.

About 49 percent of all foreign tourists to SA include the Cape on their itinerary. Captour has launched an international marketing campaign to increase this to 60 percent by 1985.

The Chief Executive Officer of Captour Mr Gordon Oliver said the Minister of Transport, Dr Piet Weigenhoed’s announcement airports around the country, and Cape Town in particular, as it had up to now only served domestic flights, three international South African Airways flights and two from British Airways.

During a recent transport budget debate, Dr Weigenhoed said an announcement on the privatisation of South Africa’s nine state-owned airports could be expected soon.

His statement comes in the wake of widespread criticism of South Africa’s airports and warnings by experts that they would not be able to cope with the expected influx of foreign tourists.

Improve

If private enterprise is allowed in — as in the United Kingdom where the non-governmental British Airports Authority operates the country’s airports — the quality of SA airports could be improved without additional cost to the taxpayer, industry sources said.

Dr Weigenhoed confirmed that the cabinet was studying a report compiled by his office and British consultants.

Now that tariff control has been scrapped, air fares are expected to drop, allowing more South Africans to travel abroad.
CSIR building low-cost light aircraft

LINDEN BIRNS

CSIR is poised to establish a light aircraft manufacturing industry.

The Council for Scientific and Industrial Research (CSIR) is building a prototype aeroplane which, if successful, could be the first in a range of SA aircraft to be built and marketed internationally.

The plane, codenamed Operation Hummingbird, is scheduled to fly for the first time either late this year or early next year.

At a briefing last week, the CSIR’s aeronautics division Aerotek showed off the semi-built airframe, wings and tailplane of the prototype. The two-seater, single-engine trainer and patrol aircraft was designed by Aerotek’s engineers with an emphasis on keeping costs low.

Once the prototype was thoroughly flight tested and certified, a production consortium of local “sub-manufacturers” would be set up, an Aerotek spokesman said.

Companies earmarked as possible consortium partners included former Armscor subsidiary Somchem, Fibratron and Field Aviation.

“Our aim is to utilise existing local facilities and to spread the risks locally as widely as possible,” said a CSIR spokesman. The CSIR would retain the design authority over the aircraft and probably collect royalties on each unit sold, but would not participate in the plane’s full-scale mass production.

The spokesman said Aerotek would start marketing the plane locally and abroad in the near future. Potential markets had been identified in Africa and the Pacific Rim.

“We’re going to market it as an alternative to the helicopter. In fact Hummingbird will be able to do 80% of the things a helicopter does although it won’t be able to hover.”

While the plane would not be able to take off or land vertically, the designers predicted the aircraft would be able to get airborne or land on a 100m strip.

Aerotek predicted a selling price of between R220 000 and R250 000 — about a tenth of the price of a five-
Trains boycott begins

Staff Reporters

Soweto's trains were only 20 percent full early today as commuters heeded the call for a six-day train boycott to protest against the slaughter of Reef rail passengers.

The boycott call came from the ANC, SACP, PAC, Cosatu, Nactu, the Human Rights Commission, Civic Associations of the Transvaal and the SACC.

The Inkatha Freedom Party and the IFP-aligned United Workers' Union of SA urged their members to defy the boycott, saying they had not been consulted in its planning.

According to Sporonet figures, trains from Soweto carried only 20 percent of the usual passenger load today. In Tembisa and Katlehong on the East Rand trains were less than half full.

The Tembisa, Liminilela, and Leralla stations on the East Rand were virtually empty, commuters jostled for buses and taxis.

Trains from Dayeyton and the West Rand were apparently unaffected.

The boycott comes days after the Soweto Transport Services taxi association increased fares by as much as 50c for a trip from Soweto to Johannesburg.
Employers asked for leniency on train boycotters

GAVIN DU VENAGE

ORGANISERS of a week-long boycott of commuter trains on the Reef have urged employers not to penalise workers who arrive late for work today.

The boycott is a protest against continuing violence on trains and has been backed by the ANC, PAC and the Civicus Association of Southern Transvaal (CAST).

Spokesman for the steering committee on train violence Ronne Mamoepa said at the weekend talks had been held with Petco and Sataba to arrange additional transport for people boycotting the trains. He said Sataba had agreed not to implement a planned fare hike today.

An SAP spokesman said yesterday special security measures would be taken from today to prevent intimidation of commuters wanting to use the trains.

The boycott starts two days before police implement upgraded train security measures in Reef unrest areas.

Mamoepa said the boycott was to emphasise demands for adequate security, the arrest of killers and redirection of government’s R4bn spending on covert security operations to pay for commuter safety measures.

The boycott will go ahead despite agreements between community leaders and the SA Rail Commuter Corporation last week after a week-long sit-in at Spoorntel’s offices in Johannesburg. The corporation agreed that it would not allow armed people to board trains, and police promised to provide extra manpower at Reef stations.

Sapa reports Inkatha has called on commuters to continue to use trains.

Inkatha central committee member Thembu Khosa said: “We are calling on all members of the community to use trains freely until the campaign for a boycott is rescheduled.”

Spoorntel also urged all groups advocating the train boycott to suspend the action.

Police last week unveiled a new combined security force strategy to stamp out violence on Reef trains.

SAP spokesman Col Frans Malherbe said more than 1,200 men would be deployed on trains, at stations and along railway lines in violence-torn areas during peak hours from Wednesday.

In terms of the new plan, dangerous weapons will be banned from trains and stations. Some policemen will operate in civilian clothes.

Malherbe said the new strategy had been undertaken in agreement with senior police officials from the Witwatersrand, including regional commissioner May-Gen Gerrit Erasmus. Spoorntel officials and community leaders representing commuters.
Compulsory licences ‘will cut down on road deaths’

The Argus Correspondent

Johannesburg. — A major spin-off of the compulsory carrying of driving licences from October 1 will be the elimination of tens of thousands of illegal licences now being used on South African roads.

So says chairman of the Traffic Legislation Committee of the Southern African Road Federation Mr. John Smith. He was commenting on moves announced by Minister of Transport Dr. Piet Welgemoed in the House of Assembly last week.

“The steps will vastly improve law enforcement and road safety, ultimately cutting down on the 12,000 people being killed annually on the roads,” he said.

“It will eliminate many of the problems faced by traffic officers who are fed false names and addresses by drivers who are stopped on the roads.

“In future they will be able to properly identify the person from the credit card-type licence, and check if he has a valid driver’s licence because all illegal licences can now be eliminated.”

He called for the introduction of further steps such as the compulsory carrying of car registration papers to eliminate vehicle theft.

Drive-Alive chief Moira Winslow said the effects of keeping unlicensed drivers off the road was huge and, combined with the demerit system which was in the pipeline, road safety would be the winner.

“It was significant that the new licence would be impossible to forge and old licences would have to be returned in order to obtain the new credit-card type disc.”

Mr. Welgemoed said during the debate on the Transport Budget Vote that the new system would be phased in in a “user-friendly manner”.

The implementation of this measure should include an educational programme without motorists being summarily fined, but a cut-off date would also have to be set.

Dr. Welgemoed said he envisaged that drivers’ licences would be separated from identity documents. Negotiations were taking place with the Department of Home Affairs.
London for under R500 Virgin’s aim

By Garner Thomson
Star Bureau

LONDON — Flamboyant Virgin Atlantic chief Richard Branson is planning to fire the first shot in South Africa’s forthcoming “open skies” air ticket war with promotional fares from Johannesburg to London of less than R500.

And the move — just one with which Virgin hopes to get people who don’t normally fly — is bound to renew the clash between Virgin Atlantic and British Airways, both of which are now involved in legal action over claims of “dirty tricks”.

Mr Branson is enthusiastic about cost-cutting charter companies rushing into the South African market, and has senior staff ensure inquirers that he has no intention of poaching existing passengers from established airlines, but would find about 160 000 new passengers every year.

However, R495 — the magic figure which captured a huge slice of the UK-US route — compared with BA’s cheapest return ticket of about R6 600 is destined to make competition from the major carriers pretty slight.

Outside of Virgin promotions, fares to and from London are expected to be up to 40 percent less than the norm — and Mr Branson is predicting that new competition should not only serve passengers better, but “increase the size of the market two or threefold”.

Although final discussions still have to take place between the British and South African governments on the deal, Mr Branson is proceeding as if everything is already in the flight bag.

A senior executive confirmed at the weekend that airliners had been bought and other arrangements were going ahead on the understanding that the message in a week or two will be a final official thumbs-up.

The mood inside the Virgin Atlantic empire is excited. “It has been a tremendous challenge trying to break the monopoly and we’ve been keeping our fingers and toes crossed,” Mr Branson said.

Virgin Atlantic is confident that a five-times-a-week service will be in operation between London and Johannesburg before the end of the year.

- Transport and aviation officials from Malaysia and South Africa will meet in Kuala Lumpur from May 18 to 22 to discuss a bilateral air services agreement.
- Transport Minister Ling Long Sik said at the weekend:

The meeting had been set during talks with Transport Minister Dr Piet Welgemoed in Cape Town last week.

Mr Ling said agreement had been reached in principle to grant Malaysia Airlines the right to fly to South Africa and carry passengers and cargo to other destinations.

The South African national airline would be granted Malaysian landing rights and be allowed to take passengers from Malaysia to other points.

- Europe’s “snowbird’s key to boom — Page 9

Winnie re-elected Women’s League head

Staff Reporter

Winnie Mandela was yesterday re-elected as chairman of the ANC’s PWV Women’s League, the region’s publicity secretary Ronnie Mamoepa said last night.

It is believed that Mrs Mandela, recently estranged from ANC president Nelson Mandela, was unanimously proposed by delegates from most — if not all — branches of the league in the PWV.

Other members of the region’s executive elected yesterday are Gwetendle Mahlangu as deputy chairman, Lindwe Maseko as general-secretary, Maria Mojaapel as assistant general-secretary and Marjorie Nkomo as treasurer.

Sapa reports that Mrs Mandela was not available for comment, but other executive committee members said her re-election was unopposed because of the unfulfilled efforts she had made on behalf of women who needed her for direction.

Two other nominees for chairman, Amina Cachali and Mayvi Manzini, chose not to stand for the position.

The elections were run by the Independent Mediation Services of SA.

Mrs Mandela quit her post as head of the ANC’s welfare department shortly after her husband announced their official separation at an emotionally charged press conference in Johannesburg last month.

She came under the media spotlight again recently when new allegations emerged linking her to the murder of Azanian People’s Organisation health secretary Dr Abu Baker Aavat, as well as the murder of young activist Stompe Sepele.

Mrs Mandela is currently out on bail pending her appeal against her conviction for kidnapping and as an accessory to the assault of five youths in Soweto in 1989.

‘dangerous’ former attorney

A member of fraud cases, escaped from Pretoria high court in June.

Captain Louw deemed dangerous, escaped.

He was again arrested on Wednesday in Pretoria.

The police were said to be “very concerned”.

The former attorney, 25, was charged with fraud.

The police appointment certificate in the name of a Sergeant Venier as well as identity and credit cards in the name of a C

In the comp
Commuters split on train boycott

COMMUTERS were yesterday divided on the boycott of trains which starts this morning.

Some commuters interviewed at Soweto stations were not aware of the boycott called by the African National Congress, the Pan Africanist Congress, the Azanian Peoples Organisation and other groups.

Most of those opposed to the boycott were not influenced by politics but felt trains were a cheaper mode of transport. Many of them were hostel dwellers.

By ABBEY MAKOE

One commuter, Mr Zebulon Majola (26), said he could not afford a taxi.

He said he would continue to travel by train to work, not because he wanted to disappoint those who called for the boycott, but because he did not have enough money.

He was supported by Mr Phil Sibuso (35), also a hostel dweller.

Sibuso said he spent R9 on a weekly train ticket to Jeppe Station. He felt he would spend twice as much, even more, when travelling by taxi.

Besides, said Sibuso, no one had informed hostel dwellers about the boycott.

“We heard about it in the streets,” he said.

Mr Absalom Miya said he spent R7,40 on a weekly train ticket to Johannesburg.

He estimated that he would have to pay the same amount for two taxi trips.

Mr Willie Mlaene of Mapetla was concerned that the boycott would cause division among commuters.

Mr Jobulani Shabangu, an Apostolic Faith Mission Church member, was not aware of the boycott but said he would join the protest anyway.

Miss Mako Mokoena said there was “no way” she could ignore the boycott, “particularly when the call is in the interest of the black nation”.

Also to join the protest is Miss Annah Mabou, whose only reason was her fear of confrontation.

“I don’t want to be caught in the crossfire,” she said.
Tensions rise as train boycott starts

From page 1

TENSION was rising yesterday on the eve of the week-long boycott of trains which starts today. It came on the back of news of the Inkhata Freedom Party's actions, with most major black organisations supporting the action and calling on commuters to defy the call.

Most people spoke of yesterday's news as they feared many would be killed or injured. Several people said they would not be able to afford the cost of trains which starts today. They feared many would be killed or injured and people they knew would lose their jobs.

Ironically, ANC spokesman Mshoza said yesterday it was ironic that Inkatha had called on commuters to use trains "freely".

"The boycott was called to bring attention to the authorities that many innocent people are being killed unnecessarily," Mshoza said.

Soweto taxis increased their fares by between 21 and 60 percent from Saturday.

People travelling from Protea North in Soweto to the city will now pay R3.30, an increase of 60c from the previous R2.70.

Efforts by various civic associations to have the tax fare increases postponed have failed.

Meanwhile, Spoornet has appealed to all organisations advocating a boycott of trains to suspend the action because it said the company and the police were doing their best to normalise the situation.

The call for a boycott of trains follows shortly after the end of a week-long sit-in by seven leaders of various political organisations at the headquarters of Spoornet in Braamfontein.
Jack-up
on way

CAPE TOWN — Jan Smuts Airport handled 13.5 percent more visitors in 1991 than in the previous year and 11 more airlines were operating, Minister of Home Affairs Gen. Louw said in Parliament yesterday.

Introducing debate on his vote, he said alterations to Jan Smuts would improve passenger handling, but immigration facilities needed stepping up as soon as possible.

It was possible that returning South Africans might not have to fill in arrival forms, and their passport numbers could be linked to their identity numbers to speed up procedures.

At present, the Immigration Department was geared to handle about 1,012 arrivals an hour, or the equivalent of three plane loads of passengers from Jumbo jets.

Alterations to the international arrivals hall were scheduled only for next year.

However, the number of booths and operating space for immigration officers needed to be increased now — Sapa.
Trains boycott escalates

By Peter Davies and Thabo Leshlo

The train boycott in protest against continuing carnage on Reef trains appeared to be gathering strength last week, with some morning peak coaches only 10 percent occupied.

Taxi fares rose as much as 50 percent just three days before the protest began.

An elderly man at one station said although he was "100 percent" behind the boycott, he could not afford to join it. His weekly train ticket to Inhlanzane Station cost only R5.20, while the bus cost R20 and the taxi R9 daily.

According to Spoorna statistics, trains running from Soweto — the area which has borne the brunt of the slaughter — were only 10 percent full today, compared with 20 percent occupancy yesterday morning.

The Trans-J-Leratle line on the East Rand was also down to 10 percent of capacity.

Trains from Daveyton, which yesterday were largely unaffected by the boycott, this morning carried 70 percent of their usual passenger load.

The boycott, scheduled to last until Saturday, was called for by the ANC, SACP, PAC, Cosatu, Naacta, the Human Rights Commission, Civic Associations of the Transvaal and the SACC.

Boycott organisers have asked commuters to "take the initiative" and arrange alternative transport. Patco has been asked for more buses.

According to the Human Rights Commission's latest reports, the number of people killed in train attacks in the first three months of the year outstrips the combined figure for the whole of 1990 and 1991 when 97 people died. More than 130 people have been murdered on Reef trains this year.
Mixed views

CALLERS to the Sowetan Radio Metro Talkback Show last night had mixed views on the five-day train boycott which started yesterday.

Some complained that they had not been consulted or informed of the boycott by the organisers.

Most of the callers agreed, however, that the boycott alone would not stop train killings.

Zakhele supported the action but said he was against the way the boycott was organised.

He said the violence could be addressed only if people came together and discussed the issue.

Peter of Tembisa said the boycott would not end the killings.

Goodwill said the boycott was justified.

"People are dying while Transnet is making money. Police should be on the trains," he said.

Sammy of Jabavu said taxi owners were involved in train violence and called for a 24-hour police patrol.

Kgalekgotla of Tokozane said the boycott would not end the violence.

She blamed the ANC and said toy-toying on the trains was the main cause of the violence.
Huge support for boycott

The first day of the train boycott appeared to be successful yesterday as thousands of commuters on the Reef supported the action in protest against ongoing attacks on trains.

Soweto trains carried between zero and 15 percent of their normal load of passengers.

A Spoornet spokesman said the number of passengers in other areas varied between 40 and 50 percent of the normal load.

Soweto commuters have been the most affected by the train violence, in which more than 130 people have been murdered this year.

The number of passengers dropped to 50 percent on the Germiston/Kelchong route and to 40 percent on the Tembisa line, a Spoornet spokesman said.

However, coaches were full on the Daveyton line on the East Rand.

The Spoornet spokesman said the West Rand was largely unaffected by the boycott.

A spokesman for the South African Black Taxi Association said there was an increase in taxi passengers from Soweto and from other areas and most taxis could not cope.

With the “avalanche of passengers”, some drivers ignored regulations in an effort to “kill the rush”, the SABA spokesman said.

By ABBEY MAKOJE and Sapa

Most trains on the Reef ran virtually empty on the first day of a train boycott called to protest against violence on trains.

Pic. MBUZENI ZULU

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SPUITVIEW R 59,000
DAVEYTON EXT 2 R 53,500
ETHWATWA EXT 2 R 51,000
JABURHAM R 57,500
Sabia had, however, warned its members "not to be euphoric about the train boycott", because a boycott against taxi operators could be just as successful.

Putco said there had been about a five percent increase in passengers.

The company had laid on 20 extra buses, but only nine had been used.

Soweto police spokesman Capt. Joseph Ngebom said police were deployed at stations from about 6 a.m. A helicopter was also used in the morning to monitor the situation.

At Mafefe, Jhazane and Dube stations, commuters who used trains were mainly hostel dwellers living near the stations. Other stations were virtually empty.

Most of the commuters who used trains told Sowetan that they could not afford the high taxi fares.

In train number 9917 from Naledi to Faraday stations, there were fewer than five people in each coach.

Mr John Mumba sat alone and said he was going to the city to look for a job and could not afford the taxi fare.

Mr Abram Kgotla said he spent R12 a week on train fare.

"It is just inconceivable that I can suddenly turn to the taxi or bus," he said.
Transnet's property arm announces new projects

PETER GALL and JONO WATERS

TRANSPORT's property arm, Propnet, has announced plans for two development projects, one in the southern Cape aimed at tourism and one near Mamelodi involving mainly commercial sites.

Propnet involved in the commercial development of Transnet’s land holdings, has dubbed its southern Cape project 'The Golden Thread' and plans to develop the tourist potential of land at railway stations along the Garden Route. The project involves a series of joint ventures between Propnet, developers, financiers and community interest groups over the next eight to 10 years. The proposal is still in its broad planning stages but the aim is to utilise fully the land for developments that serve the community at large and preserve the environment, history and culture. Propnet CEO Fuzz Loulsier says about 70ha of property in and around the 38 stations linking Mossel Bay, Oudtshoorn and Kingsta has been targeted in the proposal.

Shopping

In the project near Mamelodi, Propnet is coordinating a R12m commercial development at the SA Rail Commuter Corporation’s (SARCC’s) Denneboom station, which is expected to be completed in August.

Known as Metropolitan Life Gateway, the development comprises 7 000m² of retail shopping, banks, the station ticket office and facilities for the SAP.

Anchor tenants include Standard Bank, Edmond, Pep Stores and Shoprite Supermarkets.

Leased to Metropolitan Life on a 50-year contract, the development is expected to generate market-related returns for the developers while improving the use of and return on SARCC land.
SA and Zimbabwe agree on transport of relief food

PRETORIA — An agreement has been reached between the SA and Zimbabwe governments on the transportation by road from SA ports of some of the 1.5-million tons of food needed to feed Zimbabweans.

This follows discussions last week between SA Transport Minister Piet Weggemoed and his Zimbabwe counterpart Denis Norman.

The talks centred on how much of the multimillion-rand operation would be undertaken by SA hauliers and how much by Zimbabwean operators.

SA hauliers feared they would be frozen out of the lucrative operation, Road Freight Association spokesman Herman Lemmer said yesterday.

He said the association had objected to Zimbabwean haulers receiving an “excessive” number of permits.

It was agreed in the discussion between the two governments that the SA operators would get a third — about 100 000 tons — of the total to be carried by road and the Zimbabweans the remaining two-thirds.

Lemmer said the total to be transported to Zimbabwe, Malawi, Botswana and Zambia was expected to amount to about 5-million tons.

A large percentage of the 3.5-million tons destined for the other southern African countries would be contracted out to SA operators.

Lemmer said that at least some of the 4.5-million tons of maize needed for SA’s domestic market would also have to be transported by road.

Meanwhile a meeting of all parties involved in the massive food distribution effort will be held in Pretoria on May 12 to finalise the logistics of the operation.

Parties will include Transnet, the SA government, government officials from the receiving and donor countries and the road transport industry.
Reopening of criminal case against Winnie Mandela (continued)

Mr L FUCHS asked the Minister of Justice:
(1) Whether, with reference to recent statements in the media by two persons whose names have been furnished to the Minister's Department for the purpose of his reply, he intends to invoke the provisions of the Criminal Procedure Act, No 51 of 1977, to reopen the criminal case against Mrs Winnie Mandela; if not, why not, if so, what are the relevant details.

(2) Whether, with reference to the trial of Mrs Winnie Mandela, attempts have been made to take statements from certain persons whose names have also been furnished to the Minister's Department, if not, why not, if so, what are the relevant details.

(3) Whether he will furnish the names of the persons referred to in paragraphs (1) and (2) of this question, if not, why not, if so, what are their names?

The MINISTER OF JUSTICE:
(1) (and 2) In view of the pending appeal, the matter is sub judice. The requested information can therefore not be furnished. In addition the South African Police is investigating certain allegations and the required information may affect the outcome of the investigation.

(3) A list of the names of the persons who may be involved or may become involved has not been formally established and the furnishing of such a comprehensive list may in any event infringe upon the sub judice rule.

Number of applications for SA citizenship

Mr R R HULLERY asked the Minister of Home Affairs:
How many persons applied for and (b) obtained South African citizenship during the period 20 February to 17 March 1992?

The MINISTER OF HOME AFFAIRS:
(a) and (b)
Altogether 24 487 naturalisations were ap-

The MINISTER OF TRANSPORT:

(1) Yes. It was done in the light of investigations into complaints concerning all foreign investments made with the CIB Bank.

(2) No.

The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING:

(1) Whether the Government intends to take any steps in respect of the constitutional future of Doornklof, in the district of Roodepoort, if not, why not; if so, (a) what steps and (b) when?

The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING:

(1) (a) and (b)

Yes. The Cabinet has already granted permission for the purchase of Doornklof agricultural holdings No 239. A decision on the constitutional future and use of the land will be determined in due course.

Black schools' amount needed to replace textbooks

Mr J CHILOE asked the Minister of Education and Training:

(1) What total amount is needed to replace textbooks that were not returned in Black schools at the end of 1991 and 1990, respectively.

(2) Whether there are any Black schools where in 1991 fewer than 25% of the textbooks that had to be returned were in fact returned, if so, (a) which schools and (b) what steps are envisaged in this regard.

The MINISTER OF EDUCATION AND TRAINING:

(1) The information is not available.

The Department supplied textbooks and prescribed books to the value of R60 140 094.00 and R65 731 270.00 for the school years 1991 and 1992, respectively. The books were supplied to provide for the increase in the number of pupils and the replacement of worn-out and lost books.
industry in the Southern Cape region? Were these not two of the primary reasons?"

The MINISTER. I want to ask the hon member to please table that question.

Credit limit with Sproenet Limited exceeded

*2 Mr W U NEL asked the Minister for Public Enterprises

(1) Whether it is his intention to initiate an investigation into the circumstances under which Sproenet Limited allegedly allowed a certain company, the name of which has been furnished to the Minister's Department for the purpose of his reply, to exceed its credit limit with Sproenet Limited, if not, why not, if so, (a) what steps will be taken in this regard, (b) what is the name of the company concerned and (c) by how much did this company exceed its credit limit?

(2) whether he will make a statement on the matter?

The MINISTER OF LAW AND ORDER

(1) (a) and (b)

As the South African Police is merely a custodian department and the right of ownership of accommodation falls under the auspices of the Department of Public Works, only the Department of Public Works, in co-operation with and on conditions determined by the Department of Finance, can decide whether the houses can be sold and which criteria and conditions will apply.

(2) Yes

At present there is no arrangement in terms of which official houses can be offered for sale.

Mr R M BURROWS Mr Chairman, on the reply of the hon the Minister, can he give an indication as to whether he would support the sale of the houses?

The Minister Mr Chairman, no, I cannot
give such an indication, for the simple reason that it is not only members of the SAP Police who are occupying State houses, but also other employees of the State. If we make such a decision, we have to take all the implications of such a step into consideration. Therefore I cannot
tell the hon member whether I can support it.

Mr W U NEL Mr Chairman, is it the hon the
Minister implying that he is not prepared to make such a recommendation?

The Minister Mr Chairman, I never said
that I said—I want to repeat that—that it will have to be a policy decision not only in respect of the SAP Police, but in respect of all State employees who are occupying State houses.

Houses offered for sale to SAP members

*3 Mr W U NEL asked the Minister of Law and Order

(1) Whether the South African Police intends offering houses of the Department of Public Works that are occupied by Police personnel at present, for sale to such personnel, if not, why not; if so, (a) when is it envisaged to make the houses available and (b) what criteria will be applied.

Personnel still in prison

*4 Mr F H P GASTROW asked the Minister of Correctional Services

(1) Whether a certain person, whose name and other particulars have been furnished to the Minister's Department for the purpose of his reply, is still in prison, if not, (a) if and (b) subject to what conditions was he released from prison

and (b) who authorized his release.

(2) whether this person's release is in line with his Department's policy regarding the release of convicted prisoners,

(3) whether he will disclose the identity and sentence particulars of the person concerned, if not, why not, if so, what are they?

The MINISTER OF CORRECTIONAL SERVICES

(Reply laid upon Table with leave of House)

(1) No

(a) (i) He was released conditionally, that is on parole, on 14 February 1992. The Commissioner of Correctional Services may suspend his parole at any time should he be satisfied that the parolee has, before the expiration of the period of release on parole, failed to observe one or more of the conditions of his release. A warrant for his arrest is then issued whereupon he shall be subject to be detained in prison until lawfully discharged or released therefrom and if at large, he shall be deemed to be unlawfully at large.

(b) The following conditions were laid down and are applicable to the person mentioned by the hon member, namely that he

would be on parole from 14 February 1992 to 28 May 2003

would be under the control of the Head of the Durban Medium B Prison for the duration of his parole

would be required to report to the South African Police Station in person not later than 21 February 1992

would be required to report for duty to his employer as arranged in conjunction with the Head of the Durban Medium B Prison

may not change another employer and/or work address without explicit prior approval by the Head of the Durban Medium B Prison

must reside at the residential address as agreed upon for the duration of his parole

may not change his residential address without explicit prior approval by the Head of the Durban Medium B Prison

would be required to report to NICRO

must give his wholehearted co-operation to NICRO

may not commit any offence or render himself guilty of any form of misconduct whatsoever for the duration of his parole period

would be required to report in person on 1 February 1992 to the Head of the Durban Medium B Prison and thereafter on a monthly basis on predetermined dates

is not allowed to leave the Mpumalanga District of Umkomaas or immediate surrounding area without permission of the Head of the Durban Medium B Prison

concede to visits or telephone contact at least twice a week by members of the Department of Correctional Services to his residence

Eldorado Park
The predecessor of the hon the Minister spoke here in Parliament on 3 March 1989, Hansard, column 2037, and made certain promises in this regard. He said:

Steam safaris as well as short-distance steam excursions will be offered regularly. The maintenance of the national steam locomotive collection with the National Transport Services Museum and conservation groups and organizations. Locomotives will be made available on loan basis to local authorities, municipalities and other bodies for static display.

He continued:

A railway line will be identified along which steam trains will in future be operated. Along this railway line one will be able to see original station buildings, technical maintenance facilities, water tanks and so on.

He then spoke about a mechanism, a co-ordinating body and a group conservation advice council for this specific purpose. [Time expired]

*The Minister for Public Enterprises Mr Chairman, the hon member for Atalanta pointed out that this matter was not really raised by the DP because they disagree with the policy of Transnet. To a large extent that also seems to me to be the case with the hon member for Rooideep. In other words we are on the same wavelength.*

I should therefore like to inform the House about the most excellent way in which Transnet is conducting various programmes to maintain steam transport in South Africa, also with a view to tourism and preserving a beautiful tradition.

The fact that steam transport is no longer part of ordinary or normal transport does not mean that Transnet is not putting its hand deep into its pocket each year to promote the preservation of steam transport. The latest calculations point to the fact that Transnet spends more than R5 million annually on the preservation of steam transport and other historic commodities.

Let me mention a few of Transnet’s very commendable programmes in this field.

Transnet has committed itself to preserving a number of steam locomotives, live and static, which we call the National Heritage Collection. This collection consists of 8 historic engines, representing as far as possible our significant classes of engines. In addition, 67 workhorses have been set aside to haul Transnet’s prestigious steam safari trains which are run particularly for tourists. This preservation programme alone is costing Transnet more than R2 million per year.

To my mind Transnet is the only transport company in the world which spends so much money on steam preservation. Transnet also operates the scenic George-Knysna line in order to preserve a museum line where tourists can come and view the trains in action.

That is the project to which the hon member for Rooideep also referred. There are the very important steam train safaris conducted by Transnet annually. [Time expired]

*Mr Chairman, the hon the Minister has taken a lot of the wind out of my sails, but I shall go on nevertheless. [Interjections] We all agree that Spoornet has now been commercialised and cannot keep steam engines going merely for sentimental reasons. There is, however, a demand throughout the world, from tourists and visitors to South Africa, for the maintenance of steam, and we have a steady flow of visitors to this country, as has been said by previous speakers.*

A great deal is said about the promotion of tourism in this country, but not enough is being done to create facilities which can be enjoyed by visitors. A greater use of our steam locomotives could be one solution to this problem. Obviously this calls for co-ordination between various government departments and between the Government and private enterprises. Spoornet could then provide the service on repayment from various other organisations.

It is suggested that a small number of attractive and interesting routes should be selected and this has already been mentioned by the hon the Minister—on which the necessary logistic support infrastructure can be maintained and on which steam trains can be kept running. Obviously, however, attractions other than the trains themselves must be provided on route in these areas. The figures mentioned by the hon the Minister to keep this facility going are not so great that they cannot be recouped from our tourism industry.
I should also like to mention that a great deal has been done to prevent the hazard of fires occurring from our steam trains. [Time expired]

Mr W U NEL: Mr Chairman, the hon Minister referred to Transit being the only company in the world that spends so much money on its steam engines and steam lines. The reason for that is obvious. We are the only company in the whole world that has such a tremendous asset. We dare not burn our bridges in this regard. If tourism is to be the economic sauvore in the future, we must not damage its potential.

The recent history of steam locomotion in South Africa and on the railways is a sorry saga of broken promises. As the hon member for Roodepoort pointed out I shall not go into further detail on that score.

I just want to say again that with a daily operational steam line the railways will not come to this country specifically to share in the experience of steam locomotion. The De Aar-Kimberley line is the obvious and only line on which we can successfully operate the really heavy, big machines on our country. We obviously cannot retain them everywhere. [Time expired]

The MINISTER FOR PUBLIC ENTERPRISES Mr Chairman, I want to tell the hon member for Nelspruit that South Africa is not the only country that has such a wonderful heritage, there are many other countries as well. However, South Africa is the only country that cares to protect this heritage.

There is an economic limit. One can spend only so much on attracting tourists by way of steam traction. If one spent more, one could rather consider spending that money in other directions to encourage tourists to come to this country.

The hon member for Walmer asked whether enough opportunities were being created for steam enthusiasts. I would say "yes". Certainly the steam safari trains I referred to offer a wonderful opportunity for steam enthusiasts to come to South Africa, to enjoy steam locomotion, to relive the past by joining one of these safaris not only in South Africa, but across our borders. We offered these safaris for this year, and it may interest hon members to know that four of these have already been totally sold out. Of the people joining these safaris 80% come from abroad.

Transnet is prepared to co-operate with any group or organisation that wishes to engage in steam preservation. On this issue Transnet has just recently concluded a successful agreement with Neeral whereby the old North-Karly East line is now operated by this group on a steam traction basis with the co-operation of Transnet.

Transnet is also making good progress with the construction of the first gentle transport museum in Newton, Johannesburg, where the entire historic collection of steam engines and other historical items will be brought together.

Debate concluded

QUESTIONS

Indications translated version
For oral reply
General Affairs

Mossgas project: original cost estimates

1. Mr R R HULLEY asked the Minister of Mineral and Energy Affairs

(a) What was the originally budgeted cost estimate for the Mossgas project and (b) what is the latest estimate for the total cost of the project and (c) in respect of what date is the estimate furnished?

2. Whether he will make a statement on the viability of the project? B571

The MINISTER OF MINERAL AND ENERGY AFFAIRS

(a) When the project was finally approved in April 1988 the total project cost was estimated to be R6 895 million. Financing costs, working capital and operating costs during the start-up, increased the peak funding estimates to R7 376 million.

(b) The latest estimate is that the total project cost will be R10 258 million and peak funding will be R12 000 million, provided the plant is commissioned without unforeseen problems.

The latest estimate was prepared in September 1991 and is in money of the day terms.

2. The project is expected to provide a nominal internal rate of return of 11% if an oil price of $19 per barrel in 1989 terms is maintained over the lifetime of the project. The viability of the project is sensitive to the price of oil, but an oil price as low as $12 per barrel in 1989 terms (about $14 per barrel in current terms) will be sufficient to cover operating costs and the servicing of foreign loans.

I am sure the hon member will be interested to know that early last month the off-shore platform started production and that condensate and gas is now flowing on-shore, and these products are being used to commission the various components of the plant. It is expected that commercial production of petro will be achieved in the last quarter of this year.

The MINISTER Mr Chairman, that is correct. The hon member's point is correct.

The MINISTER Mr Chairman, arising out of the hon member's question, may I ask whether the hon the Minister will confirm that the internal return of 11%, which he mentioned, excludes any kind of return whatsoever on the funds which the taxpayer has invested in Mossgas?

The MINISTER Mr Chairman, arising out of his reply to paragraph (2) I want to ask the hon the Minister who did this viability study in the Brooks Report—by the way, it cost the taxpayer R1 million—it was mentioned that an investigation as to the financial viability had not been done as yet. The report dealt only with the technical viability of the project. I would like to know who did the financial viability study.

The MINISTER Mr Chairman, the studies were done in conjunction with the Industrial Development Corporation and other experts in this particular field.

HON MEMBERS Who?

The MINISTER The IDC and their advisers and experts, along with the Central Energy Fund itself. So this project was fully researched by experts in the field before the decision was taken to proceed with it. I would like to stress that this project was agreed to at a time when South Africa was under a strict boycott as far as oil was concerned, and the decision was primarily a strategic one. Of course, we are living in changing times, with the progress being made by way of the reforms of the hon the State President. There is a chance that the oil boycott will be lifted, and that will, of course, mean that circumstances will change completely.

Mr CH P PIENAAR Mr Chairman, further, arising out of the hon the Minister's reply, I would like to know whether that report is going to be released, whether the Industrial Development Corporation, specifically, undertook the investigation and when we are going to see that report.

The MINISTER Mr Chairman, if the hon member will permit me I will reply to that question in writing.

Mr R R HULLEY Mr Chairman, arising from the hon the Minister's comments on viability and the fact that the decision was taken for strategic reasons, is the hon the Minister aware that a recent calculation indicates that the total capacity of Mossgas would have delayed the effect of a total oil cut-off by some four weeks—in terms of the image of this country and the capacity of Mossgas. Is he aware of that report and is it correct?

The MINISTER I want to ask the hon member to give me a copy of that report. I should like to study it. It was Government policy that South Africa should be self-sufficient in terms of the production of liquid fuels up to the level of 80% of its annual requirements.

Sased initially gave South Africa that self-sufficiency. As time progressed and the utilisation of petroleum increased, that self-sufficiency diminished. When Mossgas comes on steam South Africa will again be 40% self-sufficient in the production of liquid fuels.

Dr P J GOUS Mr Chairman, arising out of the hon the Minister's reply, I want to ask the following question. Is it not the fact that one of the primary considerations for Mossgas was to make a period of depression in the country, once again a viable proposition and, secondly, to establish
Anger mounts as taxi operators rake in cash

By Brian Sokutu and Thabo Leshilo

Taxi drivers are raking in the money as a result of the train boycott.

Many drivers stand to take in more than R2 000 each from passengers, amid rising anger over fare increases introduced on the eve of the six-day boycott, which entered its third day today.

Drivers ignored yesterday's call by the Southern Africa Black Taxi Association to drop the taxi fare increase. Taxi operators in Soweto and Hotspur, this morning continued charging the higher fare of R3 to ferry passengers to Johannesburg.

One taxi operator said he was making nine trips daily in his six-seater minibus from Soweto to the city. This meant the taxi operator could earn from R378 daily, or a possible R2 268 over the six-day boycott if he does not overload.

Peter Matlaku of Protea, Soweto, in a letter to The Star, complained that taxi operators were "committing plain robbery with the fare increase they have introduced. For example, an increase from R1.60 to R2.20 from Baragwanath to Protea and from Naledi Extension to the city is unreasonable."

The organisers of the butting Reef train boycott met the country's two major taxi bodies, Nafo and Saba, yesterday in an urgent bid to win their support for the ongoing protest.

The meeting came after many commuters complained of the scant regard the organisers had given to the issue of alternative transport, especially their failure to persuade the taxi owners to postpone the fare increases.

The boycott was called by the ANC, PAC, Cast, Cosatu, SACP, Naclu and the Institute for Contextual Theology.

According to Spoornet southern Transvaal spokesman Ian Bleasdale, yesterday was "worse than Monday" and train occupancy rates had dropped to 10 percent on the Soweto line compared to 20 percent on Monday and the number of passengers on the East Rand routes stayed at between 40 and 50 percent.

ANC PWV spokesman Ronnie Mamonepeta said at yesterday's meeting all local associations affiliated to the National African Federated Transport Organisation and the Southern Africa Black Taxi Association backed the boycott.

At the meeting it was said that the Soweto Sabta region, due to communication problems, would only be able to address the steering committee's request to reduce fares by up to 20 percent at a meeting in Dube, Soweto, today.

At the meeting, Randfontein Taxi Association accepted the request to reduce fares. However, taxmen at the Johannesburg-Randfontein taxi rank continued to charge passengers the higher fare of R5.

Earlier, Saba issued a statement appealing to all taxi operators "to continue observing the traffic regulations, not to overload and not to increase prices during this boycott."

Sapa reports that Sergeant Paul Jansen Oosthuizen of the Unrest Investigating Unit in Katlehong told a committee of the Goldstone Commission yesterday that 48 people had died and 52 were injured in violence on trains in the Germiston area from July 1 last year to April 27 this year.

Johannesburg Chamber of Commerce and Industry president Stuart Morris also appealed to taxi associations not to increase fares.

"We appeal to taxi associations to recognise the difficulties faced by commuters and to consider suspending the implementation of fare increases," said Mr Morris.
Train boycott strong as train occupancy drops to about 10%

GAVIN DU VENAGE and KARIN FRANKEN

SUPPORT for the Reef train boycott appeared strong yesterday — the second day of the week-long protest.

A Spoornet spokesman said yesterday early trains — which were normally empty — were 60% full. However, later trains became emptier, dropping to as low as 10% occupancy.

Sapa reports that a Putco spokesman said the bus company had to add 20 buses to deal with increased passenger levels which were 40% to 50% higher.

The Spoornet spokesman said that after 5.30 am, passenger numbers began dropping to 20%. From 7.30 am, which usually marks the end of the peak hour, trains were down to about 10% full.

The spokesman said trains on the Daveyton line on the East Rand — which operated at normal levels on Monday morning — were about 70% full during peak hours.

Putco said yesterday it was operating at full capacity and could not cope with a 100% boycott.

In the first unrest incident involving a Reef train since the boycott started, shots were fired at a train on the East Rand at about 7 am yesterday.

A Goldstone Commission committee was told yesterday that violence on trains in the Germiston area claimed 48 lives and 52 people were injured from July 1 last year to April 27 this year.

Sgt Paul Goughen said in most cases witnesses claimed they were attacked by Zulu-speaking men armed with AK-47 rifles and other dangerous weapons, and wearing red bands.

Our Durban correspondent reports an SABC television cameraman was killed in the riot-torn Imbali township near Maritzburg yesterday as violence continued with threats from Inkatha to mobilise their forces if the ANC/SACE/Coratu alliance did not end their stayaway by last night.

Durban-based TV news cameraman Hector Nkwan- yana, of KwaMashu, was run down by a minibus while covering a march from an ANC meeting at the Wadley Stadium.

Meanwhile, police fired teargas yesterday to disperse thousands of toy-toying Imbali and Edendale residents attempting to march on the Maritzburg Magistrate’s Court yesterday in support of 25 women charged with trespassing.

The women had staged a sit-in at Maritzburg’s Loop Street police station since Monday afternoon to demand that riot police, KwaZulu police and 38 Battalion soldiers be withdrawn from Imbali.
Air strike hits SA flights

STRIKING airport firemen in Frankfurt forced the airport’s closure yesterday causing flights from SA and other countries to either be cancelled or diverted to other airports in Germany and Europe.

Lufthansa’s flight from Johannesburg on Monday was diverted to Stuttgart and passengers were ferried by the airline’s private train and coach service to Frankfurt.

Last night the airline’s flight to SA was delayed in Frankfurt for more than five hours, and was expected to land at Jan Smuts Airport at about 1.30pm today.

Tonight’s northbound flight will leave on schedule, Lufthansa spokesman Karin Lambton confirmed.

The firemen called a 24-hour strike in sympathy with German public service workers who are on a pay strike.

Early this morning the firemen returned to their posts so that the airport could be reopened.

Durban lobbies for major new international airport

DISCUSSIONS are under way about a possible new multi-billion-rand airport for Durban, official sources said yesterday.

Durban mayor Gys Muller said several options were being considered including relocating Louis Botha Airport to La Mercy on the north coast. Another possibility was the upgrading of facilities at Louis Botha with a view to catering for all incoming flights from the Far East.

Research by the Durban City Council had shown that shifting Louis Botha to La Mercy was “quite feasible,” but would probably only take place in the longer term, Muller said.

One of the options being examined was the sale of the 440ha of land at the airport for industrial use. Payment for the land would be made upfront, with occupation only after the airport was moved to La Mercy.

“This would raise between R460m and R500m and would give us time to complete the airport at La Mercy, where government has already spent between R280m and R300m,” he said.

Transport deputy director-general Japhet Smit said “Louis Botha Airport has its limitations and the life of an airport is dictated by the long-term capacity of its runway. It will never be possible, for example, to fit parallel runways at Louis Botha.”

Discussions will be held on May 12 between Muller and Natal Administrator Con Botha to examine the possibility of the Far East flights landing at Durban before flying on to Johannesburg, Muller said.

“I have already met Transport Minister Piet Wellgens and Public Enterprises Minister Dawie de Villiers in this regard and their response was very positive,” said Muller.

However, Smit said that while this was “quite possible”, the airlines would have to decide themselves whether this was what they wanted, based on market demand.

He added that the commercialisation, in principle, of all nine state airports was in the process of being investigated, with the findings of the report groups being studied.

“Present thinking is in the direction of an independent airport authority responsible for state airports. This will not be privatisation but commercialisation where the airport would have to become economically self-sufficient and use revenue generated for all refurbishment and improvements,” he said.

The commercialisation of Air Traffic Services was also under consideration, but these matters still had to go before government and the Cabinet. However, the recommendations of the report groups would have to be discussed and a plan of action formulated before any decision was taken, he said.

Privatisation of Louis Botha had also been discussed, but this did not appear a viable option at this point. It would not be more likely the airport would undergo an extensive upgrade and refurbishment, Muller said.

“A port like Durban should receive between 10 and 12 international flights a week. Government has to realise that in order to create jobs and stimulate growth, increased tourism is needed. To achieve this, money has to be spent on the upgrading of the airport so that it can cope with and service the increased demand,” Muller said.
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One of the options being examined was the sale of the 46ha of land at the airport for industrial use. Payment for the land would be made upfront, with occupation only after the airport was moved to La Mercy.

"This would raise between R400m and R500m and would give us time to complete the new airport at La Mercy, where government has already spent between R20m and R30m," he said.

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R130 000 a day lost in rail boycott

By Peter Davies and Thabo Leshlo

The train boycott to protest against the carnage on Reef commuter trains is costing the South African Rail Commuter's Corporation R130 000 a day.

A spokesman for the Metro Division of the SARCC said today, "We can only determine exact figures later, but based on the premise that passengers would have bought weekly tickets, we estimate a daily loss of R130 000 in fares alone."

The boycott entered its fourth day today, and early morning trains from Soweto — the area which has borne the brunt of train slaughters — were running at just five percent of capacity.

Trains from the East Rand township of Tembisa were at 50 percent capacity, while trains from Randfontein were 70 percent full.

With passengers forced to resort to alternative transport, some commuters have accused taxi owners of cashing-in on the boycott. Taxi fares rose as much as 70 percent three days before the protest began.

The Train Boycott Steering Committee met the Southern African Black Taxi Association representatives yesterday to address the problem.

Later today, taxi operators and owners will meet to discuss the steering committee's request to reduce taxi fares by 10 percent and suspend all fare increases until the boycott ends on Saturday.

The boycott was called for by the ANC, SACP, PAC, Cosatu, Nactu, the Human Rights Commission and the Civic Associations of the Transvaal.

The Inkatha Freedom Party and the IFP-aligned United Workers' Union of South Africa have urged their members to defy the boycott, saying they were not consulted in its planning.

Hostel resident killed

A resident of Kwamashu hostel near Sebokeng was shot dead with an AK-47 outside his room yesterday.

Wandile King (25) died shortly after being admitted to the Sebokeng Hospital, police said.

A 43-year-old man was arrested in connection with the killing. — Vereeniging Bureau.
Cairo — A flight by South Africa's national carrier landed in Cairo yesterday, for the first time in 29 years.

An SAA 747 made the non-stop flight from Johannesburg in 6½ hours with 155 passengers. The airline will operate a weekly flight to Cairo. Egypt started improving relations with South Africa after the dismantling of apartheid began — Saps-Reuters
Speed seen as SA's biggest road problem

Staff Reporter

TRAVELLING too fast is the single biggest behavioural problem among drivers, says a report by the Human Sciences Research Council.

In a road safety study, the HSRC found that more than 11 000 people died on South Africa's roads every year.

Most drivers were in the 18- to 24-year age group and human error was responsible for 50 percent of accidents.

The study also found that 60 percent of people thought they drove better than average, while 47 percent "usually" exceeded the speed limit.

A further 42.2 percent made excessively wide turns and 40.6 percent had ignored traffic rules once or more than once.

Impatience caused 49.3 percent to take unnecessary risks.
Portnet gets 53.7% budget boost

MADDEN COLE

Transnet’s record capital expenditure budget of R306m, approved yesterday for its Portnet division, is 53.7% higher than last year’s R194m and reflects SA’s increasing international trade.

A Portnet spokesman said increased traffic was expected at SA’s main harbours as a result of a rise in exports and imports. Harbours were being upgraded in anticipation of this.

A Portnet statement said R90.8m of the budget was for new projects and equipment, and R115.8m to upgrade existing facilities.

Part of the allocation will go to the construction of a chemical tank farm in Cape Town harbour.

In Port Elizabeth, construction is expected to start on a new ro-ro (roll on/roll off) shed for container vessels.

Durban is to gear up for the handling of increased container traffic. Construction of a steel terminal is envisaged, pending negotiations with key exporters.

Major Richards Bay expenditure will go on an additional berth and facilities for products requiring shed storage.

An additional onloader will also be required for the handling of breakbulk cargo such as fertiliser, potash, rock urea and sulphur.
AIRLINE DEREGULATION

No more free rides

Government’s liberalisation of its international air policy is a clear signal that SA Airways is no longer a sacred cow. That’s good news for the would-be flying public and tourism officials who have always complained that the protection surrounding SAA hurt them.

But don’t rush out and try to buy a cheap seat yet. The new civil aviation policy announced last week has a “double disapproval” clause that kills a proposed fare if both SA and the country at the other end of a flight agree to reject it. So SA and the UK can veto the promotional R500 SA-London one-way tariff that Richard Branson says he will offer when Virgin Atlantic Airways gets off the ground here.

Yet there’s no doubt that increased competition and a higher supply of seats will help to bring down prices and bring in more tourists. Transport Minister Piet Welgemeed’s announcement on international deregulation is a follow-up to last year’s policy that broke down the barriers guarding SAA against competition on the domestic market. That encouraged the creation of Fittestar, which is already operating on several major routes. Later this year Bass Air will fly the Midrand-Durban route.

Welgemeed’s policy, which has been approved by the Cabinet, has removed the last barrier protecting SAA against the cruel outside world. Parts of the policy will be implemented immediately, the rest will be encapsulated in an Act to be tabled in parliament next year.

SAA’s survival now depends on how it copes with competition. It can no longer rely on the one-on-one clause in bilateral agreements, which mandated that it would operate the same number of flights per week that its pool-partner airlines operated. All new agreements will contain the 60-40 clause, which will give government, and any other government with which it has signed a bilateral agreement, the right to increase the frequencies of their carriers’ flights by 50%, without having to consult the other.

For example, the British government will be entitled to increase British Airways’ present number of weekly flights from the UK to SA from 10 to 15, or allow Virgin, for instance, to operate those extra five flights — even if SAA decides to stay with its 10 flights per week.

SAA, a subsidiary of government-owned Transnet, will also lose its status as the country’s sole national carrier. Welgemeed says “to allow all SA airlines to enter the international market freely on new and existing routes, subject to economic conditions.”

Despite the double disapproval rule, tariff control is also greatly deregulated. This will allow airlines more room to compete on fares and should spur traffic. SAA has also largely lost its battle against charter flights, which had been allowed in only when SAA and its pool partners could not meet demand. Welgemeed agrees that “the current policy is far too restrictive.”

He is prepared “to freely allow charter flights for the transport of tourists within a broad upper limit, to stimulate trade and tourism, and to freely allow charter flights for the transport of cargo and passengers to and from countries between which no scheduled air services are now being operated, to stimulate the development of new air links.”

The commercialisation of SAA is certainly being handled very differently to the privatisation of Sascor. Sascor kept its almost air-tight protection from imports, which enabled government to collect a handsome price in the sell-off two-and-a-half years ago. But exposing SAA to competition could cut its market share and may lose government a fortune if it is ever privatised. Of course, the jobs and other economic benefits of deregulation far outweigh any money lost in an eventual sale.

In any event, it’s possible SAA might not survive deregulation though it is stronger than many government-owned airlines around the world, which exist on subsidies SAA isn’t subsidised and it has lost R60m in each of the past two years, which it attributes to the recession, increased competition and deregulation.

Even private airlines flourished when suddenly faced with deregulation. Of the top 10 airlines in 1978, when the US deregulated its domestic air industry, three have gone out of business, two are in bankruptcy court, and two were swallowed up by rivals. The No 1 US airline, United, has fallen to fourth.

SAA’s competition isn’t as fierce, but it’s growing. Apart from several local airlines, including Fittestar, that want to fly internationally, there are already 30 carriers flying into SA, and government is negotiating with another 25 who want to descend.

SAA can fight back by becoming a leaner, fitter operation. Does it really need to employ 800 or so people at a 21-storey head office in Johannesburg, in addition to its personnel at the coalface, such as pilots and flight attendants?

Welgemeed has exposed SAA to this threat because he is looking at tourism, which has the potential to earn vast amounts. “I have done everything I can with the new air policy to stimulate the economy and tourism. It’s now up to the other players to take the ball and run. It’s up to the people in Cape Town and Durban to take full advantage of their cities being declared ports of entry.”

Will his policy pay off in the long run? Most definitely, says Jenny Kearney, of Singapore Airlines’ Johannesburg office. “Singapore is a tiny island with a population of 3m. We believe in a completely open-skies policy and allow 52 foreign airlines to fly in and pick up passengers. Our ratio of tourists to population is 8:1.”

Chris de Kock, of the Southern Sun-Hohday Inn group says: “It must increase foreign tourism. All new airlines flying in will have to market SA in their own countries if they want to survive.”

Protea Hotel group MD Arthur Gillis says, “The hotel industry will be able to cope with an influx of tourists. It’s operating with a 51% vacancy factor, and foreign tourists account for only 8% of its occupancy. And for the first time in years, new hotels are coming on the scene in Midrand, Sandton and Rosebank.”

FARM IMPORTS

Droughts and windfalls

The drought has knocked farmers flat on their backs, threatened rural economies and raised prices for consumers. But, amid all the losers, there is one winner: government.

The fiscus could collect a windfall of more than R200m from imports of maize and soya oil-cake needed to offset the crops lost to the drought. Government could make R138m by importing maize at the cheap world price and selling it at the higher local price, which is set by the Maize Board for all maize sold in the country.

And it should collect another R70m-R80m from the tariffs it charges on imports of soya oil-cake for the animal feed industry. The R200/t tariffs were imposed a few years back to “protect” local soya producers. Little, if any, soya cake is ever imported. But now government and local oil expressers,
Number of jobs ‘will shrink again this year’

CAPE TOWN — Prospects for job seekers this year remain gloomy as employment in the non-agricultural sector is forecast to fall a further 0.9%, says Stellenbosch University’s Bureau for Economic Research director Cicke Stuart in an analysis of economic trends.

This follows last year’s estimated drop of 2.1% in the number of jobs.

The ability of the formal sector to absorb labour had declined from 97% in the sixties, to 72% in the seventies and to 22% in the eighties. Between 1985 and 1990 the level of absorption was 7%. Stuart forecast a growth of 0.8% in employment next year.

“Consumer spending is forecast to recover rapidly from the fourth quarter of 1992, and to continue doing so during the remainder of the forecast period (the end of 1993),” Stuart said. He forecast an average growth rate of about 0.5% for 1992 and 4% in real terms for 1993.

The upturn in world trade towards the end of the year would raise merchandise export earnings by about 12.3% in the second half of the year compared with the 4% in the first half, to give an average for 1992 of 8.8%. In 1993 export earnings were projected to grow by 22% as SA benefited from a rise in commodity prices.

Prospects for gold were bleak, with an average gold price of $350,000 forecast for 1992 and $375,000 for 1993. Net gold export earnings for 1992 could be 4.1% above last year while 1993 should see a growth of over 15% due mainly to the anticlimatic deprecation of the rand.

A 7.6% depreciation of the rand against the dollar was predicted for this year and 4.6% for next year.

Stuart forecast a substantially smaller surplus on the current account of the balance of payments of about R4,5bn due to the need to import maize.

An average inflation rate of 14% was forecast for 1992 and 12.5% for 1993. Stuart said the estimated 14.5% increase in wages this year and 15.5% next year would contribute to the high inflation rate.

An 8.4% average decline in durable goods expenditure was forecast for this year with a substantial recovery likely next year. A significant recovery of semi-durable goods expenditure was projected for the last quarter of 1992.

Real gross domestic fixed investment by the private sector, which showed a decline of 6.5% in 1991, is forecast to decline again this year. Next year, however, it should show an increase.

Residents dismiss reports of Malawi coup

BUSINESSES in Malawi’s commercial and industrial city Blantyre had been ran-sacked by discontented workers over the past two days, residents said yesterday.

They said the looting was not politically inspired and reports of a coup in the country were incorrect. Sapa reported that diplomats in Malawi had said at least 10 people were killed in the unrest, which had spread to the capital Lilongwe. Stores belonging to President Banda were particularly targeted.

The unrest was apparently triggered by a wage strike earlier in the week by about 3,000 textile workers at the David Whitehead and Sons factory. The situation worsened when thousands more workers took to the streets on Wednesday.

The army set up roadblocks outside Blantyre and ordered workers to return home. Sporadic shooting was heard.
Sabta cuts taxi fares in support of train boycott

MINIBUS taxi fares would be cut by 20% today in support of the week-long train boycott, Sabta said yesterday.

Boycott steering committee spokesman Ronnie Mamoea said he “applauded the move” taken by Sabta and its affiliates operating in the Soweto region. Sabta also agreed to relax demarcation agreements and “encourage” people with their own vehicles to transport workers.

Commuters will pay between 20c and 50c less a trip.

Mamoea said Spoornet had complained that the boycott, called in protest against violence on trains, “was hurting” and had asked the committee to call it off.

Spoornet reports that Soweto trains were virtually empty yesterday, with other lines having lost a quarter to half their normal number of passengers.

Police said two people were injured when they were thrown from moving trains at Boipens in Johannesburg and Kutalo Station, on the East Rand.

Police also reported that an extensive anti-crime operation was launched in Rand Park squatter camp yesterday afternoon. They were searching for weapons and stolen vehicles, a spokesman said.

Waste disposal rivals in court

ALLEGATIONS of industrial espionage and the unlawful use of confidential information were made in a dispute between two rival waste and toxic effluent disposal companies which came before the Rand Supreme Court yesterday.

Waste-Tech (Pty) Ltd is seeking a series of interim orders against its rival Wade Refuse which it claims is using confidential analytical data and customer information supplied by a former Waste-Tech employee.

Wade Refuse denies it is using confidential information and claims Waste-Tech is attempting to crush competition in what had been a monopoly.

The matter, which resumed for argument before Judge L Serrurier yesterday, began in March when Waste-Tech obtained a court order in camera against its rival.

In terms of the order granted by Judge L Lazarus, the deputy sheriff was authorized to seize documentation from Wade Refuse which Waste-Tech claimed was confidential information. The court also granted temporary interdicts preventing Wade Refuse from using the information.

The case resumed for argument yesterday with Waste-Tech seeking further relief pending the outcome of a court action for final orders and the institution of action for damages.

Sapa reports that in a raid on the Klipfont squat camp yesterday morning police arrested a man they believe to be involved in the killing of narcotics detective Sgt Raymond Mantz last weekend.

Nine people, including two youths who were necklaced, died in political violence on Wednesday, police reported.

Three people were killed in Soweto on Wednesday and in another incident, five men wielding knives attacked a Meadowlands woman, injuring her.

Unknown attackers opened fire on a home at Zandinga in the Table Mountain area of Natal and killed four people.

The necklaced youths were found dead at Mangwengeni location in Bulver, Natal.

Meanwhile, the ANC yesterday welcomed news of the OAU's violence monitoring group's visit to SA next week.

Inkatha Freedom Party president Mangosuthu Buthelezi has appealed to his party and the KwaZulu legislature to do everything to assist the delegation.

The CP has strongly objected to the visit saying it was “an assault on the sovereign integrity” of SA.

Waste-Tech counsel B Nugent SC told the court that former employee Alastair Gillespie resigned in April last year and went to work for Wade Refuse.

Gillespie subsequently approached chemist Steven Elliot, who was in charge of Waste Tech's laboratory, and asked him for certain documentation and information relating to waste disposal, its analysis as well as customer information.

Elliot did this over a number of months, Nugent said, and received money before resigning in December and going to work for Wade Refuse. In February Elliot fell out with his new employers and was dismissed.

He then went back to his former employers and told them what had happened, Nugent said.

Elliot, a British citizen, alleged that after he was dismissed by Wade Refuse he had to sign a restraint agreement, undertaking to leave SA and not return for three years.

Nugent submitted yesterday there was prima facie evidence that Wade Refuse was using information and analytical data belonging to Waste Tech to compete unlawfully with its rival.

Arguefest continues today.
Taxi fares to be cut until boycott ends

By Peter Davies

Soweto taxis have finally decided to cut their fares by 20 percent today — only a day before the end of the six-day boycott to protest against Reef train massacres.

The Train Boycott Steering Committee met the Southern African Black Taxi Association (Satha) Soweto region representatives yesterday, and it was agreed that fares would be cut by 20 percent from this morning until the boycott ends at midnight tomorrow.

Satha's Moderedere Simelane said his association would ensure all taxi drivers were notified of the reduction in fares.

Some commuters have accused taxi owners of cashing in on the boycott. Taxi fares rose as high as 50 percent just three days before the protest began.

Mr Simelane said the fare increases had been implemented before the dates of the train boycott were known.

If we'd known the dates, we could have delayed the increases. I know it looks bad. Mr Cosatu's Amos Mascondo said yesterday that a boycott may be extended.

"We will evaluate the progress after Saturday, and a decision will be taken then."

The ANC's Ronnie Mamoepa said unless the Government took "decisive action" to address the train violence problem, the community would be forced to adopt further "extreme measures" to ensure its own protection and safety.

A spokesman for the metro division of the South African Rail Commuters Corporation said yesterday: "We can only determine exact figures later, but based on the premise that passengers would have bought weekly tickets, we estimate a daily loss of R130 000 in fares alone."

OAU mission to investigate violence in SA

By Esther Wangi

Political Reporter

In what is being seen as a breakthrough for foreign involvement in South Africa — although limited — an Organisation of African Unity mission is arriving in the country next week to investigate township violence.

The five-man delegation, which comprises members from Algeria, Congo, Uganda and Zimbabwe, will be led by Nigerian Foreign Minister Major-General Ike Nwachukwu.

The ANC and Inkatha Freedom Party have welcomed the announcement that the task group will visit the country, while the Government has said it "was prepared to request the relevant South African authorities to assist the team in making an assessment."

Conservative Party spokesman on foreign affairs, Tom Langley, strongly objected to the visit, saying it was "an assault on the sovereign integrity of South Africa." The visit of the OAU is an ANC plan and an invitation to intervention in South Africa's domestic affairs," he said.

Mr Justice D.T van Schalkwyk dismissed the application with costs, and stood the matter down until today.

Mr Mostert said the OAU group would complement efforts by the National Peace Committee and others to put an end to violence.

IFP leader Chief Mangosuthu Buthelezi has appealed to his party and the KwaZulu legislature to do everything to assist the OAU group.

Chief Buthelezi said: "We are totally opposed to international monitoring teams during the process of negotiations."

But he supported the visit noting the IFP was concerned that the OAU regarded the ANC and PAC as representing all black South Africans.

His other concerns were that the ANC and PAC had training camps in some of the member states of the OAU and that the IFP had never been able to give its version of the violence to the OAU.

Creditors 'seeking Chiavelli's fall'

By Susan Snouts

Oil tycoon Marino Chiavelli's creditors are trying to bring about his fall and that of his companies by "keeping up the pressure" with concurrent litigation in Italy and South Africa, the Head of Forecourt Services of the Rand Forecourt Services Association, Mr Mosstert said.

Mr Levin said if Orconsult had a proper case, it should "marshal its facts" and bring a proper application.

Mr Mostert said there was an affidavit by Mr E.H. T van Schalkwyk dismissed the application with costs, and stood the matter down until today.

Mr Mostert said.

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Cashing in on famine relief transport

TRANSNET expects to make "a humble profit" from transporting the 8.5m tons of imported maize earmarked as famine relief to drought-stricken southern African countries, Transnet MD Dr Anton Moolman said yesterday.

Dr Moolman said the SA transport company would be charging its normal rail freight tariffs.

He said the World Health Organisation and recipient countries would be "financially involved".

He added that 356 000 tons of imported maize had arrived in SA on Wednesday of which 184 000 tons was earmarked for SA, 55 000 tons for Zimbabwe and 2 000 tons for Zambia.

Meanwhile, the future of Zimbabwe's vital maize haulage operation hangs in the balance after SA Transport Ministry officials returned to Pretoria on Wednesday without reaching agreement on road permits.

Sources in Harare said that at his meeting in Cape Town in April with Transport Minister Dr Piet Welgemoed, Zimbabwean counterpart Denis Norman agreed that to meet the national food emergency Zimbabwe would waive its commitment to haulage rules applied by the Southern and East African Preferential Trade Area guaranteeing SA contractors at least one third of the maize lift undertaken by road.

The SA participants were also pledged payment in hard currency, such as rands or sterling.
Strong support for train boycott

commuters, tired of train violence, showed their anger this week by boycotting trains—despite the hassle of alternative transport.

By LINDA RULASHE

affirmation services

meanwhile, problems faced by the police in curbing the train violence were highlighted this week before a committee of the Goldstone Commission at Pretoria. Commanding Officer of the Internal Stability Unit at Soweto, Colonel Alexsnda Stegburg, said it was imperative to search for dangerous weapons during rush hour when about 358,000 commuters entered or left the station. As a result, normal policing could not be applied at rush hour.

The committee—which is investigating the train violence—also heard that the main problem police faced was that witnesses and complainants refused to come forward and give statements in most cases. Newspaper reports, however, indicated that they spoke to pae reporters instead. Colonel William Bent, head of the investigating unit on train violence at the Johannesburg and Commotions areas, said: “it has been difficult for the police to investigate most of the cases because witnesses just disappear without a trace.”

Bent accused injured commuters of giving wrong addresses to the police at the spot but later registering under other names at hospitals. Asked by committee chairman Genl Steyn whether it was possible to acquire statements from these injured people in hospital, Bent replied that the police were told in most instances it was the patient’s privilege to decide whether to lay a charge or not.

In other incidents, witnesses approached by investigating officers said they had already given statements to their representatives and refused to give the police information.

This was despite Bent’s appeal to the public on Radio Metro and his offer of a R2,000 reward for information leading to any arrests and convictions.

So far the police had received twelve public helps on only three attacks, he said. As a result, only one man had been jailed for seven charges were dropped in the second case, while the third case was still under investigation.

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Train boycott enters its fourth day

THE Reef train boycott remained fairly effective yesterday morning as it entered its fourth day, with an almost 100 percent support on the Soweto line.

A SpoorNet spokesman reported that until 7am, the Kwezne (Germiston) line was only carrying about 15 percent of its normal passenger load and Soweto about five percent.

Other sections such as Tembisa had peak-hour occupancy rates of about 50 percent. Daveyton between 60 and 65 percent and Randfontein between 45 and 70 percent.

The boycott was called by major black organisations to protest against the ongoing violence on trains.

Soweto taxi fares will be reduced by 20 percent tomorrow in sympathy with the train boycott, the Train Boycott Steering Committee announced yesterday. - Supa
TRAFFIC authorities countrywide have unequivocally welcomed the government decision forcing motorists to carry their drivers' licences at all times from October 1.

The direct result, they say, will be the elimination of half a million illegal drivers' licences, more effective law enforcement and, ultimately, a reduction in the thousands of annual road deaths.

"It's long, long overdue. We've been asking for this for many years," said Cape Town traffic manager Mr Wouter Smut.

Transport Minister Dr Piet Welgemoed said the law should be phased in a "user-friendly manner" and include an educational programme. He said a cut-off date should be set and he envisaged that drivers' licences would be separate from identity documents.

The move made good economic sense, said a spokesman for the Automobile Association of South Africa (AA) "A huge amount of taxpayers' money goes into warrants of arrest which are issued as a result of false names and addresses given to traffic officers.

"This (new) way, law enforcement officers will be in a position to instantly identify alleged offenders and to check their past records. An added advantage is that accident victims would be easily identified."

The AA has called on authorities to speed up the process of separating drivers' licences from identity documents and the issue of a driver's licence token.

Mr Eric Wise, director of the Directorate Road Traffic Safety, told Weekend Argus the driver's licence "formed the heart" of the information system, which, in turn, was crucial to the traffic law enforcement system. "To be able to practise law enforcement adjudication properly, a proper register and proper identification is essential."

Although the compulsory carrying of drivers' licences would go a long way towards improving road safety, it would not be the "magic wand" to stamp out all problems.

"For years, people have driven around feeling safe in their anonymity. This is what will change. The risk of being identified and caught will become much higher," said Mr Wise.
Train boycott is suspended

The six-day boycott of trains by commuters on the Reef to protest against ongoing violence was suspended with effect from midnight yesterday, the Boycott Steering Committee said. CLu9b 10/11/92

The committee said yesterday that the boycott had been successful, although it was not expected to bring an immediate end to the carnage.

A meeting of all organisations involved in the boycott would be held next week to review and plan future steps regarding the issue.

The committee said it was overwhelmed by the "unprecedented, historic and significant support"

The committee said the community’s support was a signal to the government and Transnet that “unless drastic action is taken to end the carnage on trains and in our communities our people will be driven to take extreme measures”.

The boycott was opposed by the Inkatha Freedom Party, which has in the past been blamed for allegedly colluding with security forces in fanning the violence. See Page 4
Security the priority – Goldstone

SECURITY and the upgrading of railway stations to minimise the current violence on trains is the main priority of the South African Rail Commuter Corporation (SARCC), a Goldstone Commission committee heard in Pretoria on Friday.

A senior general manager of the SARCC, Dr Jacobus Meyer, told the committee, chaired by Gert Steyn, that his company was in the middle of a five-year-plan and that progress was already visible.

He was positive that within the next two months studies on more effective ways to curb violence or criminal activities on trains would be completed.

Meyer said his company was also considering installing closed-circuit TV in coaches to monitor criminal or violent activities.

He said a task group made up of the SARCC and the SAP was established in March to look into the possibility of forming an SARCC police unit.

Meyer added his company was “vested” by members of the community in connection with the safety of commuters on stations and trains.

Among others the PAC’s Benny Alexander had visited him and brought suggestions to curb violence on trains and stations.
Move to promote Zulu battle sites

THE Kwazulu Monuments Council has approached the private sector to help promote the tourism potential of the Anglo-Zulu War battlefields.

The scheme involves the construction of an overnight lodge where military and history buffs will be able to stay while visiting Isandhlwana, where Zulus defeated the British in 1879 to become a household name in the UK.

Home's Drift, the Fugitives' Trull and other historical sites are also involved.

Council director Barry Marshall said last week that the lodge development had been put on hold until August, when potential developers would be invited to attend a council workshop on the project.

He said there were only two broad requirements regarding the development — that any buildings did not detract from the ecology of the site; and that developers involved with the local Mangwebutammum tribal authority which made the land available.

The proposed lodge would be built on a slope overlooking the Isandhlwana battlefield, Marshall explained.

He said a large percentage of visitors to the area came from abroad.

Although the battlefield has been declared a national monument by the Kwazulu Monuments Council, the Kwazulu authorities did not have sufficient funds to cover proper restoration and maintenance, and had other priorities.

The council had therefore decided to involve the private sector.

Train boycott 'a rolling success'

THE week-long Reel tram boycott in protest against violence on trains was "a rolling success," according to committee spokesman Ronnie Mamoepa yesterday.

He said the support shown by commuters transcended political and ideological boundaries. It was significant that no reports of intimidation or damage to property were recorded, said Mamoepa.

"We have made violence expensive," he said, adding that Spoornet had "complained bitterly" that the boycott cost R180 000 a day. Should the demands that formed the thrust of the boycott not be met, another boycott could be launched.

He said government and Spoornet had agreed to prevent armed commuters from entering stations, fence off all stations and install added security as well as place TV cameras in all coaches.

The boycott was supported by the ANC, POG, Cosatu, NACTU and the Civics Association of Southern Transvaal.

Meanwhile, police said yesterday three men were killed and two wounded in separate unrest-related incidents in Soweto.

Sapa reports the bodies of two men who had been shot were found in Dobsonville, and one man was wounded by gunfire.

The body of a man with bullet wounds was found at the Meadowlands Hostel, scene of almost daily violence during the past few weeks.

Police also reported extensive damage to the hostel rooms when two explosive devices were detonated there on Saturday afternoon. No one was hurt and the incident is being investigated.

A R5 000 reward would be offered for any information leading to the arrest of the manufacturers of illegal firearms. Soweto police Regional Commissioner Major Gen Koves Malan said — Sapa.
Mass transit plans on track as manager sought

By Louise Burger
Municipal Reporter

Planning for the R1.5 billion light rail transit system for the Johannesburg metropolitan area will begin in earnest from July with the appointment of a project manager.

The post of project manager for a mass transit system for Johannesburg was advertised widely in the press yesterday and the appointment will be effective from July 1, the start of the new municipal financial year.

The incumbent will be responsible for co-ordinating the planning and implementation of a mass transit system within the confines of the urban transport plan for the region; will be the co-ordinator of a team of professionals dealing with all aspects from public involvement to detailed design; and liaise with other local authorities, the media

Paul Asherson...new era

and the private sector. Management, committee transport and utilities committee chairman Paul Asherson said the appointment of a project manager for the light rail system heralded the start of a new era for transportation in the region.

He said the pre-planning for the billion-rand project would involve extensive public participation.

Mr. Asherson said it was hoped that the new project manager and his team would be able to present proposals for a central business district starter light rail line by early next year.

"We would really like no expropriation to take place — this is not a railway line. The whole thing about light rail overseas is that it operates on existing streets, at street level like trams used to," he added.

The funding for the mammoth project, the first of its kind in South Africa, will come from the Department of Transport, the city council and the regional services council.

Angry residents of the north-eastern suburbs, fearful that their properties will be expropriated to make way for light rail, have organised a public meeting tomorrow at 7.30 pm at the Linksfield Primary School, Orange Grove.
Helicopter will patrol rail routes

MORE police patrols, including the use of a helicopter, will come into effect on trains today following the successful boycott by commuters on the Reef last week.

As both Spoornet and commuters count the costs of the boycott, its organisers said yesterday they would meet this week to map out new ways of forcing the authorities to stop the violence on trains which has claimed hundreds lives.

Two killed

Two people were killed on trains when the boycott ended on Friday.

The Congress of South African Trade Unions has threatened to call for a strike if the killings continue.

The head of the South African Police’s Physical Rendering of Services Unit, Brigadier Hermie Heymans, said at the weekend police had deployed extra manpower at all stations.

He said the Soweto Police Mobile Unit had also been increased by 50 officers to man stations.

Heymans said his men would also use a helicopter to patrol the railways.

A control unit has been established in Johannesburg, where all incidents of violence on trains will be co-ordinated, Heymans said.

Meanwhile, the Boycott Steering Committee said it would meet this week to review and plan future steps regarding the killings on the trains.

The committee said although the boycott had been widely supported it did not expect an immediate end to the carnage on trains.
Move to halt rail carnage

Staff Reporter

An agreement on the implementation of a multimillion rand security package aimed at ending the carnage on Reef commuter trains is scheduled to be signed today.

The agreement follows a six-day train boycott supported by a host of political, labour and community organisations which ended at midnight on Saturday.

The document provides for a redeployment of police and security personnel at stations, measures to prevent armed commuters from entering railway stations and property and the fencing off of stations.

Party to the agreement are Spoornet, the SA Rail Commuter Corporation, the Ministry of Law and Order, and community leaders representing the ANC, SACP, Cast, Cosatu, the South African Railways and Harbours Workers' Union and the Institute of Contextual Theology.
Pact aimed at ending train violence

SPOORNET, the SA Rail Commuter Corporation (SARCC) and representatives of political organisations, trade unions, churches and civic organisations will sign an agreement today aimed at ending train violence in Johannesburg.

This follows last week’s Rail train boycott, described by ANC PWV spokesperson Ronne Mamoepa as a “rolling success”.

A SpoorNet official confirmed that SpoorNet, the SARCC, Law and Order representatives and community leaders would sign the agreement.

Mamoepa said the agreement would entail the deployment of more policemen on trains and at stations, the disarming of commuters, prosecution of the perpetrators of violence, and the installation of surveillance cameras in coaches.

“SpoorNet has agreed it will make R500m available for the upgrading of security on trains and at stations,” he said, but no agreement had been reached on compensation for victims of violence as the matter was still to be discussed with SpoorNet management.

Mamoepa said while Naica and the PAC had supported last week’s train boycott, they — like Inkatha and Uwuwa — would not sign the agreement as they were not “part of the sit-in” by community leaders at SpoorNet’s offices in April. “But this agreement has nothing to do with party political interests; it is part of a campaign to end violence on the trains,” he said.
Violence on trains has forced commuters to create strongholds in coaches according to political affiliation, a committee of the Goldstone Commission heard yesterday.

Captain Mattheys Johannes du Plessis, commanding officer of the SAP's Mobile Unit at New Canada railway station, told a committee chaired by Gert Steyn that the formation of groups had often sparked trouble between opposing factions.

"To show that the formation of these groups was a daily reality, there are train coaches specifically marked 'ANC', 'Metal church', 'Inkatha', 'IFP' and so on," Captain du Plessis said.

In his personal findings, a person identified himself with a group in a residential area, and this was continued in trains. The same people travelled together daily in the same trains and they started knowing and trusting each other, he said.

"Strangers are not trusted and are not easily accepted. As soon as the status quo on the train is disturbed, it could lead to a confrontation and sometimes violence.

Factors that could lead to the formation of groups were ethnicity, language and culture, common political view, religious affiliation and security needs.

Captain du Plessis showed the committee a documentary on trains which depicted the daily life of a commuter on the Soweto-Johannesburg route. It had a church group singing in one coach and a group shouting slogans and toy-toying in another.

The documentary also showed searches conducted by the police in which they found scores of weapons, including some that were adjustable and could be concealed. — Sapa
Flitestar gets go-ahead to fly to Bahrain

FLITESTAR has been granted permission to fly to Bahrain in the Persian Gulf, making it the second SA airline — after SAA — to get the go-ahead for intercontinental flights.

The return fare would be less than R2 000, an airline spokesman said.

The National Transport Commission yesterday approved Flitestar’s application — which was not opposed by SAA — to fly to the tiny Gulf state. The airline has already secured landing clearance.

At this stage, the licence is for a non-scheduled service.

Flitestar MD Jan Blake said that initially there would be one flight a week, at weekends. A 131-seater Airbus A320 would be used and flights were expected to be about 70% full.

“We intend to start this service in October to coincide with the Dubai Trade Show, a Saffo-organised event,” said Blake.

The service was expected to attract a mix of tourist and business passengers in both directions, the airline spokesman said, adding that local game park and casino resorts held particular appeal for visitors from the Gulf.

The spokesman said Flitestar was still awaiting the outcome of its application to fly to Mombasa and for approval to fly to Bombay, Delhi and to the Seychelles.

It was not looking to fly to the Americas or the Far East and Australia.
Jo'burg council moves to allay urban rail fears

He was reacting to a meeting held on Tuesday by angry residents who believe the value of their property has dropped drastically since the Masstran feasibility study proposed that a rail system could go through Norwood, Orange Grove and Highlands North. The system, costing an estimated R1.5 billion, is to link Alexandra with the city centre.

Mr Davidson also denied that the council was pressing ahead with plans in secret. He said the committee would propose, "if necessary, the appointment of a mutually acceptable independent person of standing to investigate this issue and make an objective report on the facts to the public."

He thought it "ill-advised and irresponsible" of the department to include a list of properties that could be expropriated, saying that had been done purely to assess the financial feasibility.

"I must stress that the council is not under any obligation to implement the proposals of the Department of Transport in full or in part", Mr Davidson said.

Mr Davidson urged residents and property owners to communicate questions and concerns to the council either through their councillors or representatives, or directly, addressed to The Masstran Liaison Office, Box 32168, Braamfontein 2017.
New resolve to combat rail violence

Staff Reporter

A delegation of ANC-allied organisations and SpoorNet signed an agreement yesterday committing themselves to fighting violence on trains.

The agreement, which was signed at the SpoorNet head office in Braamfontein, represents positive developments in negotiations between the parties.

A recent deadlock resulted in last week's boycott of trains by Reef commuters.

The terms of the agreement include:

- Redeployment of security personnel as soon as possible.
- Implementation of preventive measures including a prohibition on possession of dangerous weapons and firearms.
- Employment of additional security guards.
- Additional finance to carry out the new measures.

Requests for compensation for families of train violence victims were turned down by the SA Rail Commuter Corporation.

The SARCC would make an additional R50 million available for the 1992/93 financial year to improve security measures on commuter facilities.
A powerful metropolitan transport authority capable of introducing sound policies is needed to solve the Peninsula commuter network crisis, says the Cape Town Chamber of Commerce.

In its annual report, the chamber's executive council said the Peninsula transport system could not adapt to change fast enough. Buses had lost 40 percent of their patronage over the past 10 years, violence on trains deterred commuters and there was widespread dissatisfaction with minibuses because of their poor safety record and "ergonomic" driving.

More private cars were being used and road traffic had increased by 80 percent in the past 10 years but the road system had been increased by only 10 percent.

"At the root of the region's transport problems lies the fact that the local authority system is hopelessly fragmented and the decision-making process is bogged down by the bureaucratic logjam," the chamber said.

The metropolitan transport advisory committee set up by the city council to analyse problems had done "sterling work" but it had no teeth.

There had been several studies over the years, but little action.

A metropolitan transport authority was needed, and the metropolitan transport study should not be allowed to hold up short-term practical projects aimed at benefiting road users in the interim.

Elsewhere in the report, the chamber

- Supported a plan by the city council to rationalise loading zones and urged that all-day parking be shifted to the periphery of the city with central business district space reserved for short-term parking;
- Noted increasing congestion and parking problems at D F Malan Airport and said the Western Cape Regional Services Council had been asked to help, and
- Said the State should subsidise public transport to help the poor.
Port gears up for an increase in traffic

SUBSTANTIAL growth in the use of Durban’s port is expected as sanctions lift and both exporters and importers make greater use of its facilities.

In the immediate future the drought is expected to result in an additional 3.5 million tons of maize moving through the port. This may increase by a further 500 000 tons if a maize shipping deal being negotiated with Malawi is successfully concluded.

Port manager Captam Jan Mors says Durban handles around 25 million tons of cargo each year and this level of traffic has remained relatively static over the past three years.

“While volumes have remained constant, container traffic increased by around 12% in 1991 indicating a shift towards containerisation,” says Mors.

“The bulk of SA exports has traditionally been in raw materials. However, there is a shift taking place as more producers add value to the raw materials before exporting. These products are better suited to container transportation,” says Mors.

The port is also marketing itself as a transshipment port, catering to cargoes which might come in from countries such as Australia for onward shipping to other countries in Africa.

Says Mors, “Our geographic position is well suited to this type of traffic and it provides substantial benefits in terms of additional employment as well as business for the firms providing supporting services such as fuel, repairs and ships’ chandlers.”

The port handles around 3 000 commercial ships each year and may have 30 to 40 ships in port at a time. The container depot occasionally gets a little congested but there is surplus capacity at the other wharfs.

With two major property developments at Victoria Embankment and a joint venture with the City council at the Point are planned. Both developments are expected to include hotels, shopping and recreational facilities as well as a residential component at the Point site.

Also on the cards is the construction of a specialised steel terminal which is expected to enter the planning stages later this year.

The port will extend its specialised wharfs, deepen berths and expand its chemical storage capacity.
Massive drive to distribute food

SPOORNET said yesterday the massive drive to distribute food relief to drought-stricken areas on the subcontinent was well under way, with nearly 500,000 tons of maize already discharged, Sapa reports.

"It is the first time in the history of the UN Food Help Scheme and the World Food Programme that such an operation has been conducted as a preventative measure," Spoornt spokesman Jacques Piemar said. Since the first maize shipment arrived in April, Portnet had unloaded 265,394 tons of maize for local consumption and 179,101 tons for re-export to neighbouring countries. Spoornt had distributed 73% of all cargo discharged at the harbours, Piemar said.

Meanwhile, Durban correspondent reports that Natal Agricultural Union director Steve Shone said the government's R3,8bn agricultural aid package was a highly complex exercise to preserve jobs and get the industry back on its feet. The package was intended primarily to relieve the state of a commitment incurred in 1983 and 1984 to help co-operatives keep credit lines to farmers open during those years of drought.

In the end, farmers would have to operate like any other sector open to market forces. Sapa reports that Free State Agricultural Union GM Lulu de Jager said yesterday that interest rates were one of the main obstacles in farmers' battle to survive. The price of primary agricultural products would have to be adapted so that the farmer was able to continue production.
African skies can be a risky venture

INVESTIGATE first, should be the watchword for South African tourists eager to see Africa as it opens its doors to the south. But we can also expect increasingly available and affordable holidays on the continent.

Travel agency MD Eric Thorne generally welcomes the lifting of travel restrictions by several African countries following the current and planned political changes.

But he advises potential holiday-makers to visit their travel agents for advice before plunging themselves and their families into holidays which can turn out to be very different to what was expected.

While Africa is offering previously unavailable holidays at very competitive prices, Mr Thorne includes destinations such as Mozambique, Madagascar, Zaire and Angola in his "be careful" list.

But Kenya and Zimbabwe rate favourably ticks in a prospective South African traveller’s notebook.

"In many cases, the tourist infrastructure of these destinations is insufficiently developed to cater to the needs of travellers accustomed to first world standards," he warns.

Mozambique, for instance, offers very little in the way of top quality accommodation outside the Polana Hotel in Maputo.

"Yet the towns are still very much Portuguese in style, the seafoods and the wines are in the top class, the nightlife is colourful and remains exotic and extravagant."

Mr Thorne reiterates that prospective tourists should get information regarding visa conditions and whether any levies are imposed from a travel agent before setting out, adding "And, make sure conditions are suitable before taking your children along, too."

Madagascar he rates as a good example of a country lacking in infrastructure. Few good roads exist which means visitors must largely rely on aircraft to move from place to place.

Avoid Angola and Zaire he describes as destinations which South Africans would be wise to avoid at present because of civil unrest.

But many African countries will eventually become favoured destinations, he predicts.

"South African tourists are proving keen to discover their own continent as well as going abroad."

Heading the popularity stakes are Kenya, Madagascar, Malawi and Mozambique, he says.

TRENDS REPORTER
Maize rescue drive gathers pace

The giant maize import drive to alleviate the impact of one of the worst droughts in history and to supply basic food to nearly 60 million people in southern Africa is well under way.

This was said yesterday by Spoorneit spokesman Jacques Plenenaar, who added that the rail transporter had discharged nearly 800 000 tons of imported maize for local consumption and re-export to neighbouring countries.

Another six vessels with a combined cargo of 170 000 tons of maize were being unloaded in South African ports.

"It is the first time in the history of the United Nations Food Scheme and the World Food Programme that such an operation is conducted as a preventive measure, and South Africa's logistical abilities and capabilities have been successfully put to the test," he said.

Since the first maize shipment arrived in April, Portnet had unloaded 285 394 tons for local consumption and 1 791 101 tons for re-export to neighbouring countries.

Mr Plenenaar said Spoorneit had distributed about 73 percent of all cargo discharged at the harbours, with nearly 103 000 tons of maize already delivered locally and close to 115 000 tons delivered to Zimbabwe, Zambia and Botswana.

Another 13 trainloads were en route to Zimbabwe. — Sapa.
WASHINGTON — SA Airways is offering half-price fares to the spouses of US businessmen who accompany their husbands on business trips to the country.

The new sales pitch, introduced in magazine advertisements this week, covers only passengers who fly with Blue Diamond (first) or Gold (business) class tickets.

“Why not make your South African business trip a vacation?” the advertisements ask, “and bring your other half for only half.”

A large proportion of SAA tickets in the United States are sold to businessmen, travelling alone. The new sales offer was aimed at trying to persuade them to bring their wives and stay in the country a little longer for a holiday.

A New York travel agent who handles many SAA bookings said the offer was proving to be “very exciting and innovative” and was seen as SAA’s answer to the “frequent flyer” clubs run by most US airlines.

“Frequent flyer” arrangements allow passengers to build up credit mileage from regular flights which can be exchanged for a free return ticket to destinations of equivalent distance.
Illusions that British Airways and SAA held a monopoly over the Johannesburg-London route had to be destroyed, BA's manager in SA Malcolm Freeman said in Johannesburg yesterday.

Speaking at the opening of an international travelling exhibit called "BA First" at the Carlton Hotel, Freeman attacked rival airlines which claimed they were about to break the monopoly.

Since 1945, there had been only two airlines interested in the route, he said, and, therefore, they could not be accused of creating a monopoly.

Freeman said his airline, which he described as a "pretty good streetfighter," welcomed the competition and was not concerned about the low fares being promised by rival airlines.

There would always be enough people who wanted quality service and who did not want the high risk and inflexibility that lower fares involved.

Freeman predicted that once the air services agreement between the SA and UK governments was altered next month, fares would fluctuate far more in response to demand and BA, for the first time, would be able to sell "at whatever price it saw fit."
Dubai has plans for SA travel boom

DUBAI — Tourism between SA and Dubai is expected to boom as soon as convenient airline services are in place.

Keith Longstaff, senior GM of the Middle East’s largest travel agent DNATA, says informal talks have already been held with SA hotel groups and airlines.

Emirates, the international airline of the United Arab Emirates, has confirmed plans to fly to Johannesburg. Longstaff expects SA to be visited largely by the wealthy expatriate community living in Dubai. However, Arab tourists could follow once the attractions of SA as a destination become known. SA’s attractions include its novelty appeal, he says.

Dubai is a major trade hub, but also offers many tourist attractions like “the venture of Arabia”, good beaches and Western comforts.

Dubai is also expected to be an important stop-off connection point for travelers between SA and the Indian subcontinent or other Gulf destinations.

Longstaff says tour operators will start marketing Dubai in SA once Emirates begins its flights. E.10/24/205/92

Emirates senior GM, planning, Steve Waage says the airline’s policy is to enter a market on a thrice-weekly basis. He hopes to see an SA carrier in Dubai soon. Once this happens, there could be a daily flight between SA and Dubai.

Abu Dhabi Bank is laying the groundwork for an expected boom in trade with the Middle East. It is establishing correspondent banking relations with banks in Egypt, the United Arab Emirates, Qatar, Bahram and Oman.
SAA puts five of its airliners on the market


SAA spokesman Mike Phieffer was yesterday unable to say whether any interest had been shown in the aircraft.

Two sources confirmed that Comair was negotiating the purchase of one the 737s.

SAA's sale of the relatively old technology aircraft is an attempt by the airline to streamline operating costs.

The asking price for the aircraft is not known. However, it is unlikely they will generate sufficient capital to allow the airline to finance future acquisitions.

SAA is expected to announce a loss for 1991 for the second consecutive year.
Two firms offer high flying service

MORE than 90% of domestic and international airline catering serving flights out of Jan Smuts is conducted by two companies, Air Chefs and Air Caterers.

Air Caterers serves 19 intercontinental airlines, several of which are renowned for their food. Air Caterers clients are British Airways, Lufthansa, KLM, Singapore Airlines, Cathay Pacific, Qantas, Sabena, Allitalia, Varig, Air Mauritius, TAP Air Portugal, UTA, Austrian, Airline, Swissair, Air Botswana, Et Air, Air Mozambique, Air Zambie, and Air Austral.

SAA (domestic and international) and Flitestar are catered for by Air Chefs.

Air Caterer's operations director, Karsten Tripmaker says the standard of SA inflight catering compares well with the rest of the world.

Air Caterers has received letters from Qantas and Cathay Pacific complimenting them on their standards of food preparation. Some European airlines (and passengers) have told the company that the standard of food going out from SA is at least equal to, and sometimes better than, the standard of European-prepared food on inbound flights.

Airline food catering is a complex procedure. Tripmaker says, because in the case of Air Caterers, two kitchens have to prepare first, club and economy class menus for 19 different airlines to exacting standards.

Different airlines set different budgets for food, which dictates what the menus are composed of. Tripmaker says airlines which have built a top-class reputation for food have done so deservedly.

Tripmaker says most airlines put food as a very high priority because, along with service and punctuality, it is one of the factors that differentiates one carrier from another.
SAA 'still' expects preferential status

LINDEN BIRNS (249)

AN SAA representative told the National Transport Commission yesterday that despite SAA's new deregulated aviation policy, the airline still expected preferential treatment in the granting of scheduled air licences.

The commission will announce today whether it will award an operating licence for scheduled flights between SA and Angola to SAA or Johannesburg charter firm Air Supply.

The two airlines engaged in heated legal wrangling at a commission hearing yesterday over which was entitled to the licence.

SAA was accused by Air Supply's counsel of acting unlawfully and in contempt of the commission by allegedly promoting flights to Luanda as a scheduled service. The accusation arose from a Business Day article last month in which it was reported that SAA had resumed weekly flights to the Angolan capital.

At the time SAA's official news release stated that the flights were scheduled, but the airline's spokesman said there had been a typing error on the release and the flights were, in fact, unscheduled.

Air Supply had applied for a licence to start a scheduled service between Johannes- burg and Luanda before SAA announced its intention to resume flights on the route after almost 17 years. SAA had since lodged a formal objection to Air Supply's application and submitted its own.

SAA application for the route licence

SAA's counsel, Sas Reynecke, argued that SAA was still the national carrier and as such expected to be given priority in the allocation of scheduled international routes. He challenged Air Supply to provide the commission with its business plan and details of how it proposed to establish infrastructure to support its envisaged service.

Reynecke submitted that the commis- sion should not follow a recommendation by the charter company's advocate, David Unterhalter, that Air Supply be allowed to risk its capital on the route and let the market decide whether to support Air Sup-

ply or SAA.

"Just because there is a move towards freer competition does not mean that the (Air Services) Act can just be thrown out of the window. It is not a case where one can allow the market to decide and ignore the Act."

He said that SAA had more of a right to the route as it had pioneered the route in 1939.

Unterhalter said SAA's Johannesburg-Luanda flight was listed in several travel agency guides as a scheduled service, and that the airline was operating the flights without the required licence.
Discounted flights to Miami soon

By ROGER MAKINGS

AN AMERICAN airline has been given the go-ahead to begin flights to South Africa. Rich International, based in Miami, in a joint venture with an SA aviation services company, received permission to begin a weekly charter service between Miami and Johannesburg.

This is the first time the National Transport Commission has granted a charter licence to a foreign carrier without any preconditions.

The flights, which are expected to begin in about three months, are also not subject to the normal bilateral fare agreements, which means the US carrier can charge what it likes for a ticket.

A spokesman for the Johannesburg-based Africa Aviation Services, Mr Vernon Nathan, said this week, the airline would be selling return tickets for between R500 and R1 200 each. SAA charges more than R6 000 for a return economy class ticket to New York.

"What is unusual about the granting of the charter licence is that it was issued on a seat-only basis, which means passengers don't have to be booked on package tours, as used to be the case," said Mr Nathan.

This means that US tourists can move freely about SA without being tied down to an itinerary.

"We are doing this to chartering the services of a US airline to give SA tourists the option of a second destination in the US at a competitive price," he said.

Confirming the granting of the licence, a Directorate of Civil Aviation spokesman said this week that SAA lodged an appeal against Rich International's application but later withdrew it.

"We are now waiting for the airline to supply us with time schedules so we can arrange slots for them at Jan Smuts airport," the spokesman said.

Rich International was founded in 1970 by Jean Rich and has a small fleet of Lockheed Trusters and DC-3 jets.

Despite the proposed opposition, SAA is considering a fourth weekly flight to New York beginning in August.
An international congress intended to stimulate planning for an integrated transport system for southern Africa is to be held in Johannesburg during October.

At least 12 speakers from eight countries will present papers at the two-day congress. The shortage of skills and capital in the region's transport, industry, and macro issues such as environmental protection, population and economic growth demanded better planning and co-ordination in the sector.

Speakers, including London City Transport planning director David Bauls and Hong Kong's Urban Planning Centre director Harry Dimitrou, would cover topics such as the structuring of transport systems as a rapidly growing economy.
Train commuters meet SAP

The first of a planned series of meetings between train commuters and the South African Police aimed at curbing train attacks took off on a positive start, Soweto police said yesterday.

Spokesman for the Soweto division Captain Joseph Ngobeni said the meeting, held at Protea police station and attended by about 40 train commuters, was intended to “reach commuters at grassroots level and hear from them their experiences in trains.”

Trains in the Reef have been the scene of some of the bloodiest killings.

Among the participants was Mrs Masechaba Mabaso, president of the Inter-denominational Prayer Women’s League, who has in the past led marches and held prayer meetings in the trains.

From the police was Brigadier Henne Heymans, co-ordinator Lieutenant-Colonel Fuyana Zwane and Ngobeni.

Ngobeni said the attendants included the youth and hostel inmates.

“We intend to hold another meeting which would include the larger community because we hope this type of meeting would help us come to a more lasting solution.”
Accord threat to top agenda

WILSON ZWANE

The threatened withdrawal of the national accord by the ANC's PWV region and its allies will be high on the agenda at today's urgent meeting of the ANC's national peace committee.

It is understood ANC NEC member Sydney Mufamadi will be in an ANC team. Inkatha will be represented by national chairman Frank Mdlalose and government's delegation will include national peace secretariat member Gert Myburgh.

National peace committee spokesman Val Pauquet said the meeting convened a month early because of escalating violence — would appeal to all regions to remain active and committed to the peace process and to regard withdrawal from dispute resolution committees as a solution to problems.

The PWV regions of the ANC, SAPC, Cosatu and the Civic's Association of the Eastern Transvaal (Cast) last week said they were considering pulling out because of government and the security forces had signed the accord in bad faith.

Station upgrading hit by funds shortage

WILSON ZWANE

The SA Rail Commuter Corporation (SARCC) project to upgrade nine Soweto railway stations has run into financial difficulties, it was disclosed yesterday.

The corporation announced in March this year it would pump R11.9m into the project aimed at improving the service. SARCC MD Robus Nel said the upgrading of Naledi, Inhlanzane, Dube, Phomolong, Phefeni, Mabhube, Midway, Chawelo and Nancefield stations was part of a larger project to develop a number of stations on the Reef.

An SARCC spokesman said yesterday the project said became too expensive for the corporation to consider. It was due for completion next month.

He said the need to incorporate requirements from the community and the Goldstone commission of inquiry into public violence and intimidation in the planning of the project had hit the budget.

More executives lose jobs

KARIN FRANKEN

Senior and middle management executives are feeling the draft as the recession takes its toll.

Placement industry sources confirmed yesterday that there had been an escalation in the retrenchment of top staff, adding that sectors most severely affected were banking, mining, engineering and retailing.

Career Transition International director Neil MacDonald said an inflow of applications and accompanying curricula vitae had been experienced over the past year as retrenched executives sought new jobs.

The number of layoffs at managerial level rose steeply last year with more companies approaching career consultants to help alleviate the problem of displaced managers, he said.

MacDonald said companies had offered employees handsome retrenchment packages of six months' to a year's salaries, but decided to look for more viable solutions, one of which was finding them new work.

"Companies are putting on a more humane face when it comes to releasing trusted, experienced staff for whom there is no place in the restructuring company," he said.

Wood said even when the economy improved, companies would maintain "tight-sizes", tightly run operations.

Chart Consultants director Rod Montjies said UK companies were "delayering". Company hierarchies were closing the gap between higher and lower ranked workers, a development helped by the advancement of computer technology. An efficient computer database enabled top management to make decisions without having to consult middle management staff.
Egypt Air gets route

SAA yesterday announced that the Saudi Arabian authorities had granted Egypt Air the exclusive right to operate direct charter flights from Jeddah to Johannesburg, Cape Town and Durban.

Egypt Air will operate the flights from June 16 on behalf of SAA and Saudi Arabian Airlines and will transport SA Muslims returning from their annual Haj pilgrimage in Mecca.
Drought a windfall for Transnet

THE transport of maize from SA ports to relieve the famine threat in other southern African countries has come as a multimillion-rand windfall for Transnet.

Spoornet's programme provides for the movement of about 8.5-million tons before April next year, with a current balance of 7.7-million tons still to be off-loaded at SA ports.

A breakdown of the total shows Zimbabwe will get 2-million tons, Zambia 900,000 tons and Malawi 800,000 tons. The overall total includes the 4.4-million tons to supplement SA's failed crop, which includes consignments for the Botswana, Swaziland, Lesotho countries.

A Spoornet spokesman said normal tariffs were being charged, but at this stage a reliable estimate of total revenue from the operation was not possible.

He stressed that normal import and export traffic was "totally" unaffected by the operation, which involved 30 trains hauling 1,200 trucks a day, seven days a week.

Zimbabwe was paying in rands directly into Spoornet's account, and Zambia's and Malawi's accounts were being paid by agents.

The spokesman said, to put the operation into perspective, Spoornet transported about 70-million tons of coal a year.

This was about eight times the amount of the maize being imported.

The total of 8.5-million tons to be transported by April next year amounted to only about 4% of the total annual tonnage moved by Spoornet.

The spokesman said so far 659,000 tons had been discharged at SA ports.

Sapa reports a University of Pretoria civil engineering department report said the drought in the Transvaal and the northern parts of the Free State was the worst since 1921.

It said university researchers had been aware since September last year that the atmosphere and ocean circulation systems could once more experience an El Nino similar to that of 1982/3 and 1991/2. These fears had been confirmed.

The drought was at its worst between January and March this year.

At that time the entire Transvaal and Free State received between 24% and 46% of their normal rainfall.

Namaqualand and the eastern Karoo received only between 24% and 46% of normal rainfall, and even the usually rainy Natal coastal area received 58% of its normal rainfall.
A 9 percent increase in the cost of bus tickets, as well as concessions to scholars and off-peak travellers have been proposed by the Johannesburg City Council, which has announced a new bus fare structure for the city.

The removal of the dual-fare system — a legacy of segregated buses — and the development of a new fare system to attract and retain passengers was essential, councilors were told at yesterday's council meeting.

It was proposed that the R38 monthly ticket, which allows unlimited travel, be increased to R50.

Other tickets envisaged are:
- A 10-trip multipurpose ticket priced to encourage frequent bus users away from cash tickets.
- A peak cash fare for infrequent bus users which will be applicable on a zone basis.
- A lower off-peak cash fare to attract off-peak passengers.
- Scholars in school uniform and pre-school children will be entitled to a reduced 10-trip multipurpose ticket priced at a flat fare of R1 per trip.
- Pensioners, in possession of a valid council pensioner pass would continue to be entitled to ride free between 8 am and 3.30 pm on weekdays.

Services to be discontinued are buses hired to transport the elderly and for city tours. The fare increases will come into effect on July 1, subject to Local Road Transportation Board approval.
Manufacturer unveils 511-seater plane

US aircraft manufacturer McDonnell Douglas recently unveiled its design plans for a new 511-seater airliner, the MD-12, for which SAA has been an instrumental design consultant.

Speaking from McDonnell Douglas headquarters in Long Beach, California, MD-12 design and technical vice-president George Field said the aircraft would be well suited to SAA’s long haul operations.

The four-engined plane, which sports an upper deck running the entire length of the fuselage, will have a longer range than the current generation of Boeing 747-400s, of which SAA will have four by the end of next year, and will be able to carry at least 100 more passengers.

Field said operating costs on the long range configuration MD-12 would be lower than those of a Boeing 747-400. The basic selling price would vary according to engine choice and interior configuration, but would still be cheaper than Boeing’s $350m Jumbo, he added.

Although SAA was still involved with the project on an ongoing basis, the airline had not placed any orders. McDonnell Douglas was negotiating a package for SAA which would include the MD-12 and the smaller MD-11 tri-jet already in service on Swissair’s Zurich-Johannesburg route.
SAA cockpits have no seats for returned exiles

South African Airways says it is working hard to move into the new South Africa with limited resources, but that does not help returning exiles looking for work in aviation. MICHAEL SPARKES reports.

flew as a first officer for Lesotho Airlines.

While working on contract in Maseru last year he interviewed with SAA. He discussed a job — as third officer on Boeing 747's on long routes to familiarise himself with the aircraft — with SAA flight operations director Mick Mitchell.

He returned to Lesotho convinced he had secured the job, so never renewed his contract with the airlines. He then moved to Johannesburg in January this year only to find the situation very different. He was told that SAA was overstaffed.

At Mr Mitchell's suggestion he agreed to take a job instructing cabin and flight crew on safety procedures. He was told to come in the next Monday to sign a contract, but was told on the Friday of a hiring freeze.

It was suggested later that he apply for a job as a cabin steward, but Mr McClain said "I decided that would be a major step in the wrong direction."

Mr Ngomez was left in the meantime in the aftermath of the 1976 uprisings. After training, he flew for a private charter company in Zambia. Since then he has not been able to find employment in aviation.

Mess Chikane of the National Co-ordinating Committee for the Repatriation of South African Exiles asks: "If they are not employed by SAA, then who will employ them? A breakthrough with SAA is crucial."

SAA human resources head Martin Sebenese said that while he regretted the situation, Mr McClain was incorrect in assuming he was to be hired and should hang around until a contract had been signed before giving up his job.

He said many returnees did not have the necessary validation for their licences from the Department of Civil Aviation.

He added that while extra aircraft were being bought for additional routes, these were being staffed by existing crews. Other extra crew members were being seconded to airlines such as Namib Air, Air Mauritius and Singapore Airlines, and there were still 20 extra pilots.

According to Mr Sebenese, SAA has employed 10 people sent to it by the ANC. He added that some of those whose names had been sent to him by the ANC in early May were already employed by the airline.

He said pilot training levels were crucial.

"We need 100 percent competence in pilots because of the possible serious consequences, whereas wherever the error may not be as important."

While sympathising with the plight of the returnees, he said: "We cannot lay off people in the company in order to make place for returnees."

He added that Mr McClain was due to be tested for a job as a dispatch officer on Monday, which could mean he has employment until there are vacancies for pilots in the future.
Aerospace firm seeks SA partners

France's state-owned aerospace giant, Aerospatiale, is seeking SA partners for several projects which could include subcontract manufacturing work on aircraft and space programmes.

The firm, which is a partner in Airbus Industrie, Avions Transport Regional (ATR turboprop airliners), Eurocopter and Eutelsat, recently opened a representative office in Sandton.

General Representative for Southern Africa and the Indian Ocean, Jean-Pierre Chapfull, said on Wednesday SA was important for Aerospatiale because it had expertise for co-operative ventures.

"The forms of co-operation have not yet been defined, and whatever they turned out to be, they would have to be suitable to both the local companies and the Aerospatiale Group," he explained.

Aerospatiale, in its former guise as Sud-Aviation, pioneered the concept of multinational aeronautical partnerships when it joined hands with the British Aircraft Corporation (now British Aerospace) to design and manufacture Concorde, the only supersonic airliner to enter commercial service to date.

Last year the company made a FRP212m (about R106m) profit and reported a 16% increase in product sales compared with 1990.
FOCUS: Unwind with Spoornet while you travel to your holiday spot or business meeting

Take to the train tracks

SPOORNET — which we have known and loved as South African Railways — is not usually perceived as the ideal hauler for yuppies making their way to the coast for a break, or rushing down for a business commitment.

Whatever perceptions the giant state corporation invoked over the years, it failed dismally at selling itself as — among other things — a comfortable, clean pleasant form of travelling, offering good food, wine and an enforced break from it all. Except, of course, for the Blue Train.

Of course, it has also failed to convince commuters on the Reef that they are not taking their lives in their hands each time they set foot in a train. But safety is not one of the services provided for daily commuters.

However, for those contemplating a trip farther afield, say to Durban, this Critical Consumer is a new convert to the view that going via Spoornet is the only way to go.

A trip to Durban from Johannesburg — using an airline to go down and the railways to get back — proved this convincingly.

The Durban-Johannesburg trip is overnight and that is most of the attraction: a quiet, relaxing dinner, a bit of reading or work and a snooze all the way to your destination.

Travelling by rail is considerably cheaper than using the airlines, either Flietstar or South African Airways.

A first-class one way trip to Durban by train costs R157 as against a one way business class fare of R236. It begins to pay off even more if children are taken into account. The airlines will give a 50 percent discount (but NOT in business class) in the economy class for children under 12. Spoornet will mail a child under seven years old free of charge and those between seven and 11 will travel for 50 percent of the fare.

Bedding costs R11, a dinner in the dining car is R17.50 and breakfast, R10.50. Children’s meal cost R11 and R6,50 respectively. These can be bought at the front and when reserving the ticket.

These services plus a range of take-aways are also offered on the train.

And to really save, the traveller can bring his or her own bedding and a hamper of food — which may be necessary if the consumer is a vegetarian, keeps kosher or halal as Spoornet does not offer these choices.

Consumers can bump the price up as this Critical Consumer did at the weekend, by reserving a first-class coupe (half a compartment) which sleeps two — thereby losing the benefit of an under seven-year-old travelling free. However, for R236 I ensured myself total privacy. And with the other R70 spent on bedding, food and other odds and ends I found the experience more enjoyable than the Southern Sun’s hotel in which I spend the weekend. This was the Maharani, a five-star hotel which would do well to send its hall-porters on a Spoornet training course — although their beds were naturally a shade better than the Spoornet bunks.

Reserving a second-class coupe one way (which sleeps three) costs R250. A first-class compartment for four people is R472 and second-class, sleeping six, costs R500.

But this can be played to the consumer’s advantage. A family with two adults and two young children will usually be placed in a compartment which would mean a considerable saving. A family with four children all travelling second class would save a small fortune.

Airlines, on the other hand, do offer some specials which make a flight attractive. SAA’s weekend specials costs R365 return — provided certain days are spent away. Both Flietstar (which has redeemed itself after its dismal first performance written about in this column) and SAA offer reductions for children, early morning flights and the like.

But no flight offers what Spoornet delivers. The traveller is greeted by one of many stewards who will attend to you throughout the trip in a such a way as to make most hotel chain managements eat their hearts out. This is followed by countless relays of stewards bringing spotlessly clean bedding, towels, soap and various bits and pieces to make the trip comfortable.

Railways food, believe it or not, is plain good. Nothing fancy but tastily cooked and well presented.

It was served with a pleasantness and grace this Critical Consumer is unused to experiencing in a country famed for its lack of service.

Travellers will be greeted by early morning coffee and a breakfast in the dining car equal to anything found at home and better than most hotels. Except the quality of the coffee. For some reason, SAA, Flietstar and Spoornet are wedded to chicory-laden coffee. But somehow it tastes better on the railways than on an expensive flight where one does not expect the operator to cut corners on something as minor as coffee.

This is not to say there weren’t problems, which Spoornet should attend to promptly.

One of these is the lingering racism in the hierarchy of Spoornet staff on the train. The more senior, the more white, with a few jobs at the top which black staff believed to be completely inaccessible to those who are not white. Some of those senior whites ought to be taught that their salaries to some extent depend on how well their service is used. Being rude to black first-class travellers is not the way to ensure future patronage of the hauler.
Revamped Tollgate set to expand in SA, UK

TOLLGATE Holdings (TGH) — which ended the year to December with fully diluted earnings of 34.2c a share compared with a loss of 88.3c in 1990 — is now ready for expansion both in the UK and SA, director Laurie Mackintosh said yesterday.

"The previous management of Tollgate ran up massive debts and the only way to get the group back on its feet was to sell all the unprofitable operations and some which were profitable but not providing good enough returns," he explained.

"Now we are ready to grow in the sectors we are good at — tourism and leisure and distribution."

"Our chairman, Julian Askari, has just come back from a visit to Japan — convinced that there is a great future for tourism in this country provided we have peace and develop the infrastructure needed."

"He discovered there are three things most Japanese tourists want to see in Africa — the Kruger Park, the Victoria Falls and Cape Town."

"But we cannot hope to attract large numbers of tourists unless air fares become more affordable. And to attract Japanese we need a direct flight from Tokyo.

"Most people in Japan have only two weeks holiday a year and they do not want to spend two days getting here."

"Mackintosh said TGH's present interests in tourism and leisure industries were Kyalami — which it owned completely — and Sprinbok Atlas and Greyhound Cityliner coaches."

"We have no plans to go into the hotel business ourselves. We prefer to buy bed-nights, at the best possible rates, for tourists on Sprinbok Atlas package tours."

"We looked at the possibility of buying hotels where we would accommodate them, but we decided against it."

"If management have captive customers they don't work so hard. There is no spur of competition."

"When the tourists come we shall expand our coach operations by enlarging our fleets."

"We believe Greyhound Cityliner has potential as an economical way for tourists to see this country."

"We cannot yet offer a circular four round-SA on Greyhound coaches, with roving tickets enabling visitors to stop wherever they want, because we are not allowed to operate on the Garden Route."

"But we could overcome this either by making a deal with the present operator on that route or, hopefully, through deregulation."

"I think deregulation will come very rapidly in the new SA."

Discussing TGH's UK company, Jaton Holdings, bought in December, Mackintosh said there were signs that the recession there had bottomed out."

"Jaton distributes industrial fasteners and demand is picking up. Inventories have been run down so increased demand will feed through very quickly to the bottom line."

• TGH lifted operating income in the year to December 31 to R43.4m (R25.9m) on a reduced turnover of R551.4m (R598.5m). After-tax profit was R10.3m compared with a loss of R33.5m. The final dividend is 10c making a total of 13c for the year.
Tollgate Holdings gets leaner, meaner

MARC HASENFUSS
Business Staff

LEANER and meaner — the newly restructured Tollgate Holdings has created a solid base from which to pursue its expansion programme into leisure, tourism and distribution.

The radical rationalisation programme instituted by chairman Mr Julian Askin has been successful and Tollgate has resumed its profit growth path, as the group’s belated financial results for the year ending December 1991 show.

In the year under review, the diversified group shed its holding in underperforming operation Gants and Norths Industries and is currently completing the sale of bus group Tramway Holdings.

This saw bottom line earnings dramatically turned around to R131 million from a previous loss of R21 million. Shareholders were rewarded with a 13c (10c) payout from fully diluted earnings of 34,2c a share.

Although recessionary conditions prolonged the rationalisation programme, Mr Askin said the benefits could be clearly seen in the turnaround in the income statement.

Although turnover slipped down to R541 million from 1990's R598 million, better operating margins resulted in operating income surging 69 percent to R43 million (previously R25 million).

Mr Askin is confident that Tollgate is in the final phase of the rationalisation programme.

"Tollgate will be left with a well-structured, well-focused group of operating companies and will have a firm base from which to pursue a policy of expansion and growth into areas of leisure and tourism and distribution."

He said the board was looking forward to a continuing recovery in the fortunes of the group and that currently all the retained divisions were operating profitably.

Losses stemming from the disposal of assets and shares in Norths and Gants, discontinued operations and assets and revalued investments touched R81 million (previously R46 million).

Over R15 million in goodwill was written off in the year under review.

Profit on sale of depreciable assets and written back provisions realised R3,8 million.

Mr Askin said the results had been delayed so that a pro forma balance sheet to reflect the disposal of Tramways with the resulting reduction in group debt and improved gearing ratios could be shown.

The pro forma debt figure of R156 million (R234 million) does not include any proceeds from the sale of Tramway's properties.
Jet fuel costs more in SA

By DON ROBERTSON

The increase in tourist and business travel to South Africa could be curbed by the high cost of jet fuel at Jan Smuts Airport. Fuel costs are about 25% more at Jan Smuts than at airports in Europe, although the cost is low by notoriously high African standards.

An article to be published this week in Jet-Fuel Intelligence, a weekly newsletter published by Petroleum Intelligence Weekly in New York, states that at many terminals the as remarkable growth in travel to SA, the one obstacle remains—high fuel prices.

Airline officials claim there is no good reason for this and blame the artificially high price on Natref, the Sasol-controlled refiner, which supplies most of the fuel.

In contrast, to sluggish growth in most of the world, the jet kerosene price in SA is surging. Demand this year has increased by more than 11% to about 19,000 barrels a day as commercial air traffic is freed from the political and economic constraints of the past.

This has more than compensated for the sharp fall in demand from the military. Jet Fuel Intelligence says that under the legacy of State price controls, all oil companies distributing fuel at Jan Smuts are obliged to buy Sasol's 84% share of Natref's jet fuel production on the

"same arm's-length commercial logic used by the State to arrive at retail petrol prices." This means that jet fuel is bought at international prices from three refineries in Singapore and one in Bahrain and taken by lighter tankers to Durban and then to Johannesburg by rail. A refining margin is then added, says the newsletter.

In fact, Natref buys its crude at market prices. It is carried by very large crude carriers (VLCCs) and piped to Johannesburg. VLCCs carry crude oil in quantities of as much as 200,000 to 300,000 tons.

Barrel

This form of transport is cheaper than "clean" or light tankers, which are smaller.

In addition, the cost of insurerage for crude oil shipments is lower than that for refined fuel.

The current jet fuel price is US$5.50 a gallon. After the retail mark-up, it rises to about US$6 a gallon.

Natref supplies about 80% of the fuel, or 14,700 barrels a day, used at Jan Smuts, which dictates prices charged at other airports.

A Natref spokesman says Sasol does not sell jet fuel to airlines or other oil companies.

From Page 1

Jet fuel

Because of deregulation, at least eight international airlines—Cathay Pacific, Singapore Airlines, China Airlines, Qantas, Austrian Airlines, Kenyan Airways, Air France and Air-Boeing—have launched 14 new flights a week to SA in the past year.

SA Airways is able to fly to America, Kenya, Angola, Egypt and Australia.

Officials say that at least 25 other airlines are discussing new services. The recently established independent Flyestar has 16 return flights a day to various destinations in SA and has been granted international status to fly from Bahrain. Flights to other destinations have also been applied for.
Focus shifting to environment-friendly flying

ANYONE living near Jan Smuts Airport will have noticed an increase in air traffic in recent months. After years of relative isolation, South Africans are beginning to find out how important commercial air transport is to a developing economy.

For residents close to airports the situation promises to get worse as more foreign airlines and charter firms recognize the importance of Johannesburg as an African hub.

"Taking an average of our industry forecasts, passenger air transport is expected to grow at a rate between 5% and 6% a year in the short to medium term. Similarly the world's airline fleet is also going to swell."

In Europe stringent measures are being taken to reduce the levels of noise, waste and air pollution caused by airliners. But in South Africa there are very few regulations governing aircraft pollution.

Overseas carriers are mostly using 1980s and 1990s aircraft on flights to South Africa, chiefly because they have been compelled to bring less noisy, smoky and smelly planes onto their inventories to be able to continue flying to airports in Europe, the US and Far East.

SAA and other African airlines can still get away with operating older, dirtier planes on inter-African and domestic flights because the regulations are not as stringent.

Lufthansa's technical and environmental executive, Franz-Josef Darius believes that sooner or later, SA aviation will develop an environmental conscience.

"Here in Germany it started with noise pollution at Frankfurt, Munich, Dusseldorf and Hamburg airports," he said in a recent interview. "All of these airports have imposed noise curfews and no big jetsliners are allowed to land after 11pm unless they have an emergency." "Last week Munich's Riem Airport, which has been in operation since 1938, was closed down, and everything was moved to a new facility 30 km away. One of the reasons behind the move was that there were some 508 000 people who were in audible range of Riem, while less than 20 000 were within earshot of the new airport, which is twice as large."

The International Civil Aviation Organisation (ICAO), which governs airline operations, drafted mandatory regulations on the phasing out of airliners built between 1958 and 1968. All two and three jet-engine planes built between 1958 and 1970 were to be retired by 1988, and all four engine aircraft by 1988.

Airbus built between 1970 and the mid-1980s were to be phased out at a rate of 10% of an airline's fleet a year from April 1995.

ICAO exempted developing nations from the regulations resulting in most of these old aircraft having found their way into active service with African airlines. Typical jet aircraft in this category include Boeing 707A, 727B, 737-100, McDonnell Douglas DC-8s and Convair 880s and BAC 1-11s.

Several African airlines, SAA included, could be inclined to keep operating these aircraft as they will not fetch a resale price high enough to offset the cost of having to replace them with new planes.

Darius says that, as a flag carrier, SAA is committed to operating this type of aircraft as they are less noisy and more fuel efficient than the older aircraft it caused to be replaced.

"Of the 707s, 727s and 737s, we wanted to replace them with new planes that are more fuel efficient and have better performance."

"If you break it down to the economics, it is more profitable to operate these aircraft."

"We are committed to operating these aircraft until they are replaced by new models."
Food train
exercise no
piece of cake

I MAGINE a train so long that the locomotive would reach Harrismith before the last truck left Johannesburg station. Obviously there is no such train, but that is how long it would be if Spoornet had to transport this year's drought relief maize in one go.

Out of the 11 million tons of grain, some of it bought, some of it supplied by the United Nation's World Food Programme, Spoornet is transporting 8.5 million tons—the biggest transportation exercise in food and aid relief in the world. Even then, the Ethiopian drought relief effort involved only 2 million tons of food.

South Africa gets 4.7 million tons, Zimbabwe 2 million, Zambia 800,000 and Malawi 800,000, while small amounts are going to Lesotho, Botswana and Swaziland.

This adds up to a total of 2700 trains, each with 38 trucks, with each truck carrying 39 tons of grain.

The only exercise that comes close is the Kuwait Emergency Recovery Programme, the restocking of Kuwait with everything from food, rubber bands and generators to fire engines and syringes after the country was devastated in the Gulf War.

In fact the American logistics company that organised the recovery programme has been called in to assist Spoornet's logistics subsidiary, Viamax Logistics.

The Americans say that in this operation, the volumes are far bigger and the multiple disasters complicate the issue.

The logistics are staggering. At any time, about 20 ships from Argentina and the United States are on their way to South Africa to unload grain in ports that are geared for loading and exporting.

Machines that pump grain into ships stand idle, while cranes lift the huge loads on to railway trucks to be carried to ships all over South Africa and

Searing heat and crippling drought have withered maize and wheat crops across the African subcontinent. Enormous quantities of grain are now being donated or bought to feed hungry populations. Spoornet is transporting the biggest volume of food relief yet.

JULIENNE DU TOIT looks at what is involved in neighbouring countries.

Suctioning off the ships would be easier, but that damages it. In fact, this is what makes this exercise different from other Spoornet operations. Spoornet transports between 50 and 80 million tons of coal a year, but that is comparatively easy to load and unload.

"You have to be more careful with maize and wheat. "It's going to land up on somebody's plate," said Viamax projects manager Shaun McCormack.

The grain that is not going through South Africa is being landed at Walvis Bay in Namibia, Dar es Salaam in Tanzania, and Beira, Nacala and Maputo in Mozambique.

Getting the food from the ships to the countries that need it is not easy. Malawi, for instance, is just not geared to unload consignments of loose maize, so contractors have to put Malawi's grain into 50 kg bags.

A third of the Zimbabwean and Zambian consignments also have to be bagged—a total of 38 million bags.

Spoornet has to know where its trains are at any given moment, whether they have been unloaded, whether they are waiting at Beit Bridge or which trucks can be brought back for reloading.

At the moment, it is all being done by hand. In the grain operations room at Spoornet's headquarters in central Johannes-

burg, ships are marked as arrows heading steadily across the map from the United States and Argentina.

One, stationed just above Cuba, is marked "bumped". The crewfulmined over a pay dispute while sailing through the Caribbean and diverted the ship to Cuba, where its cargo of about 50,000 tons of maize is rotting in the tropical heat and humidity.

Other charts show exactly how many tons have been transported so far by ship and by train, where the loads in transit are, and how much each train and ship is carrying.

Twenty shiploads have arrived so far at Cape Town, Durban, Port Elizabeth and East London. About 230 are still expected.

People sit working on charts and watching the boards, keeping track of every movement, co-ordinating the exercise for the least possible waste of time and transport.

The American logistics company is going to coordinate the whole system for Spoornet. From the moment a purchase contract is signed, before any grain is loaded from silo to ship across the Atlantic, it will be logged on the computer.

That will give three to six months' planning time, as opposed to the current 14 days—the time it takes for a ship to sail between the Americas and Africa.

Spoornet will also be linked to satellite and UN input to keep track of trains and the unloading beyond South Africa's borders.

The huge operation started in April and has yet to hit its peak.

And what if the drought carries on? "We'll just have to do it all again," said Spoornet communications adviser Jacques Piennar.

The Star Africa Service reports that the supply of maize in Zimbabwe has improved dramatically and the long queues have disappeared.
City's trains right on track.

Right, courtesy of Spooren.
Ensure everything keeps going.
Computer control centre will.
FAULT ALERT: Mr Schalk van Asweggen, assistant superintendent of the control centre, spots a flashing light on the display panel alerting staff to a fault.

Tram's route and numbered red lights show which section of the line each tram occupies at any time.

"A computer printout continually provides details of all train movements and notes when each train stops and leaves each station.

Green lights indicate all is in order for the tram to proceed and red lights are stop signals.

Bottlenecks in the rail network are quickly ironed out with the aid of safety devices in the automatic system.

Mr Schalk van Asweggen, assistant superintendent of the control centre, said: "Various safety devices make it possible to detect and sort out faults within minutes, but each delay sometimes has a ripple effect on a number of trains.

The control centre has been continually upgraded since it came into operation in 1986."
SAA takes off to Thailand

SAA yesterday launched its twice weekly service to Thailand and Singapore.

A spokesman said the debut flight from Jan Smuts was less than half full. Advance bookings for the rest of the month did not reflect an increase in demand.

He said recent riots in Thailand's capital Bangkok had no affected bookings.

Although Thai Airways holds reciprocal rights to start flights to SA, it has taken a block booking on SAA's flights until the market proves its viability.

SAA's Monday flight departs from Jan Smuts at 12.45pm, arriving in Bangkok at 5.25am on Tuesday before flying on to Taipei where it lands at 11am. It departs for Singapore on Tuesday night, landing at 12.45am on Wednesday before returning to Jan Smuts at 6.55am the same day.

The Thursday flight stops in Singapore en route to Taipei and in Bangkok on its return leg.

Malaysian Airlines, Korean Airlines, and Japan Airlines also wish to start flights to Johannesburg.
main problem in regard to these portable and transportable toilets is not that the hole unfortunately constitutes a permanent fixture? [Interjections]

The MINISTER Mr Chairman, the reply to that is yes, as far as the toilet is concerned, and no, not as far as the placing is concerned.

Hwbs community: use of farm Tweespark

*8 Mr P G SOAL asked the Minister of Regional and Land Affairs

(1) Whether he has received a request on behalf of the Hwbs community for that community to make use of the farm Tweespark, No 733LDR6, which was held in trust by the former South African Development Trust, if so.

(2) whether he intends allowing the Hwbs community to make use of the farm, if not, why not, if so, what are the relevant details?

The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING

(1) The Transvaal Provincial Administration

(b) The total cost of placing the advertisement in five daily newspapers on 12 and 13 May 1992 and in six regional papers during the week which ended on 15 May 1992, amounted to R130 801.93. The daily newspapers are The Citizen, The Star, Sowetan, Business Day and beeld. The regional papers are Randburg Sun, Midrand Reporter, Vreewaterbuck News, Sandton Chronicle, Krugersdorp News and Roodepoort Record.

(c) The intention of the advertisement was to emphasize, in the national interest, the realities of urbanization in the PMV area, and to define the emotional impacts and the misconceptions regarding the presence of the Zwartfontein community north-west of Randburg and Sandton.

(2) No

(3) No

At this stage no further advertisements of this nature are envisaged. Further advertisements in this regard may, however, be published should the need be deemed necessary and in the interest of the public.

Compensation to injured national servicemen

*9 Mr P H DE LA REY asked the Minister of Local Government and National Housing

(1) Which department bears the cost of the newspapers advertisements by the Transvaal Provincial Administration on the Zwartfontein question, which appeared earlier on 12 May 1992 in a certain newspaper, particulars of which have been furnished to the Minister's Department for the purpose of his reply, (b) what has the cost of these advertisements been to date and (c) what is the purpose of the advertisement in the above-mentioned newspaper.

HOUSE OF ASSEMBLY

...
Minister calls for tolls on all national roads

All national roads could be declared toll routes in terms of a new Bill, the Minister of Transport, Dr Piet Weigenmoed, said.

Introducing the second reading debate on the National Roads Amendment Bill, he said the registered owners of vehicles which were driven through toll gates without paying would be held responsible unless able to prove otherwise.

The Bill also recommended that certain advertising, such as tourist information, be permitted on toll roads, with due regard to the environment.

‘Toll roads were not economically viable as they did not carry sufficient traffic, Mr Rohan Carlisle (DP Wynberg) said.

‘The major investment the government had made in roads in the transport spectrum was a “huge mistake”, as roads were the most expensive way of meeting transport needs.

“We should be debating bus routes or more and better rail services and the control of the taxi industry” — Sapa.
On a wing and a low fare:

the hazard of cut-rate seats

CHEAPER air fares to international destinations would in the long run cost South Africans heavily.

This is the gist of a warning by Stephen Wolf, chairman and chief executive of United Airlines, one of the largest in the world, who yesterday spoke to delegates at Pow Wow '92, the international travel extravaganza in San Francisco.

At the same time he hit at "protectionist-minded governments" whose economies were suffering from their attitude towards international aviation.

His message comes at a time when many South Africans are waiting expectantly for Virgin Airlines to launch a service cutting air fares to Europe.

MrWolf said the fares now ranging in the United States were threatening the future of the industry both locally and abroad. Though the cost of transportation had been reduced for the consumer, the fare initiatives of the past week imposed substantial damage on the industry.

"There is no way that carriers can expand, modernise and innovate when they are faced with staggering losses," he said.

The United States industry had lost billions in the last year. The response had been predictable. Orders for new aircraft, valued at billions of dollars, had to be cancelled or deferred.

The industry had had to re-evaluate a number of significant airport improvement projects and been forced to curtail services.

Mr Wolf continued "Notwithstanding draconian efforts to cut costs, well-known corporate names such as Eastern and Pam Am (pioneers in their field) have been erased from the boards. Others have been able to continue only by seeking the protection of bankruptcy laws."

He said international aviation, led by the US carrier efforts, was on the threshold of explo-

Air travel may thrive on competition, but price-cutting can be taken too far, believes the boss of one of the world's largest airlines. WINNIE GRAHAM reports from San Francisco (above).

Tour clans gather for Pow Wow in Frisco

IT THERE were to be an award for the most incredible "get-together" in the world, it would surely go to the Travel Industry of America (TIA), organisers of an exposition known simply as Pow Wow '92.

Nearly 5,000 people, including 4,500 delegates from 27 countries, 200 international journalists and hundreds of local workers have gathered in San Francisco this week to promote tourism - "the peace industry of the world" - which will be worth an estimated $64 billion (about R179,2 billion) to the United States this year.

US travel organisations and hotels have erected 900 booths where the many foreign visitors make appointments to negotiate about various travel packages ranging from skiing holidays to Disneyland tours.

The 34-person South African delegation comprising tour operators, travel agents and others, is very much in evidence. Among them is Isak van Heerden, SA Airways international tours manager, who says America is increasingly becoming a favourite destination for South Africans.

Since the Johannesburg-New York direct flights were introduced, SAA has carried 11,000 passengers a week to the US. An additional weekly flight is to be introduced from August.
Cape seen leading economic recovery

CAPE TOWN — The exceptional growth in cargo handled by Cape Town harbour over the last three months has led port authorities to believe that the Western Cape economy is showing signs of recovery ahead of the national economy.

In April the container terminal handled the largest number of containers since it opened in 1977, port manager Hudi Basson said yesterday. He added that cargo handled was an even mix of exports and imports and included coastwise goods.

Basson said the main reason for the growth was increased chemical imports and high fruit exports — March, April and May were the peak fruit exporting months.

"I would like to think that the figures indicate that Cape Town is leading the recovery of the economy," Basson said.

He pointed out that Cape Town harbour only handled imports and exports for the Western Cape economy, except for this year's exceptional maize imports for southern African countries.

Portnet commercial manager in Port Elizabeth Eddie Hill also reported an increase in containers handled in March, April and May but was unable to pinpoint specific causes except for Volkswagen's export programme. Durban acting port manager Kallie Haupt said Durban had not experienced much change in container or bulk cargo volumes.

National figures provided by Portnet showed that between January and April this year total imports and coastwise cargo handled by SA ports increased slightly to 4.9-million tons from 4.8-million tons last year while exports declined to 29.7-million tons (30-million).

This included the 300,000 tons of maize imported in April which resulted in a 24.2% increase over the April 1991 figure.

In Cape Town additional casual labour had to be employed to cope with the increase in container traffic, Basson said.

The terminal had adequate capacity to cope with future growth but the port was investigating the acquisition of additional cargo handling equipment.
Spoornet chiefs call for probe into R48m credit

A firm of chartered accountants has been called in to assist Spoornet with an investigation into how a private company, Minesa Energy, exceeded its credit line with the transport giant by R48-million.

Spoornet spokesman Johan Hugo said no details of the probe would be disclosed until a finding had been made.

Accountant Charles Ochse confirmed he was involved in the investigation, but declined to give further details.

However, it was learnt that lawyers representing companies which have had business dealings with Minesa Energy, a coal-exporting firm, were called to a meeting with Spoornet officials this week.

The investigation, ordered by Transnet managing director Anton Misolin in April, came after disclosures that Minesa Energy had run up a bill of R50-million with Spoornet.

The Kyalami-based company, headed by Spanish-born Mr Jose Holgado, had a 30-day credit line with a R22-million limit.

It was also revealed that coal stockpiles ceded to Spoornet as security for the debt had been removed when railway authorities tried to claim them.

Transnet spokesman Terri Greg said the investigation was sub judice, and no comment could be made until it was complete.

Minesa Energy general manager Glyn Sprout said discussions between the company and Spoornet had been scheduled for next week.
Parastatal threat to private sector

THE Government's commercialisation programme is running into opposition from the private sector which fears unfair competition.

Under the programme, State corporations are required to start paying their way before being privatised.

The private sector fears state corporations will have a pricing advantage because their assets were bought with taxpayers' money or low-interest State-guaranteed loans.

There is no cost of servicing its core business and borrowings are generally long-term with interest rates below 15%.

Wing

Of particular concern is the possibility that the privatisation programme will be prolonged in the face of ANCYL opposition.

SA Chamber of Business deputy director-general Ron Haywood says: "It is imperative that commercialised corporations, such as Transnet, Telkom and Denel, Armscor's industrial wing, be privatised quickly.

"We support privatisation and do not want to see the process delayed."

Transnet's attempt to expand its laundry service into the private sector was halted by the Competition Board because it had nothing to do with its core business.

Complaints were also received from the telecommunication industry that Denel was competing unfairly.

The complaints fell away when Denel was commercialised, says Competition Board chairman Pierre Brooks.

Commercialised parastatals are expected to improve their return on assets, but not necessarily make a profit in the early stages.

This could also cause an unfair pricing advantage, says Michael McDonald, chairman of the Steel and Engineering Industries Federation of SA.

"Private firms must reward the providers of capital and this means they must make a profit. The same is not always true of government-owned corporations. They can afford to trim their margins."

Fire

The damage caused by State corporations unloading their assets on private-sector markets has been severe in some instances. Sasol, now listed on the JSE, hammered AECI in explosives with a ruthless price war. Sasol's capital was relatively cheap and it enjoys import protection.

Foscor has come under fire for its pricing and efforts to lift import tariffs.

But Mr Haywood says Sasol and Foscor are trying to help downstream businesses geared to export markets by offering discounts.

"We have to look to the future, not the past. In this sense I think the cost of Sasol was worth it."

Most parastatals operate under monopolistic conditions. But as deregulation opens the door for more competition, they will look for new markets. Telkom, for example, may start buying into the electronics markets occupied by the likes of Grumaker and Alltech.

SA Airways is fighting off the challenge from Safmarine-owned Fliteestar, which has taken a large slice of its domestic market. It opposes licence applications by Fliteestar for foreign destinations.

Transnet has started to compete with transport equipment companies. It and Eiston have taken over a private sector to make use of spare capacity in their workshops.

Pitted against Transnet in transport equipment is Dorrby. Chief executive Dawid Mostert says competition is good provided it takes place on a level playing field.

"We hope that these businesses are self-standing and not cross-subsidised. Where we suspect this happens, we speak to them. I believe the parastatals should stick to their core businesses. Maintenance workshops should leave manufacturing to others."

Denel expects taxed profits of R188-million in the 1992-93 financial year on assets of R1,3-billion - an 11% return. It is converting arms factories for civil use and will seek markets where there are monopolies. Its explosives factory could compete with AECI and Sasol. Its electronics and chemical plants are also a potential threat to private-sector firms.
Malaysian air links being discussed

SA is negotiating a bilateral air service agreement with Malaysia. This could allow Malaysian Airlines to fly between Kuala Lumpur and Johannesburg and onto a third destination.

The rights to pick up passengers en route to a third destination are known as fifth freedom traffic rights and are being increasingly granted in the northern hemisphere as countries adopt an "open skies" approach to scheduled airline services.

A Transport Ministry spokesman said similar rights were agreed to between the Netherlands and SA when they signed a new air services agreement for KLM and SAA last week. In terms of the SA-Dutch agreement, SAA has been given traffic rights between Amsterdam and five major European cities.

Directorate of Civil Aviation (DCA) administrative director Louw Booyse said on Friday an agreement in principle had been reached between SA and Malaysia, but a date for the second round of talks, where outstanding issues would be resolved, was still to be set.

He declined to comment on the inclusion of fifth freedom rights in the agreement, but it is believed SAA would like similar rights on the Kuala Lumpur end.
HOUSE OF ASSEMBLY

QUESTIONS

?Indicates translated version

For written reply

General Affairs

SAA: total cost of new uniforms

278 Mr A J LEON asked the Minister for Public Enterprises

With reference to the new uniforms for air and ground staff of South African Airways, what was the total cost of the (a) design, (b) manufacture and (c) advertising and promotional and public relations work done in this regard?

B684E

The MINISTER FOR PUBLIC ENTERPRISES

The Managing Director of Transnet Limited replied as follows to the hon member's question

(a) R811 000
(b) R17.6 million
(c) R55 000

Own Affairs

Subsidizing of old-age homes: amount spent/budgeted

67 Mr L FUCHS asked the Minister of Health Services and Welfare

(1) What total amount (a) has been spent by her Department on subsidizing old-age homes for the 1991-92 financial year and (b) has been budgeted for subsidizing old-age homes for the 1992-93 financial year.

(2) whether it is the intention to increase the number of old-age homes available to her Department, if not, why not, if so, what are the details?

B688E

The MINISTER OF HEALTH SERVICES AND WELFARE

(1) (a) R221 932 848
(b) R222 046 000

(2) Only a few additional old-age homes will be put into operation in 1992/93. It is not intended to increase the number of old-age homes. Provision is already made for the treatment of 7.4% of the White aged population in old-age homes whereas the norm is 6%. A shortage of funds prevents that additional obligations are entered into
Zimbabwe and SA to sign historic accord

HARARE — President Robert Mugabe has approved a second meeting tomorrow between Transport Minister Denis Norman and his SA counterpart Piet Welgemoed to seek Pretoria’s help with Zimbabwe’s food crisis, sources say.

PATRICK BULGER reports an SA Foreign Affairs spokesman confirmed Norman’s visit and said the two ministers would sign an agreement on co-operation of drought relief efforts.

The spokesman said the agreement would be historic as it would be the first ministerial-level accord between the countries since 1980.

On April 1 the Zimbabwean cabinet, act-

MICHAIL HARTNACK

mg during Mugabe’s absence in Ireland, dispatched Norman to Cape Town for the first ministerial-level contact.

Since Norman’s talks with Welgemoed, an average of two SA trunloads of maize have been arriving daily, but Mugabe’s officials have reportedly outraged SA’s Foreign Affairs Department by saying discussions were “purely technical” and indicated no thaw in Mugabe’s censorious attitude to “the apartheid regime.”

In response apparently, Harare trade mission former head Nico Nel has not been replaced by SA since he finished his posting in mid-May.

A bungle over maize producer prices and delays in building an essential dam flattened Zimbabwe’s once-mountainous maize stockpile and wrecked its sugar industry for the next two seasons. As a result, Mugabe must import about 1.3-million tons of maize and at least 300 000 tons of sugar.

Norman said last week that accelerated imports since April meant the country now had enough maize to avert food shortages until the year end.

Sources say he was expected to sign a “memorandum of understanding” tomorrow.
Conductors deny dishonesty

THE Staff Association for the
Workers of Transnet yesterday
dismissed the allegation that
millions in train ticket sales
were being lost through dishon-
estly "the work of people
for their jobs" "the work of people
for their jobs"

Mr Albertus's comments fol-
low a work stoppage, from
Saturday until yesterday, by
several hundred Spoor net em-
ployees. More than 200 subur-
ban trains ran without ticket
examiners or train conductors
as a result, a spokesman for
Spoornet said yesterday.
The workers embarked on
the stoppage after a group of
colleagues reported to a local
daily newspaper last week that
millions were being lost in tick-
et sales as a result of dishon-
estly and inefficiency.

Spoornet spokeswoman Mrs
Yvette Olwage said that Spoor-
net was aware that the infor-
mation given to the newspaper
had been hurtful to employees
and was trying to solve the mat-
ter amicably with them.
Silence over R10 house

THE Blue Downs couple whose home was bought back by the bank for R10 and who were then summonsed for the outstanding amount of their bond have not heard from their bank since it announced a change in policy.

Mrs Allison Goeke said yesterday that she had not been told of the new policy of "setting-off" the net proceeds that the bank gets on the resale of the house against the outstanding amount of the bond.

On the other hand, she said, she had not received any further summons to court either.

Mr Norman Axten, a senior general manager of First National Bank, said yesterday that out of some 800-odd (bond foreclosure) cases in the past 10 years, there may have been one case in which the bank would have made a profit after setting-off the net proceeds of a sale against the outstanding bond.

"If there is or has been a profit, that will be passed on," he said.

Killing price rise in Algeria

ALGIERS.—Sick people are dying in Algeria following a rise in the price of medicines by a staggering 700%, the National Human...
Brought to the notice of the Government of KwaZulu

Cultivation of cannabis: Okhahlamba magisterial district

*Mr R J LORIMER asked the Minister of Law and Order

(1) Whether it has been reported to the South African Police that cannabis is being cultivated in the Amangwane Tribal Ward area in the Okhahlamba magisterial district of the Upper Tugela Location, if not, why not, if so,

(2) whether any action has been taken against those responsible, if not, why not, if so, (a) what action and (b) by whom? *B717E

†The MINISTER OF LAW AND ORDER

(1) No The South African Police is aware of the situation

(2) Yes (a) Mopping up operations and the investigation of cannabis offences gave rise to 65 arrests and 46 cases registered pertaining to the possession of cannabis between 13 November 1991 and 15 June 1992. During the above period a total of 23,867 kg of cannabis was confiscated

(b) Members attached to SANAB assisted by other units of the South African Police took part in these operations

Mr R J LORIMER Mr Chairman, arising from the hon the Minister's reply, can he tell us whether there is any possibility of stopping the growing of dagga there through police action, in view of the fact that such enormous environmental degradation is taking place which is damaging an area which supplies something like 10% of the Witwatersrand's water and 30% of that of Natal? The MINISTER Mr Chairman, I think we would like to stop the growing of dagga wherever we can. To take out or stop the growing of dagga by hand is a very costly exercise, as the hon member will understand. At the moment we are looking into the use of, and we are already using, chemicals to kill young dagga plants *Interjections

MR C E HERTZOG MP Installation of additional private boxes could, as yet, not be undertaken for the reason I shall furnish against item 2

(2) Yes The proviso of additional private boxes is to be undertaken simultaneously with other additions and internal alterations to the post office building. The architectural working drawings in this regard have been completed. If nothing unforeseen occurs tenders for the execution of the work should be invited during August/September 1992

(3) Yes As the existing post office building no longer meets the requirements of a functional post office it is regarded essential not only to provide additional private boxes, but to also effect certain alterations to the building with a view to improving the working conditions of the staff as well as the level of service to the public. In this regard several options had to be considered in terms of practicability as well as economy. Although a decision as to the best way of reaching the objective was reached some time ago the planning of the project had to be fitted in with that of numerous other projects countrywide

SARCC: loss of revenue owing to boycott

*Mr C H PIENAAR asked the Minister of Posts and Telecommunications

(1) Whether he or his Department recently received representations in connection with post office boxes that had not been installed at the Ladybrand post office, if so, (a) when were the representations received, (b) by whom were they made and (c) how long has installation been awaited,

(2) whether any steps are envisaged in this regard, if not, why not, if so, what steps,

(3) whether he will make a statement on the matter? *B722E

†The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING AND OF MANPOWER (for the Minister of Posts and Telecommunications)

(1) Yes

(a) 17 June 1991

(b) Mr C E Hertzog, MP Installation of additional private boxes could, as yet, not be undertaken for the reason I shall furnish against item 2

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SAAR: loss of revenue owing to boycott

†Mr C H PIENAAR asked the Minister of Posts and Telecommunications

(1) What was the total loss of revenue for the South African Rail Commuter Corporation as a result of the boycott of the said corporation's services during April/ May 1992 because violence is allegedly not being combated,

(2) (a) what is the additional cost per year of security in respect of rail commuting services planned by the South African Railways and assumed after 19 February 1992 and (b) what is the nature of the above-mentioned planned security,

(3) whether it is envisaged to make provision for part of or for the total cost of security in the said corporation's budget, if so, (a) what is envisaged in this regard and (b) for what reasons? *B729E

The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING AND OF MANPOWER (for the Minister of Posts and Telecommunications)

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The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING AND OF MANPOWER (for the Minister of Transport)

Mr Chairman, the reply to this question is approximately one page long and with the leave of the House I would like to table it on behalf of the hon the Minister of Transport, otherwise I shall read it

†Mr C H PIENAAR Mr Chairman, I think it is important that cognizance is taken of that therefore request that the answer be read

The MINISTER Mr Chairman, I read it as follows

(1) The estimated loss in income for the SA Rail Commuter Corporation due to the boycott action is R2,0 million. For the sake of completion it has to be pointed out that the boycott action was started on 2 May 1992, but that it really gained momentum from 4 to 8 May 1992. The boycott was terminated on Sunday, 10 May 1992

(2) The SA Police indicated that—

(a) an amount of R44 600 800 has been budgeted for the security of commuter services for the 1992/93 financial year. No cost additional to the budgeted amount is envisaged as all services in this regard will be rendered by means of existing manpower, logistics and funds, and

(b) the planned security action comprises of two components, namely

(i) 1 234 members of the SA Police in the Vaal Triangle area are being incorporated in a special unit for securing commuter services, under control of a senior officer of the SA Police, and

(ii) the SA Police will have over-all responsibility with the support of the management of the SA Rail Commuter Corporation, the SA Rail Commuter Corporation Security Services and community organizations

(3) Yes Provision for an amount of R38 million for security has been made in the
draft operating budget of R1 060 million of the Corporation for the 1992/93 financial year. A further R28 million is required, for which approval must still be obtained.

(a) The additional amount of R28 million is required because of the fact that the Corporation's five year security plan has been shortened to three years, and on account of the Goldstone Commission's investigation into violence on trains. The five year security programme which would have ended on 31 March 1995 has been expedited and shall already be fully phased in on 31 March 1993.

This means that all stations will be secured for policing by erecting security fences, providing lighting, introducing access control and providing on-site accommodation for the SAP Communication between the train driver, control room and the SAP is being improved to permit the speedier reporting of dangerous situations and incidents. Approximately R96 million of the draft capital budget of the Corporation of R289 million for the 1992/93 financial year, will be spent on security.

(b) The five year security plan has been shortened to three years with the aim to protect travel fare income by means of more efficient access control and to appoint additional personnel to ensure better control at stations to ensure better safety and to accomplish better crowd control. A total amount of R250 million has been budgeted for the five year plan and will remain the same for the three year programme.

Exemption of life-saving drugs from VAT

Mr K M Andrew asked the Minister of Finance (Dr T G Alant):

(1) Whether, in the context of the film incentive tax deduction scheme, the Receiver of Revenue has reached a decision in respect of tax deductions for films for which deductions were claimed for the tax year ended 29 February 1988, if not, (a) why not and whether the (i) when it is expected that a decision will be reached and (ii) how long has the Receiver of Revenue been considering this decision, if so, what decision was taken,

(2) whether he will make a statement on the matter.

The DEPUTY MINISTER OF FINANCE (Dr T G Alant)

(1) As the methods of finance as well as various other aspects of schemes of this nature differ from each other, it is necessary that every case be judged on its own merits and circumstances and each film scheme is decided upon separately. There is therefore no general decision which applies to all films.

In so far as the tax year ended 29 February 1988 is concerned, decisions have already been taken in respect of those films where sufficient information has been supplied by taxpayers. At present all film schemes are being dealt with by a special division which is situated in the office of the Receiver of Revenue, Johannesburg. Although it is a difficult and time-consuming task, the point has now been reached where assessments in respect of 1988/89 of those schemes will be issued to the relevant taxpayers during the next few months.

(a) Not applicable.

(b) (i) Not applicable

(n) Not applicable.

(2) No.

Well known that salaries tax at the rate of 13 per cent was payable on all salaries prior to the introduction of VAT. As the VAT rate is only 10 per cent and suppliers of medicines are now at a position to pass on to consumers the benefits of input credits in respect of capital and intermediate goods which are provided under the VAT system, the VAT system can create the climate to bring about a reduction in the cost of medicines.

As regards life-saving drugs, the question arises what are life-saving drugs. For one person a certain drug may be a life-saving drug but not for another. For practical reasons it is not possible to provide for the same item to be supplied to one person without VAT and to another with VAT.

Mr K M Andrew asked the Minister of Finance, Mr M J Ellis, if not, why not.

Whether any decisions have been taken in respect of tax deductions for films for which deductions were claimed for the tax year ended 29 February 1988, if

(1) whether he considered or will consider the following.

(a) What is the amount of additional tax revenue (VAT) to which he is expected to regard medical services and as his question was fully answered at that stage, I do not consider it necessary to discuss VAT on medical services in general.

It is well known that sales tax at the rate of 13 per cent was payable on all salaries prior to the introduction of VAT. As the VAT rate is only 10 per cent and suppliers of medicines are now at a position to pass on to consumers the benefits of input credits in respect of capital and intermediate goods which are provided under the VAT system, the VAT system has created the climate to bring about a reduction in the cost of medicines.

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(1) whether he considered or will consider the following.
SAA threatens to start price war

SAA warned Fliestar yesterday of a possible domestic price war if its rival was granted permission to operate charter flights to Mombasa, and by doing so captured some of SAA’s Nairobi traffic.

Opposing Fliestar’s application to fly to Mombasa, before the National Transport Commission, transport expert B C Floor, for SAA, said the public could benefit from cheaper services for a while, but accumulated losses would inevitably be recovered through higher fares.

SAA strongly opposed the application on the basis that Fliestar would take away some of its Nairobi traffic.

Floor said the purpose of economic regulation was to ensure that competition did not become destructive.

“Thus can readily happen if air carriers are allowed to prey on the traffic of other carriers by selling their surplus capacity at marginal cost,” said Floor.

“If Fliestar is allowed to offer charter services to Mombasa at marginal cost, and so capture, some traffic from SAA, the latter may retaliate, possibly on domestic services, to recoup lost revenue.”

Fliestar director Joggie Vermooten said last night his airline believed SAA’s submissions to the commission were a threat. Market research showed that current flights to Nairobi would be affected by a mere 4.9%.

A finding by the commission is expected within days.
Price-cutting pushes air fares to '82 levels

By John Miller

Air fares have plummeted on the Johannesburg-London route to such an extent that some tickets are cheaper than those on offer in 1982.

Certain tickets on offer for next month are down to R1,999 return, and R2,299 during the following six months.

In April 1982 a normal economy-class fare was R2,050.

The present low fares were made possible by a joint venture between a South African travel agent and Air Namibia, which next month launches its scheduled weekly service between Windhoek and London.

Cathy MacWhirter, general marketing manager of Remmes Travel, believes the downward trend will continue.

"I also think there will be a tendency towards added value for travellers in the form of possible giveaway seats. Because of the surplus of seats in and out of the country, airlines will be forced to market themselves more actively," said Ms MacWhirter.

She said another reason for the downward trend was the entrance of several new airlines into South Africa, forcing those already in the market to be more competitive.

Kevin Rawnsley, managing director of Just the Ticket, believes the average discounted fare to Europe will be about R2,500 during the next 12 months.

"There will also be specials at about R2,200 and some one-offs at even below this figure," he said.

He added that the low fares would continue until tourism picked up significantly.

Shrinking

However, these fares should lead to some growth in the South African market, which has been shrinking for the past few years, Mr Rawnsley said.

Malcolm Freeman, general manager of British Airways in South Africa, did not believe that the present offer would make much difference to future booking patterns.

"It is more than likely that people who have booked on a direct non-stop flight will probably not change their minds," he said.

However, those who had booked stopovers in Europe might very well change.

Forced

Mr Freeman said the protectionist policy adopted and forced on the rest of the market by SAA would end within days with the signing of a new air services agreement between the South African and British governments.

"From July onwards we will be able to charge market-related fares," he said.

Leon Ets, media manager for SAA, said the airline would continue to try to stimulate the market, even though it already had 16 different discounted fares on offer.

"We cannot fly aircraft just on discounted fares. You will never find more discounted fares than full fares on a flight," Mr Ets added.

Grenade blast kills toddler

Men ordered me
Flitestar gives its right side a leg up

BUSINESS class passengers flying on the right-hand side of a Flitestar airliner have the most legroom on SA domestic flights, an unofficial survey of airlines serving SA has found.

The airline which gives its business class passengers the most legroom on flights to SA is Air Seychelles, with its Boeing 767 business class offering 151cm between the back cushion of one seat and the back of the seat directly in front of it.

On domestic services, Flitestar's Airbus A320s offer an average of 64cm more legroom than SAA in both economy and business class (neither airline has a first class on domestic flights). SAA's Airbus A300, A330s and Boeing 737s offer 92cm in business class and 82cm in economy class.

However, Flitestar passengers sitting on the left side of the aisle in rows one to seven have to make do with 5cm less legroom than fellow business class travellers sitting across the aisle, who get 97cm. Economy class passengers are treated equally with 89.7cm of space between seats.

A recent survey of business class seating by the UK-based ABC World Airways Guide showed that Virgin Atlantic had the world's most spacious Business Class seating with 144cm between seats.

A similar survey undertaken by the International Air Transport Association (Iata) found that comfort, and not free drinks, personal video screens or good food, was what most business travellers preferred.

Of the international carriers currently serving SA, Air Seychelles, had the most roomy Business class section, while Air Zimbabwe, with a similar plane, was second with 105cm between seats.

The tightest business class squeeze is in Airitalia's Boeing 747 Combi where the gap between seats is 89.7cm. The second most cramped business class is on Austrian Airlines' Airbus A310 where the gap is 92cm.

Making up the middle rankings are SAA, British Airways, Cathay Pacific, Lufthansa, Qantas and Swissair, which have 102cm between seats in business class.

Greece's Olympic offers 100cm while Brazil's Varig, Singapore Airlines, Belgium's Sabena, the Netherlands' KLM and Israel's El Al all have 97cm.

In first class, SAA, British Airways, Cathay Pacific, Varig and Swissair tie for the legroom honours with 158cm between seats, while KLM and Lufthansa offer 158cm and 157cm respectively. Swissair's McDonnell Douglas MD-11 has the roomiest economy class with 87cm space.

On the opposite end of the scale British Airways has the least legroom in this department with a 78cm on its Boeing 747s.

SAA and KLM, which also fly Boeing 747s, share third in the economy class ranking with 82cm while Cathay Pacific and Lufthansa are joint second at 84.6cm.
Big fare drop in new city air link

The Argus Correspondent

JOHANNESBURG. - Comair announced today that it would operate two daily flights to Cape Town from August for 20 percent less than SAA’s and Flight’s standard economy fare.

Passengers will pay R339 for a one-way ticket. Further reductions for ’off-peak’ periods for certain categories of passengers will bring the fare down to R265. 

The Comair Citijet as a Boeing 737-108 passengers leased from SAA. Under the agreement the airline will use SAA aircrew for the first two years.

The airline expects to carry more than 200,000 passengers this year — an increase of 25 percent over last year.

Alcoholic drinks will be available at a nominal price while meals will also be served.

With the introduction of the Cape Town route, Comair becomes the third major airline in the domestic market.

It operates services to Richards Bay, Phala-Borwa, Suki-Kuna, Swaziland and Botswana. It also recently became a member of the International Air Transport Association.
Residents oppose new rail system

Staff Reporter

The Johannesburg City Council's proposal for a light rail transit system which will serve the Johannesburg Metropolitan region within five years, was flatly rejected by Orange Grove residents last night.

The proposed tram network would be a first for the Johannesburg CBD, and would have routes from Braamfontein, Hillbrow and Yeoville into operation by the year 2000.

Seven possible routes were also identified, some of which would run from the black townships, including Soweto, Alexandra, Dobsonville and Meadowlands, into the CBD.

At a heated meeting between the residents, Jomag and the Johannesburg City Council held at the Linksfield Primary School yesterday, residents voiced their strong objections.

The residents who feared for their properties, appealed to the city council to upgrade the standard of living.

They also demanded from the Johannesburg transportation committee, chairman Paul Asherson, that there would not be a light rail system in the area.
Spoornet back on track

A four-day work stoppage by Spoor's suburban ticket collectors in the western Cape ended yesterday, Spoor spokesman Yvette Ouwage confirmed.

About 306 of 465 ticket collectors refused to work after a few collectors were accused of pocketing commuter fares.
Comair offers cheap Cape Town flights

COMAIR is to introduce two flights daily between Johannesburg and Cape Town with fares 20% less than those offered by the major airlines, it was announced yesterday.

The flights, which will depart from Johannesburg at 7am and 3.15pm on weekdays at a cost of R678 return, will commence on August 3.

Special fares at R599 return will be available for married couples, the military, senior citizens and children.

SAA and Flietestar charge R860 and R882 respectively for economy return, though both offer special discounts.

Both companies said they welcomed competition on the lucrative Johannesburg/Cape Town route which carries more than a million passengers a year.

Comair MD Piet van Hoven said Comair would be aiming at the average cost-conscious consumer, rather than the business or first class sector.

Comair's new B737 would not have business or first class cabins.

A Boeing 737, together with cockpit crew, had been acquired on a three-year lease from SAA for the new route.

SAA representative Leon Eils said any move to stimulate and broaden the market was to be welcomed.

SAA had been offering discount fares at up to 40% below the economy rate for more than two years and did not believe its market share would be affected.

A Flietestar spokesman said Comair was targeting a different sector and would not present a competitive threat.

Van Hoven said the B737's 108 passengers would receive a "no frills" service.
PUBLIC ENTERPRISES: SAA

NEV uniforms for the South African Airways air and ground staff cost more R13-million to design, R1.6-million to create, R811,000 while the manufacturing costs amounted to R17.5-million.

A further R65,000 was spent on advertising, promotions and public relations.
Minister: Reef train boycott could cost R2m

THE week-long train boycott on the Reef at the beginning of last month cost the South African Rail Commuter Corporation about R2 million.

Replying to a question by CP MP (Pretoria West), Mr Joseph Chiole, Transport Minister Dr Piet Welgemeed said R83 million was budgeted this year for security on trains and stations. A further R28 million was needed but had not yet been approved.

Dr Welgemeed said the SAP budgeted R44.8 million for securing commuter services this year. The corporation budgeted R38 million for security. The R28 million was needed because the corporation's five-year security plan was shortened to three years.

He said 1,254 police in the Vaal Triangle would constitute a special unit to secure commuter services, while the police would be responsible for securing trains and stations.
Price war hots up as Comair cuts air fares

Staff Reporter

THE entry of Comair into the domestic market yesterday could spark a price war between opposition airlines.

Comair, which will operate two daily flights Johannesburg-Cape Town from August, announced yesterday that it would slash its prices to 20% less than SAA and Fliestar's standard economy fare to Cape Town.

SAA spokesman Mr Mike Pfeiffer said that as more carriers entered the domestic market all carriers would get a bigger slice of the tourism cake. However, prices had not dropped since Fliestar snared up to SAA by entering the domestic market in October last year.

A single economy fare between Johannesburg and Cape Town is R435 on SAA and R426 on Fliestar. Between Johannesburg and Durban SAA charges R229 and Fliestar charges R227.

"Comair's cheaper flights will obviously attract some of our customers, but Comair will fly only twice a week.

"While Comair's normal economy fares are 20% less than SAA, we have a wide range of other domestic fares up to 40% off our normal economy class on the red eye flight," he said.

SAA, he said, also offered far more flights a week than Fliestar and believed SAA offered a better service.

"In March this year we introduced late-night flights on the Cape Town route at far more acceptable hours and are offering meals and a full bar service, which SAA does not," she said.

Both SAA and Fliestar offer 40% off late-night flights. "But Fliestar offers wider seats with more leg room and we spend a lot more on our opposition on food, and pride ourselves on our high-quality meals," she said.
that rejuvenated the Cape Town city
centre which, like Johannesburg's, had
become seriously run down.

In Johannesburg Propnet was in
strumental in leasing the air space
above the canyon of rail over which
Twist Street and other north-bound
streets pass. Over the lines will be
built a huge shop/office/taxi project.

Why all the activity? Fuzz Loubser
explained that the Railways, no
longer exempted from having to pay
rates to local authorities, established
a unit called Business Development
in the mid-1980s. He headed it. In 1991
it became Propnet and its job is sim-
ply to augment railway traffic is undisturbed.

The move worried city developers
at first. In Johannesburg alone Prop-
net has available air rights over sites
ranging in size from twice that occu-
pied by the four-block Carlton Centre
to areas 10 times larger. To assemble
city-centre spaces like this would nor-
mally take years of negotiating and
mean the wholesale destruction of ex-
isting fabric.

Fuzz Loubser, when Transnet sent
him out on South Africa's biggest de-
velopment saga in 1988, told The Star
"We are very aware of our respon-
sibility to inner city environments and
centre is being constructed at Denne-
boom Station on railway property

VEREENIGING: Dormant land has
been made available here for a large
commercial centre including shops,
offices and transport, to be called
taxi Tunnel Junction.

KEMPTON PARK: Construction has
started on the R15 million Kempstar
Shopping Centre at Kempton Park
Station, catering for people without
private transport. It is along the lines
of Bellstar Junction at Belleville Sta-
tion in the Cape.

CAPE TOWN: The Victoria and Al-
bert Waterfront has now completed
four of 14 planned projects within the
harbour area. By October it will have
added the chic 26 000 sq.-m Victoria
Wharf retail and entertainment cen-
tre. The scheme has also rejuvenated
abutting properties.

DURBAN: An imaginative retail-resi-
dential-entertainment development is
planned for Point Road. Plans are
also being drawn up for something
akin to Cape Town's V&A Waterfront
on Durban's Victoria Embankment.

PORT ELIZABETH: The Bay Water-
front project — again like the V&A
scheme — will create a link with the
city centre. It is a long-term project
whose timing will have to depend on
market demand.

EAST LONDON: A Victorian theme
redevelopment of the waterfront,
called Lantern Bay, will revitalise the
area now known as the Fish Jetty.
The first phase includes renovation of
existing old buildings.

SOUTHERN CAPE: There is an ambi-
tious plan to develop the tourism po-
tential of an area linked by 33 rail-
way stations including Mossel Bay,
George, Oudtshoorn and Knysna. The
development, called the Golden
Thread, involves a scattered 70 ha of
property but includes "soft" plans
such as a walking trail along the scen-
ic line between George and the Wil-
derness and Knysna, using overnight
huts. The steam locomotive on this
line will be kept in operation for pas-
sengers and timber.

BACK IN TIME: 100
years ago this railway
station, prefabricated
in Holland, was erect-
ed at Park Station,
Johannesburg. It was
dismantled 40 years
ago and taken to rail-
way property at Es-
selein Park. Today it is
being dismantled
again — to be
brought back to
Johannesburg.
Not flights of fancy — but cheapest

As competition in the skies hots up, airfares on the Johannesburg to London route have plummeted with some tickets cheaper than those on offer in 1982.

Weekend Argus Reporter

AIRFARES have plummeted on the Johannesburg-London route to the point it can be cheaper to fly now than it was 10 years ago.

Certain tickets on offer for July are down to R1 999 return and R2 299 during the following six months.

In April 1982, a normal economy class fare was R2 060.

The present low fares were made possible following a joint venture between a South African travel agent and Air Namibia who launched their scheduled weekly service between Windhoek and London in July.

Ms Cathy Macwhirter, general marketing manager of Rennies Travel, believes the downward trend is set to continue.

"I also think there will be a tendency towards added value for travellers in the form of possible giveaway seats.

"Because of the surplus of seats in and out of the country, airlines will be forced to market themselves more actively."

She said another reason for the downward trend was the entrance of several new airlines into South Africa.

Mr Kevin Rawansley, MD of Just The Ticket, believes the average discounted fare to Europe will be about R2 500 during the next 12 months.

"There also will be specials at about R2 200 and some one-offs at even below this figure."

He said the low fares would continue until tourism picked up significantly.

However, these fares should lead to some growth in the South African market which has been shrinking for the past few years.

Mr Malcolm Freeman, general manager of British Airways, did not believe the present offer would make much difference in future booking patterns.

"It is more than likely that people who have booked on a direct non-stop flight probably will not change their minds. However, those who have booked on points over Europe might very well change."

Mr Freeman said the protectionist policy adopted and forced on the rest of the market by SAA would end within days with the signing of a new air services agreement between the South African and British governments.

"From July on, we will be able to charge market-related fares."

Mr Leon Els, media manager for SAA, said the airline would continue to try and stimulate the market even although it already had 16 different discounted fares on offer.
Comair wings it for tourist trade

BY AUDREY D'ANGELO
Business Editor

Comair, which operates the current twice daily service between Cape Town and Johannesburg in August, is aiming at the tourist market and not the business stream, said Mr. Piet van Hoven, managing director.

He outlined the company's strategy to attract more tourists by improving the service and focusing on the tourist market.

In addition to the current twice daily flights, Comair is planning to introduce a new service to the market, which will operate three times daily. This will be in conjunction with SA Airlink and will operate via the Kruger Park.

The move is aimed at boosting tourism and attracting more tourists to South Africa. The new service will operate from Cape Town to Johannesburg and vice versa.

He said the company is confident of success and believes that the new service will attract more tourists to South Africa.

The move is expected to boost the tourism industry and will create new jobs in the tourism sector.

As for the business stream, Mr. van Hoven said that Comair is not targeting this market and that the focus will be on the tourist market.

He said that the company is confident of success and believes that the new service will attract more tourists to South Africa.

The move is expected to boost the tourism industry and will create new jobs in the tourism sector.

Comair will replace its current三次 a week planes flying between Jan Smuts airport and Victoria Falls will be replaced by a new service, with a faster, 90-minute flight time. This will cut flying time from the present 90 minutes to 60 minutes.

The new service will operate twice daily, with a morning flight leaving Jan Smuts at 11am and an afternoon flight departing at 3pm.

He said that the company is confident of success and believes that the new service will attract more tourists to South Africa.

The move is expected to boost the tourism industry and will create new jobs in the tourism sector.

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He said that the company is confident of success and believes that the new service will attract more tourists to South Africa.

The move is expected to boost the tourism industry and will create new jobs in the tourism sector.
Cut fares: Flitestar, SAA see no threat

Weekend Argus Reporter

SOUTH African Airways and Flitestar have welcomed competition from Comair, which is to launch cut-rate flights between Cape Town and Johannesburg.

Flitestar public relations consultant Mr Allan Fubig said Comair's service seemed to be aimed at a different market.

"We're not discounters, but a value-added company which concentrates on quality service like wider seats, more leg room and excellent quality food," he said.

"Comair is strictly a discount operation and we don't yet know what the service will be like. I expect they will provide only a basic service commensurate with the lower fares." Mr Fubig said it seemed Comair's cheaper flights would be aimed at the leisure market. Comair will operate two flights a day from August at a fare 20 percent lower than the standard economy fare charged by SAA and Flitestar.

An SAA spokesman said the airline welcomed deregulation in the industry.

"Competition stimulates growth and standards." SAA offered about 650 internal flights a week and discounts ranging from 10 to 40 percent on its normal economy fares, he said.
**SUNDAY TIMES**

**PROFILE**

Thys is winning his fight to keep Soweto's train thugs at bay

**AT THE READY:** Captain Du Plessis who says train violence is down 'but there will always be someone who will test the system.'

**Sunken oil tanker, 'a menace'**

BY RYAN CRESWELL

SCIENTISTS believe the sunken tanker, Kattn P, will be an oil pollution menace to South Africa for many months to come.

This is the finding of the Marine Environments Unit of the Department of Mineral and Energy Affairs which also said the fuel was released from the Maboneng ship in mid-April.

The tanker oil is marking an underground plume that will last for months.

They say the tanker, which was lost at sea in mid-November, will have 'an underground plume that will last for many months.'

The scientists say the tanker has leaked into the sea and the oil will not be recovered.

The tanker owner, the Greek company, says it will take weeks to clean up the spill.

The oil will be washed into the sea and the pollution will last for many months.

The scientists have warned that the oil will spread and cause further damage to the environment.

The tanker owner says it will take weeks to clean up the spill.

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Rush to buy tickets as air fares slashed

CAPETONIANS are poised for take-off following Comair's announcement of slashed air fares between the Mother City and Johannesburg.

Inquiries are streaming in to travel agents from tourists, businesspeople, senior citizens and other special categories who - fed up with the 10-hour back-ach ing coach journey to Johannesburg - find that by air they can do the trip in several comfortable hours for only R80 extra return.

Offer

A surge of inquiries has also resulted from Air Namibia's announcement that at R2 400 it will cut R500 off the lowest available economy class fare from Cape Town to London via Windhoek next month.

At a video presentation in the Cape Town Planetarium this week Comair's managing director Mr Pieter van Hoven said the airline would introduce twice daily return services between Johannesburg and Cape Town from August 3.

The one-way fare will be R650, 20 percent less than the standard economy fare offered by the other two carriers - SAA and Fitestar - and the return fare R678.

Further reductions will be available for off-peak services, bringing the cost to as low as R285 one way for passenger categories like senior citizens and youth (below 21), military and spouse fares and Apex-advance purchase excursions.

This means senior citizens will be able to fly off-peak at the return fare of R650 compared with the cheapest return coach fare of R650, giving a saving of R80.

Mr Van Hoven said the new air fares formed the basis of a "pilot scheme" which could be extended later to other high-density destinations like Durban.

Comair was also looking at the possibility of starting regular services to Windhoek and Harare.

Comair's service between Cape Town and Johannesburg will use a Boeing 737- 200 twin-jet aircraft carrying 108 passengers.

Businessmen have welcomed the move.

Up-country visitors who flew in for this week's well-attended Cape Industrial Trade Show at the Cape Showgrounds, Goodwood, said price reductions were always welcome to today's tight budgets.

They hoped the Comair price reductions would force a price war with SAA and Fitestar, as business people travelling on company expenses were now looking at every rand.

Welcome

Mr Walter Gaiser, managing director of Fast Service & Supplies, which had a stand at the exhibition, said anything which helped cut costs was welcome.

"It will lead to more trade between Johannesburg and Cape Town and more people flying to exhibitions as the new fares catch on," said Mr Gaiser, who often flies between the two cities.

Executives at Cape Town-based insurance companies travel extensively to the Reef, and they could become big users of the new service, although both SAA and Fitestar offer more flights at present.
SA AIRWAYS is to be investigated by the Competition Board "as a matter of urgency" because of its threat to launch a price war against Flietestar.

SA Air made the threat in retaliation for Flietestar’s application to fly to Mombasa.

The board is concerned that SA Air, which lost R60 million last year and is expected to suffer an even larger loss this year, will run up progressively higher deficits in its efforts to undercut Flietestar.

The board has been instructed by the Government to ensure that the transition to a deregulated airline industry proceeds smoothly.

Competition Board chairman Pierre Brooks told Business Times “There was a clever understanding all along that there would be no cross-subsidisation of routes by the national carrier.”

“The State does not want to be seen to be competing unfairly,” he said.

An industry official suggested that Comair’s entry this week to the high-density Johannesburg-Cape Town route, using SA Air crew and aircraft, was a surrogate assault by SA Air on Flietestar.

The claim is denied by SA Air and Flietestar.

**Lease**

Flietestar has made inroads on SA Air’s Cape Town-Johannesburg traffic. The Competition Board intends taking the matter up with SA Air.

Comair has leased a Boeing 737, capable of seating 108 passengers, from SA Air for three years. It will offer two daily flights between Johannesburg and Cape Town for R670 return, compared with SA Air and Flietestar fares of around R800.

Lower fares of R550 return will be available to special categories of travellers, such as senior citizens.

SA Air spokesman Zelda Roux says the airline is not interested in starting a price war with Flietestar or anyone else.

She says “Domestic” air fares in SA are already the lowest in the world. To use cut-throat practices will be suicidal for the industry as a whole.

She discounts suggestions that Comair is a surrogate competitor, adding that SA Air welcomes deregulation. She says market demand will dictate prices.

Flietestar spokesman Alan Fabig says Comair’s service should enlarge the domestic market, of which Flietestar has about 23%.

“We are aiming at the business and upper end of the leisure market. What we do not know is whether businessmen will start downgrading into this market. But we are not unduly worried,” Fabig says.

Flietestar is operating at occupancies of about 57% sufficient to break even. A loss of traffic on the Cape Town route would drive it into the red.

It operates six daily Johannesburg-Cape Town flights in both directions and six daily flights to Durban.

Part of the concern about SA Air’s tactics is how it plans to raise deficits brought about as a result of a price war. It has access to cheap loan capital under the Transnet umbrella, leaving Flietestar at a pricing disadvantage.

SA Air says it has never required State subsidies to offset losses.

Roux says additional funds are obtained on the capital markets when required.

SA Air’s financial figures are now incorporated with those of Transnet, making financial comparisons with previous years difficult.
Increased demand for cargo handling means expansion

PROPOSALS are being studied for the short-term expansion of facilities at the Jan Smuts airport air freight centre following increased demand for extra cargo-handling space by foreign and local airlines.

Directorate of Civil Aviation (DCA) Airport Systems director Stewart Huckwell says two loose proposals have been mooted and are receiving the DCA’s urgent attention.

One plan is to extend the existing garage-type warehouses used by the foreign airlines and Safair, as well as SAA’s independent cargo building, to make room for other foreign carriers.

The alternative is to erect a new common freight facility and to contract an independent private company to handle the breakdown of bulk freight before handing it over to the 130 or so freight forwarding and clearing agents based at the airport.

Huckwell says both options fit in with government’s plan to commercialise and, eventually, privatise the airport, and adds a combination of the two proposals is also a strong possibility.

However, while acknowledging there is an urgent requirement for expansion, at least within the next 12 to 18 months, Huckwell says so far the Department of Transport has not allocated or considered a budget for the programme.

Besides the demand for cargo handling floor and storage space, there is also a demand for office accommodation for the freight forwarding and clearing agents, says Huckwell.

“We envisage allowing the Air Freight Forwarders’ Association to erect an office complex on the airport’s grounds so the 130 agents working from Jan Smuts can be accommodated,” he says.

While the demand is for “an increase at short notice”, Huckwell is unable to give an indication of the timeframe being considered for the expansion.

**Study**

“There are expectations that air freight volume could suddenly increase sharply. But SAA, before putting its money where its mouth is, is conducting a study on the likelihood of such an increase,” he says.

The amount of air freight turned handled at Jan Smuts peaked at 142,419 tons in 1989/90, and then slumped to 132,015 tons in 1990/91 because of the Gulf War and the economic downturn. The previous peak was in 1987/88 when 140,147 tons of cargo passed through the airport.

Huckwell says indications are that as far as this year is concerned, the air freight industry is making a recovery.

""
Pressure mounting for faster goods movement

Only 2% to 2.5% of goods travel by air, although Just In Time (JIT) systems and similar trends are stepping up the pressure for faster movement of goods. Members of the Airfreight Forwarders Association believe they are well-placed to take advantage of increased cargo volumes, LINDEN BRINS reports.

Vivieros says these courses are becoming more important as the industry becomes more complex. They are beneficial, for instance, in the case of the carriage of dangerous goods, where accredited International Air Transport Association agents are only allowed to operate with at least two certified people per location.

Spotlight

The carriage of dangerous goods has been under the public spotlight locally for several years since SAA's Boeing 747 Comb, the Helderberg, crashed into the Indian Ocean after an uncontrollable fire broke out on board.

Vivieros says a third of the 128 airfreight forwarders operating in SA are AFA members, and that third controlled about 80% of import cargo and more than 90% of export consignments.
Safair is set to take on relief aid distribution

SAFAIR Freighters is set to put another feather in its cap by taking on relief aid distribution flights within Africa on behalf of international humanitarian aid organisations.

This is a radical change for the airline, a subsidiary of Safren, which made a name for itself from military and other clandestine contracts at the height of the Angolan/Namibian war in the 1970s and 1980s.

Safair, which through its previous operations into the heart of the continent is aux fast with the devastated economies north of SA’s borders, has tailored its commercial activity to coordinating and performing relief aid and nation-building missions.

The company’s marketing director Hugh Flynn says expected revenue is not to be exceeded at “Last year the UN High Commissioner for Refugees spent $190m on flights for refugees, other relief organisations are spending just as much if not more,” he explains.

In recent months Safair has consolidated its position as the prime aid-delivery firm in Angola, which has continued to be one of the company’s most consistent money spinners.

The only problem facing Safair is that the UN does not yet grant contracts to SA businesses. At least two local charter operators recently applied to have their planes taken off the SA register and licenced in a neighbouring state so they could compete for UN contracts.

Mammoth

Flynn says Safair has no intention of using “flags of convenience” and will tackle the UN head-on.

For the mammoth relief aid task Safair has been negotiating the wet lease (hiring of a plane with maintenance and flight crew) of a Russian Antonov 124 jet, the world’s second largest plane. This will probably be flown on relief aid flights from Durban to Harare and Lusaka where the food cargo will be dispatched to crisis areas.

“The way things are looking we’ll need to bring in at least five of these planes,” says Flynn.

The airline is also planning to expand its activities in the express cargo business domestically, and plans to acquire a second British Aerospace 146 freighter jet, possibly by August.

Safair recently won the contract to manage Fitzesar’s cargo on all new domestic airline’s domestic flights. It will also negotiate for a similar contract for Fitzesar’s soon-to-be-launched international services, says Flynn.

The airline’s domestic freight divisional manager Des Williams says for the foreseeable future the focus of the local air freight will remain on Johannesburg.

He was responding to statements by the Durban Mayor’s office that it is to ask Far East carriers to land at the resort city.

“Durban and Cape Town are fine for the passenger market, but Johannesburg is the hub of the region. The major airlines bring freight into Jan Smuts and Safair acts as a feeder ferrying it onward to secondary regional and local destinations,” Williams says.

He says air freight has become a far more attractive means of transporting freight in recent months.

With the current high incidence of truck hijackings and the increasing delapidation of the region’s roads, insurers have dropped their rates on air cargo as it presents less of a risk, Williams says.

Flynn says Safair is also negotiating joint ventures and other forms of partnerships with several foreign freight airlines in the same league as United Parcel Service, Federal Express and TNT, but declines to say which the companies and what form of deals are being hammered out.

Formidable

Besides establishing a formidable reputation as the “go anywhere in Africa where we can land a Hercules freighter” airline, Safair has built up experience flying charter freight flights to Singapore and the Far East with its Royal Swazi Cargo Boeing 707. Safair recently bought out the Swazi cargo firm. It also handles cargo on behalf of El Al, Alitalia, KLM, Air Botswana, Air Namibia and Ornair at Jan Smuts airport.
Forwarder spends R12m on European offices

THE start of Austrian Airlines flights between Vienna and Johannesburg has prompted leading freight forwarding firm Expeditors International to spend R12m on setting up offices in central and southern Germany.

The opening of offices in Munich, Stuttgart, Frankfurt and Dusseldorf will allow the company to take advantage of what Expeditors International SA expects will be a substantial increase in freight traffic between Germany, Eastern Europe and SA.

Expeditors International SA director Wendy Vorster says the volume of trade from Germany and Eastern Europe will boost local freight forwarding.

"Already positive signs are coming through our offices in Germany from countries such as Poland, Czechoslovakia, Hungary and Yugoslavia," she says.

The European move follows Expeditors International SA's success in the Far East, where the company expects to increase its market share by 500% in the next year following strengthening of ties with SA and its associate firm in Taiwan.

Andy Yang, assistant manager of Expeditors International Taiwan, said the recent positive referendum result in SA had prompted countries such as Malaysia, Thailand and South Korea, all of which were previously staunch opponents of trade with SA, to open their doors to the new SA office.
POLICE yesterday confiscated the largest arms cache in a single raid on a train, carrying Inkatha Freedom Party supporters on their way to a rally in Jabulani.

Twenty-seven people arrested and police confiscated 14 pistols, six AK-47 rifles, 11 revolvers, two Russian-made automatic rifles, four self-made shotguns and five AK-47 magazines with 30 rounds of ammunition each.

Police also discovered two coachloads of traditional weapons, including pangas, axes and spears.

A team of senior police officials, including General Johan van der Merwe, were specially flown from Pretoria to view the cache.

Addressing a Press conference at New Canada police station last night, Van der Merwe said the commuters were on their way to an Inkatha Freedom Party rally at Jabulani Amphitheatre.

Van der Merwe said the commuters, who were arrested between New Canada and Philo stations, were from hostels outside Soweto.

Soweto police spokesman Colonel Timie Hargrave said the train was intercepted at Phomolong Station.

Hargrave said the IFP supporters were not allowed to proceed to the rally but were instead escorted back to New Canada Station where another search was carried out.

Injured

At the station a woman was arrested after she had shot and injured a policeman.

The policeman was reported to be in a satisfactory condition in hospital.

Meanwhile, police reported that a person was killed in Moletsane.

The body of another person who had been shot and set alight was found in Meadowlands Zone 5.

See page 18
KLM launches third weekly flight to SA

KLM Royal Dutch Airlines has launched a third weekly return flight to SA using a Boeing 747-009 Combi aircraft, substantially increasing the air freight capacity on the Johannesburg-Amsterdam route.

Cargo manager Ron Goertz says the new flight will arrive at Jan Smuts at 5.15am on Mondays and take-off for Amsterdam's Schiphol airport at 6.55pm the same day.

From November the schedule will change again when KLM extends two of its weekly flights to Cape Town from Johannesburg.

KLM has not seen any dramatic improvement in the market but, in the wake of the influx of other carriers, expects fierce competition on the local market.

This means KLM will have to adopt an aggressive marketing stance to win freight customers, says Goertz.

With substantial portion of SA's perishable exports originating from the Cape, KLM's position in this air freight sector will be strengthened when it starts operating its Cape Town flights in November.

The airline recently received permission to operate daily flights between the Netherlands and SA if the market becomes big enough to sustain this frequency.

KLM also intends to strengthen its ties with the SA and southern African feeder air freight services, especially Safair.

"We are talking to Safair to see if their flights could be adjusted to slot in with our departures and arrivals in SA. If it works, then we will talk about expanding into the rest of southern Africa," says Goertz.

Goertz says the airline has "lots of plans" for future expansion in the region, but that the market would first have to develop in the medium to long term.
Cops find huge arms cache on train

POLICE yesterday intercepted a train at Phomolong station, Soweto, and found what they describe as the largest large arms cache ever confiscated.

The train was carrying hundreds of Inkatha Freedom Party supporters who were on their way to a June 16 rally at the Jabulani Amphitheatre, Soweto.

AK 47s, an Uzi machine gun and two coach loads of traditional weapons were found. Close to 25 people were arrested, including a woman who had a firearm hidden in her underwear.

This incident is the latest in the build up to June 16, with the Government and the ANC squaring up to each other.

By late yesterday it was evident that confrontation between the Government and ANC was unavoidable. The ANC will from tomorrow embark on a mass campaign while thousands of soldiers and policemen have been deployed to maintain law and order.

Full report on page 2

A policeman inspects some of the weapons found on a train in Soweto yesterday.

Sowetan, your favourite newspaper, will not be published tomorrow, June 16. It will be back on the streets on Wednesday.
Flitestar wins the air route to Mombasa

FLITESTAR was granted permission by the National Transport Commissio yesterday to operate non-scheduled flights to Mombasa in Kenya.

The ruling ended a three-month legal debate between Flitestar and SAA — which strongly contested the application by the privately owned airline.

Flitestar said the ruling was a watershed decision as it was the first time in years an opposed application had been granted. The permission applies to non-scheduled flights which must include package holiday deals, and which were currently being negotiated with the travel trade, a Flitestar spokesman said.

Price details would be announced as soon as packages were finalised.

SAA opposed the application on the grounds that its passenger loads to Nairobi would be affected if Flitestar was given the go-ahead. Flitestar’s research showed that it would attract a maximum of 5% of SAA’s current passengers on the Johannesburg/Nairobi route.

Flitestar planned to start a weekly service to Mombasa in September, using a 120-seater Airbus A320.

It has also applied to fly to the Seychelles, Bombay, Delhi and Dubai — all applications contested by SAA. No hearing dates have been set for the applications.

Last month, Flitestar was granted permission to fly to Bahrain in the United Arab Emirates. It was considering using Mombasa as a stop-over on this route.

Air Supply MD Bradley Amoils, who also opposed Flitestar’s Mombasa application, could not be reached for comment last night. SAA had no comment.
I'm not loco: It's just full steam ahead to stay on track — Spoornet official

CLIVE SAWYER
Staff Reporter

'SPOORNET Western Cape train services manager Mr William Smith hopes to build a new type of railway workshop — the kind where the future of rail preservation can be hammered out.

Still subject to management approval, he wants, the workshop to include several private entrepreneurs who are pressing Spoornet for approval of various schemes.

Representatives of the Victoria and Alfred Waterfront, Transnet Museum and Railway Society of Southern Africa will be invited.

"This is not just about steam engines — preservation is the canvas, and steam engines can be the focus," said Mr Smith, who chairs a task group which is to set up the workshop.

Since commercial steam operations on the Kimberley-De Aar line shut down on April 1, the only firm hope for steam lovers has been the establishment of a preservation line between George and Knysna.

But this line cannot hold the axle load of many steam engines, leaving many celebrated locos in limbo.

The closure of the Kimberley-De Aar line, ironically announced during the 1991 Great Steam Festival, caused ire among steam enthusiasts around the world.

Mr Smith warned against those who wanted to make fast money under the guise of being steam lovers.

"There are individuals, not necessarily from Cape Town, who come to us under the guise of being steam boffins who just want to pocket the money," he said.

This meant no money went into long-term preservation costs.

The costs of maintaining steam engines and rolling stock meant future operations would have to generate their own capital.

While track and trains could pass into private hands, Spoornet would be responsible for ensuring no ramshackle wagons rode the rails.

"It would be pointless to preserve steam engines in isolation, because the full experience and historical context should be there, the architecture, uniforms, water columns, signal boxes, the whole experience," Mr Smith said.

The western Cape, which could accommodate all classes of steam locomotives — even the legendary Red Devil — offered a wide range of possibilities.
LUFTHANSA LINK TO DURBAN

DURBAN — Luftansa is planning flights to Durban.

The airline’s African passenger routes’ manager Andreas Prinz said in Frankfurt recently that the new bilateral agreement signed by SA and Germany in April made it possible for Luftansa to fly to three SA cities and SAA to four German destinations.

“Our proposals are to extend the flights from Johannesburg to Windhoek on Mondays and Fridays, to Cape Town on Tuesdays and Saturdays and, possibly, to Durban on Thursday and Saturdays. If our board agrees we would start the new schedule in October.”

Flights to SA would be increased to six a week.

The flying time — using the new Jumbo 747-400 and taking a direct route over Chad — had been cut by 45 minutes giving a non-stop flight of just over nine hours between Frankfurt and Johannesburg.
Mr R M BURROWS. Mr Speaker, arising out of the hon the Minister's reply, can he inform us whether all persons who were eligible to receive such a bonus did receive such a bonus, or whether the executive directors were selective in their distribution of these bonuses?

The MINISTER. Unfortunately, Mr Speaker, I do not have that information available. If the hon member wishes to have that information, I shall get it for him.

Adv J J S PRINSLOO. Mr Speaker, arising from the hon the Minister's reply, may I ask him whether all the members of the profession had been informed of the intention to implement such a system before this system was implemented?

The MINISTER. Mr Speaker, I made it clear in my reply that this exercise did not apply to members of the teaching profession only but that it was an action launched by the Commission for Administration for the whole public sector, and as far as I know from my experience with my other departments, all the officials knew about it.

Mr R M BURROWS. Mr Speaker, further arising out of the hon the Minister's reply, can he inform us whether the executive directors have informed all the teachers in their departments that such a bonus has now been awarded?

The MINISTER. No, Mr Speaker, I see no reason why they should have done that.

Bus companies receiving State subsidies

245 Mr M J ELLIS asked the Minister of Transport:

Whether he will furnish the name and address of each of the bus companies in the Republic currently receiving State subsidies, if not, why not, if so, (a) what are their (i) names and (ii) addresses, (b) what total amount was paid to each in 1991, (c)(i) what is the longest subsidized route and (ii) what amount was paid per kilometre on the route and (d) what amount have been awarded to contractors to operate bus services other than school bus services?

The MINISTER OF TRANSPORT

(a) (i)

and (a) Bahwaduba Bus Services (Pty) Ltd
P O Box 1505
PIETERSBURG
0070

Boland Passenger Transport Ltd
P O Box 2393
CAPE TOWN
8000

Braaiveld Bros
P O Box 18
ESHOWE
3813

Bophuthatswana Transport Holdings (Pty) Ltd
P O Box 16719
PRETORIA NORTH
0116

City Tramways Ltd
P O Box 2393
CAPE TOWN
8000

Darnall Motor Transport
P O Box 97
MANDINI
4450

Durban Transport Management
Board
P O Box 1746
DURBAN
4000

E AJ Transport Services (Pty) Ltd
P O Box 1666
VRYHEID
3100

Eastern Bus Lines (Pty) Ltd
P O Box 79
WITBANK
1055

Estate Late K H Maraj
t/a Doornkop Bus Service
P O Box 105
STANGER
4450

Gazankulu Transport (Pty) Ltd
Private Bag X4048
TZANEEN
0805

G Phadzisi & Sons
P O Box 301
LOUIS TRICHRADT
1760

Ilangeng Bus Service (Pty) Ltd
P O Box 3734
VANDERBURG
1900

Impendle Bus Service (Pty) Ltd
P O Box 26
HOWICK
3290

Interstate Bus Lines (Pty) Ltd
t/a Janukanda Bus Service
P O Box 1343
BLOEMFONTEIN
9300

Knysna Bus Service
P O Box 438
KNYSNA
6570

Kwanzulu Transport (Pty) Ltd
P O Box 427
PIETERMARITZBURG
3200

Laeveld Bus Service
P O Box 413
ELLISRAS
0555

Lebowa Transport (Pty) Ltd
P O Box 1839
PIETERSBURG
0700

Mahirnusa Bus Service
P O Box 50
LOUIS TRICHRADT
0920

Mats Trans (Pty) Ltd
P O Box 1319
NELSPRUIT
1200

Maphumulo Mail Service (Pty) Ltd
P O Box 105
STANGER
4450

Marapine Bus Service (Pty) Ltd
P O Box 286
PINETOWN
3600

Maybuc Transport Corporation
P O Box 1392
BISHO

Midland Bus Service CC
Poste Restante
PAULPIETERSBURG
3180

Northern Cape Bus Service
P O Box 293
KIMBERLEY
8300

PE Tramways Ltd
P O Box 225
PORT ELIZABETH
6000

Putco Ltd
Private Bag X3
WENDYWOOD
2146

Qwa Qwa Bus Service (Pty) Ltd
P O Box 141
WITZIESHOEK
9870

RSaba Bus Service
P O Box 96
LESTITELE
0885

Building of new schools: Cape/Parow School Board areas

3. Mr K M ANDREW asked the Minister of Education and Culture:

Whether approval has been granted for the building of any new schools in the Cape and Parow School Board areas, if not, why not, if so, (a) (i) what or are will be the names of these schools and (ii) where will they be situated and (b) when was the original decision made to build such schools?
(b) The total amount paid to each in 1991 was as follows:

- Babawumba Bus Service (Pty) Ltd: R1 645 524,55
- Boland Passenger Transport: R1 910 993,90
- Brantweid Bros: R416 021,45
- Bophuthatswana Transport Holdings: R97 957 118,95
- Chetty's Coach Lines: R1 425 541,58
- City Tramways Ltd: R43 717 136,43
- Darnall Motor Transport: R624 271,20
- Davids Bus Service: R1 422 807,24
- Doornkop Bus Service: R11 944,78
- Durban Transport: Management Board: R43 822 993,94
- EAJ Transport Services: R2 134 204,25
- Eastern Bus Lines: R5 539 637,00
- Empangeni Transport (Pty) Ltd: R33 936 836,90
- Gqankingule Transport: R1 149 014,37
- G Phadzim & Sons: R2 118 532,75
- Ilageng Bus Service: R178 890,85
- Impendle Bus Service: R1 174 113,06
- Jalalara Bus Service: R17 081 639,85
- Johannesburg Transport Directorate: R172 205,37
- Knyasa Bus Service: R9 062,73
- Kwazulu Transport: R49 402 117,80
- Lasevel Bus Service: R1 141 461,70
- Lekwena Bus Service: R14 942 336,32
- Mahlumana Bus Service: R243 872,50
- Mats Trans (Pty) Ltd: R26 665 534,70
- Maphumulo Mail Service: R649 231,45
- Maripine Bus Service: R625 227,00
- Maybuey Transport Corporation: R1 554 00
- Midland Bus Service: R371 921,07
- Newra Holdings (Pty) Ltd: R2 928 041,42
- Northern Cape Bus Service: R1 508 670,07
- PE Tramways Ltd: R10 474 377,60
- Potco Ltd (including Comuta Services (Pty) Ltd): R192 933 190,66
- Qwa Qwa Bus Service: R5 771 651,32
- Rasaba Bus Service: R1 181 670,50
- South Coast Bus Service: R1 375 125,10
- Southern Cape Passenger Transport: R25 004,00
- Lenasia Bus Service: R504 621,77
- City Council of Brakpan: R691 595,80
- Washesha Bus Service: R109 499,70

(c) (i) The longest subsidised route of 190,3 km is that of Putco, Pretoria, with the following route:
- Totskraat—Rathoek
- Unvlugt—Keerom—Vlak Plaats
- Drdodrentjie (KwaNdebele) —Group CCC (Pretoria)

<table>
<thead>
<tr>
<th>TICKET TYPE</th>
<th>PASSENGER FARE</th>
<th>SUBSIDY</th>
<th>TOTAL FARE</th>
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<td>5 DAY</td>
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<td>12 DAY</td>
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<tr>
<td>26 DAY</td>
<td>220.0</td>
<td>0.45</td>
<td>220.45</td>
</tr>
</tbody>
</table>

(d) CONTRACT NO | CONTRACTOR | AMOUNT
---|------------|---------|
1/88 | Comuta Services (Pty) Ltd | R4 156 730,25
2/88 | Davids Bus Service (Pty) Ltd | R509 526,95
3/88 | Comuta Services (Pty) Ltd | R858 537,69
4/88 | Davids Bus Service (Pty) Ltd | R922 434,20
5/88 | Comuta Services (Pty) Ltd | R351 412,42
6/88 | Newdra Holdings (Pty) Ltd | R876 804,75
7/88 | Chetty's Coach Lines | R1 062 952,39
8/88 | Newdra Holdings (Pty) Ltd | R800 829,06
9/88 | Chetty's Coach Lines | R362 569,21
1/91 | Empangeni Transport (Pty) Ltd | R5 763 719,20
2/91 | Empangeni Transport (Pty) Ltd | R3 759 954,32
3/91 | Empangeni Transport (Pty) Ltd | R3 507 813,58
4/91 | Empangeni Transport (Pty) Ltd | R670 644,93
5/91 | Putco Ltd | R236 722,23
6/91 | Putco Ltd | R1 395 690,00
7/91 | Johannesburg Transport Directorate | R32 515,37

TOTAL | R2 268 876,65

Your attention is drawn to the fact that all the above amounts are as yet unaudited and are therefore possibly not the final figures. Final figures for each financial year are published in the Department of Transport's annual report.

Conference: American and British ambassadors
263 Mr L F STOFFBERG asked the State President:

(1) Whether he held a conference in the Republic in December 1991 in which American and British ambassadors were involved or during which such ambassadors were present at any stage?

(2) whether during the conference (a) certain ministerial portfolios were offered to three persons, whose names have been furnished to the State President's Office for the purpose of his reply, or (b) other similar promises were made to those persons, if so, (i) what are the names of these three persons and (ii) (a) which portfolios were offered to them and (b) what promises were made to them?

The STATE PRESIDENT

(1) and (2)
No. The mere suggestion that the State President or the Government would involve themselves in such activities is far-fetched.

Subsidies paid to companies transporting commuters

306 Mr W U NEL asked the Minister of Transport

(1) What total amount was paid out in subsidies to companies transporting commuters between (a) Owaqwa and Harrismith and (b) Owaqwa and Bethlehem for the 1990-91 financial year.

(2) How many commuters were transported on each of these two routes in this financial year?

The MINISTER OF TRANSPORT

(1) (a) Owaqwa to Harrismith — R796 208.70

(b) Owaqwa to Bethlehem — R1 522.75

(2) Owaqwa to Harrismith — 29 710 subsidized commuters per day (1 356 638 commuter trips during 1990-91)

Owaqwa to Bethlehem — 3 078 subsidized commuters per day (135 572 commuter trips during 1990-91)

HOUSE OF REPRESENTATIVES

QUESTIONS

1421 Hansard 17 June 1992 Hansard 1422

For oral reply

Own Affairs

Questions standing over from Wednesday, 10 June 1992

Provision of educational facilities/mobile units

*1 Mr P J BERGMAN asked the Minister of Education and Culture

What steps he or his Department is taking in the interests of education in the Orange Free State regarding the (a) provision and erection of educational facilities and (b) (i) provision of mobile units in, (ii) transportation of such units to, and (iii) erection thereof in, areas where they are needed?

The MINISTER OF EDUCATION AND CULTURE

(a) At present a primary school in Welkom and a secondary school in Bloemfontein are being erected in the Orange Free State.

(b) (i), (ii) and (iii)

Applications for mobile units are considered on merit and the availability thereof determines where and when such units are being provided. As far as the Orange Free State is concerned, there are already 171 mobile units in use to address the education needs of this region.

OFS school buildings made available

*2 Mr P J BERGMAN asked the Minister of Education and Culture

(1) Whether the Department of Education and Culture of the Administration has made school buildings in the Orange Free State available for use by his Department, if so, which school buildings.

(2) Whether his Department has taken any steps to take possession of these buildings, if not, why not; if so, (a) how many school buildings (i) have already been and (ii) are in process of being taken over by his Department and (b) in respect of what date is this information furnished.

(3) Whether he will make a statement on the matter?

The MINISTER OF EDUCATION AND CULTURE

(1) Yes Paardeberg Primary School and Two eupruit Technical School

(2) The Paardeberg Primary School Building has already been taken over by my Department but the offer for the Tweepruit Technical School has been withdrawn by the Administration House of Assembly. This information is furnished in respect of June 1992.

(3) No A statement is not deemed necessary

New questions

*1 Mr P A S Mopp — Local Government, Housing and Agriculture [Discharged]

*2 Mr P A S Mopp — Local Government, Housing and Agriculture [Discharged]

Education colleges: Coloured population group

*3 Mr A J ROBER asked the Minister of Education and Culture

(1) What is the situation countrywide in respect of education colleges for members of the Coloured population group.

(2) What, with a view to the future, is envisaged in respect of the (a) Rand Education College in particular and (b) other education colleges under the control of his Department in general.

(3) Whether he will make a statement on the matter?

The MINISTER OF EDUCATION AND CULTURE

(1) Presently there are 13 colleges of education countrywide under the control of the Department of Education and Culture Administration House of Representatives. Of the 13 colleges, 11 are in the Cape and one each in Natal and Transvaal.
The conditions for early retirement on full benefits are generally described in section 15 of the Education Act. To qualify for a monthly pension, a teacher must have contributed to the pension fund for at least 10 years.

The following early retirements qualify for full pension benefits: discharge due to ill health; discharge on account of abolition of post, reorganisation, or rearrangement of staff; discharge in terms of the "burnt out" clause.

In short, persons who are compelled to retire through no fault of their own, qualify for full pension benefits.

### HOUSE OF DELEGATES

#### INTERPELLATION

The sign * indicates a translation. The sign † indicates a previous interpellation, indicating the original language.

**General Affairs:**

**Louis Botha Airport: investigations**

1. Mr M RAjab asked the Minister of Transport:

   (1) Whether the Chief Directorate of Civil Aviation has completed its investigations into the technical and financial implications of the future of Louis Botha Airport, if not, why not; if so, what are its findings;
   
   (2) whether he will make a statement on the matter?

   D215E.INT

   The MINISTER OF TRANSPORT Mr Chairman, with regard to the first part of the interpellation, the first report determining the technical constraints, shortcomings and potential of the Louis Botha Airport site was completed in November 1991 and has been distributed to interested parties.

   This report concluded that the shortcomings of the site were the surrounding topography and structures, and the fact that the present runway was too short for long-range aircraft taking off on direct international flights to destinations in Europe, the East and Australia. Nevertheless, the report indicated that the site could be further developed to accommodate approximately 10 million passengers annually.

   However, the future of Louis Botha Airport does not hinge only upon the analysis of its site, but also on the other sites available for airport development in the Durban region, namely the La Mercy site. My Department is at present finalising a report which has as its objective the examination of various alternative strategies available for the development of State airports in the Durban region.

   With regard to the second part of the interpellation, I shall be in a position to make a statement on this matter only once I have had an opportunity to study the report which I have just referred to.

   Mr M RAjab Mr Chairman, I find it incredible that after 21 years, and at an estimated cost to the taxpayer of some R100 million to date, the Government has not yet taken a final decision on whether Louis Botha Airport is to be constantly upgraded or whether the proposed La Mercy Airport needs to be developed and completed on an urgent basis.

   It has been suggested by a spokesman of the Department of Civil Aviation that the delay in getting the La Mercy project off the ground was due to the economic recession and the consequent unavailability of funds. Not only do I find this unacceptable, but I find that this displays a sense of false economy on the part of the Government, taking into account the present and future needs of the area, the ever-increasing costs involved and the millions of rand that have been lost or squandered, or provided by the Government for ill-conceived and/or badly planned projects such as Mossigas.

   Furthermore, I do not believe that Natal deserves to be treated like a Cinderella province.

   There is no doubt that with its present facilities Louis Botha Airport will be unable to accommodate the increasing numbers of aircraft and passengers in the next few years. I think the hon the Minister alluded to that as well.

   What is important, however, is that with the opening up of South Africa to tourism, as the Government has correctly mooted, Jan Smuts Airport will not be able to cope with the increase in air traffic, and Durban can expect to become far more important as an entry port to South Africa. This means that Durban will eventually need a new airport to cope with this increase in tourism and a population of about 8 million by the year 2000.

   The hon the Minister has indicated that Louis Botha Airport has various problems in respect of topography and size, which inhibit further expansion. It cannot use and support the power running system that is increasingly being used around the world today. The length of the runway is a problem, and being hemmed in by industry and a freeway, Louis Botha Airport does not have much potential for growth.
The MINISTER Mr Chairman, the hon member for Umzinto is correct. He will recall that I announced an improvement to the facilities at Louisa Botha Airport [Time expired].

Mr SINGH Mr Chairman, to follow on the hon the Leader of the Official Opposition in so far as his alluding to financial resources is concerned, I think one should ask whether we are making use of the resources to provide for three international gateways at this country. In this regard I would like the hon the Minister to tell this House whether international gateway status has been granted to any airport other than Jan Smuts Airport, and whether Louisa Botha Airport has been granted international airway status.

As far as the future of Louisa Botha is concerned, the hon member for Springfield has given us an account of the shortcomings in developing Louisa Botha Airport.

He referred to the location of the spot which is a severe constraint. There is very little space for development. The demand industries make on the land must also be considered.

However, we have to weigh this up against the number of passengers that Louisa Botha Airport handles at the moment. From the statistics we find that in 1990-91, 2.5 million passengers had been handled, a total of 1.8 million passengers, in 1989-90, 1.98 million passengers, and in 1988-89, 1.84 million passengers. From these statistics we note that there was a decrease in 1990-91, which in my view was no doubt due to the prevailing economic and political climate in the country at the time.

When one looks at the proposed La Mercy Airport, one sees that projected figures of R200 million have been handed about, for about $20 million will be provided to cater for up to 4 million passengers. We must also look at the international status of this airport, and take into account the overseas Heathrow handles an excess of 4 million passengers per month Jan Smuts Airport handles 2 million international passengers per year.

I think that in looking at any future plans for Louisa Botha Airport or even for the development of La Mercy Airport one must take into account the need for the development. [Time expired].

The Minister's Department requesting the use of that piece of ground for particular purposes. One such purpose has been to allow this airport site to be used for market gardening for an interim period [Time expired].

The MINISTER Mr Chairman, I should like to come back to the hon member for Springfield. We do not have the funds to develop a major airport. That would cost a fortune. We are in the process of developing the number of passengers has dropped over the past few years, specifically, as has been mentioned, because of the economy and other issues.

I should like to say that, as I announced about six weeks ago, we are going to commercialise the State airports. This will mean that they will stay in the hands of the Government, but we should like them to be run on the same lines as the airports in Singapore and in Dubai, although probably not to the same extent, because those airports have already been privatised. Before they were privatised, however, they were also commercialised. There are also a number of airports under the British authorities in the UK that were put on the stock exchange. As a first phase, we are not going to have other than commercialise the airports. In other words, we are going to bring in private capital to help us to develop the airports.

For the next four to five years, the number of people and flights using Louisa Botha Airport can easily be accommodated, we have some time in which to make a final decision as to when to move. We have to move at some time. The big question is then when to develop and invest a large sum of money in a new airport.

I should like to tell the hon member for Springfield the money spent on the La Mercy site was not wasted. It is the custom throughout the world. The site is an asset, it is in fact lying idle, and I believe various interested parties have made representations to the hon the Minister for the University to develop the site for market gardening.
the hon member for Camperdown as a “jester boy.” If it is my considered opinion that that is

unparliamentary.

The CHAIRMAN OF THE HOUSE Order! I shall look into that, and I shall respond once we have concluded the day’s business.

QUESTIONS

†Indicates translated version

For oral reply

General Affairs

SAP: death in police custody of certain trade unionist

*1 Mr M RAJAB asked the Minister of Law and Order

(1) Whether the South African Police have undertaken an investigation into the recent death in police custody of a certain trade unionist, whose name has been furnished to the Police for the purpose of the Minister’s reply, if not, why not, if so, (a) what is his name and (b) what were the findings of the investigation;

(2) whether he will make a statement on the matter?

D189E

The MINISTER OF LAW AND ORDER

(1) Yes

The deceased was not under arrest at the time of his death, but was questioned by the Police on information supplied by him regarding an armed robbery

(a) Simon Lealu Sfema

(b) On 19 May 1992, an autopsy was carried out on the body of the decease by the Senior State Pathologist. His report was forwarded to the Attorney-General of the Transvaal, whose decision is not yet known

(2) No

Mr M RAJAB Mr Chairman, arsing out of the hon the Minister’s reply, I want to say to you with great regret that his reply has a ring of déjà vu about it. We have heard about these mysteri-

ous deaths in the past. I shall not take that matter any further, however. The question I want to ask the hon the Minister is when the Attorney-General’s decision is expected?

The MINISTER Mr Chairman, I do not know what the implication of the hon member’s first remark was. Interjections — Was that the idea that we do not care whether people die or not? If so, I take exception to that hon member’s insinuation. Interjections — I am answering a question now!

Mr M RAJAB [Inaudible ]

The MINISTER Unfortunately the hon member cannot answer my questions, but I must answer his question.

We are concerned about all people in South Africa who lose their lives, whatever the situation may be. Whether they die in detention or in the unrest, as we have seen now, they remain our concern.

As far as the second part of the hon member’s question is concerned, that is not something that is under my jurisdiction. That falls under the hon the Minister of Justice and the National Intelligence Service. The documentation has been sent to the Attorney-General of the Transvaal and we will just have to await his decision.

Mr M RAJAB Mr Chairman, in reply to the hon the Minister’s question and in reaction to it

The CHAIRMAN OF THE HOUSE Order!

The question asked by the hon Mr RAJAB is supplementary to the question from the hon the Minister’s reply.

Mr M RAJAB Yes, Sir. Further arsing from the hon the Minister’s reply is he not aware that in the very recent past too many people have died under mysterious circumstances, either in detention or while in the custody of the SA Police?

The MINISTER Mr Chairman, if the hon member is making the allegation that through foul play, people are dying in the custody of the SA Police—that is what he is suggesting at the moment—then I repeat that I take the strongest exception to that. If the hon member has any information regarding foul play in the SA Police, I would be only too happy to investigate the

matter. However, I do not think it is fair to the SA Police to spread rumours of that nature.

*2 Mr M Rajab—Defence [Question standing over] See col 1449 for reply to this question

Geological tests: Lenasia Extensions 9 and 10

*3 Mr D K PADIAECHY asked the Minister of Local Government and National Housing

Whether, with reference to his reply to Question No 3 on 1 April 1992, the geological tests conducted in Lenasia Extensions 9 and 10 to establish whether the area is suitable for residential development have been completed, if not, (a) why not and (b) when is it expected that the test results will be available, if so, what are the findings?

D195E

The DEPUTY MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING

The geological tests have been completed and it was established that the area is not suitable for residential development.

Mr D K PADIAECHY Mr Chairman, arsing out of the hon the Deputy Minister’s reply, would he tell us what will happen to the people who are in the transit camp in that area at the moment?

The DEPUTY MINISTER Mr Chairman, I am not in a position to answer that question at the moment.

Incorporation of certain areas into Lenasia

*4 Mr D K PADIAECHY asked the Minister of Local Government and National Housing

Whether his Department has made any approaches to the Johannesburg City Council to incorporate into Lenasia proposed certain areas situated to the south-east of Lenasia; if not, why not, if so, what are the relevant details,

(2) whether he will make a statement on the matter?

D196E

The DEPUTY MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING

(1) No

The Transvaal Provincial Administration will, in its own right, be dealing with this matter.

(2) No

The sga †indicates a translation. The sign †, used subsequently in the same interpellation, indicates the original language.

Own Affairs

Regional school hall in Memebank: decision

1 The LEADER OF THE OFFICIAL OPPOSITION asked the Minister of Education and Culture

Whether, with reference to the reply by the Minister of Housing and Agriculture to Question No 2 on 6 May 1992, a final decision has as yet been taken on building a regional school hall in Memebank, if not, (a) why not and (b) when is it anticipated that finality will be reached, if so, (i) what is the estimated cost and (ii) what progress has been made in the provision of this hall?

D214E INT

The MINISTER OF EDUCATION AND CULTURE Mr Chairman, a policy decision has been taken by the Department to erect a regional school hall in Memebank. The final decision is dependent on the availability of funds for capital works. The estimated cost is approximately R3,674 million.

Consultants, architects, engineers and quantity surveyors have been appointed to design and document the proposed hall. The documentation has been brought to tender stage and the tender month is June 1992. My Department has submitted representations for funds to complete the building programme.

The Department has been severely handicapped by funding cutbacks over the past four years. Nevertheless, the department’s policy of providing regional school halls is continuing as our schools and communities need the facilities to provide indoor sporting facilities and cultural and social amenities, especially in the areas where our Government mass housing has been erected.

The LEADER OF THE OFFICIAL OPPOSITION Mr Chairman, I appreciate the hon the Minister’s placing these facts on record, but I want to ask you certain questions.

The first is, when the hon the Minister says his Department has submitted representations and that his Department’s policy of providing these
APARtheid Barometer

June 16 - 15/6/92

Crime: 16 - [46] [27]

A TOTAL of 2,169 stolen vehicles have been recovered in South Africa since the beginning of the year. This is 4% higher than the same period last year. There were 2,142 registered vehicles.

The figure of 2,142 registered vehicles is 717% higher than the figure of 274 registered vehicles for the same period last year. Since its inception in July 1990, the system has also inflated by 517%. The system has found 144,472 reptiles and 57,110 hours overtime.
Faster city to UK flights

Staff Reporter

NEW non-stop flights between Cape Town and London, to be introduced by British Airways in November, will knock nearly two hours off the airline's 13-hour flying time between the two cities.

Cape Town BA manager Mr Ian Petrie said today the decision was testimony to British Airways's confidence in the Cape's growing status as a prime destination.

"We predict that the new service will be popular both with holidaymakers and business people, who have already demonstrated -- in the south-bound route particularly -- a dramatic upsurge of interest."

Time saved on the route by eliminating the Johannesburg stopover would be an added encouragement to passengers, he said.

The new flights will replace the existing Friday night service from London and the Saturday service from Cape Town which are routed via Johannesburg. The Monday flight will continue to stop over in Johannesburg.
SA, UK to sign new air agreement soon

CAPE TOWN — The renegotiated agreement between the SA and UK governments over air services was expected to be signed early next week and would introduce new flexibility and freedom to fare setting, British Airways GM Malcolm Freeman said in an interview yesterday.

The second and final round of talks between the UK's Civil Aviation Authorities and the SA Department of Civil Aviation began in London on Monday, representatives of airlines other than BA and SAA who were interested in servicing the route between SA and London, would be present.

Freeman expected the agreement to take immediate effect.

"The new agreement will give us a lot more freedom to charge market-related fares. The downside will be that air fares will fluctuate on a daily basis," Freeman said.

Under the new agreement, BA would be able to sell seats at slashed prices in off-season periods.

Freeman said, in terms of the new agreement, proposed fares would be disallowed only if there was a double disapproval by both governments, a clause rarely applied.

The existing inter-government agreement, which limited air traffic to SAA and BA and fixed BA fares at SAA levels, had to be renegotiated when Virgin Atlantic applied for rights to fly between SA and London.

BA announced yesterday that it was to introduce a non-stop flight between Cape Town and London from November 1, reducing flying time by about two-and-a-half hours.

The new overnight flights will replace the existing Friday night service from London and the Saturday service from Cape Town, which are currently routed via Johannesburg.

The Monday flight will continue to stop over in Johannesburg.

Malaysia Transport Minister Ling Liong Sek did not say when the service would start and SAA officials said there were no plans yet to start the Kuala Lumpur service.
**You’re flying** overseas out of Jan Smuts on a Friday night. First you’re pushed and挤ded as you struggle to find the right queue. Then there’s the interminable wait to be checked in. Finally you’re cooped up downstairs with 1 300 other travellers waiting for four other flights — jumbo-jet flights, not the 40-60-seat piston-powered flights for which the room was designed.

Now for the bad news. It’s going to get a lot worse as more airlines and more travellers flock in. And the R100m-plus expansion now under way is not going to help much.

The Department of Transport, which operates the airport, does promise “a much enlarged first floor comprising check-in desks, passport control, a holding lounge with duty-free shops that is 50% larger than the present ground floor lounges.” The international departures section is expected to be completed in December, with the rest of the upgrade finished by the following December, says Stewart Huckwell, the department’s director, airport systems and development.

The project should enable Jan Smuts to handle 11m travellers a year, but the feeling of most of the airline industry is that the improvements will be inadequate.

Pino Mueller, Lufthansa’s station manager, who was chairman of the Tokyo Airline Operators’ Association when Narita airport opened, says, “It is chaos on Friday nights when several jets leave within a very short time of each other. The airport won’t be a model of perfection when the improvements are done, but it will be better than it was.”

Says Singapore Airlines’ Jenny Kearney: “The airport is causing a number of airlines to shudder when even thinking of the airport.”

SA Airways, taking a diplomatic line to avoid antagonising the department, concludes that “a number of steps will still have to be taken before the country’s airports (not just Jan Smuts) measure up to their international counterparts, and before it (Jan Smuts) will be ready for an unprecedented influx of tourists.”

Even Transport Minister Piet Welsgeem doesn’t see Jan Smuts coping. This is why he opened both Durban and Cape Town as airline gateways to SA.

Nevertheless, British Airways’ SA manager Malcolm Freeman is “not prepared to criticise Jan Smuts until it’s finished.” He adds, “We fly 10 jumbos a week out of Jan Smuts and get at least 365 passengers through that maze, on board, on time every night, and we can’t say that about too many of the international airports. If we have one 15-minute delay a week, it’s been a bad week.”

Huckwell believes that, with the improvements, Jan Smuts will be able to handle the traffic increases for the next 10 years.

Jan Smuts’ traffic is now already halfway towards the new 11m capacity. In 1991 it handled 5,5m passengers — down on the 5,8m the year before, probably because of the airline recession worldwide — but well up on the 4,1m in 1987.

Central Statistical Service figures show a steady rise in international passengers, from 1,4m in 1987 to just under 2m last year. The latest SA Tourism Board statistics show a 30% increase in overseas tourists who arrived by air in the first two months of this year, to 110 600. To this must be added the 26 400 who arrived by air from Africa, 23% up on January and February of last year.

In the past year, 11 new airlines have begun flying to Jan Smuts and several more are expected to start services this year. The figures from the high season for overseas tourism, which begins in October, will provide a good indication of how fast traffic will grow in the years ahead.

Welsgeem’s answer to the coming crunch is to commercialise Jan Smuts and the State’s other airports because government does not have the money to bring them up to standard (Business & Technology Sunday 28). His plan calls for the State to retain ownership of the terminal buildings but lease them to private companies to run. He has called for a report and will make an announcement in the next few months.

He is not short of offers. One two-year-old proposal is from Meriden Projects. Meriden would take a head lease on Jan Smuts, spend R600m on upgrading the terminal, and put up a high-rise building where the open-air car park is, says MD Errol Friedmann. That building would be divided into a conference and international exhibition section, a four-star 400-room hotel, and offices for the airlines. It would also provide covered parking for 5 000 cars.

Huckwell says the department’s planning is based on 7% growth in passengers each year. “Airports are enlarged incrementally. Either satellites are developed around the main terminal or the main terminal is enlarged in a linear way. I hope that by 2003 we can build another terminal.”

He concedes, however, that “in real life we have constantly to monitor the situation.” He says aircraft take-offs and landings fell from 97 593 in 1990 to 82 441 last year, but are recovering. The airport is handling 55 more a week this year than it did last year, due largely to the start-up of Flietstar.

There is little or nothing wrong with Jan Smuts on the flying side, it can handle a lot more aircraft. Its peak periods are 6am-8am and 7pm-9pm, when a large jet takes off every four minutes and one lands in between during off-peak hours, usage tails off, leaving room to accommodate many more flights.

But carriers prefer the peak times because the temperature is cooler, which allows older-model aircraft to take off with bigger loads than they can during the day, when the air is hotter and thinner. Airlines flying to Europe favour departure times during peak hours to arrive at their destinations at times that suit their passengers.

But modern aircraft can take off fully laden in hot weather, even at midday, as SAA flights to the Far East do. So more modern aircraft can come on stream, Jan Smuts may be able to space out its departures more efficiently.

**ROADS**

**Looking for a pot of gold**

As hauliers well know, SA’s roads are deteriorating rapidly. Funding has been slashed over the past few years, with maintenance of the old roads suffering and new roads not getting off the drawing board.

So Piet Welsgeem is reviving an old idea that died under P W Botha — a government fund dedicated to road repair and construction, with the money coming from a fuel levy.

Welsgeem says he has “staked a debate” with Finance Minister Derek Keys on reinstating such a fund. Keys hasn’t ruled it out.

Welsgeem signalled his intention to push for a fund in his budget speech in April, when he said “I fully appreciate other priorities, like housing, health and education, but we will have to investigate new sources of money for roads.”

The transport industry, of course, heartily supports the Minister’s initiative. Bad roads cost the industry millions of rand each year in extra maintenance on its vehicles and in lost time in making deliveries. There are some roads, particularly in Natal, where the tar was removed because there was no money to retar them. And reinforced bridges would allow trucks to carry heavier loads.

SA’s roads were well maintained until
BA plans fast, cheap city flights

Business Editor

BRITISH Airways (BA) will slash the cost of flying to London, and cut the time from Cape Town by two hours, its regional manager in South Africa, Mr Malcolm Freeman, announced yesterday.

He told Cape Town travel agents that BA would charge “competitive, market-related fares” as soon as the route was deregulated. And it would hold “seat sales” at bargain prices in slack periods.

The Saturday evening flight from Cape Town and the Friday evening flight from London, which now travel by way of Johannesburg, will be replaced by direct non-stop flights in November. They will take 11 hours compared with 13 at present.

Since 1945 only BA and SA Airways have provided scheduled flights between Johannesburg and London, under an agreement signed by both governments. The price had to be approved by the South African Department of Transport.

Mr Freeman pointed out yesterday that the department fixed prices “to protect its national carrier.”

“We would not have been allowed to reduce our costs, even to fill empty seats,” he said yesterday.

But now, he said, BA was preparing to compete with Mr Richard Branson’s Virgin Airlines and with FliTESTAR when the route was deregulated soon.

At present BA and SAA charge nearly R13 000 for a first class return flight to London. Mr Freeman said there were rarely vacant first class seats.

The cost of flying business class is R9 000. Economy class flights can vary between R6 000 and R3 100.

Picture — Page 10
High-flying Comair aiming at low fares

The competition between airlines on the domestic routes in South Africa is heating up. Comair, the newest addition on the Cape Town-Johannesburg route, says it can lease an aircraft and crew from SAA and still undercut fares offered by the national airline and Flietestar.

WILLEM STEENKAMP
Weekend Argus Reporter

Comair, the newest addition to domestic carriers between Cape Town and Johannesburg, is set to give South African Airways and Flietestar a run for their money on the popular route.

Ironically, Comair offers the lowest fares on the route, although it is using SAA crews and an SAA Boeing 737-200.

Comair’s fares have been halved in a country where the economy is on the brink of collapse and consumers face increases almost daily in the price of food and services.

But commuters have been surprised by the fact that an airline like Comair finds it possible to undercut SAA’s fares even though it has to hire its aircraft and crew from SAA.

They believe Comair is either committing financial suicide or has a brilliant business sense. Alternatively, SAA has been ripping off the ordinary traveller.

SAA has remained tight-lipped on the issue, except for confirming that Comair does hire a Boeing 737-200 from the airline.

Mr Pieter van Hoven, managing director of Comair, said there were various reasons why his airline could offer lower fares.

“We’re hoping to achieve an eighty percent load factor on this route. If we can achieve that, — and we know we should draw enough passengers with our lower fares —, it becomes possible for us to maintain these fares.

“Also we believe we use our own infrastructure more effectively on this route than do the other two airlines. We have our own service to handle the transfer of all baggage to and from our aircraft and at a much cheaper rate than that charged by SAA.

“We’re intending to run a no-frills service. This means passengers will pay for their drinks and the food will be very simple. But the fares will be low. We’re positive we’ll be successful.”

And if Comair is successful there are plans to increase its fleet on this route. Mr Van Hoven admitted that it was quite possible for any other firm to hire a number of aircraft from SAA and to undercut the national airline’s fares on the domestic routes while still making a profit.

A single fare on Comair will cost R339, while the return fare will cost R678. The service is to begin on August 9.
Rennies reveals links between freight firms

RENNIES' freighting subsidiary, Renfreight and Manca have come into the open about their relationship after years of pragmatically covering it up during the sanctions era.

Manca, which celebrated its 100th anniversary this year, historically marketed its freighting service exclusively outside SA and built up an extensive southern African network encompassing more than 40 locations north of SA's borders. It invested more than R100m in assets in Africa when many other international concerns were pulling out of southern Africa.

The link with SA and successor company Renfreight were covert. Manca brochures omitted SA completely and its head office had a London address.

The new Renfreight was formed through the merger of the air and sea operations of Renfreight Air Cargo and Renfreight Forwarding in April this year. They have concentrated on the SA market for 150 years.

Although concentrating on different markets, the two companies always worked together but it is only recently that they have been able to publicise and capitalise on this fact.

Renfreight CE Eddie Stead says the reason for coming out into the open was the growing well of demand for effective support by SA businesses wanting to trade in southern Africa.

This was reinforced by the growing economic and political collaboration within SA and the southern African region.

Manca CE Gary Hocroft says the restructuring would have taken place whether SA was reaccepted internationally or not. The group made a business decision to concentrate its efforts on freight management. However, political developments made it easier to do this by deepening the Manca-Renfreight relationship.

He says there are no plans to merge the two companies into one as both have strong, well-known images in their respective markets.

Manca will continue to focus north of SA, while Renfreight will target the local market. Their collaboration will continue but be more open to the market as a plus to clients, in SA and southern Africa.

**Agreement**

Overseas clients doing trade with southern Africa, including with SA, are targeted through an international agency agreement with LEP International, one of the world's leading freight forwarders and other foreign agents.

Stead says the two groups have positioned themselves to follow the international trend to expand freight forwarding to embrace all aspects of freight management.

They will still be involved with traditional clearing and documentation functions, but not in isolation. Traders are no longer satisfied with such a limited service, but rather want a total freight management package tailor made to their specific commodity, he says.

Besides clearing freight, Renfreight will consult on packaging and transport from point of supply to consumer.

Manca and Renfreight's extensive presence in the ground in all southern African countries means they are aware of economic and political developments affecting freight such as forex freezes, sabotage of railway lines or changes in customs regulations.

As experts in their field, Manca and Renfreight deal with all the concerns on Malen's behalf.

Hocroft says while there has not been a viable increase in cargoes yet, he believes regional trade has grown. Renfreight has seen a marked increase in queries from SA businessmen wanting to trade in Africa.

Hocroft says there has also been a tremendous increase in operations in Zimbabwe through the Open General Import Licence which promotes rehabilitation by industry. Manca is moving heavy machinery and equipment needed for the rebuilding programme.

Hocroft says Renfreight and Manca's main opportunity is in managing export goods, ranging from agricultural products from Malawi and Zimbabwe, copper from Zambia and Zaire.

Another large opportunity lies in the management of aid projects. Hocroft believes aid bodies will start looking to SA to ensure effective distribution of aid.

The largest short-term prospect is the distribution of food aid, especially to Mozambique, Zimbabwe, Malawi and Zambia.

Stead says astronomical volumes of maize are involved and while Renfreight is glad to be involved in its management, all SA resources are going to be stretched by the aid programme. In fact the entire region's infrastructure will be taxed.

He says this is just one example where regional collaboration is vital.

The region needs to decrease dependence on aid and pull together to make the region work. Hocroft has the same sentiments: "We need regional solutions."
New US airline prepares for take-off to Africa

US AFRICA Airlines (USAA), a start-up company whose founders include former US Assistant Secretary of State for Africa Chester Crocker and which proposes to provide direct service between the US and SA, has crossed an important hurdle in the tortuous process of getting airborne.

‘The US transport department issued a “show cause” order on Friday giving would-be competitors 10 working days to challenge its naming USAA as the sole US carrier authorised to serve the route.

‘Assuming there is no challenge, USAA will end SAA’s North American monopoly by launching a thrice-weekly 747 service between New York or Washington and Johannesburg towards the end of the year, the airline’s president Mike Meszaros said yesterday.

Simon Barber

Although further conditions still have to be met, Meszaros said the department’s order meant “we are no longer just a tremendous business plan but a viable operation”.

USAA must still satisfy the department that it has sufficient US-origin financing and must also obtain final certification from the Federal Aviation Administration (FAA), a process that cannot be completed until that airline has completed a dry run without passengers to Johannesburg.

The company has spent $400 000 developing the documentation required by the FAA.

USAA, whose principals include several retired senior airline executives, was founded in 1990 as a niche carrier to serve southern Africa, which it regards as “the least significant under-served US international market”.

Its business plan calls for a multimillion-dollar publicity blitz to sell SA as a destination, dwarfing SAA’s own US advertising budget.

The company had hoped to start flying in April, but was hindered by investor disenchantment with the airline industry and fears about SA’s economic prospects.

Meanwhile, Stephen Bothma reports that SAA and west African-based Air Afrique this week agreed to launch a joint air service between Johannesburg and Dakar, Senegal.

An SAA spokesman confirmed the agreement, but said details still had to be finalised.

Air Afrique CEO Yves-Balandre Billecart is in SA and further talks between the airline and SAA are expected.

In terms of the agreement, SAA and Air Afrique—a consortium of west African airlines—will operate flights between Johannesburg, Brazzaville, Congo, Abidjan, Ivory Coast and Dakar.

Finalisation of the agreement depended on obtaining permission from the civil aviation authorities in the countries involved, the SAA spokesman said.

After Air Egypt and SAA, Air Afrique is the largest airline in Africa. It is also the continent’s most profitable private airline.

Last week, SAA was granted a licence by the National Transport Commission to operate scheduled flights to Luanda.
Drought: SpoorNet rolls to the rescue

SPoorNET will spend more than R20m to move the millions of tons of maize which will flow into drought-stricken southern Africa in what has been called the biggest ever food and aid relief transportation exercise.

But SpoorNet international traffic manager Andre Heydenrych worries that funding will run out by year-end and leave SA in debt.

"SpoorNet is spending millions in good faith but it is a risk," he says.

Spoornet can only hope the international donor community will realise the large investment being made by companies like SpoorNet and sister company Portnet and be "liberal" with its handouts, he says.

Exclusively

Spoornet will spend most money on bringing an extra 3,000 rail trucks out of mothballs to be used exclusively to transport the estimated R15bn worth of maize, says Heydenrych.

It will also have to hire or buy suction machines to off-and-on-load the maize, instead of using cranes. It will use as many of its 15,000 pool of rail trucks as possible to distribute the maize, which is being sent mainly from the US and Argentina.

Heydenrych says that so much maize is involved that every transport corridor in the region will be used to the maximum.

already SpoorNet is running up to six trains a day across Beit Bridge to distribute maize to Zimbabwe. Heydenrych says this is the first time GA trains have been able to go straight into Zimbabwe and turn around there rather than at the border.

About 2-million tons of maize is expected to go to Zimbabwe and about 800,000 tons to Malawi.

Zambia will receive 900,000 tons and SA is expected to buy 4-5 million tons of maize and import at least R60m of wheat.

All maize destined for Malawi will be taken to Zimbabwe, bagged and then taken by road.

Transport systems will be stretched to capacity to distribute the millions of tons of maize relief.

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[Map: Partners for progress throughout Southern Africa]

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Partners for progress throughout Southern Africa

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Johannesburg
Railways hold the key to region’s economic health

A HEALTHY transport system is a sine qua non for southern Africa’s economic revival, says Spoornet international traffic manager Andre Heydenrych.

The railway network is vital for international trade, development work or investment. It is the backbone of the economy, he says.

Already about 90% of trade in the region involves rail transport, with the rest using roads.

A serious drawback is the minimal rail interconnection between neighboring states in the region, says Heydenrych.

Only about 7% of trade in southern Africa is internal. Most takes place with overseas countries, so rail routes have traditionally been export-oriented, linking towns with ports, rather than with other towns.

Colonies

Zimbabwe, SA, Botswana and Zambia are linked only because they are all former English colonies.

Heydenrych says the “ust major road project in the area was the line between Gaborone and Walvis Bay. Nowadays there is no money to finance major new routes. Rather, existing ones have to be rehabilitated and expanded if possible.”

Heydenrych says Zimbabwe has always been SA’s main area of operations. About 40% of SA’s imports from Africa come from Zimbabwe.

Asked about Zimbabwe’s clamp on trade with SA, Heydenrych says Spoornet has continued dealing with other African countries for more than 30 years, despite politics. The main difference was that this cooperation could not take place openly.

Heydenrych says he would like to see all 10 railways in the southern African region incorporated into a single organization and to work as an integrated system with no changes at the borders.

Streamlined

This would enhance rail’s competitive edge over road, offering clients a streamlined and co-ordinated service and a single body to deal with.

But other railways in the region fear Spoornet’s strength, believing it would take over their operations, he says.

This could be avoided by giving each railway an equal ownership in the joint corporation.

“We have no desire to dominate but would rather lead from the centre. We are part of the continent and realise we need to all work together.”

He believes that with time, trust of SA will break down. But he admits the idea of a regional railway is “very much a dream”.

Even if agreement were to be reached, it would probably take up to 20 years to become a working reality.

The practicalities of making it happen would be very difficult given the disrepair and destruction of lines over the years.

Heydenrych says Zambia, Malawi and Angola’s rail lines are in the worst state.

The Benguela line, between Zambia and Angola, alone would need hundreds of millions of dollars to rehabilitate.

The line between Mozambique and Malawi is out of commission.

The Maputo-Zimbabwe line is being rehabilitated but this work and running of trains is seriously hamppered by Renamo activities, he says.

While the north-south route is in reasonably good condition, there are areas of disrepair such as the Victoria Falls bridge.

Drought: Spoornet rolls to the rescue

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Transport systems will be stretched to capacity to distribute the millions of tons of maize relief.
New era in air travel

Sowetan Correspondent

SOUTH AFRICA is set to enter a new era in air transport as negotiations for liberalised air treaties with Britain and other countries take off.

A Department of Transport team is in Britain for a second round of negotiations that could soon open the skies to competitors of South African Airways and British Airways, the only two carriers allowed to fly between the two countries.

A new system of tariff agreement could also mean immediate benefits for travellers.

Transport deputy director general Mr. Janie Smit said yesterday that his team, fresh from Malaysia where they had similar negotiations, were in London for a second - and hopefully final - round of talks.

After that they would visit Prague, capital of Czechoslovakia.

He said the negotiations "illustrate the importance of our liberalised policy".
CLIVE SAUWER
Municipal Reporter

BUS services are to get a R10 million subsidy from the Western Cape Regional Services Council — but the council says it is giving the cash reluctantly, as a one-off.

A task group is to be set up to probe a takeover of bus passenger services “or aspects thereof” by the RSC, said chairman Mr. Piet Loubscher.

The RSC said future subsidies would be given only if new sources could be found to fund them. This, comes after a meeting last week called by local government MEC Mr. P.J. Schoeman, attended by Mr. Loubscher, deputy chairman Mr. Louwienie Rothen, land usage and transport-planning chairman Mr. Clive Keegan and RSC chief executive Mr. Chris Mokoe.

The subsidy, to stave off cutbacks in the bus services, comes after a Department of Finance request for help.

In yesterday’s budget debate, finance committee chairman Mr. Dick Friedlander warned that the subsidy could affect the RSC’s ability to provide infrastructural services.

The decision to rationalise services in the Peninsula and stop some of its operations in the Boland led the RSC to ask the Department of Transport to help keep services going.

The RSC provided the R10 385 subsidy to subsidise the bus service. The Department of Finance asked the RSC to give the R10 385 subsidy to subsidise the bus service.

Mr. Loubscher said the RSC agreed because a cutback in bus services would have “negative social and economic consequences”.

Golden Arrow, talks with the RSC were suspended.

Mr. Loubscher confirmed that Toll Gate Holdings had proposed in October 1991 that the RSC take over the bus services, which were troubled by government subsidy costs and operational problems.

When the bus service was sold to

Golden Arrow, the subsidies were suspended.

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The Department of Finance asked the RSC to give the R10 385 subsidy to subsidise the bus service. The RSC provided the R10 385 subsidy to subsidise the bus service.

Mr. Loubscher said the RSC agreed because a cutback in bus services would have “negative social and economic consequences”.

* See page 2.
Air Seychelles is planning to expand its service to SA with a second weekly flight on its Johannesburg route. The airline has acquired a new Boeing 757-200 for the flights, which are likely to be scheduled for Saturdays and Wednesdays.

Air Seychelles southern Africa sales manager Yolande Weaich said yesterday the Johannesburg route, started in August last year, was doing well despite the recession and the current low season. (26)

She said the airline would aim its marketing at business travellers as well as tourists. Fresh produce and banking were already important areas of business between the Seychelles and SA, and there were also growing market opportunities for manufactured products, she said.
New SA era in air travel set for takeoff

STEFAANS BRÜMMER
Staff Reporter

SOUTH AFRICA is set to enter a new era in air transport as negotiations for liberalised air treaties with Britain and other countries take off.

A Department of Transport team is in Britain for a second round of negotiations that could soon open the skies to competitors of South African Airways and British Airways, the only carriers allowed to fly between the two countries.

A new system of tariff agreement could also mean immediate benefits for travellers.

Transport deputy director-general Mr Japie Smit said his team, fresh from Malaysia where they had similar negotiations, were in London for a second — and possibly final — round of talks.

After that they would visit Prague, capital of Czechoslovakia.

He said the negotiations "illustrate the importance of our liberalised policy".

Key elements of the new air services agreement being negotiated with Britain include:

- Multiple designation.

Preceding the British and South African governments could each designate one national carrier to fly the route. In future they will be able to nominate more than one carrier, opening the way for, among others, Virgin Atlantic, whose owner, Mr. Richard Branson, recently rocked the market with claims that he would offer single flights between London and Johannesburg for about R599.

- Double disapproval.

Previously both governments had to agree to an air fare proposed by a designated carrier. Under the new agreement both governments would have to disapprove the fare within a week of proposal by the airline.

Mr Smit said: "The whole idea of the liberalised policy is to enhance competition ... One has to accept that if there are more carriers on the route, there will be more competition."

He said it would presumably mean better deals for travellers.
Air Seychelles denies SA ties

VICTORIA - Air Seychelles denied yesterday that South African Airways had bought about 40 percent of the Indian Ocean island’s national carrier.

Executive chairman of Air Seychelles, Mr. Conrad Beniston, said the state-owned airline would not rule out foreign and private investment but said there was no truth in local Press reports that South Africa’s carrier was being considered as a partner.

Air Seychelles is currently operating a Boeing 767 on a long contract from California-based International Lease Finance Corporation. It also has three flights to Europe a week and one each to Singapore and South Africa.

The airline, vital for the islands’ mainstay tourism industry, is widely believed to be running at a massive loss.

-Sapa-Reuter
SA's merchant fleet is getting a taste of things to come. Revenues are good — owners are getting the best charter rates for some time — but competition is increasing with the influx of new flags to SA ports. The pressures are heightened by the international recession which is holding back growth in world trade.

The SA fleet, comprising largely the Unicorn and Safmarine lines, will have to look beyond the recovery to investing in technology which will result in safer, larger, faster and more fuel-efficient vessels with smaller crews. That is according to Unicorn deputy chairman Mike Meehan who believes new technology should be exploited to address some of the problems faced by the industry worldwide.

These include:
1. A surplus of all types of vessels including tankers, bulk carriers and container ships;
2. Escalating repair costs (20% a year);
3. Increased insurance premiums and growing problems in marine insurance;
4. EC plans to withdraw shipbuilding and operating subsidies;
5. New anti-trust legislation planned by the EC;
6. Minimal increases in freight rates;
7. Intense competition, particularly for East-West trade (major lines on the North Atlantic run could lose up to US$250m this year), and
8. Growing shortages of officers and skilled ratings.

He says more than 50% of the world's tanker fleet is more than 15 years old and should be scrapped within five years. Theoretically, this should reduce the size of the fleet and push up charter rates. But, though scrapping levels have risen — more ships (4.5 Mt) were scrapped in the first three months of this year than the whole of 1990 (2.6 Mt) — it is far below the 30 Mt scrapped in the 1986 trough and probably won't influence charter rates.

The concern is that reluctance to scrap vessels could be indicative of a breakdown in the replacement cycle. Meehan says replacement cost of the world fleet by the year 2000 will be more than US$200bn. He predicts that, in the circumstances, "only exception-
Transnet, the government-owned multimodal transport giant, is trying to reduce its size and, at the same time, expand its influence in southern Africa.

The word MD Anton Moodman uses for the reduction process is “rightsize.” Transnet is in the fourth successive year of falling traffic volumes. “We have 20% less traffic now than we had in 1989 and have to reduce costs. It was easy to do that in the first and second years of the downsizing, more difficult in the third year, and there’s very little flab left to cut now.” Most of Transnet’s short-term costs are fixed.

With little hope of the economy recovering soon, he believes there is no alternative but to reduce Transnet’s size. “We must accept that our core business is transport. That’s where our future lies and that’s what we must concentrate on.”

He says Transnet is closing its uneconomic catering units and will sell those that are more profitable to the private sector, possibly to employees. It is looking at a management buyout of its laundry services. “And,” he says, “we closed down more than half of Connex (Transnet’s travel agency) because it wasn’t making money.”

An immediate problem and opportunity — is the transport of maize to Zimbabwe to supplement drought-depleted domestic stocks. Transnet will make a modest profit but is spending millions it hasn’t budgeted for. It had to repair thousands of trucks that had not been maintained for years because they were destined for scrap. “We had to replace their bearings, fix them properly and resort to uneconomic working. For example, many of our employees will have to work overtime.”

But the maize lift provides an opportunity to promote regional integration. Transnet has been negotiating for integration for some years, with regional railways, but opposition has always come from Zimbabwe.

The 9 Mt maize lift is believed to be the biggest transport operation mounted to relieve hunger. (Only 2 Mt was shipped to Ethiopia.) With the only transport system in Africa that can cope with the quantities — the milliionton was landed last week — Transnet has demonstrated the advantages of co-operation.

The process will take a step forward in September when Transnet opens a London office to attract business. This outlet will be an additional inducement to rail companies of neighbouring states.

“We don’t want to run the other systems,” says André Heydensrych, Transnet’s manager of international traffic, “but we want all customers in the region to perceive they are dealing with one railway system.”

He sees revenues being shared among the various rail companies and a free flow of information enabling customers to track their consignments.

Railway authorities to the north have relied on Spoornet for many years. It has been repairing their rolling stock, selling them spares and training their personnel. On any day, even when there is no maize lift boosting the figures, there are between 6 000 and 7 000 Spoornet goods wagons north of the Limpopo. Zambia and Malawi leased a further 500 each in May. Zambia last week asked for another 1 000. In addition, Zambia leases nine Spoornet locomotives. Zimbabwe 10, Zaire seven, Botswana six, Swaziland six and Malawi four.
Deal opens way for more airlines on UK-SA route

STEPHANE BOTHEA

PH 50-year-old bilateral air services agreement between the UK and SA enshrinining British Airways’ (BA’s) and SAA’s duopoly on scheduled flights between the two countries came to an end yesterday. The move will allow UK-based Virgin Atlantic Airlines and the local Flightstar to apply for permission to fly the lucrative route.

A general agreement that there was enough capacity to increase the frequency of flights on the route finalised week-long negotiations between the UK and SA governments about the drafting of a new bilateral agreement.

SAA, BA, Flightstar and Virgin presented their arguments at the negotiations in London. Details of the redrafted agreement could not be obtained, but a source confirmed that it would break the SAA-BA hold on the route.

BA and SAA each currently have permission to operate 10 flights a week — a facility which would eventually be increased to 15 flights per country.

SAA indicated at the talks that it would increase its flights to 12 — leaving three flights to another SA airline — probably Flightstar.

BA indicated Virgin would be given the opportunity to operate the five additional flights allocated, the source said.

Virgin’s strategy and route planning director Ed Hullah said from London last night his airline was "quite pleased about the move".

Virgin flights would probably commence later this year or early next year, said Hullah. However, Virgin would still have to apply to the SA Directorate of Civil Aviation for permission to fly the route, a source said.

It was widely believed that Virgin would not experience problems in obtaining permission, following discussions between Virgin’s president Richard Branson and SA transport minister Piet Wemboed earlier this year.

At the time Branson announced discounts of between 20% and 60% on fares for flights between the two countries.

The announcement was welcomed by Wemboed, who indicated that flights at discount fares could increase tourism to SA.

Virgin had already received permission from UK civil aviation authorities to fly the route, it was earlier reported.

Flightstar director Joggie Vermaat last night said his airline has already lodged an application to alter its current international operating licence. Flightstar was definitely interested in flying the route.

SA civil aviation authorities were expected to consider Flightstar’s application next month, he said.

Flightstar had also applied to fly to Germany.

SAA last night said it had no details of the agreement reached by the two governments and could therefore not comment at this stage.

BA said in London last night that it would increase the number of its non-stop flights. The airline also hinted at a possible decrease in fares from next week, but an announcement about the move was expected early next week, a source said.
Mayor wants to quit RSC role

CLIVE SAWYER, Municipal Reporter  ARG 26/8/92

MAYOR of Cape Town Frank van der Velde, angered by the Western Cape Regional Services Council agreeing to pay a R10 million subsidy to the bus service, is to hold urgent talks with fellow city councillors on withdrawing from the RSC.

He might, depending on the outcome of the talks, table a motion at next Tuesday’s monthly city council meeting that Cape Town pull out from the controversial body.

With huge cutbacks in Department of Transport subsidies, the RSC grant was adding insult to injury, he said.

Mr Van der Velde told The Argus today: “This demonstrates once again how absolutely accountable the RSC is to the people it was meant to serve.”

The city council is a major contributor to RSC funding.

It has four representatives on the RSC, who chair all the most significant committees, apart from the executive committee.

Mr Van der Velde did not believe Cape Town or the region should pay the subsidy, and blamed government planning for high transport costs because workers lived so far from the city.

The government recently turned down city council appeals for funding for critical transport problems such as the Vanguard Drive/Voortrekker Road interchange.

Mr Van der Velde opposed city council participation in the RSC when it was set up in 1986.

“Now my personal view is that we should withdraw, and on Tuesday I shall either put a motion on the order paper (the council agenda) or councillors will debate the matter when we discuss the RSC report-back,” he said.

He warned that a precedent could be set for local government to subsidise rail passenger transport as well.
UK-SA air route now open to all

From CHRIS BATEMAN

LONDON. — The stranglehold by British Airways and South African Airways on the world's most profitable airway route (Britain-SA) was broken yesterday when civil aviation authorities threw it open to all carriers.

The deregulation came after two days of meetings, attended by Flitestar officials, between Britain's International Aviation Directorate and South Africa's Department of Civil Aviation.

This means fares will plummet and that:

- By late December or early January next year Virgin Airways will begin operating five non-stop return flights a week from London to Johannesburg.
- On October 25 British Airways will introduce a new weekly non-stop flight between Cape Town and London. (The present twice-weekly Cape Town flights are by way of Johannesburg.)
- BA's overall weekly return flights will increase from nine to 11

Flitestar are seriously considering entering the market.

It was reliably learnt that SAA intend increasing weekly return flight frequencies from 10 to 12 this August.

The first salvo in the coming air fare war was fired by BA where reliable sources yesterday broadly hinted at fare reductions as early as Tuesday next week.
An opposition critic highlights the ongoing administrative and financial mess left by the MMF, in which the cabinet minister remains tight-lipped.

Another area of concern was "the deafening silence" of the legal and medical professionals who, Mr Carlisle believed, were ethically bound to investigate their own members for any culpability referred to in the commission's report.

Attention had also been focused on certain MMF matters on which the fund's external auditors had not commented. These included the removal of a provision for outstanding claims at the end of the 1988 financial year.

In addition, the external auditors had not found anything wrong with about 300 claims which had been examined and from which many defects were now emerging.

On this issue, Mr Carlisle, the Public Accountants and Auditors Board had an obligation to investigate and to advise the public of any action they would take in respect of the future of the fund.

A spokesperson for the Transport Ministry said more than 200 files had been sent to the police and "more are dealt with every day". Eventually as many as 1,000 cases might be investigated for fraud.

Among questions Weekend Argus submitted to Dr Welgemeed this week were:

Who is now controlling the affairs and activities of the MMF?

What immediate steps have been taken to stop the irregularities and misuse of public money reported by the commission?

Assessors and insurance companies who allegedly benefited from fraudulent claims or any other irregularities, as reported by the commission, still involved in MMF affairs?

What action has been taken to prevent the disappearance or destruction of files or other records containing evidence of malpractices reported by the commission?

To what extent will the political head (minister) of the department responsible for MMF administration at the time of the alleged malpractices and irregularities be held responsible and accountable for such practices?

Can you give taxpayers and the public an assurance that everything possible has been done to ensure it will not happen again?
The Western Cape Regional Services Council seems to be straying from its original brief with grants to bus services and black local authorities, made at government behest. Now, adding to its woes, Cape Town’s Mayor Mr Frank van der Velde is lobbying for the city council to pull out.

**CLIVE SAWYER**
Municipal Reporter

PROPOSING the adoption of a budget does not have to mean you agree with it.

Western Cape Regional Services Council finance committee chairman Mr Dick Friedlander demonstrated this when he said there was “deep concern” about how a R10 389 753 grant to bus services would affect the RSC’s ability to do its job.

That job was to provide infrastructural services.

“RSCs were created to provide relief to needy communities,” Mr Friedlander said this week.

Typical infrastructure projects include “pipes and pavements” spending and funding dams, reservoirs, sewers, streetlights and bridges.

Observers remember that the controversial bodies were set up as part of the trucameral system in the PW Botha era—to widespread suspicion.

They are structured on racial lines, voting power is allocated according to services, in a body meant to channel funds to wherever they are most needed in a region.

Since the setting up of the Western Cape RSC, infrastructural projects totalling R701 million have been approved of which R593 million has been allocated.

In his budget speech, chairman Mr Piet Loubsier said some local authorities had submitted applications for projects for which planning was not completed, creating a backlog.

He announced too that the RSC was to get tough with those eligible to pay levies by setting up a new inspectorate to track down defaulters.

Plunging this week’s R730 711 611 operating budget into controversy were two items of spending—a R10 million bus subsidy and R17 million to prop up beleaguered black local authorities, themselves a trucameral creation.

Indications are that there could be further controversy over attempts to get local government to shoulder the bus burden.

MEC Mr P J Schoeman called a meeting on June 18 of the executive committee of the Association of Regional Services Councils to discuss “possible entrustment of the bus passenger function or some aspects thereof to RSCs”.

A task group was set up after the meeting to probe the idea.

Mr Friedlander and land usage and transport committee planning committee chairman Mr Clive Keegan pressed Mr Loubsier to say in an official statement that the bus subsidy was given under protest.

Turning this down, Mr Loubsier said he thought saying it was given “reluctantly” was more appropriate.

The subsidy sparked Mr Van der Velde’s fury.

In an interview, the mayor said he was “absolutely appalled” that the RSC had agreed to give the money when the government had created the problem of high transport costs—and had let down the region by cutting subsidies for transport.

Mr Van der Velde said the city council should pull out of the RSC.

Action on the matter could come as soon as Tuesday’s monthly city council meeting, either through a motion or debate on the RSC report-back.

If Cape Town pulls out of the RSC, it will deal the body a massive blow.

Mr Van der Velde slammed its “lack of accountability” to the people it was meant to serve.

“The people of Cape Town, particularly the business people, contribute considerable sums to the RSC,” he said.

He accused the RSC of building up a “power empire”.

Mr Van der Velde said the granting of the subsidy was partly the result of a government appointee, Mr Loubsier, chairing the RSC.

Mr Loubsier said the subsidy was given reluctantly, as a one-off grant.

The RSC had called for national transport policy to be formulated urgently, he said.

Further “subventions” would be considered only if new sources of income could be found, Mr Loubsier said.

The city council has four representatives on the RSC who chair all the most significant committees apart from the executive committee.

They are Mr Dick Friedlander (finance), Mr Louis Kretmer (works, amenities and services), Mr Clive Keegan (land usage and transport planning) and Mrs Eualie Stott (priorities).
Train 'corruption': conductors call for independent inquiry

ALLEGATIONS by Transnet that train conductors pocket up to R250 a day from fares without issuing tickets have led to calls for a commission of inquiry.

The South African Railways and Harbours Workers' Union (Sarhwa) and Transnet's Coloured Staff Association (CSA) are now calling for an independent commission of inquiry into the allegations by the commuter authority.

The dispute between the conductors and Transnet centres around a loss of R27.5-million, most of which Transnet alleges was stolen by train conductors.

Two weeks ago, about 250 train conductors went on a four-day strike after Transnet confirmed a report in the press which claimed that conductors pocketed fares without issuing tickets.

A document making these allegations was leaked to the press by conductors "fearing for their jobs", said Mr Pieter Albertus, general secretary of the staff association.

He said ever since equal opportunity had been introduced at Transnet, allegations like these were made by people "wanting to cause trouble".

Sarhwa and the CSA are demanding a public apology from Transnet and full wages for the four days of the strike.

Sarhwa spokesperson Mr Ndanelo Tshela said if the demands were not met, workers would call for an independent commission of inquiry to the missing millions.

Another concern of workers is the lack of security for passengers on trains.

In accordance with a five-year plan, launched by the South African Rail Commuter Corporation, the presence of police on trains and stations is gradually being increased, together with an upgrading of stations, partly aimed to improve ticket inspection.

Transnet spokesperson Mrs Yvette Oware said the Simon's Town line was being upgraded. The upgrading of the Khayelitsha line was complete, she said.

JOHANN VAN TONDER
Jobs for pals as transport consultants?

WILLEM STEENKAMP, Weekend Argus Reporter.

IRREGULARITIES possibly involving millions of rands of taxpayers' money could rock the already beleaguered Department of Transport.

Weekend Argus can today exclusively disclose that Transport Munister Dr Piet Welgemeer has launched an urgent investigation into the granting of contracts by the Department of Transport to so-called consultants and other technical advisers.

The allegations follow hard on the heels of the massive third-party MMF corruption debacle report tabled in Parliament earlier this month.

In the past financial year more than R60 million was spent by the department on so-called consultants and Weekend Argus has reliably learnt that this figure could be much higher.

Miss Elsa Kruger, spokeswoman for Dr Welgemeer, said the minister was deeply concerned about the allegations and had appointed a group to investigate. She could not say how long the investigation would take.

She said Dr Welgemeer had doubts about the effectiveness and necessity of certain contracts concluded with consultants.

The minister declined to comment further on the issue. Miss Kruger said that Dr Welgemeer had initiated the investigation himself as he had identified the system of using consultants as a possible "problem area."

It has been claimed that some of the so-called consultants had previously been employed by the Department of Transport and that their hire was a case of "baanthes vir boeties" ("Jobs for the boys").

Dr Skippie Scheepers, appointed director-general of the department in March, said he could neither deny nor confirm the claims because he had not been at the department long enough.

He said one of the major problems identified was that the dividing line between some of the department's administrative functions and the consultants' functions of consultants had become vague and in some instances nearly disappeared altogether.

"Obviously this is of concern to us. We have to take a hard look at some of the functions and services of consultants to establish if the funds used for these services were used correctly.

"We are also concerned about the basis and the way in which contracts were granted to consultants. We want to be sure this was done in a fair and orderly way. We want to ensure that certain companies are not advantaged above others."

Dr Scheepers stressed that the investigation should not be seen as a "witch hunt" against civil servants employed. It was intended to ensure effective and sound management principles."
FARE FREE-FOR-ALL FROM SA TO UK

Open skies start now

PRICE cutting of fares on SA’s major air link with the rest of the world starts this week.

British Airways (BA) and SAA agreed this week that price fixing on the route — one of the world’s most lucrative — would go with immediate effect.

They also agreed to increase the number of flights between London and South Africa and allow other carriers to enter the market. This is expected to double the number of seats available on the route and lead to a major price war.

By April 1994 there could be 21 large airliners flying the route each week, six landing daily at Jan Smuts or Heathrow airports.

BA has a press conference scheduled for Tuesday morning at which it is expected to fire the first salvo in a fare war.

Although no figures have been mentioned, it is believed that BA will offer “significant” savings on its flights to London. Currently BA’s cheapest fare to London is R2 795 and SAA’s is R2 930.

BA South African manager Malcolm Freeman says British Airways welcomes competition. We will compete in SA just as we do on most of our other routes throughout the world.

“With deregulation we will have the first time the ability to charge market-related fares and be more flexible in our pricing.

A London spokesman says BA will aggressively exploit every traditional advantage it has. It is confident of out-flying any competition on the lucrative SA route.

“We will be very imaginative and very, very competitive. We are not in the least bit afraid of competition. We welcome it.”

None

Virgin, which unashamedly claims credit for forcing an open market on the SA route, is confident it will become significant by any standards in the world in the longer term.

Director of strategy and route planning Ed Hailah says Virgin is prepared to top any imaginative marketing or price-slashing move by BA or other ‘operators’ and will provide a service “second to none”.

Virgin has also said no more about a promised one-way promotional London-Johannesburg fare of R999 on standby.

Mr Hailah promises that the launch fares will be “sensational — absolutely dramatic”.

He says all efforts are concentrated on getting Virgin’s SA service rolling as soon as possible.

“If it goes smoothly we could be up and running by Christmas — if not the service will be operational in the early new year.”

Mr Hailah says all the luxuries that have won Virgin awards and accolades on other routes will be provided for passengers on its 10 flights a week. SAA carries as many on its 15 direct flights a week.

In terms of the agreement signed this week, a maximum of 15 flights each way between the two countries will be allowed and will gradually increase in the next two years.

BA will maintain its number of flights and Virgin will pick up the slack. Virgin has already applied to fly five scheduled flights a week to Johannesburg.

SAA is contemplating increasing its flights by two to 12 a week, but this will happen only later in the year and will depend on demand, says a spokesman.

Flitestar is widely expected to pick up the route slack on the SA side and has applied to change its licence to allow it to fly to London.

SAA has been active in meeting the Flitestar challenge head-on in the domestic market. But spokesman Zol da Roux says it has no immediate plans to offer large discounts on its London routes.

“We won’t enter into a price war, but will allow the market demand to dictate fare levels.”

“SAA already offers several discounts on that route. We don’t want to become a discount airline.”
**State airports to be commercialised**

The commercialisation of state airports and air traffic and navigation services was approved by government yesterday.

The Cabinet accepted a recommendation to form two public companies — the Airports Company and the Air Traffic and Navigation Services Company — with the state as sole shareholder, to take over the services currently provided by the Transport Department, Transport Minister Petter Nelgenrood announced in a statement.

The policy would be implemented by April.

The two companies would function within a commercial framework and be responsible for the operation of the nine state airports and the provision of air traffic and navigation services respectively.

New employment contracts would be offered to existing personnel.

The broad objective of the move was to render these services financially viable by implementing the principle of charging users.

"Government will therefore be relieved from the burden of providing and subsidising these services," he said.

The move followed recommendations by a task force policy document submitted to and accepted by the Cabinet.

The task force consisted of representatives from the various departments involved.

**Airports**

The renting of facilities to the airports will be emphasised, according to private consultants Price Waterhouse, Merensel and Lexetran, it worked in conjunction with the Transport Department to formulate the policy.

Welgenrood stressed that the commercial approach to the operation of the facilities should not jeopardise the general interest of the state, nor the essential functions carried out by the state at airports such as customs, immigration and health controls.

In terms of the new policy, the Transport Department would retain responsibility for:

- All aspects related to inter-governmental relations and negotiations,
- The implementation of broad government policy on airports and air traffic and navigational services; including the promulgation of the International Civil Aviation Organisation's standards and recommended practices and the designation of airspace, and
- The licensing of airports and personnel involved in the rendering of the services.

The two companies would submit a five-year business programme, as well as a detailed annual budget and management plan.

The relevant Minister would have limited but specific powers to ensure that the companies were being operated on a sound commercial basis.

A regulating committee would also be established to take responsibility for the economic regulation of the companies. However, the committee would not be able to intervene in the day-to-day running of the companies' affairs, Welgenrood said.

Independent boards of directors, appointed by the state, would manage the companies with the mission of maximising returns on capital while providing a non-discriminatory, cost-effective and market-related service to customers.
Govt wants airports to be viable

By Michael Sparks

The Cabinet has approved a policy, which will commercialise the country's airports and navigation services, Transport Minister Dr Piet Wullemood announced yesterday.

The aim of the policy is to make the companies economically self-sufficient and no longer dependent on State subsidies for their daily running, although the State will remain the only shareholder.

The Government hopes to implement the plan by April next year, with an independent board of directors to be appointed by the State.

The companies will have to provide detailed budgets to the shareholder as well as a management plan and a five-year business programme.

In order to provide funds for the running of the companies, user fees will be introduced, charging airlines and passengers for services used.

These will include fees for navigation facilities and air traffic control which are currently provided free.

Acting chief director of Civil Aviation Stuart Huckwell said these fees would bring South Africa into line with most other countries.
Two public companies are to be formed before April next year to operate the nine State airports and provide air traffic and navigation services on a commercial basis, according to Transport and Posts and Telecommunications Minister Piet Welgemeed.

In a statement yesterday, Mr Welgemeed said the Cabinet had approved two bills enabling the formation of the Airports Company and the Air Traffic and Navigation Services Company. The broad objective of forming the two companies was “to implement the principle of user charging with the resulting benefit that revenues generated by the companies” could be used for providing their required services, he said.

The State would be the sole shareholder in both companies, but the companies would be run on a commercial basis and the government would be relieved of the burden of providing and subsidising these services.—Sapa.
ANC seeks new transport policy

COSTS in the transport industry had risen disproportionately to inflation, resulting in declining gross domestic fixed investment in the sector, ANC spokesman Jane Barret said at the Annual Transport Convention in Pretoria yesterday.

She said the state should adopt a clear policy on transport which would form part of a broader economic policy.

Such a policy should develop new transport infrastructure, support economic development, reduce the cost of transport, ensure the narrowing of regional imbalances and regulate the industry regarding wages and working conditions.

Backlog

Labour had to be assisted by providing accessibility to employment sites, training and research support.

Barret said that the transport sector accounted for about 3.5% of GDP and took into account the contribution of ancillary transport, possibly as much as 10%.

About 5.5% of the workforce was engaged in transport in some form.

Identifying areas in which new transport policy was required, she said, in spite of the relatively high proportion of GDP spent on road construction, there remained a massive backlog of rural road infrastructure.

The loss of nearly all off-peak bus markets to the taxi industry and government's cutting of subsidies had plunged the bus industry into crisis.

The effective disinvestment of bus companies — for example, Putco's R81 million dividend, payment to shareholders in 1991 — further compounded the crisis.

She said the decentralisation of commuter transport planning and funding to regional authorities left unanswered questions about how revenue would be raised even to meet scaled-down subsidisation.

In the context of an overall tax review, she questioned whether licensing and fuel tax revenues should not be channelled into a dedicated transport fund rather than into general state revenue coffers.

Barret also argued for the development of low technology, multi-purpose vehicles for subsistence and semi-subsistence farmers whose transport needs were neglected.

Two-stroke engine vehicles modelled on a type produced in Taiwan could improve the quality of life and productivity of subsistence farms.

She also mooted the subsidisation of agricultural vehicles.

Manufacturing distribution costs added up to 26% of the cost of some products. She said that through relatively simple modification to heavy vehicle designs, up to 10% fuel savings could be achieved.

Diesel-saving innovations would also have to be accompanied by the encouragement of the use of diesel vehicles because SA had an oversupply of diesel due to the imbalance between diesel and petrol demand.

Barret said as much as R100 million a year could be saved by supermarket chains if they adopted more efficient delivery systems, such as centralised warehousing, roller pallets and improved information technology.

However, the savings would be passed on to consumers in the form of lower grocery prices. A policy on the concentration of businesses and on food prices would come into play in this regard, she said.
Outcry over ANC's 'police escort'

THE Goldstone commission will be asked to investigate an alleged police-escorted ANC march into an Inkatha stronghold in the Natal Midlands this weekend which preceded several attacks on Inkatha — leaving four dead and 12 injured.

Inkatha was also considering asking for redeployment of the Richmond, Natal district as an emergency area and for redeployment of the SAP's internal stability unit in the area, Inkatha spokesman Kim Hodgson said yesterday.

The move followed a march last Friday by about 200 ANC supporters carrying spears, pangas and other weapons to Patheni outside Richmond.

The SAP, allegedly under instruction from station commander Lt Lombard, escorted the march into the Inkatha area. Thus had been described by Patheni residents as a blatant act of provocation,” Hodgson said. A formal complaint was being drafted and would be submitted to the Goldstone commission today.

The march into Patheni was followed by an ambush in which ANC youths allegedly ambushed and gunned down 11 Inkatha supporters, killing two men and injuring nine at Gengeshe outside Richmond on Saturday, he said. On Sunday two men died and three were injured when Inkatha supporters at Patheni were attacked by a large group of armed youths.

Violence also erupted in Durban's Umhlazi township. The death included a three-year-old child who was burned in a petrol bomb attack on a house in the township.

The body of a policeman who had been stabbed was found in Empangeni, police said.

Sapa reported that the latest violence had led to an exodus from the area, with unrest reports warning a possible refugee crisis in the Port Shepstone area on Natal's south coast.

Three people were killed in fighting between Inkatha and the ANC in Murchison, on the south coast, police said yesterday.

Their unrest report said the body of a man who had been shot was found in Kattlehong, near Germiston, on Sunday.

The ANC's Stanger branch in Natal has broken off talks with the local town council, citing the political crisis triggered by the Bopatong massacre. They were to meet today to discuss demands.

Dutch airline puts SA flights on hold

AMSTERDAM — Dutch charter airline Transavia said yesterday it was postponing a planned new service to Durban because of renewed unrest in SA.

Parent company KLM Royal Dutch Airlines said it did not rule out changes to its own recently expanded programme.

"In the light of the political situation and the reactions of tour operators, we see no basis to begin flights," said a Transavia spokesman.

Transavia had been due to start the weekly flight on December 1.

A KLM spokesman said: "We don't rule out changes but we hope to fly as planned."

KLM, which has an 89% stake in Transavia, plans to extend its twice-weekly Johannesburg run to Cape Town from October 27.

No one was available to comment at Martinair, which also just won extra SA landing rights. KLM also owns a minority stake in Martinair. — Sapa-Reuters
PUBLIC SECTOR - TRANSPORT - GENERAL

1992

JULY - SEPTEMBER
BRITISH Airways has cut return fares to London to 1989 levels in a special "seat sale" following last week's air deregulation treaties between Britain and SA.

The airline yesterday announced a sale of 8 000 seats at R1 992, bringing the Johannesburg-London return fare down to less than the R2 000 mark "as a celebration of the new era of deregulation in SA."

BA SA manager Malcolm Freeman said this was substantially below normal or even special fares to the UK, which had recently been as low as R2 766.

Seats have to be bought in July and used between mid-September and the end of November. Bookings cannot be changed and there is a 50% cancellation charge.

Freeman said the new fares marked the beginning of greater freedom for the airline industry operating flights to SA.

He said this would not be the last special sale announced by BA.

In terms of the sale, BA would cut the cost of flying from Cape Town to London to R2 392 and from Durban to R2 212.

Meanwhile, Richard Branson's Virgin Atlantic airline has been granted permission to fly to SA five times a week.

Virgin spokesman Will Whitehorn confirmed yesterday that the airline had won government permission in terms of last week's bilateral UK-SA treaty.

The UK would each week run 15 flights, 10 of which were operated by BA.

Virgin was trying to obtain slots at Heathrow for its flights.

The commissioning of flights to SA would depend on when slots became available. He expected this to be some time between December and next October.
Scramble for cheap seats

British Airways introduced a cheaper fare from Johannesburg to London this week. Michael Sparks looks at whether a price war is looming and what it would mean for passengers and the airline industry.

British Airways introduced a cheaper fare from Johannesburg to London this week. Michael Sparks looks at whether a price war is looming and what it would mean for passengers and the airline industry.

“Scramble for cheap seats” is a headline. The article discusses British Airways' introduction of a cheaper fare from Johannesburg to London. Michael Sparks examines the implications of this price war for passengers and the airline industry.
Motor industry takes on tow operators

THE Motor Industries Federation is to introduce regulations to curb tow operators who swoop on car accidents "like vultures" and charge exorbitant fees.

MIF spokesman Cor Fal- ing said the regulations, drawn up by the MIF and consumer, motor and insurance bodies, had been approved by government.

Operators who register with the MIF will be required to maintain proper business premises, provide adequate storage facilities for towed vehicles and op-

Airlines avoid entering price war as BA sells 3,000 discount tickets

AIRLINES serving Europe from SA will not enter a price war after British Airways announced a limited offer of return fares to London at 1969 levels.

SAA, the only airline serving the Johannesburg-London route, also said it would not be drawn into a price war.

British Airways recently offered 8,000 seats at R1,992 for a return fare on the Johannesburg-London route, R2,392 from Cape Town and R2,212 from Durban.

Bookings opened on Wednesday and by early yesterday morning an airline spokesman reported that 3,000 seats — on offer for use between mid-September and the end of November — had already been sold.

Lufthansa said it had no immediate plans of lowering its fares, pointing out that a special "birthday offer" introduced by the airline earlier this year was still holding.

Spokesman Karin Lamb- son said the R2,599 offer stood from the end of this month, through the traditionally costly high season, and ended on December 31.

The offer included departures from Cape Town and Durban.

However, discount fares could be announced later this year to coincide with the introduction by Lufthansa of new destinations, she said.

KLM also said its earlier announcement of special fares at R2,596 were still on offer.

"We do what the market demands," said spokesman June Crawford.

In October, KLM would start flying out of Cape Town and the public could expect some "creative" introductory fares. An announcement was expected next week, she said.

A spokesman for Belgian airline Sabena, said it was too early to react to BA's offer, while Swissair spokesman Simon Widmer said his airline's policy was one of flexibility and to follow market demands.
Airlines and travel agents, which until recently competed under the gentlemanly Marquis of Queensbury rules, are turning into scrappy street brawlers as deregulation of the domestic and international skies cuts into their once safe profits and commissions.

It's already war out there. More airlines than ever before are flying into and out of SA and prices are dropping to reflect increased competition. On domestic routes, too, passengers now have a choice of carriers. When no-frills Comair starts operating on the Johannesburg-Cape Town route on August 3, it will charge R339 one-way economy, compared with R430 on SA Airways and a similar fare on Flitestar.

The discounts are so deep that travel agents are even taking cuts in their sacred commissions, which are 7% on domestic and 9% on international flights.

Williams Travel World MD Bob Williams says many travel agents are bleeding because of reduced commissions on discounted fares. He predicts that "many of them will go to the wall before there's a recovery."

Discounted fares started becoming available a year ago on European routes when SA and its pool partners, accepting that nothing is as saleable as an empty seat on a plane that has taken off, began offering discounts in order to increase their loads.

In late October, Flitestar announced an Early Bird return fare of R2 595 to Amsterdam, and offered to match any lower fare to a European destination of an equivalent distance. SAA's immediate response was to undercut Flitestar's fare by R95. Those fares were almost R1 000 cheaper than the cheapest on offer a year earlier.

In April, Lufthansa decided to celebrate its 30th year of flying to SA by reducing its return fare to Frankfurt to R2 599, but it is available only when there are empty seats and there are other restrictions. Tickets can be bought only until the end of the month and may be used only until the end of the year. Said spokesman Karin Lambson.

Lufthansa uses Flitestar to fly passengers from Cape Town, Durban and Port Elizabeth to Jan Smuts, at no extra cost, because SAA did not want to join the promotion.

This week, British Airways announced a special fare of R1 992 return between SA and the UK. But, as with all special offers to Europe, it doesn't plan to sell all the economy seats in its 10 Boeing a week to London at the discount. Those fares are available only when there are seats unfilled by full-fare (R7 468) paying passengers. In addition, tickets must be paid for and seats booked in July, and the fare is valid only for travel between September 14 and November 30.

It is R8 less than Transport Minister Piet Weigenhoud's dream of a Johannesburg-London return fare of R2 008.

SAA, which is expected to show a substantial loss this year, hasn't reached yet to BA's new fare. But it has little option but to follow suit or lose passengers. SAA's superex fare, which ranges from R2 930 to R3 970 depending on the date of departure and availability of seats, is out of line.

Nevertheless, by matching KLM's offer and the specials of its Far Eastern pool partners, SAA has shown that it is learning the rules of the game. It sold 3 000 seats on flights between September and March to a UK travel club called Friends of the Lion. The club in turn is selling tickets to members for £495 (R2 600).

As far travel to the Far East, discounts are available year-round, not just when high-priced seats remain empty. With a six-day minimum stay in Singapore, the return fare on Singapore Airlines or SAA is R3 350, a massive R6 489 — or 66% — saving on the normal economy return fare of R9 839.

That option has become so popular, says Singapore Airlines' spokesman Jenny Keary, "that we hardly sell any economy class tickets anymore."

The normal economy class fare to Hong Kong is R10 241, but both Cathay Pacific and SAA offer passengers a year-round return fare of R3 734. For an additional R265, says Jeff Naylor, Cathay Pacific marketing manager for SA, his airline also offers five nights' accommodation in Hong Kong.

More passengers fly between Europe and SA, which is why so many economy class fares are still sold, but competition may become so fierce that airlines operating on those routes may be forced to offer genuine, year-round discounts, or face extinction, because of the signing in London last week of a bilateral agreement between SA and the UK.

More flights to London

The agreement allows Britain and SA to nominate two carriers each, and it increases the number of flights from 10, each way per week, to 15 for each country. That will open the door for Virgin Atlantic Airways, which, it is believed, will get the additional five British flights. BA's new promotional fare is a clear signal to Virgin that it can—and will—undercut competitors to keep passengers from the SA side, it is believed that SAA will increase its frequencies from 10 a week to 12 a week and Flitestar will operate the other three.

The deregulation also means that both governments will have to reject a proposed fare before it can be disallowed. Now, one government alone can veto a fare.

Williams, the travel agent, says the deep discounts mean deep reductions in commissions. The difference in the commission between one of BA's new promotional fares and a normal economy class return fare to London is nearly R500. "We, of course, hope that the reduced fares will stimulate passenger growth, but the volumes aren't there yet, and we're making 1982 profits and hoping to meet 1992 expenses. There is no longer a place for momma and poppa agencies."

Lillian Boyle, MD of Rennies Travel, the biggest travel agency in SA, agrees, and predicts it will take a long time before travel picks up sufficiently to benefit airlines and agencies.

Naturally, the proliferation of discounted fares does not please Laurie Wilkison, president of the Association of SA Travel Agents. And he doesn't think passengers are aware of the risks. "There are big cancellation fees and a delay can mean a flyer will have to pay for another full fare."

Indeed, passengers will have to be willing to fight for a bargain and work to avoid the risks of airline deregulation.
Small airports to take on big rivals

SMALL airports in the PWV area are gearing up to compete with Jan Smuts in the local and international cargo and passenger flight market — believing they could provide a faster and more localised service.

Grand Central Airport this week made the first move in taking on Jan Smuts by obtaining full international status and announcing scheduled flights between Johannesburg and Durban from early next year.

The airport's location in Midrand provided easy access to passengers from Pretoria and Johannesburg's northern suburbs. The developers believe they have found a niche for business travellers.

Monthly passenger levels at Grand Central are expected to increase from 4 500 to 20 000 within two years and the airport could be expanded in the near future to handle up to 50 000 passengers, developers said.

The Vereeniging City Council was upgrading its Transvaal Airport facilities, council spokesman Sven van Rensburg confirmed.

Transvaal served the Vaal triangle, and one of the council's priorities was to handle large amounts of cargo in addition to more passengers.

Germiston's Rand Airport has spent millions on upgrading facilities, including navigation equipment and extensions to its runway, manager Gordon Wright said.

Rand has customs and passport facilities to accommodate passengers from neighbouring countries and the homeland. The airport currently handled only charter flights but a separate terminal building was being erected to handle scheduled flights.

Wright did not envisage handling big airlines like Fitzat and Comair at this stage, but he had targeted smaller operations like the safari and game park trade and businessmen flying from Nelspruit, Phalaborwa and neighbouring countries.

A 15-minute drive from Johannesburg, Rand was ideally situated for businessmen who could not afford the delays at a major airport like Jan Smuts, Wright said.

Discussion between private airlines and management of Wonderboom Airport, north of Pretoria, about the introduction of scheduled flights has taken place, an airport spokesman said.

Wonderboom, which has passport and customs control facilities, did not intend competing with Jan Smuts, but management believed passenger potential could justify the introduction of limited scheduled flights.
Bank official Karel Oosthuizen to discuss the corporation's deposit. Oosthuizen reiterated what had been told by the Bank to Bellingan and said that the Bank was waiting for an auditor's report and that "no changes must now take place."

However, documents show that Oosthuizen had been present on March 18 at a CIB board meeting which heard that liabilities exceeded assets by R110m.

When Louw raised the matter of R103m which was due to have been paid out (on that day) to his corporation, Oosthuizen told him to roll it over. Later, during a liquidation application, Deputy Registrar of Deposit-Taking Institutions Christo Wiese admitted in a sworn statement that "Oosthuizen had convinced" Louw to roll over the payment which had been due to be paid out.

Louw, in another telephone conversation with Bellingan on April 11, the day of CIB's liquidation, described a breakfast meeting which he and Kobus Smit had with Wiese and Registrar Henk van Greunen, at the Burgerspark Hotel in Pretoria, on December 13 1990. He told Bellingan that Van Greunen had told him not to withdraw the Commuter Corp's deposits because "CIB would be taken over, (and) that there will be a bank merger."

Despite Wiese's affidavit and the conversation between Louw and Oosthuizen (on March 28), Van Greunen, in a Rapport interview three weeks ago, denied that he or any other Bank official had ever made such a request (not to withdraw its deposit from CIB) to the Commuter Corp. He also denied that he at any time assured the Commuter Corp that the Bank would stand surety for any possible losses which the corporation may suffer through its deposits with CIB.

At one stage during his conversation with Louw, when Louw asked him what could be done (to save the deposit), Bellingan said that he would have to listen to a few taped telephone conversations (between himself and the Bank) "to hear what undertakings I have received."

However, he added: "As far as I am concerned, you should also get your money back, but don't quote me because I am involved with sensitive discussions with them (the Bank)."

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*Eddie Botha*

form of a light rail system must form an integral part of the city's future public transport system."

Symon's talk was entitled "What is a light rail system?"

Jomag, Pengelly stresses, is a disinterested party. It is trying to advance the cause of public transport and has been involved in discussions since the start of the Masstran feasibility study. Its 40-page analysis of the final report is due to be released next week and is critical of the LRT recommendations.

Jomag's analysis reveals a bias in favor of LRT due to flaws in some of the technical data. LRT looks like a viable option.
**Head-on clash in R10m bus battle**

Don't you like my face? RSC chairman asks mayor

Western Cape Regional Services Council chairman Piet Loubser has lashed out at Cape Town's Mayor, Frank van der Velde, over his call for the city council to pull out of the RSC — going so far as to suggest Mr Van der Velde does not like his face. But the mayor has given as good as he got.

**CLIVE SAWYER**
Municipal Reporter

**SALVOS of words are being fired between RSC chairman Mr Piet Loubser and Mayor of Cape Town Mr Frank van der Velde over a Weekend Argus report in which the mayor slammed the non-accountability of the RSC.**

Central to the row is a controversial R10-million subsidy for bus services and the RSC itself.

This week Mr Loubser faxed to Weekend Argus copies of a letter he had sent to Mr Van der Velde a day before the monthly city council meeting.

At the meeting lawyers were appointed to probe whether court action could be used to stop the subsidy and to stop further entrustment of functions to the controversial body.

The council resolved it was improper for the RSC to be allowed to widen its functions until the future of local government in metropolitan Cape Town had been sorted out.

In the last-minute appeal Mr Loubser asked Mr Van der Velde to disclose "facts" to the council meeting which would "lead to a resolution that takes account of all important perspectives and the best interests of your council's taxpayers as well as that of the less privileged inhabitants of your area of jurisdiction."

The "facts" included:
- **Department of Transport subsidies were not cut in monetary terms but in real terms because they did not take account of inflation.**
- **Mr Loubser challenged the mayor's claim that the RSC was not accountable, saying the RSC gave account of its financial affairs monthly to its finance and executive committees and it held regular talks with organised commerce and industry.**
- "It is flattering to my ego to learn but you could not have been serious when you expressed the opinion that the granting of the subsidy was partly the result of a government appointee, Mr Loubser, chairing the RSC."
- **In terms of the 1985 RSC Act the body can appropriate funds to pay for the infrastructure and running of transport services.**
- **The RSC gave large sums to the city council which would otherwise have come from rates.**

"It is regretted that you are of the opinion that the city council should pull out of the RSC."

"Even if you don't like my face and even if you and the majority of members of your council do not support the government, the track record of the WC RSC proves it is indispensable, especially for the less privileged inhabitants of our region," Mr Loubser told Mr Van der Velde.

But the mayor described Mr Loubser's statements about the subsidies as "utter nonsense."

Subsidies from the National Transport Commission had been dropping steadily so that diminished funds allowed only keeping up existing projects.

Mr Van der Velde said he had been part of a delegation to get money from the Department of Transport for regional projects, and the government had been given a list of projects according to priority.

Nothing had happened and the RSC had accepted the role of paying bridging finance for the State.

As for Mr Loubser's claims of accountability, Mr Van der Velde said it seemed the RSC chairman did not know what the term meant. He said Mr Loubser was not an elected representative and was accountable only to parliament.

As for not liking Mr Loubser's face, he said "Of course I like his face. In fact, he has been called Heidi se Oupa."

But the fundamental point was that the RSC gave "patronising handouts" and was merely the agent of money collected from member councils' ratepayers.

Much of this money came from Cape Town ratepayers, particularly the business community.

Mr Van der Velde said Cape Town was criticised for high rates, most recently by the SA Property Owners' Association, but this was because the city redistributed wealth.

"The fact the RSC is the agent for handing out money does not make it Father Christmas," he said.

The situation was similar to that of the House of Representatives, which was given money to dole out to buy acceptance.

"Dr Joan Sonnenberg said correctly during this week's debate that the RSC has legality but not legitimacy," said Mr Van der Velde.

"Apartheid was legal, the Group Areas Act was legal, the Population Registration Act and 180-day detentions were legal, but that does not mean they were legitimate," said Mr Van der Velde.

During this week's council debate Mr Clive Keegan, Deputy Mayor and RSC land-use and transport planning committee chairman, said it was "highly undesirable" to suggest Cape Town's representatives should pull out of the RSC.

This would lead to even greater secrecy in the way it was run, he said.

In the debate Mr Llewellyn van Wyk appealed to the Press, frequently critical of the city council, to give the RSC a turn under the harsh spotlight.
Transnet staff accuse bosses of bungling

THE 18 000-strong transport union, Salstaff, this week urged President FW de Klerk to set up an independent commission of inquiry to investigate the alleged mismanage-
ment of Transnet.
In a telegram to President De Klerk, the salaried staff union claimed senior Transnet officials were incompetent and were remiss in financial planning.
"There are many instances of pro-
lific spending notwithstanding the
economic situation of the company," said the telegram.
Salstaff president John Benwell said although employee numbers had been reduced from 280 000 to 160 000, top management had not shown a similar trend.
He said that during wage negotia-
tions which closed on July 1, Salstaff
had to settle for a year-long morato-
rium on retrenchments and no sala-
ry adjustments because it was told
Transnet could not afford increases.
"Staff were granted only R125
across the board to compensate for
the shift to a more expensive private
medical aid scheme," he said.

Wastage

Mr Benwell accused the govern-
ment-appointed directors of Trans-
net of turning a profit of R174-
million in the 1988 book year into a
multi-million rand loss since the or-
ganisation was commercialised.
Citing examples of gross wastage,
Mr Benwell said there were several
floors at the old Paul Kruger head
office in central Johannesburg which
were unused and 50 percent of the
plush new Autonet office in Park-
town was vacant.
"Despite the fact that Autonet is
virtually bankrupt, Transnet is wast-
ing existing space and spending
exorbitant amounts on new office
rentals."
Three-quarters of office space in
the Union Square building and half
the space at South Station was
empty, he claimed.
Salstaff also claimed fleets of
company-owned cars stood idle.
"Senior officials are given car sub-
sidies and petrol allowances but they
use the pool cars and the subsidised
cars are kept for private use," said
Mr Benwell.
Salstaff also questioned Transnet’s
employment of business consultants
to show management how to manage
while hundreds of workers’ jobs
were on the line.
Mr Benwell said he
could not understand why
the finance department
hired 25 private chartered
accountants when there
were people employed to
do the job.

Work

Even though Transnet
was supposed to be on the
way to being privatised,
when employees tried to
compete in the private sec-
ctor they were told they
could not.
He said staff at the
Transnet Salt River work-
shop in Cape Town man-
gaged to secure private con-
tracts, but were told they
could not fulfill them.
"The staff are prepared
to get the work to keep the
company viable, but the
government is stopping
them," said Mr Benwell.
SA exile's airline set to fly to Jo'burg

Handing finance arrangements for Pegasus were two US companies — Dolex Securities, a black-owned company with a seat on the New York Stock Exchange, and Worldwide Investment Services, whose chief financing officer was Otto Winfield and chairman James Simkins.

"We have added another $10m in line of credit to make sure we start on a sound footing," Maepa said.

Maepa, chairman of the Pegasus board, studied electrical engineering and computer science after leaving SA as a political refugee 23 years ago. He was now a US citizen.

Earlier this year Maepa said his operation would begin with three flights a week to Johannesburg, using a Boeing 707. Pegasus, which had teamed up with the National African Federation of Transport Organisations in SA in the venture, began negotiations for leasing aircraft from a US carrier last November.

CHARLIE PRETZLICK reports that after an absence of five years, Air Canada has decided to re-open its office in Johannesburg.

Air Canada did not operate flights from SA in the past and a spokesman said there were no plans to do so in the future. The new office should make it easier for travellers to arrange connecting flights to Canada from other parts of the world, he said.
Full steam ahead with 'new' passenger coaches

CLIVE SAWYER
Staff Reporter

The first of a series of reconditioned coaches, painted in the original South African Railways colour scheme, will come into service on the George-Knysna rail preservation line this week.

Transnet is to meet town councillors and tourist associations from George, Wilderness, Sedgefield and Knysna this month to discuss the future of the preservation line.

The line is the last in the country to have swing-door passenger coaches in daily service.

The spokesman said the coaches had been in service for many years, but had needed little maintenance, being kept clean and roadworthy.

The repainted coach is a combination first-class passenger coach and guard's van.

Restoration, done at a Port Elizabeth depot, was being supervised by the Transnet Museum and several other coaches were scheduled for revamping.

Class 24 steam engines pull the daily mixed goods and passenger trains. Two Class 19 locomotives have been transferred to the line and are expected to be in regular service soon.

A Transnet Museum spokesman in Johannesburg said the financing of the preservation line would depend on how various Transnet properties along the line were handled.
PORTNET is talking to private companies about stimulating the ship repair industry. It was hoping for a new deal for Durban's dry dock. Portnet said yesterday it was found recently that Durban's ship repair facilities had a 72% utilisation and East London's 38%.

Portnet hoped to put the facilities under a management body which would encourage competitiveness and bring in forex.
Airfare war extends to US

Airlines serving the US from Europe are taking advantage of the special offer by British Airways on its Johannesburg-London service by offering connecting flights to New York that are cheaper than the direct SA-US flight.

Continental Airlines, which flies out of London to the US, said yesterday that "fare war" on the Johannesburg-London route made trans-Atlantic travelling to North America extremely viable.

Travellers flying to New York via London in October, using a combination of BA's limited-period R1,999 fare and Continental's low-season fares, would be able to beat the next best price of R4,400 by about R300, a Continental spokesman said.


SAA, which earlier indicated it was not going to enter into a price war with BA on the lucrative Johannesburg-London route, said the trans-Atlantic option had always been open to travellers.

The route was used mainly by those who wished to spend a few nights in London.

However, a spokesman for SAA said travellers should remember that flying to New York via London often meant being forced to spend a night in a London hotel, which could inflate the cost of a trip.

SAA's direct flights to New York had not been affected by BA's offer, he said.

SAA would start operating a fourth weekly flight to New York next month.
SAA chief to take on Transnet post

SAA’s CE Gert van der Veer has been appointed one of two Transnet Ltd deputy MDs as part of moves to decentralise authority in the state-owned transport company.

Van der Veer would remain CE of SAA until March next year when he would be succeeded by Spoornet group GM Mike Myburgh, Transnet chairman Marius de Waal announced yesterday.

Spoornet CE Barry Lessing has been appointed a Transnet deputy MD.

De Waal said the decentralisation of Transnet into business units, which commenced during the formation of the company, would be extended on August 1 when the appointments take effect.

This will be implemented to improve management autonomy and establish the decentralisation of authority," De Waal stated.

The appointment of two deputy MDs was necessary for the management of the more decentralised structure.

Van der Veer and Lessing would function in conjunction with Transnet MD Anton Moolman as chairmen of the management boards of the more than 20 Transnet business units, said De Waal.

Myburgh was appointed deputy CE of SAA in the interim, while Braam le Roux would replace Lessing as Spoornet CE.
Happy landings...

New airport set for Cape...

...would most definitely be...
Domestic air rates are lower despite airlines' higher costs

LOCAL airlines have often been accused of charging more in their captive SA market than their overseas counterparts.

However, Flitestar MD Jan Blake says South Africans enjoy the same services at a rate often considerably lower, despite the fact that local airlines have a higher cost structure.

**Charges**

He points out that a flight from Brussels to London is roughly the same distance as Johannesburg to Durban, but the London/Brussels service costs 250% more.

Blake says: "Our costs are higher than what you would have in Europe or America. We are far from any of the aircraft manufacturers so any part that we have to get here must be imported, with all the attendant freight charges and duties. It is costing a substantial amount over and above the normal price quoted by the manufacturer."

In addition, as we are so far away that the time required to obtain a part is longer and that means we must have a larger stock of spare parts. That is more capital tied up and more space we must rent in which to store the spares.

The European carriers are nearer to their sources of supply and they have numerous other airlines from which they can borrow parts should the need arise."

He points to the high local fuel price, which is about 30% more expensive for SA airlines than European carriers.

Insurance is another high cost, he says.

Despite the excellent operating record enjoyed by local airlines, they are classed with the rest of Africa and must pay more. Blake says it is easier to move higher volumes of people at fixed costs can be spread. But SA volumes are small.

**Limited**

"Large volumes enable you to cut back on airport services and frills. For example, in America a carrier like South West Airlines is one such operator. They have a limited reservation system and less administration."

"The passenger goes to the airport without a booking. The airline runs an hourly shuttle service and the passenger takes the first available seat. People are issued with receipts which are also tickets and boarding passes. The charges are low as the airline has high density seating and high volumes. We do not have the volumes to justify such a system in this country and business travellers require reservations."

He points out that SA is small by world standards and need now is to stimulate more inbound traffic from Hong Kong and Japan.

"The main target must be the business sector." From the tourism point of view, Hong Kong people are interested in shopping and eating and the Japanese are extremely security conscious. So on these counts SA is not a recognized tourist destination, says Blake.

"With four airlines servicing the Far East - Cathay, Singapore Airlines, China Airlines and SAA - and Qantas back on the Australian route, the competition for passengers is particularly keen."

"We are hoping that this competition will help to stimulate inbound traffic, but that will take time," says Robson.

On the question of a weekly flight on the SA route, Robson says he is monitoring the situation carefully and when the demand justifies it, the extra flight will be added.
SA has to make all-out overseas advertising effort

IF SA is to create the tourism boom which it hopes will generate jobs and foreign exchange, it is going to have to promote itself overseas.

SA has enjoyed a tiny fraction of the world’s tourism market, mainly because of its adverse image.

Now an all-out effort will be required to make tourists think of SA as the place in which they most wish to spend their holidays, rather than as a place with political disturbances.

Flitestar MD Jan Blake says “To produce the boom in tourism, we need really a major drive overseas as far as advertising is concerned. The government and Satur will have to play a major role. We have to bring SA to the average European and other world travellers.”

“People who have never been here will now have an incentive to come because of what they have seen. This is a safe destination, and they will not be attacked in the middle of the road.”

“I am not saying it is pointless to promote SA until the violence has ended. There will still be tourists who choose SA as their destinations, but a lot of people will not come as long as SA is perceived as dangerous.”

Southern Sun MD Ron Stringfellow says that promoting SA on a worldwide basis is going to be an expensive business.

“The cost of running, for example, an effective television campaign in the US is extremely high and would require huge state backing.”

“While the government now accepts that tourism is a high priority for future growth, it hasn’t got the funds or the foreign currency to throw that sort of money at it,” says Stringfellow.

Gradual

He suggests that promoting SA be carried out on a more gradual basis, working through the various private sector interests around the world.

He says the hotel group, along with other tourism oriented companies, attends travel and tourism trade shows.

“We go to the travel trade shows and we talk to tour operators. They in turn put SA into their brochures and those brochures go into the travel agencies.”

There is a need to make the most of available funds.

He suggests targeting specific markets such as the UK, Germany, Italy and France.

He says there is an urgent need to promote charter flights to SA.

There are a number of charter operators which have applied for licences to make flights into SA. However, the approvals are for two of SA’s busiest months and Stringfellow would like to see such flights coming into SA all year round.

“If they receive their licences, and I expect they will, it will mean four flights a week into both Durban and Cape Town. That is eight flights with around 3 200 people each week if they are staying for two weeks that is 6 400 people to accommodate.”

“That is why going through the existing channels in the world travel industry can be the most effective route. If the tour operators can see a profit in flying people to SA they will promote it as a destination. And they can get to the end user very quickly,” says Stringfellow.
India: destination with a difference

DIRECT flights between SA and India could dramatically boost trade and tourism between the two countries.

Thomas Cook India GM Gita Choksi says "The Indian Government is committed to promoting trade and tourism with SA and is doing all it can to speed up the paperwork and the granting of permits. Negotiations being carried out to open up the route are very encouraging."

"However, until direct flights start to Bombay, travellers can make use of SAA, Kenya Airways, Zambia Airways and Air Mauritius, which fly indirectly to India, providing connections with onwards flights via other destinations."

Rennies Travel GM marketing and sales Kathy MacWhirter says that depending on the number of entries, visas can take up to two weeks to be granted. Their validity period has been extended from seven days to a maximum period of up to six months for business and tourism.

Appealing

Says MacWhirter "An appealing feature for the SA corporate traveller to India is the fully equipped business centres strategically positioned in the main business districts, offering meeting rooms, conference facilities and communications equipment."

"These offices can be hired for as little as R80 a day."

She believes India also offers the incentive of a destination with a difference.
KLM staff quiz will help put SA on map

KLM Royal Dutch Airlines has embarked on an ambitious programme to make its 39,000 employees around the world aware of SA's potential as a tourist destination.

The investment follows the airline's launch of a third weekly flight to Johannesburg. In October it will begin flights to Cape Town.

The selection of Cape Town as one of KLM's more than 150 destinations follows intensive market research.

Marketing manager June Crawford says: "A major objective is to make it easier for European tourists to get to the Cape. We expect this traffic to complement the first- and business-class travel we will generate when we link the Cape into the KLM global network."

Awareness

Part of the employee awareness campaign is a quiz on SA, with trips to the country as prizes. Crawford says the strategy is intended to educate and excite KLM's staff about SA.

"Our staff are sold on the destination, they quickly convey their enthusiasm to customers," says Crawford.

KLM offices around the world will distribute special promotional material to support the drive and SA will feature in the many magazines KLM hands out to travel agents and potential tourists.

The airline will also help sponsor workshops on SA for tour operators in Scandinavia in October and November.

"KLM offers a highly convenient routing to and from Scandinavia due to the frequency of our connections from Schiphol. This is an area where we maintain a strong presence, and we are now playing a part in persuading Scandinavians to rediscover SA," says Crawford.
ANC takes on 'new apartheid' at station

CT 91192 Staff Reporter

The ANC looks set to win an easy victory this morning when it defies what it calls "the new apartheid" at Cape Town station by going through the first-class station entrance on third-class tickets.

Mr André Harrison, the metro manager in Cape Town, declined to say yesterday how the defiance would be handled, but said they did not want a confrontation.

The "first-class" side of Cape Town Station had not been designed for a mass flow of people.

Separate entrances and exits were in accordance with the principle of different facilities for different prices, he said.

An ANC statement said the third- and first-class entrances had always been used as apartheid's black and white entrances. "So in spite of claims that station apartheid is dead, nothing much has changed."
**Taxi ‘war’ over Zimbabwe route**

THEO RAWANA and WILSON ZWANE

SA’s taxi operators were using strong-arm tactics in an attempt to force Zimbabwean bus companies to abandon the Beit Bridge-Johannesburg route, a source said yesterday.

These tactics included abduction and intimidation.

SA Long Distance Taxi Association (Salda) president Peter Rabali said he could not see if Salda members were involved, but confirmed his northern Transvaal region had been in dispute with Zimbabwean bus operators.

Rabali gave the names of three Zimbabwean bus companies involved on the route: Shochame, Countryboy and Matambazane.

The source, who wanted to remain anonymous, said taxi operators had attacked Zimbabwean bus drivers in central Johannesburg three times this week. Three days ago, a Zimbabwean bus driver and his conductor were abducted by taxi operators, while another attempted abduction was foiled by police intervention on Wednesday.

Rabali was non-committal on the incidents, but said Zimbabwean bus operators had reneged on an agreement with his organisation.

This agreement stipulated that only one bus should run the route each day.

“No the Zimbabweans have flooded the market and left our men with no fares on a route they initiated,” said Rabali.

**Forum cancelled after police raid**

ADRIAN HADLAND

The proposed establishment of a joint negotiations forum including the Pretoria City Council and the Central Transvaal Civic Association (CTCA) was cancelled this week after a police raid on the parish church of CTCA president Father Sman-galiso Mkhathswa.

Mkhathswa, who is also general secretary of the Institute of Contextual Theology, was awarded R25 000 by the Law and Order Minister in 1986 following allegations of torture.

Civic representatives said at a Central Witwatersrand Metropolitan Chamber meeting this week that the raid was on Monday, as well as alleged intimidation of other civic leaders in the PWV region, was threatening the local government negotiation process.

Civic leaders in the Metropolitan Chamber said they had asked court officials to put pressure on the police to stop the alleged victimisation of civic leaders.

CTCA general secretary Star Vlakazi said up to 50 police officers and soldiers had taken part in the three-hour raid on the St Charles lwanga Catholic Church in Soshanguve

He claimed a number of people had been assaulted.

A police spokesman said a pistol and ammunition had been found in the living quarters of a Catholic church in Soshan-guva after a raid on Monday afternoon.

There had been no arrest during the incident, he said, although police were looking for the owner of the weapons.

**SAAF takes off to help in Angolan election**

THE first of several SA Air Force aircraft, which would assist the Angolan government with an air structure for that country’s general election in September, left Waterkloof in Pretoria yesterday.

The three Hercules C-130s and two light planes would prepare the installation in Angola from where the SAAF would operate before a contingent of about 80 members with helicopters and light aircraft joined them, an SAAF spokesman said.

The operation was the largest assistance task conducted by the SAAF to an African country, he said.

“IT was the people of Tanzania who made a great sacrifice for the liberation of southern Africa. It is only fair that the complexities be handed over to them and not to CCM,” civil rights lawyer Mabere Marando said — Sapa-Reuters
Railway land offers great potential

By Meg Wilson

In the current market, an income growth forecast of 37 percent a year from any property portfolio may seem somewhat ambitious.

However, the property management team at the South African Rail Commuter Corporation (SARCC), is confident that this is achievable — for the next five years.

The portfolio, inherited from the old SA Railways and Harbours in 1997, is estimated to be worth R1.8 billion to R1.7 billion, although haphazard record-keeping during a long history still makes it almost impossible to assess its exact worth or income potential.

Dirk Ackermann, SARCC senior general manager in charge of the property management division, says however, that his team has now managed to accurately document some 60 percent of the holdings and to identify what it believes to be 30 percent of the development potential over the next five years.

He told delegates to a Property Owners’ Association meeting yesterday that the division, formed in February 1997, had also raised income from some 4,000 leased properties to R28 million in its first year of operation, from around R12 million the previous year.

Compared with the R1 billion-plus spent on subsidisation of commuter rail services, the amount is, though hardly significant — and that, says Mr Ackermann, increases the motivation to maximise the potential of the portfolio.

However, he says, the methods for doing so are likely to be different from those of other large property owners.

“The major reason is that the corporation’s holdings are in many cases strategic, in the sense that they are in critical urban positions. This makes it a custodian of ‘people’s land’, which should not necessarily be developed solely for (its own) gain.”

The division aims to balance development imperatives with the principle of economic empowerment — “spreading a little sunshine throughout the property sector” by maximising co-operation with the private sector, through franchising and networking with other businesses.

It has in its favour expropriation rights, possible tax exemptions and “influence with local authorities”, but there are, of course, obstacles.

One is the need for the SARCC to maintain its “right of way” over much of its land, which makes development planning extremely complicated.

Another, and perhaps more serious, one is that many of the holdings are complex precincts, due to the way SARH properties were divided upon privatisation.

Simply, those holdings where there is more commuter traffic than goods usage belong to the SARCC, and those where goods traffic is predominant fall under the control of Protrax, the property management arm of Transnet.

This may yet be too much for all but the most sophisticated of private sector developers interested in doing a deal on “railway” land.
cally made coaches, instead they're hanging on to their ageing fleets and hoping that soon they'll be able to buy European, American or Japanese units.

The debate is important because, if the impasse isn't resolved soon and operators don't begin buying more coaches, they may not be able to cope with the flood of overseas tourists expected after October when European fies south to escape their winter, says Riccardo Dell'Erba, MD of Springfield Atlas, one of the biggest operators.

Hotels, now operating at about 50% occupancy, and other under-used tourism facilities, will not be strained by an influx of tourists. But according to the National Association of Automobile Manufacturers of SA, there are only about 400 coaches on the roads in SA now, probably not enough to cope if hordes of British and German tourists, with their hearts set on Garden Route or wine country tours, materialise.

"Unfortunately, some operators own outdated and unreliable fleets and will not cope with the demand when tourism picks up," says Christo Beiter, GM of Autonel's Coach Express, a Transnet subsidiary and probably the biggest SA touring-coach operator.

"Those that have been updating their fleets continuously will cope with any increase in demand."

Dell'Erba says Springfield Atlas's business was up 90% in the first quarter of this year, compared with the same period last year, "and 99% of those who boarded our buses were overseas." The SA Tourism Board's latest figures show a 20 990, or 15.6%, increase in the number of overseas visitors in the first quarter of the year, compared with the same period last year. It expects a 12% increase in overseas visitors overall this year. This outlook has dimmed slightly in recent weeks because of the wide international publicity given to the Bophotong massacre and the ANC's break off of talks at Codesa; some visitors may decide to cancel their trips.

Dell'Erba would like to buy European coaches, at R650 000-R700 000 apecch. But the duties put the imported price out of reach. "We would have to charge fares that would be unacceptable to foreign tourists, and certainly to local tourists, to get a decent return."

But he doesn't see an alternative in buying locally made coaches. "There isn't a coach in SA that a European would regard as a luxury coach. They are luxurious by SA standards, but not by European standards, and tourists compare them with what's available overseas.

"Our products are poor adaptations. We cannot expect people skilled in building commuter buses to be skilled also in building luxury coaches. And the chassis they use here for our semi-luxury buses are meant for other uses and have been modified."

He says five coaches that Springfield Atlas had built in SA were too heavy over their front axles and had to be redesigned and rebuilt. A competitor's locally built double-decker touring coaches don't have enough luggage space, so they haul trailers. Builders say this is because the vehicles were built for inter-city commuter work, not to take tourists around game parks.

His scathing criticism has understandably met with a fierce reaction from builders, who construct the coaches over chassis and engines supplied by manufacturers such as Mercedes-Benz. Rob Duff, MD of Dorbly Transport Products, which owns Busaf, the biggest coach builder, says the local industry makes coaches that are every bit as good as any imported used coach — which he fears tour operators will buy if duties are eliminated — "and very close to the quality level of any new imported coach."

He adds: "Considering the small local demand, the industry has taken quantum leaps forward in its own quality levels."

Neville Roome, a spokesman for Mercedes-Benz SA, says that, though the bodies obviously differ, a large percentage of overseas coaches "are built on the same Mercedes-Benz 0303 chassis we use in SA."

ERF MD Di Davies agrees that price is an obstacle to buying locally made coaches, that's why he believes operators want to import used equipment. Builders say they could reduce their prices if they had greater volumes.

"However," Davies says, "the vehicles the industry is producing now are far superior to the older coaches that tour operators are offering to tourists." Springfield Atlas's fleet, for example, is three to 12 years old.

Coach Express, for its part, is siding with the locals — last week it took delivery of 12 new locally built units. Says Beiter: "Their quality has improved so much that they now compare favourably with the imported products."

BUS INDUSTRY

Ready for the tourists?

How good are the R1m locally made luxury coaches? Tour bus operators say the quality is poor and they want the duties scrapped on the cheaper — and they say better — imported coaches. But local coach builders say that, while they may cost more, their products meet a high standard and they want the effective 85% tax on imports left alone.

The operators took the issue to government a few months ago and Trade & Industry Minister Derek Keys cut the 110% tariff in half. But the gesture doesn't mean much because, after the import surcharge and VAT are added, imported coaches still cost about R300 000 more than those made locally. The operators plan to plead their case for a second time with Tourism Minister Org Marais.

But Keys, who must approve all tariff changes, is not expected to reduce the protection further, he believes that the tourism-industry jobs created by more satisfied overseas travellers would not offset the jobs lost if SA stopped making the small number of coaches it produces now. For the time being, however, most operators are not buying locally.
Le Roux is the quiet man of the pack. He joined Sats in 1963 and busied himself with engineering matters until he moved into his current position in January 1990.

### Engineering

**Turn of the screw**

Three years of recession have cut thousands of engineering jobs and forced hundreds of metal companies to go under. And a looming general strike has industry officials braced for more bad news.

Increasing exports are helping some companies survive, but the world economy is weak and not enough is being exported to boost the sector, which is why "we're still falling and can't see the bottom," says Michael McDonald, chief economist of the Steel & Engineering Industries' Federation of SA (Seifisa).

Seifisa says metal industries — it does not differentiate between heavy and light engineering — can expect to turn over R55bn this year, up 10% from last year. But production will be down in volume terms.

Says McDonald, "In the year to date, 700 of the 10 000 metal industries' companies went bankrupt. In the first five months of this year, 14 000 workers were retrenched. These are the worst figures since the recession started in 1989, when the industry retrenched only 5 500 in the first five months. It retrenched only 8 500 in the first five months of 1990 and 11 000 in the first five months of last year. There has been no let-up. 2 500 to 3 000 workers are still being laid off every month."

Adds Dorbyl group CE Dawid Mostert: "The industry has only 1 200 first-year apprentices, 2 600 second-year apprentices and 3 400 third-year apprentices. These figures show we took on more than twice as many last year and nearly three times as many in 1990. The industry will run into skilled manpower problems when the recession ends."

Most heavy engineering companies are suffering because construction of Mosgas, SA's controversial fuel-from-gas project, is ending and the go-ahead has not yet been given for two other huge projects, the R4.5bn Alusaf smelter and the R4bn Columbus stainless steel mill.

McDonald sees foreign trade delegations trooping through Seifisa's offices regularly and make "the right noises about investing in SA," but they have been waiting for local investors to get the ball rolling.

He estimates that the metal industries now employ 330 000 to 350 000 workers and predicts that, in good times, at peak production, employment will stabilise at about 380 000. "It won't go above that because of better methods and rationalisation. The industry employed 80 000 fewer people at the end of 1988 than it did in 1981, when 454 000 workers were employed, though production was just as high."

As times get rougher, industry executives are taking a closer look at labour costs. "Labour is now expensive and the industry is much more critical of the size of its labour force," McDonald says. "There has been an increased use of robotics, particularly in the automotive field, where it isn't being used merely because robots don't go on strike, but also to meet international quality standards." But he also sees a return to politics by the trade unions as an important factor. "There is a swing to technology rather than labour because of the increased militancy of the work force."
Transport costs ‘block SA export growth’

THE cost and availability of transport is rated as a major obstacle to SA’s export growth, a recent SA Foreign Trade Organisation (Safto) survey has found.

The survey, which polled SA’s leading exporters, cited uncompetitive prices, lack of foreign demand and the unfavourable rand exchange rate as obstacles to export growth.

Some exporters complained that inadequate physical infrastructure added to their transport costs. Future investment in infrastructure would be critical to long-term export growth if likely future trends in the distribution of SA’s external trade were taken into account.

National Association of Private Transport Operators executive director Andre Jacobs said the transport sector had not been utilised effectively to maximise export-led economic growth. Protectionist policies had allowed too many inefficiencies. A cohesive strategy was needed to export at as low a cost as possible.

SA’s transport input costs were among the highest in the world. Factors which contributed to the sector’s 28%-30% annual inflation were taxes, labour costs, and vehicle costs which had doubled every three years.

Road Freight Association spokesman Mike Alistoun said monies collected from fuel and other transport taxes were not reinvested in transport infrastructure. Nothing short of subsidisation could lower the cost of transport into the coast.

Jacobs said Transnet had also adopted a strategy to maximise its returns in the transport of commodities where there was no other competition. A ton of coal could be mined for R12-R13, but cost R15-R16 to rail to the coast from the Transvaal.

The transport of goods by non-government institutions during February 1992 fell 2.6% against February 1991, latest Central Statistical Service figures show. The number of carrier units fell 8.5%, the number of operating days fell 3.3% and the number of employees fell 7.3%. However, the total number of kilometres travelled increased 19.3% and total transport earnings rose 12.2% to R376.5m from R332.5m.
der Veer, CE of SAA, and Barry Lessing, CE of Spoornt, will become deputy MDs of Transnet, the holding company for the two transport companies.

Spoornt group GM Mike Myburgh will take over at SAA next April 1 and Braam le Roux, senior GM railway operations, will take over from Lessing on August 1.

Myburgh's appointment is the one likely to bring about the most change. Like the three others who were promoted, he is an engineer but has developed into a jack of all trades and mastered them all.

While he headed SA Transport Services' (Sats) civil engineering department, he doubled both the Johannesburg-Durban railway line, which increased its capacity to 140 Mt/year, and the Ermelo-Richards Bay coal line, which can now move more than 60 Mt of coal a year. He also helped to build the new Hex River Mountain railway pass.

His next stop was to take over from John Irving as head of SA Harbours, now Portnet. A firm believer in business being user-friendly, he was so shocked by the bureaucracy he found that he decided to call a conference of all harbour users at Sun City. For a full day, he and his lieutenants listened to users' complaints — and promised to remedy them.

There was an almost immediate improvement and, a year later, he called them back again and asked them if they still had complaints. There were obviously some complaints but the meeting didn't last long. By midday many were playing golf.

He moved to marketing and gave that department a largely (but not completely) private sector image.

The same tactics are needed at SAA, which has lost R60m in each of the last two fiscal years. And there is no end to the stormy weather in sight, as deregulation has unleashed an array of new competitors and set off fare wars with some old competitors (Business & Technology July 3).

Van der Veer who, with Lessing, will help Transnet MD Anton Moolman chair Transnet's 20 operating divisions, made his name as a computer boffin. He is credited with moving Sats into the computer age and with originising its communication system, which many believe is superior to the Telkom telephone system.

Lessing shares Van der Veer's enthusiasm for computers, but, like Moolman, is a bottom-line man, interested only in profits. For that reason, he has not been keen on his revenue-generating goods trains sharing their tracks with loss-producing passenger trains. And, because they are not making profits, he sees no point in spending money on upgrading passenger coaches or on promoting passenger services.

SAA and Spoornt

Setting a new course

SA Airways and Spoornt, both at a crossroads in their long history, will be getting new bosses in the next few months. Gert van
SAA down to 1986 fares level

SOUTH AFRICAN Airways (SAA) yesterday cut return fares to London to 1986 levels, dropping two rand below the present low of R1.992 offered by British Airways (BA).

Both airlines have denied that a price war is in the offing, saying the low fares had been made possible by the deregulation of the London-Johannesburg route.

SAA spokesperson Ms Zelda Roux said that from August 29 till December 1, 1992, and from January 21 to February 28, 1993, all economy seats on the SAA’s new daylight flight would cost R1.992.

SAA’s daylight flight will leave Johannesburg every Saturday at 10am and arrive in London at 8.30pm. Return flights can be undertaken on any flight leaving from London, from Sunday through to Wednesday.

SAA also announced it had structured a whole range of fares around the daylight flights, including Family fares; 50% reduction on the ticket of people accompanying first- or business-class travellers; reductions for travellers older than 12 but younger than 25, and one-way fares.

The range of fares is valid for different periods.

Low Johannesburg-London air fares should remain constant throughout 1992 and 1993, a Johannesburg travel agent said yesterday, because of spare space on airlines.
SAA reacts — and enters fares war

SOUTH African Airways yesterday cut back some Johannesburg-London return fares to 1986 levels. And the independent airline Comair is to compete on local routes against SAA and FliteStar.

From August 29 to December 1 this year, and from January 21 to February 28, 1993, economy seats on daylight flights to London will cost R1 950.

In peak season — December 2, 1992, to January 20, 1993 — economy tickets will cost R2 590.

"With new aviation policies, it’s time to review products," SAA chief executive Gert van der Veer said yesterday.

On July 1, British Airways cut return fares between Johannesburg and London to R1 992. The price is valid from mid-September to November.

For travellers in first and business class on the daylight flight, SAA has also halved the price of tickets for companions who accompany the full-paying ticket holder.

For families travelling together on the new flight there is also a special deal, with the head of the family paying R1 950, the spouse paying R1 650 and children paying between R193 and R1 650.

A R2 590 youth fare to London, valid for one year, is also available for those under 25.

Comair, the Johannesburg-based airline until now involved only in short-haul routes, will enter the national airline race with a daily service starting on October 7 between Johannesburg and Cape Town at fares below normal SAA and FliteStar rates.

Fares have to be paid 48 hours in advance.

The normal fare for economy class on SAA is R860 and on FliteStar R852. Comair’s will be R768. SAA and FliteStar Apex excursion fares are R689 and R639 compared to Comair’s R590.

SAA tickets must be booked a month in advance, Comair’s 10 days in advance, and FliteStar’s at any time.

Comair will use a one-class, 102-seater SAA 737 with SAA flight crew, but staffed with Comair’s own cabin crew.

It will make two flights a day, seven days a week between Johannesburg and Cape Town. — Sapa
Easy anti-apartheid ride for ANC

THE ANC's campaign against station apartheid went off without incident yesterday morning when participants who had bought third-class tickets walked through exits reserved for people with first-class tickets.

Among the handful of people who bought tickets at Salt River station for the short trip to town were ANC-aligned MP for Claremont Mr Jan van Eck, former Black Sash national president Mrs Mary Burton and Mr Ebrahim Rasool of the ANC.

Spoornet ticket controllers at Cape Town station did not act against them when they walked through the first-class exits.

ANC assistant secretary Mr Willie Hofmeyr said the SA Rail Commuter Corporation's argument that consumers paying higher fares were entitied to better facilities did not explain why these facilities followed the original apartheid plan at the station.
Violence stops flights

BY CHARIS PERKINS

AN international airline this week cancelled one of its twice weekly flights to South Africa because of a drop in passengers caused by political violence.

The move by China Air, Taiwan's national airline, signals the end of the mini-boom in the tourism industry which began after the ANC was unbanned.

Tourism organisations this week confirmed that hundreds of people had cancelled visits to SA and said there had been a slump in the number of advance bookings.

Satour executive director Spencer Thomas said, "We are doing our best to assure visitors that the violence is localised but, since the Boipatong massacre, people believe there is mayhem in the streets." 12/17/92

Trend

The managing director of the Holiday Holdings Group, Mr Ian Cook, said: "We get calls daily asking us if it is safe to send travellers here."

Mr Laurie Wilkinson, president of the Association of Southern African Travel Agents said the trend was tragic.

• On Friday, SAA slashed return fares from Johannesburg to London to £666 prices on its new weekly daytime flight. From August 29 until December 1, 1992, and from January 21 to February 23, 1993, all economy seats on the daylight flight will cost R1 990.
Now cut-price
Comair joins
the air fray

COMAIR, the Johannesburg-based airline hitherto involved in short-haul routes, is entering the national airline race — and undercutting its competitors’ prices.

The airline has announced it will start a daily service on August 3 between Johannesburg and Cape Town at fares well below normal SAA and Flietstar rates.

The normal fare for economy class on SAA is R890 and Flietstar R852. Comair’s will be R678.

SAA and Flietstar Apex edgershed fares are R692 and R679 compared with Comair’s R590.

Comair will use a one-class, 108-seater SAA 737 in Comair Giltiner livery manned by an SAA flight crew, but staffed with Comair’s own cabin crews, and will make two return flights a day, Monday to Friday. There will be one return flight on a Saturday and a Sunday.

Western Cape Asata chairman Mr. Leon Singer said he welcomed the new service.

South African Airways has slashed return fares from Johannesburg to London to 1986 prices on its new weekly daytime flight.

From August 29 until December 1, and from January 21 to February 28, 1993, all economy seats on the daytime flight will cost R1 090.

During the peak season from December 2, 1992, to January 20, 1993, economy tickets will cost R2 590. The flight will leave at 10am on Saturdays and arrive in London at 8.30pm.

Anyone travelling from Cape Town will have to fork out more — ranging from R618 return for a midnight flight to Johannesburg to R650 for a standard economy fare.

“With new aviation policies, it’s time for SAA to review its products,” SAA’s chief executive Mr. Gert van der Veer said announcing the new deal.
How the wheels came off the Commuter Corporation when a man with a Std 9 education and his boss lost an amazing R162-million playing the money markets

Mike Roberton tells a salutary tale that began on April Fool's Day 1990

MIKE ROBERTON

It seemed so easy. Borrow money from one institution for a month at say, 15 percent. Invest it in another at a slightly better rate. At the end of the month you take the profits. It may not sound like much but when you are dealing with hundreds of millions of rands, it adds up.

For a few glorious months former SABC officials were "making money" by trading between the money markets - an Old Age of the South African Commuter Corporation. They calculated they could make money.

But it was to be their undoing. On April 12 1990 the Cape Investment Bank (CIB) in which they had invested R9 million called their bluff.

As with most government controlled entities, it was a sad day for them. The Commuter Corporation went into liquidation.

The state of the SA Rail Commuter Corporation was “to ensure that rail commuter services were provided in a financially viable manner.”

A day later, high legal fees take money from profits. In the first year the corporation forecast expenditure of R20 million, to be higher at R30 million in the second year and higher still at R50 million.

In a letter to then Minister of Finance, Dr Groce, Dr Groce commented on the financial statement of the Commuter Corporation, "I refer to your letter of November 14 1990 which advises that I should have no objectives in the SA Rail Commuter Corporation’s borrowing. They have been the Finance Minister’s statement that the corporation is out of money to cover the shortfall between expenditure and income. It is possible that the corporation is losing money on its rail operations and that it is unable to meet its financial obligations."

Dr Groce added that the corporation’s statement was not consistent with the financial statements presented to the committee. The committee had strongly advised the corporation to be careful in its financial affairs. The corporation had agreed to the committee’s request to reduce its debt.

As soon as the CIB learned of the existence of the Commuter Corporation, it demanded repayment of the R9 million it had invested in the corporation. The corporation was already active in the money and capital markets and had offered to repay the bank for the money.

The Commuter Corporation was forced to repay the money. It then had to find another way to meet its financial obligations. The corporation was forced to reduce its debt.

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Dr Groce added that the corporation had agreed to the committee’s request to reduce its debt.

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MIKE ROBERTON

How the wheels came off the Commuter Corporation when a man with a Std 9 education and his boss lost an amazing R162-million playing the money markets

GRAND PLAN... managing director Kobus Nel and chairman Bart Groce, both of whom were stumped after the collapse of the Commuter Corporation.
He told the Sunday Times this week that at the time he was getting the department up and running and was often out of the office. As a result, he delegated authority for money market transactions to finance manager Kobus Smit and assistant finance manager Paul Erasmus.

Mr Smit, who served as assistant treasurer manager at Sats but his highest academic qualification is Std 9. The corporation officials did not actually deal themselves, but used agents from banks and brokers.

It was Mr Erasmus's job to seek quotations from dealers and to put them before Mr Smit for approval. However, it appears that on at least two occasions Mr Smit was out of the office and Mr Erasmus then personally approved deals. One was for R90 million, the other for R19 million.

Mr Louw said this week that at the time the finance department had only eight staff members. He was often away from the office, as was Mr Smit.

The corporation had a policy of accepting only those deals on which it could make at least 0,15 percent profit. This policy resulted in the corporation making a profit of R68 million in the year to April 1991.

When Mr Erasmus approved a deal, he contacted his superiors by telephone for approval and it was subsequently formally condoned by his superiors.

**Mystery**

However, it is understood that the auditor-general's staff could find no physical proof that the deals which Mr Erasmus entered into had been condoned by his superiors.

The corporation's involvement with the now defunct Cape Investment Bank began in about June 1990.

Why it chose to invest such a large amount of money in a relatively small bank remains a mystery. It was not because it offered the most favourable interest rates — others offered better.

One reason that has been put forward is that the corporation was unaware that the agents acting on its behalf were investing money in CIB.

One example given is that on June 30 1990 Mr Erasmus approved an investment of R90 million in CM Interbank. The deal was condoned by Mr Smit. But once completed, it was found that the money had not been placed with CM Interbank but with CIB. The then managing director of CM Interbank, Mr Johan Otto, said this week that this incident could not have unfolded as described.

Mr Otto said CM Interbank was a money and capital market broking firm. It did not have the capital base to accept such an investment, nor would it have been allowed by law to accept it.

By October 1990 the corporation had about R80-million invested in CIB.

Only then did it decide to set a ceiling of R60-million on investments in any bank and have taken this decision it asked CIB to hand over the securities, for the amount exceeding the investment limit.

It received a fax from CIB stating that it was holding R64 million in securities in the corporation.

Corporation officials say they followed this up with another letter telling CIB to hand over those securities immediately and to trace the securities to the amount exceeding the investment limit.

But, before that could happen, CIB was taken over by Pruma Bank and was subsequently liquidated on April 1, 1991.

Later the corporation was told that no such securities existed.

Since then the corporation’s officials have been involved in a dispute with the Reserve Bank, which they claim persuaded them to roll-over funds that could have been withdrawn from CIB before it was liquidated. After investigation, former Chief Justice Pierre Rabie ruled against the corporation’s attempt to recover their lost money from the reserve bank.

The corporation's losses from the abortive CIB venture are likely to total about R162-million.

Dr Grove and the corporation’s former managing director, Kobus Nel, have since been sidelined as a result of the fiasco.

Mr Louw, Mr Smit and Mr Erasmus were disciplined following an internal inquiry, but remain in their jobs.

The corporation, almost inevitably, is chronically indebted, having had to borrow about R1.4-billion to pay its operating costs.

It has, nevertheless, just moved into swish new offices in a luxury business complex adjoining the new Johannesburg Country Club.
UTA is ready to enter price war

UTA regional manager for sales and marketing Richard van Zyl says the airline plans to introduce special fares to stimulate traffic between Paris and Johannesburg.

Several European airlines are expected to follow British Airways in announcing fare reductions to Europe.

Mr van Zyl says UTA is watching market developments and will respond to any price war.

UTA recently offered a special return fare of R2 750 to any one of 11 European cities with a two-night stop-over in a Paris hotel. More specials are planned for later in the year.

Traffic from France has grown by 30% a year for the past few years, but UTA has no plans to introduce additional flights.

UTA flies three times a week to Paris and SA Airways twice.

Prey

Mr Van Zyl says lower fares only marginally improve seat occupancies.

Because of the weak rand exchange rate it generally costs more to live abroad than it does to fly there. Any person unable to holiday in Europe on a R3 000 airline will likewise be unable to visit even when offered a reduced R2 000.

"Essentially, it is the same people flying; only they pay less."

Global deregulation of the airways opens the door for fare slashing, says Mr Van Zyl. US carriers will start competing with Europeans when Europe is deregulated in 1992.

Deregulation in the US resulted in 180 airlines being registered; followed by an unprecedented price war as competitors fought for market share. Only three airlines remain. The weak rand remains the weak prey to large competitors and once-famous names, such as Eastern and Pan Am, no longer exist.

It has been speculated that of the 32 European carriers, only five or six will survive deregulation. But Mr Van Zyl says a repeat of the US experience in Europe is unlikely.
SAA set for new international flights

SAA will introduce flights to several new international destinations this week, despite growing cancellations by foreign tour groups due to political violence.

At the same time, the airline would announce a cutback on domestic flights, SAA CE Gert van der Veer said.

He did not elaborate, but industry sources confirmed a large overcapacity in the domestic market.

Tourists from mainly the US, Switzerland and the Netherlands were cancelling planned visits to SA, but SAA believed this was only temporary, a spokesman said.

Taiwan's national airline Chao Air this weekend said the increasing violence in the country had forced the cancellation of one of its twice-weekly flights to SA.

Several tour operators confirmed that hundreds of first-time visitors had cancelled tours.

Van der Veer said SAA would announce several new European destinations this week, believed to include Munich.

SAA would operate a new "daylight" flight from Johannesburg to London at the 1986 level of R1 900 return. The reduced fare was not yet available on SAA flights from London because the airline had been unable to obtain a daytime take-off slot at Heathrow Airport, Van der Veer said.

The offer was valid from August 29 to February 28 next year, but excluded the peak season period of December 1 to January 21 1993.

Depending on the success of the Johannesburg-London daylight flight, SAA would consider discounted fares on other European destinations, he said.

SAA denied its announcement was part of a price war on the lucrative route, and Van der Veer said SAA had applied for daylight landing and take-off slots from Heathrow months ago -- before BA announced discounted fares.

However, NedTravel Holdings MD Eric Thorne said he believed that while SAA's fare reductions was good news for the traveller, it would do little to significantly increase numbers of overseas travellers.
SAA steps up discount offer drive

By John Miller

SAA's weekly daylight flight to London on Saturdays will not only offer holidaymakers return tickets for R 1 990, but also substantial discounts to businessmen and first-class travellers.

Chief executive Gert van der Veer said all the discounted fares would be applicable from August 29 to the end of February, with the exception of the period between December 1 and January 21.

Passengers who want to make use of the daylight flights will have to book and pay 15 days before departure. They will be allowed to stay overseas for up to 40 days. Another provision of this ticket is that passengers returning to South Africa must travel between Sunday and Wednesday nights.

Between December 1 and January 21, fares on the daylight flights will go up to R 2 590.

Mr van der Veer said that unfortunately, SAA had been unable to obtain a daylight takeoff flight from Heathrow. However, the airline would continue to work at getting such a timeslot.

He said this would mean that incoming tourists could also take advantage of a daylight flight.

A Companion — or, as it has been nicknamed in the industry, a "skirt-peg" fare — is also available for business and first-class passengers on the daylight flight. This entitles a second traveller to a 50 percent discount.

This type of ticket holder may return on any of the airline's flights from London. The offer is available up until the end of February.

The family fare on the daylight flight is even more exciting.

The head of the family will only pay R 1 990, his spouse R 850 and children between 12 and 18 only R 650. Children below 12 pay even less.

For the first time, the airline is introducing, on its international routes, a youth fare for those aged between 12 and 25. This ticket, costing R 2 590, is valid for a year.

SAA has even made provision for those people wanting a oneway ticket on the daylight flight. This will cost only R 1 990, a saving of almost half the present fare.

Mr van der Veer said he believed these fares would do much to stimulate the market.

He shrugged off suggestions that even though the airline continued to run at a loss, the latest announcement would do more to keep it in the red.

Mr van der Veer also hinted that, with the direct route over Africa and the easing of sanctions, the airline might have to look at other aircraft types.
Boland bus route deal

Staff Reporter

GOLDEN ARROW Bus Services has negotiated a deal with two independent bus companies to take over bus routes in the Boland after the company closed its several depots last month.

The 27 routes are used by 12,000 commuters who were faced with losing their only means of transport.

The company's Boland commuter division had been operating at a "substantial loss", a spokesman said.

Dagbereek Busdens of Montagu, Gardens and Elwieters are to take over the routes.
SAA set to expand flight routes

From STEPHANE BOTHMA

JOHANNESBURG — SAA will introduce flights to several new international destinations this week, despite growing cancellations by foreign tour groups due to political violence.

At the same time, the airline would announce a cutback on domestic flights, SAA CEO Gert van der Veer said.

He did not elaborate, but industry sources confirmed a large over-capacity in the domestic market.

Tourists from mainly the US, Switzerland and the Netherlands were cancelling planned visits to SA, but SAA believed it was only temporary, an airline spokesman said.

Taiwan's national airline China Air this weekend said the increasing violence in the country has forced the cancellation of one of its twice weekly flights to SA.

Several tour operators confirmed that hundreds of potential tourists — mainly first-time visitors — had cancelled visits to SA.

However, Van der Veer said SAA would announce several new European destinations this week — believed to include Munich. SAA already flies to Frankfurt in Germany.

Additional flights to existing destinations would also be announced.

Meanwhile, SAA said it would operate a new “daylight” flight from Johannesburg to London at the 1986 level of R1 990 return. The reduced fare was not yet available on SAA flights from London because the airline has been unable to obtain a daytime take-off slot at Heathrow Airport, Van der Veer said.

The offer was valid from August 29 to February 28 next year, but excluded the peak season period of December 1 to January 21, 1993.

Depending on the success of the Johannesburg-London daylight flight, SAA would consider discounted fares on other European destinations, he said.

With the introduction of the flight, SAA would be operating 17 flights a week to London.

BA earlier announced discounted fares between Johannesburg and London for the period mid-September to the end of November.

SAA denied its announcement was part of a price war on the lucrative route and Van der Veer said SAA had applied for daylight landing and take-off slots from Heathrow months ago — before BA's announcement.

Meanwhile, the cheaper fares were welcomed by tourism organisations which said they expected fares to stay at low levels throughout 1992 and 1993.

Airlines increased their capacity in anticipation of a tour boom, but the violence and political uncertainty had discouraged potential overseas visitors, resulting in airlines being unable to fill their flights, NedTravel Holdings MD Eric Thorne said.
Cheaper flights extend to business, first class

The Argus Correspondent

JOHANNESBURG. — SAA's weekly daylight flight to London on Saturdays will not only offer the holiday-maker return tickets for R1900, but also substantial discounts to the businessman and the first-class traveller.

Chief executive Mr Gert van der Veer said all the discounted fares would be applicable from August 29 to the end of February, with the exception of the period between December 1 and January 21.

Passengers who decide they want to make use of the daylight flights will have to book and pay 15 days before departure.

They will be allowed to stay overseas for up to 40 days.
Hitch may ground Virgin flights to SA

CHRIS BATEMAN

LONDON—Virgin Airlines—the catalyst for the present promotional airfare war between British Airways (BA) and SAA—today faces the prospect of being unable to begin its London-Johannesburg flights until October 1992. Flight slot schedulers at Heathrow Airport, from which an aircraft takes off every 14 seconds, are due to announce today whether they can accommodate Virgin's five weekly flights from early January next year.

Virgin officials concede openly that a negative outcome would cause "major disruption to our plans".

"If things don't work out in the next 24 hours a major issue will blow open here—we're not the only carrier that will be affected," Virgin's Will Whitehorn warned.

He challenged BA's SA manager Malcolm Freeman's view that Virgin could walk into a "bloodbath of heavy discounting" and find itself unable to undercut fares on the route.

"The same kind of conditions applied to the UK-US route when we began flying it last July," he said. Virgin had increased its market share of that route from 7% to 11%, he said.

Freeman also said the London-Johannesburg route could become too competitive for some airlines to operate profitably.

Whitehorn predicted that by 1994 ticket sales on the UK-SA route—driven by discounting—would be worth R2,6bn.
A view from the other side of the tracks

A TOTAL of 155 black commuters died and 414 were seriously injured on Witwatersrand trains in the first three months of the year, according to last month’s edition of Servumus, the official SAP journal.

A rare public view of how police view train violence is obtained in the article, based on an interview with Captain Thys du Plessis, who is in charge of the Mobile Unit at New Canada station near Johannesburg.

Captain du Plessis said media publicity on train deaths had created the perception that train violence had become unmanageable.

But he did not think the problem was “that big” considering the large number of people using trains daily. People had always died on trains, for various reasons, he pointed out, but these days, due to the publicity, every case of death was linked to violence and crime.

Also, train deaths were not unique to South Africa: Chicago had a similar problem.

Captain du Plessis told Servumus that because many people walked across railway lines, “often” under the influence of alcohol, they were sometimes hit by trains. Those who jumped on to moving trains sometimes lost their balance and ended up under the wheels.

The captain said violence on trains was not new — fights between various ethnic groups occurred as far back as 1963.

During the 1970s, renegade groups began terrorising passengers, he said.

Today’s problems were mainly attacks on passengers and people being thrown out of trains, he said. There had been a few cases where commuters on trains had shot at people on platforms.

It rarely happened that groups of attackers boarded trains. “Mostly,” he said, “a single person gets into a coach in which there is a group which always travel together. Such an intruder makes the group feel threatened and usually that person is thrown off.”

Even if such an individual had the same political affiliation as the group, it did not necessarily mean he would be accepted. “Before that happens, he has to buy membership.”

When danger loomed, people would rather jump off moving trains than be murdered, he said. But due to the speed of trains and “other factors”, the chances of survival made the train were better than jumping.

Captain du Plessis said that despite the ban on the carrying of certain weapons, weapons were sometimes hidden in various places in the coaches in case of need.

He believed people who carried weapons could be more prone to getting involved in confrontation, whereas the unarmed would steer clear of such situations “It is possibly better to ban all weapons,” he said.

A greater police presence was the only way to make trains safer. People also had to learn to be more tolerant of one another. There was a possibility that violence was sometimes “created” for other reasons.

There were rumours that taxi owners could be involved when too many people used rail transport, the taxi business was negatively affected.

He outlined various measures the police and the SA Rail Commuter Corporation had announced to safeguard passengers, including the erection of a police station on every railway station. But regardless of these measures, train violence would not be stopped until ordinary people became more tolerant and peace-loving, he said.
Flitestar cuts off-peak domestic fares

FLITESTAR has introduced lower domestic fares to stimulate off-peak travel, with effect from next month.

The airline would offer return fares from Johannesburg to Cape Town at R625 and to Durban at R589 — among the lowest fares available on the market, a Flitestar spokesman said yesterday.

An SAA economy class, daytime, Johannesburg-Cape Town return flight costs R680, and R518 at night. Business class costs R1,075 and R622 respectively.

Flitestar’s cut-rate fares followed Comair’s earlier announcement that it would start flights between Johannesburg and Cape Town next month at a return fare of R678.

Due to the increasing demand for night flights, Flitestar would also introduce early morning Johannesburg-Durban flights at return fares of R500, and increase its Johannesburg-Cape Town early morning flights, at R510, a spokesman said.

An extra 10 flights weekly between Johannesburg and Cape Town would be introduced, and a new Johannesburg-George route via Port Elizabeth at R646.

MD Jan Blake said although domestic fare structures were already too low by world standards, Flitestar saw the need to extend the range of promotional and off-peak fares.
3 000 snap up cheap air tickets

Staff Reporter

SAA yesterday sold about 3 000 return tickets to London at the new discounted price of R1 999 on the first day of sales.

The cheaper fare only applies on SAA’s day-flight flights on Saturdays from Jan Smuts Airport. The first flight leaves on August 29. The offer lasts till the end of November and resumes in January after the Christmas holiday season when the more expensive return fare of R2 590 applies.

SAA spokeswoman Ms Janie van Vuuren said the demand had been so phenomenal that discount tickets on the first eight flights were sold out.

SAA’s reduced airfares on the London run after British Airways offered return tickets for R1 992 between September 14 and November 30.

Virgin may face delay

Own Correspondent

LONDON. — Virgin Airlines — the catalyst for the fare war between British Airways and SAA — might not be able to begin their London-Johannesburg flights until October next year.

Flight slot schedulers at Heathrow Airport, from which an aircraft lifts off every 54 seconds, will announce today whether they can accommodate Virgin’s planned five flights a week from early January next year.

However, Virgin are optimistic, citing the example of Miami Airport which handles a take-off every 30 seconds.

Morning when a travel agent asked him to phone back in “15 minutes” to place his booking as SAA had not yet opened its bookings.

“When I phoned back 15 minutes later I was told all the tickets had been sold for the two flights I wanted,” the businessman said.

• Sapa reports that SAA and Air Seychelles yesterday announced an agreement had been signed for jointly-operated flights to the Seychelles from July 18.
Heathrow upsets Virgin plans

LONDON - Virgin Airlines' prospects of starting flights to Johannesburg this January dimmed further yesterday when the man responsible for slotting in new flights at Heathrow Airport said he was unable to accommodate them.

Peter Morrisroe, MD of Airport Co-ordination Limited, which handles flight scheduling at British airports, said Heathrow was unable to accommodate the arrival slots that Virgin had applied for.

Heathrow was the most congested airport in the world and Morrisroe said "it probably won't be possible for us to offer Virgin the slots" by January.

Heathrow had a "primary shortage" of early morning arrival slots - which Virgin required in terms of the SA "market window".

The situation at Gatwick and Stansted airports was identical, he said.

Virgin had applied for 14 slots at Heathrow - a daily landing and a take-off.

Morrisroe said "The process of allocating slots is continuous - we've allocated the available slots to Virgin from November this year to March 1993."

Virgin spokesman Will Whitehorn said "at the moment we could not operate a service to SA" Virgin would hold a news conference in London this morning.

"They (Heathrow) have offered us one morning slot - we'd lose hundreds of millions of pounds doing that," he said. But Virgin was trying to "use everything we can to pressure" the Heathrow authorities.

Jan Smuts Airport posed no slot problems for Virgin, he said.

Morrisroe said he doubted whether the situation would improve by the next British winter season, November 1993 to March 1994. But he hoped changes planned at Heathrow, and an overhaul of the scheduling system, might enable Virgin to be accommodated. He would meet Virgin officials on Monday.

Meanwhile, STEPHANE BOTHMA reports that hundreds of prospective passengers who rushed out to make use of SAA's cut-price tickets to London were unsuccessful when all the seats on the first eight flights were sold minutes after bookings opened on Monday morning.

SAA spokesman Zelda Roux said by late yesterday all SAA economy class seats, except for a few on October 24, on the R1190 day flight for this year, were sold.

Even the seats available at R2500 on day flights during December were sold out by yesterday. The demand for the cheaper fares was much higher than SAA had expected, she said.

Roux said the first eight flights with cut-price fares (2400 seats) were sold in the first half-hour after bookings opened on Monday. However, seats were still available for January and February.

When he announced the offer, Van der Veer said SAA had waited months for a daytime landing slot at Heathrow. The airline had been unable to obtain a daytime take-off slot, so discounted prices were not available from London to Johannesburg.
**Bonus scheme cuts bus costs**

ADRIAN HADLANE

A UNION-backed incentive bonus scheme introduced by the Johannesburg City Council for transport maintenance staff would save the council up to R6m a year, it was announced this week.

The scheme has already resulted in a 47% reduction in council bus breakdowns, an average 10 buses more being put into operation and a drop in spares use of more than 30%, a statement said.

Management consultant Ed Saul of Clive Stuart and Associates, which is overseeing the project, said if current performance levels were maintained the annualised gains would be worth a bonus of as much as 22% of their basic salaries.

Secretary of the Johannesburg Municipal Workers Union Philip Ngwenya said: “It is good to be able to have some input. The incentive bonus is very attractive to our members and has contributed to happiness and productivity.”

Council transport committee chairman Paul Asherson said the scheme would be extended to bus drivers, “probably the most important aspect of the business.”

“We are going to have to be able to compete in an open market soon, so we have to look at paying people for better work and not paying them for bad work,” he said.
Bus commuters say train travel cheaper

By JILYAN PITMAN

The southern suburbs bus services were poorly supported because fares were too high, said commuters. It would, they said, be cheaper to use the train.

The commuters were responding to the decision by Golden Arrow Bus Services (formerly City Tramways) to drastically reduce its service from July 27.

Commuters said that the one-way cash fare from Claremont to Woodstock was R1.90, but the same route, third-class, by train cost only 60c.

First-class passengers paid R1.70.

Schedule

Mrs. Jeanne Welsh, public relations manager for the bus service, said the "phased rationalisation programme" was necessary because of the continuing decline in the economy.

"There has been a sharp drop in daily commuters all over the Peninsula and more and more factories and businesses are either closing down or their employees are working shorter weeks."

She said the new schedule would begin gradually but would be complete by the end of this year.

On most routes, though, there would be fewer buses, the company believed commuters would still be well serviced. If there was a high demand in certain areas, services could increase.

Mrs. Welsh said: "No service will be eliminated — unless it no longer justifies the cost of providing it."

Because of almost no support, the following have been discontinued: Retreat via Busy Corner to Steenberg, Retreat via Meadowridge to Wynberg, Plumstead via Naruna to Wynberg, Wynberg via Rosmead Avenue to Claremont, Lotus River to Muizenberg, Retreat to Constantia, Plumstead to Zeekoevlei and Wynberg via Welton to Claremont.

Affected

Mrs. Welsh said the rationalisation involved a complex rescheduling of well over 13,000 daily bus departures. It was for this reason that rationalisation could be done only gradually.

"As a result of fewer buses being required, this, unfortunately, will inevitably mean fewer drivers."

"Administrative operations and technical posts will also be affected.

"It is anticipated that normal retirements, resignations and dismissals, together with voluntary retirements and voluntary retrenchments, will cover the majority of posts that are likely to become redundant. It may be necessary to retrench some staff."

In these cases, she said, length of service of the workers concerned, together with their work records, would be the criteria used to make the selection.

She said the company regretted having to take these steps "However, the systematic rationalisation of our service schedule is aimed at reducing operating costs and improving those services still operating."

For further information on bus timetables call toll-free: 0800-121-2111 from 5am-9pm. After hours call: (021) 564-0540.
Future of rail land studied

Municipal Reporter
CONSULTANTS have been appointed by both the Transnet group of corporations and Cape Town City Council to report on possible future uses of a vast stretch of railway land from Culemborg in the central city to the confluence of the Black and Liesbeek rivers.

City planner Mr Neville Riley said yesterday that the two sets of consultants should have a formal meeting "within the next few weeks".

"This is an extensive study, one of the biggest in recent times. The area under study is in the region of 600 hectares. Whatever is done there will have to be integrated with what happens around it."

Mr Riley said Transnet's consultants would do a developmental framework, while the council's consultant would do a contextual framework.

He did not report on what might be done with the land. However, it is known that there have been various suggestions for it.

Some planners would like to see medium-density affordable housing there. Among the other suggestions are an export-processing zone, a venue for big sporting events, and a series of small business hives, some of them possibly in restored old buildings on the site.

Planners believe that a combination of several of these suggestions is likely.

The wetlands on the Observatory side of the Salt River railway sheds are to be preserved.

The council is trying to establish a riverside walkway along the Liesbeek from there to Newlands. Much of this is already in place, and it should be completed — at least for walkers, if not yet for people in wheelchairs — by early next year.

No finality has yet been reached over a proposed bird and monkey park that Mr Walter Mangold of Hout Bay's World of Birds was hoping to establish near Valkenberg Hospital.

The council would like to take steps to improve the Black River water quality, but it seems this will be a long-term project.
Virgin’s flight plan goes awry

From CHRIS BATEMAN

LONDON — Virgin Airlines’ prospects of starting flights to Johannesburg this January dimmed further yesterday when the man responsible for slotting in new flights at Heathrow Airport said he was unable to accommodate them.

Mr Peter Morrisroe, managing director of Airport Co-ordination Limited, which handles flight scheduling at all major British airports, said Heathrow was unable to accommodate the arrival slots applied for by Virgin.

“The departure slots are ideal for them but the (once-daily) arrival slots they’ve applied for are a long way from their requirements to operate that market,” he said yesterday.

Heathrow is one of the most congested airports in the world and experience told him that “it probably won’t be possible for us to offer them the (arrival) slots” by January.

There was a shortage of early-morning arrival slots at Heathrow, which were what Virgin required in terms of the South African “market window”. Conditions at Gatwick and Stansted were identical.

Virgin — whose spokesman Mr Will Whitehorn indicated on Monday that the scheduling decision would come yesterday — have applied for 14 slots at Heathrow (a daily landing and take-off).

Virgin have said that if they fail to get the slots, “a major issue will blow open”.

Industry sources said it was ironic that Virgin — arguably the catalyst for the current promotion fare price war between British Airways and SAA (through applying for the route’s deregulation) — now faced this crisis.
SAA to fly to Munich

STEPHANE BOTHMA

SAA would start flights to Munich at the end of August, the airline said in a statement yesterday.

The airline will also increase frequencies to the UK by one additional flight to London and one to Manchester, bringing the total weekly flights to the UK to 12.

From August 2, a fourth weekly frequency would also be introduced between Johannesburg and New York, SAA said in a statement.

SAA CEO Gert van der Veer earlier indicated that the new capacity on domestic flights would be decreased and an announcement could be expected soon.

A new bilateral air services agreement between the SA and UK governments allowed for the operation of 15 flights on the SA-UK route by each country per week.

SAA's announcement indicated that Flutestar would be given the opportunity to operate three flights to the UK, sources said. Flutestar was also waiting for permission to fly to Düsseldorf, Germany.

SAA yesterday said that except for the limited offer of a cut-price fare on the additional London flight, no lower introductory fares on these flights were envisaged.

The new flight to Munich was in addition to the four weekly flights to Germany operated between Johannesburg and Frankfurt.

It would be operated via Milan and would leave Johannesburg at 8.30pm and arrive in Munich at 9.10pm the following morning, the spokesman said.

The additional Manchester flight would be operated via Zurich when north-bound, and via Paris on its return.

SAA also announced that flight schedules to Australia would change from August 27.
SAA held back tickets – agents

By John Miller

Travel agents across the country have accused South African Airways (SAA) of deliberately holding back hundreds of tickets on its London daylight flights.

The rush on the cut-price tickets continued yesterday morning as hundreds of people lined up to book on SAA's first daylight flight on August 29.

The trouble, according to many travel agents, began shortly after the SAA bookings office opened at 8 am on Monday.

When the doors of the booking office opened many of the would-be passengers were unable to book seats on these flights.

On Friday, the airline announced that it would sell all its economy-class seats (196 per aircraft) on the daylight flight at R1 990.

SAA announced that these seats would be available from August 29 until the end of February.

This was the exception of December 1 until January 21, when economy-class tickets will cost R2 590.

The rush on discounted tickets to London started about three weeks ago when British Airways announced it would sell off 8 000 tickets at R1 992.

"These tickets are available between September 14 and the end of November," the airline has sold more than 5 500.

Ray Lawson, who is the regional director of the Association of South African Travel Agents (Asata) in Durban, described the first few hours after bookings opened yesterday as "frustrating and confusing."

"Rupert Lawlor, Asata's vice-president, believed the offer was "badly handled by SAA and wondered how many tickets the airline had allocated to the trade and how many it kept for its own offices."

"British Airways' seat sale was handled much better, giving agents enough time to prepare and market the sale of tickets," he said.

Mr Lawlor said he could not believe that within 30 minutes almost all the SAA seats at R1 990 for September, October and part of November were sold.

He said it was quite clear that there was a demand for cheaper fares and if they were, creating new passengers, "all the better for the industry."

A spokesman for SAA, Mike Pheiffer, said tickets became available on Monday only at 8.11 am.

"Nobody, SA or British Airways, was able to do any bookings or wait-list any passengers until Monday morning," Mr Pheiffer said.

He said that at 8.11 am on Monday, flights were available for wait-listing and from 8.19 am, those who were wait-listed were confirmed on to the various flights.

"No block bookings or preferential treatment was given to any agents or SAA reservations consultants," Mr Pheiffer said.

Although the fare is the lowest available on the Johannesburg-London route, a higher fare of R2 590 will apply during peak season of December 2 to January 20.
Third-class war over station discrimination

DENNIS CRUYWAGEN
Political Staff

NEW salvos have been fired in the war of words over third-class train passengers being refused access to the first-class exit at Cape Town station.

Commuters complain daily about having to use the eastern entrance if they have third-class tickets, especially in wet weather.

Because of economics, third-class ticket-holders are usually black and claim the practice is discriminatory and a return to petty apartheid.

The ANC and its allies say Spoornet is responsible. But Spoornet says the South African Rail Commuter Corporation is the owner of commuter-related assets, adding it only provides a service on behalf of the corporation.

In a fax to ANC Western Cape assistant secretary Willie Hofmeyr, the corporation's general manager, Dr JF Meyer, said, "Apartheid on commuter trains and related amenities on racial grounds was abandoned more than four years ago. "Since then, differentiation has been applied solely on economic grounds according to free market principles."

This argument has not convinced the ANC and its allies.

Mr Hofmeyr said the ANC would continue to challenge the practice until the corporation "ceases to enforce this inhuman and ridiculous discrimination of forcing commuters to walk long distances in the rain in mid-winter rather than leave under shelter like their more fortunate fellow-commuters."

Dr Meyer also claimed that the principle of separate amenities based on economic considerations was not an unusual concept or peculiar to Cape Town station.

It was applied throughout the country where Metro carried out its business.

He claimed that Metro systems in London, New York and Tokyo offered a one-class service. But in countries such as Brazil, Mexico and Spain, as in South Africa, there was a preference and a demand for standard as well as better class services.

He said arbitrary use of facilities "tends to impact adversely on support systems to the detriment of its rightful users in that some commuters are deprived of the better value for the higher fare paid for and to which they are entitled."

He said the corporation was not unsympathetic to the plight of the less privileged.

But Mr Hofmeyr said the argument did not explain why these facilities should so closely follow the original apartheid plan at Cape Town station.

It also did not explain why third-class ticket-holders should undergo what amounted to gross discomfort and inconvenience because they could not afford to pay a higher fare.

The situation was outrageous and contemptuous;

"There is no legal base for this preposterous and discriminatory regulation," Mr Hofmeyr said.
Spoornet to sue vandals?

Spoornet are awaiting legal advice before taking a decision on whether to press charges against a group of demonstrators who caused about R300,000 damage to a train while returning home from Wednesday's mass action campaign in Cape Town.

The group slashed seats and pulled out ceiling and wall panels and light fittings.

A policeman escaped relatively unhurt, after a group of demonstrators threw him to the ground at the corner of Church and Burg Streets before hitting and kicking him, police spokeswoman Major Denise Brand said yesterday.
SUCCESS STORY: MIKE MYBURGH

Railway career leads to boss of the airways

By MANDY JEAN WOODS

Mike Myburgh is quiet and unassuming during his first interview since the announcement of his appointment as chief executive of South African Airways. He is civil engineering master's graduate from Stellenbosch and has an MBA from Unisa. His management experience includes working at Portnet and Spoor&k.

Mr Myburgh believes that if a manager is willing to study and master a type of business and market new to him, he will be fit for the job.

Mr Myburgh has worked for Transnet (and its predecessor SAR&H) for almost 30 years.

"I have worked for a transport organization for some time and with my exposure to SAA through the Transnet management board, I think I will manage the transition," he says.

Mr Myburgh, 50, worked his way through the ranks of the organization and arrived at Portnet as chief executive six years ago.

"I was at the time Transnet was dividing itself up into business units. I was able to lay some of the foundations for the face of the new organization."

As Portnet chief executive he played a major role in the establishment of the successful Victoria and Alfred Waterfront development in Cape Town. In his current position as group general manager he is responsible for the successful launch of the Viamax Logistics and Package Express (FX) subsidiaries of Transnet.

His greatest challenge at SAA, he says, will be to establish a customer awareness culture to effect economies.

"This is an enormous challenge, given the international and domestic deregulation which has taken place, given the recession which is inhibiting traffic volumes and given the socio-political conditions in South Africa which make it difficult to market the destination." He describes his management style as easy and controlled, decision making being shared by the management team.

"Many managers use a lot of fancy words to describe their management styles. I really try to think of myself as a manager who favours participative management. I don't want to be a hands-on type of manager. But I also won't be so removed that I will hesitate to stick my hands in the mud.

"I hope to provide an input and not merely to emulate my predecessor. I think that service excellence and the necessary cultural adjustments for staff to accept the need for change coupled with competition and the economies needed in this recessionary time will initially be my main concerns."

Mr Myburgh is generally found in his office from early in the morning to late at night — and he still finds time to take a walk around the company, he notes.

"If you are going to give directives to subordinates you had better be prepared to be there when they are there. Then as a manager one needs to have time to gather one's thoughts and to form a plan. This is done during the hours the employees are not around."

For staff members to be motivated it is important that they feel a part of the success of the company, he notes.

"Sam Walton, who founded the Walmart chain of stores in the US, once said he made an important mistake by introducing a profit-sharing scheme for his managers only. A year later he extended the programme to his entire staff and the success of this is reflected in the success Walmart became," says Mr Myburgh.

When there is time, Mr Myburgh likes exploring nature (whether bird watching or on hiking trails), travelling, tennis and golf.

He is married to teacher Lena and they have an 11-year-old son. They have lived for almost 10 years in Bryanston, Sandton. Originally from King William's Town, Mr Myburgh moved around the country, holding various positions. His first senior appointment was a regional manager in South West Africa.
Border post at Beit Bridge to be ravamped

By Dirk Nel
Northern Transvaal Bureau

MESSINA — Details of a $10 million scheme to upgrade the Beit Bridge border post were announced yesterday.

Senior Government Works Department spokesman Syd Burke told a meeting in Mes-
"ssina that South Africa's changed status in Africa, resulting in increased trade and an dramatic increase in traffic across the country's northern border, had made it essential to speed up improvements to the strategic border post, initially scheduled to be completed in five years' time.

He said work would begin immediately. The most important aspect would be the separation of commercial vehicles from the passenger traffic facilities to streamline inspections.

Inspection pits, forklifts, separate traffic lanes, State warehouses and sufficient parking would expedite inspections. As an interim measure, land adjacent to the bridge had been cleared for the parking of commercial vehicles, Mr Burke said.

Thirty-eight new housing units were being planned, and private-enterprise involvement would include the establishment of shops and an Ultra City garage.

Messina mayor Jack Kieff welcomed the announcement, saying there would be many positive economic benefits for the town. But he saw the speedy upgrading of the Messina-Louis Trichardt road as an immediate necessity.

Freight clearance agents at the bridge said they would continue to press for the border post to provide 24-hour service.
Shortage of Heathrow slots hits new airlines

STEFANIE ROTHMA

The shortage of landing and take-off slots at London’s Heathrow Airport is preventing new airlines from entering the lucrative Johannesburg-London route, now controlled by SAA and British Airways.

British airline Virgin Atlantic and Flitestar have been trying for several months to operate flights on the route and at the same time to undercut SAA and BA fares.

For almost 50 years, an agreement between the SA and British civil aviation authorities has prevented any other airline from flying the route, but the signing of a new bilateral air services agreement by the two countries last month opened the route to Virgin and Flitestar.

At the time of the signing, SAA indicated that another SA airline would be allowed to fly three flights a week, while BA said that five weekly flights could be allocated to Virgin. But in spite of the new agreement, a Virgin spokesman said yesterday, shortages of slots at Heathrow was now preventing implementation of the proposed flights.

Almost all slots at Heathrow were held by long established airlines which grew up under regulatory protection and a monopoly or duopoly which prevented any form of price competition, he said.

“This made these airlines big and allowed them to exploit ‘Grandfather Rights’ at Heathrow to the detriment of younger competitors.”

“As a result the present system of slot allocation denies passengers the benefits of competition and keeps airfares unnecessarily high,” he said.

Flitestar said yesterday it, too, was experiencing similar problems in obtaining landing and take-off slots at Heathrow.

SAA, which recently obtained a daylight landing slot at Heathrow, was unable so far to obtain a daylight take-off slot and was awaiting the outcome of its application.
War and rising costs. Interestingly, SAA also blames the losses on deregulation (Business & Technology April 24).

Both domestic and international routes are being liberalised and SAA is feeling the pinch as it faces an array of new competitors and is forced to cut fares and upgrade service.

Deregulation, it seems, has a pretty ruthless effect on all but the most efficient airlines, and State-owned outfits serving protected routes are never the most efficient. Since the US industry was deregulated in 1978, no fewer than 177 US private airlines have disappeared, through liquidations, mergers or buyouts. Of the top 10 US airlines at the time, three have gone out of business, two are in bankruptcy court and two were swallowed up by rivals.

Flying in open skies
With deregulation brewing in Europe, KLM Royal Dutch Airlines has survived and even prospered. It could prove a useful case study for SAA — and its new CE, Mike Myburgh, who takes over in April — as it battles to come to terms with open competition.

The Dutch airline rapidly expanded over the years to the point where it lumped into a classic problem, wryly summed up by KLM president Pieter Bouw: "There is a view that KLM became too large for the country it serves, or that the country became too small for KLM."

When the airline posted a 630m guilders (about R1bn) loss in its 1990-1991 financial year, the first time KLM had dipped into the red in 14 years, critics said the small-market chickens had come home to roost. They were wrong. In the latest results to end-March KLM recorded a profit of 125m guilders.

The turnaround is even more significant because KLM lost 145m guilders on its non-Dutch holdings, mainly interests in a string of airlines, including the US Northwest Airlines.

Aside from British Airways, KLM is the only major European airline to make a profit this year. And this comes in a year when International Air Transport Association airlines expect to lose a total of US$2bn, after losing US$4bn last year.

KLM returned to profitability largely by increasing high-yielding traffic and cutting costs. But cutting costs did not mean lay-offs — staff numbers rose by 415 to 29 075.

The airline's strategy is to position itself as Europe's transit carrier. With its home market too small and big US airlines still dominating transatlantic routes, KLM decided to increase and reschedule its flights from Amsterdam's Schiphol airport to connect with just about every arriving flight. It's a version of the hub-and-spoke system that the top US airlines use to lock up a large chunk of the market.

Bouw describes the concept as "rescheduling aircraft arrivals and departures in waves of connecting flights." The figures speak for themselves — passenger traffic was up by 8% and cargo by 5% over the financial year.

The main lesson that KLM holds for SAA is that it's a private company (as is British Airways) while SAA will probably stay in government hands for some time. The Dutch government set up KLM in 1919 and gradually sold its interest until by the mid-Eighties it had reduced its holding to 38%.

A share buy-back arrangement remains in place to prevent KLM from falling into non-Dutch hands. Otherwise, the State's role consists only of a supervisory board made up of a majority of State-appointed members.

Schiphol airport, consistently voted one of the top three in the world, is a large part of KLM's success, and this too is run by a private company. The State, local municipalities and KLM own shares in the company, the rest is in private hands.

KLM's advantages make it a good bet to be one of the winners in the years ahead as deregulation forces a big shake-out in the European airline industry. The airline's aggressiveness was shown on the SA-Europe route in January, when it started a price war by dropping its cheapest fare to Amsterdam to R2 595, about R1 000 lower than anything on offer a year earlier.

With Jan Smuts already becoming a hub for flights in and out of the continent, there's little reason why SAA can't follow KLM's example and position itself as the connecting carrier for African flights. After all, it's potentially a much bigger market than Holland.
SAA sets sights on flights to Canada and Florida

By John Miller

South African Airways could soon be flying to Canada and Florida because of the tremendous growth on its North American route, according to Steve Donnelly, acting executive manager of the airline's international routes.

In an exclusive interview, Mr. Donnelly said SAA was seriously considering extending one of its New York-bound flights through to Canada.

"We are already talking to the Canadians about such a service."

He said the airline was also looking at Miami or Orlando as a second gateway to the US.

"If the demand continues and maintains its current momentum, we could look at a fifth weekly flight to the States by December this year.\"
Price war could ground airlines

THE price war that has broken out in the domestic market is almost certain to create casualties among the airlines.

Airport sources say fares are already too low and cannot be sustained indefinitely — either prices must rise or airlines will take some hard financial knocks.

Recently, SAA chief executive officer Gert van der Voel said the airline was losing heavily on its domestic service. And Mr Jan Blake, managing director of Flite-star, said this week that fare structures were far below world standards.

Mr. Van der Voel said fares were at rock bottom. He admitted they were expensive for South Africans but that not much could be done because costs of fuel, space and aircraft were dollar-related.

Sources say the market is shrinking and that the airlines are locked in a battle to secure a greater portion of the market.

"Although the cheaper fares may stimulate the market to a degree I don't see volumes of passengers changing that dramatically. The winner of this war is going to be the airline that keeps the least amount of money," said an SAA source.

He did not believe the national carrier would match the cheaper fares announced by Comair and Flite-star, but would rather extend discount packages.

The problem facing airlines was that deregulation had occurred at roughly the same time as the economy had deteriorated, shrinking an already limited market.

By ROGER MAKINGS

APHRODISES FOR MEN

If you have ever wondered if you fly is made of or with such a substance what you can do to this information.

Aphrodispins for men are charged at R0.67 per can.

Yohimbine, Spanish Lily, Alcohol, Poppers, etc.

Shall be charged at R0.67 per can.
By ROGER MAKING

AN AIRLINE will be
launched in Johannesburg
in the next few days to
improve 'services to reg-
ional African and SA des-
tinations.' 26/1/92.

Airlink Airways acquired the
assets and infrastructure
of Link Airways which
was placed in provisional
liquidation several
months ago.

Johannesburg-based Foster-
Webb Air Charter, an asso-
ciate company of Foster-
Webb Construction,
will pump R5.5-million
into the airline to upgrade
the fleet and expand dom-
estic and regional net-
works.

Airlink Airways will have
four Fokker 50s and one
Fokker 100 in its fleet.

African

Among the plans for the air-
line are:

- Acquisition of more large
  aircraft.
- Expansion of services
to Africa and to major
  centres in SA.
- Entry to the charter and
  freight markets as well as
  a frequent flyer pro-
  gramme and package
  holidays.

Director Barrie Webb says:
"We aim at passenger
loads of at least 60% by
next year. The operation
has the potential to go as
high as 75%.

"Rapid growth should result
from a culture, that is per-
formance driven; entre-
preneurial and individual-
ly challenging."

The airline will serve

Link back
der under different
colours

Pietersburg, Bloemfont-
tein, Maritzburg, Nel-
spruit, Port Elizabeth and
East London. It has at its
disposal more than 40 air-
craft.

It is expected to begin re-
cruiting pilots shortly.
Price war could ground airlines

By Roger Makings

THE price war that has broken out in the domestic market is almost certain to create casualties among the airlines. Aviation sources say fares are already too low and cannot be sustained indefinitely — either prices must rise or airlines will take some hard financial knocks.

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"He did not believe the national carrier would match the cheaper fares."
Protesters' human chain peaceful but late

By PETER DENNEHY and RONNIE MORRIS

THE ANC-organised Pro-Democracy Campaign's hand-holding demonstration in the city centre on Saturday morning went off peacefully and eventually successfully, although it ran late.

Some protesters, however, reported that police and railway officials had stopped a train from Khayelitsha at Langa station about 11am and forcibly removed "hundreds of people" from three carriages.

Mr Mpho Khetiswe, who had a bleeding head wound, said: "They did not arrest, they just hit. I was hit with a big plastic thing (baton). I had a ticket," he said.

Police spokesman Captain Attie Laubscher said yesterday police monitored all stations along the route. At Langa station, Spawnet officials asked people for their tickets and when they failed to produce them, they were asked to get off the trains.

After a ticket inspector was struck on the head with a blunt object police intervened.

The police were then attacked and were forced to use batons.

Captain Laubscher's comments yesterday differed from those he made when first approached by the Cape Times on Saturday. At that time, he said the Langa station incident had nothing to do with the protest.

In a statement, ANC Campaigns Co-ordinator the Rev Chris Nissen expressed outrage at the police behaviour.

The "human chain" of protesters set off from the gathering point in District Six only at 11.14am, instead of the expected 10.30. Eventually about 3,000 people lined the 1.5km route around the Adderley/Walke/Long/Strand street blocks.

Organisers repeatedly stressed the need for discipline, and efforts were made to advertise the need for discipline, and efforts were made to abide by conditions jointly agreed upon last week by the ANC, police and the city council — though the agreement was not met.

The centre of Cape Town was unusually quiet on Saturday. Many shops closed their doors. A few bystanders expressed irritation at the disruption, but others joined the protest.

Marshals were assigned to guard Fleamarket stalls on the Grand Parade.

HUMAN CHAIN . . . Prominent ANC members (from left) Mr Trevor Manuel, Mr Reggie September, Mr Dullah Omar, the Rev Herbe Brandt, the Rev Lionel Louw and Mr Dawood Kahn were part of the human chain in the city at the weekend.
CARGO passing through SA ports during June grew 12.1% to 10.3 million tons, Portnet said in a statement at the weekend.

Exports made up 32.2% of the total cargo handled, imports 15.6% and in transit 9.9%. The volume of export commodities leaving SA ports was 11.9% higher than last year's levels, while imports jumped 29%. Most of the cargo passed through Richards Bay (56.6%) followed by Durban (25%), Saldanha (14.6%), Cape Town (6.7%), Port Elizabeth (3.1%) and East London (1.5%).
Shipping market still in summer doldrums

AFROMAR reports that the shipping market is still in the summertime doldrums, but there are a few areas which are perhaps a little stronger than expected for this time of year.

Large Cape-sized vessels have been under the most pressure and some owners of older units prefer to lay up their vessels rather than face the current rates being paid for this size vessel. A sudden surge in activity as the summer season ends might cause a shortage of these vessels.

On the other hand the Panamax type of vessel has faced firmer conditions in the Atlantic area with, for example, the rate for grain from the US Gulf to Japan moving up to about the $20 level. However this may not be sustainable.

The Baltic freight index has steadied at around the 1,050 level after moving downwards over the past few months.

The SA market has been as active as other markets. In the coal sector the Cape sized vessels have seen the rate from Richards Bay to Rotterdam ease down to about $5/ton for early loaders. It could be September before some strength returns to this sector of the market. One trading house has had to increase its ideas from about $13/ton to “try $14” for the movement of 30,000 tons from Durban to Taiwan on an early position.

Grain imports are continuing on a steady basis from the US Gulf. Six thousand tons of rice in bags was to be moved from Vietnam to Reunion in about mid-August. A 10,000 to 11,000 ton cargo of beans in bags was to be shipped from China to Durban at the end of July or early August.

A cargo of 15,000 tons of chrome ore was quoted from Madagascar to Sweden for end-August/early September shipment.

US charterers were indicating a rate of $20/ton for the movement of 4,000 to 6,000 tons of copper scrap roundings from East London to Baltimore for September shipment, with the option of discharging at Montreal at about $22/ton.

Ferro-alloy charterers arranged several parcels into the US Gulf and East Coast. A parcel of just under 6,000 tons of steel coils was circulatng for shipment from Durban to South America for early dates.

Timecharter levels have remained more or less unchanged, with 29,000dwt vessels being paid about $4,500 a day for trips from SA to northwestern Europe and 35,000dwt vessels in the same trade about $5,000 a day. A 35,000dwt vessel would expect to obtain about $6,000 a day for a trip from SA to the Far East.

Inquiries for liner type vessels have been steady.
Cape gets fare cut to Europe

Staff Reporter

SOUTH AFRICAN AIRWAYS brought Cape Town, and Durban in line with Johannesburg today and announced that the "add-on fare" system would no longer apply to passengers flying direct to London, Amsterdam and Frankfurt.

In the past, airline passengers paid an add-on fare to Johannesburg even if they were flying direct to their international destination from Cape Town or Durban.

The new fares mean passengers from all three cities pay the same price.

On the new fare structure, passengers on return tickets save R545 first class, R479 business class and R400 on economy class flying out of Cape Town.

Economy class from Cape Town now costs R3,489 at peak season and R2,760 in the off-season.

The national flag carrier also announced the introduction of a return youth fare (12 to 25) at R2,500.

To celebrate the new Johannesburg-Munich route, the airline announced discount rates from August 24 to November 30.

However, because the flight is routed by way of Johannesburg, the flight prices differ. The economy class rates from Cape Town are R2,699, R2,519 from Durban and R2,269 from Johannesburg to Munich.
Travel agents wilt in heat of air war

CHEAPER air fares — although beneficial to travellers — were causing travel agents to struggle, an industry spokesman said at the weekend.

Agents had to sell many more of the cut-price tickets to generate the same level of income they derived from selling more costly tickets, often at the expense of service to customers, Rennies Travel marketing manager Kananelo Maketha said.

Maketha's statement came as a price war loomed in SA's domestic flight market between Fliittestar and Comair — a war in which the industry said would not take part for the moment.

Maketha warned that those travel agencies which were not geared towards providing their service effectively would be hard pressed to maintain their standards.

Fliittestar and Comair recently announced a cut of up to 45% on fares on the popular Johannesburg-Cape Town route, and industry sources speculated that SA would soon announce a cut of about 50% on its flight prices.

However, the speculation was strongly denied by SA's spokesman, Leon Els, who said that no such announcement would be made in the foreseeable future.

Fliittestar MD Jan Blake earlier said domestic air fare structures in SA were already too low by world standards and that such a dramatic reduction in fares by SA would eliminate all competition.

Collectors expected to snap up Harvards

ARMSCOR has put up for tender $1 million in SAAF aircraft — including two Harvards which the company says are "collectors' items".

On Sunday Armscar advertised $1 million in SAAF aircraft — including two Harvard T6s which the company said were "collectors' items". The Harvards were built for the SAAF by the former Atlas Aircraft Corporation and used mainly for reconnaissance, an Armscar spokesman said.

"We can't overemphasize the extent to which these aircraft are being used by the SAAF," he said.

Skal TOWN — The Cape tourism industry is to receive a boost by the arrival of about 1 800 tourist operators from all over the world who will be attending the 1992 Skal World Congress in October.

Apart from the immediate economic spin-offs from the flood of visitors from 80 different countries, the Cape economy is likely to receive a further lift from tourism injection next year as a result of the congress.

"The importance of making a favourable impression on the delegates cannot be overemphasized. They are able to exert tremendous influence on tourism to SA," Skal spokesman Mike de Groot said yesterday.

Association Internationale des Skal Clubs protocol director Len Graefcheff from Canada and congress director Ian McCubbin from the UK said previous experiences showed that the year following the congress the host city gained tourism worth about $25m.

Skal members are all senior personnel in travel and tourism related industries. The organisation has a membership of more than 24 000 in about 700 clubs in more than 100 countries.

About 1 800 beds have been booked in 16 Cape hotels for the six-day congress and 45 luxury coaches are being brought from other centres in the country to cope with the demand.

The Cape was chosen to host the 1992 congress over rival bidder Istanbul.

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Train deaths baffle Goldstone

ANCYL voices its concern and is unhappy with the ANC's 'inconsistency' in handling the negotiations:

Sowetan Correspondent

A COMMITTEE of the Goldstone Commission has found that it cannot be determined who is to blame for the violence on trains on the Reef, with the killings being seen as a spill-over of the unrest in black townships.

The committee, which released its findings in Pretoria yesterday, was appointed to investigate the train violence that claimed 138 lives between July last year and April this year.

The committee said, however, that secondary causes had been identified. These included poor entrance control at stations, packed trains and the carrying of weapons in public.

The committee said there was a decided lack of control over entrance to stations.

Overloaded trains during peak periods also made it impossible to maintain law and order, while the absence of interleading doors between carriages made it impossible for passengers to flee from attackers, causing them to leap from doorways and out of windows. Moreover, poor control at exit points made it possible for assailants to escape easily, the committee found.

The committee said, although witnesses frequently blamed hostel dwellers for the violence, other unidentified groups had also been involved.

In a separate interim report, the commission said the most obvious steps to alleviate violence in the taxi industry in the Midrand area between Johannesburg and Pretoria would be to recognize Ivory Park as a township. The roots of the discord were to be found in the intercommercial competition between rival taxi organisations.
Increase in airline passengers predicted

Major aircraft manufacturers have predicted a significant recovery in airline passenger traffic levels throughout the world in the last quarter of this year.

The positive upswing included the African market. Airbus Industries said its latest market outlook.

SAA said its growth and expansion in the latter part of this year will depend heavily on the political situation in the country. It currently has seven Airbus A320s on order. Six of these aircraft are scheduled for delivery this year, while the seventh would be delivered in the third quarter of next year.

SAA also has until September this year to exercise its option over an order for seven A320s. The rough price of these aircraft was about US$36m each, Airbus confirmed yesterday.

The difficulties encountered throughout the airline and aircraft manufacturing industries during the past 18 months should give way to improved economic conditions later this year, an Airbus spokesman said.

Boeing Commercial Airplane group which supports the Airbus forecast said worldwide traffic growth in revenue-generating passenger miles would triple between now and 2026.

During the past 21 years the world's manufacturing industry averaged 118bn a year in deliveries. Boeing expected annual deliveries to average 450bn during the next year.

Beyond 1992, growth was predicted to return and stabilise on an annual global level of about 4.9% until 2006, rising to 7.5% in the Asia-Pacific region, Airbus said.

Global aircraft deliveries by all manufacturers over the next 20 years would total about 12,000 aircraft, the industry predicted.

Stricter noise and exhaust emission regulations currently being imposed in Europe and the US would force airlines in Africa to either stop flying to those destinations or to update their fleets.

Airbus yesterday said it supplied 20% of the demand for new aircraft in the two main African markets - SA and the consolidation of Egypt, Tunisia and Algeria.

The purchase of new aircraft may present problems to African countries lacking the necessary capital as the IMF and banks were currently not inclined to extend credit for new aircraft purchases.

Airbus said that African carriers faced two possibilities. They would either be forced to adopt an "open skies" policy and let European carriers fly the routes for them, or they would have to look leasing companies to supply them with new aircraft.
Propnet looks at providing low-cost housing

PROPNET — Transnet's property development arm — was investigating providing low-cost housing for its employees to balance its portfolio and to cater for the needs of a changing society, CE Fuzz Loubser said. "We have land between Tembisa and Kempton Park which could be used for this, but each potential site is looked at in terms of what is the most appropriate development for the area," he said.

The final decision would be taken in conjunction with involved parties but identifying these parties was a problem.

Arranging funding was also difficult and Propnet had not decided whether it would become involved in funding the housing schemes.

"We are primarily identifying what our in-house needs are, which creates a good basis from which to extend later," he said.

Propnet was also looking at formalising its social investment plan, but this was still at the conceptual stage.

Provision of tourism and recreation facilities was also being considered as Propnet had land in suitable areas like George, Knysna and the eastern Transvaal.

The group was looking at activities that could occur at railway stations in these areas and at industrial developments near railway lines, where it had substantial land holdings.

Another niche area was the development of retail and office projects of under 5000 m² in country areas.

These developments were generally well received by the local authorities and provided employment in the area, said Loubser.

"One of our strengths is that, due to the security of being a Transnet unit, we can take a long-term view on developments. We presently hold 44000 properties amounting to 190 000ha of land at a book value of R9.2bn. However, only about 10% of these can be developed.

"Malcolm McIntosh has recently been appointed to look at managing the other 90%, which were already developed, with a view to providing market-related returns," Loubser said.
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Major aircraft manufacturers have predicted a significant recovery in airline passenger traffic levels throughout the world in the last quarter of this year.

The positive upswing included the African market, Airbus Industrie said in its latest market outlook.

SAA has said its growth and expansion in the latter part of this year will depend heavily on the political situation in the country. It currently has seven Airbus A350s on order. Six of these aircraft were scheduled for delivery this year, while the seventh would be delivered in the third quarter of next year.

SAA also has until September this year to exercise its option over an order of another seven A350s. The rough price of these aircraft was about US$485m each, Airbus confirmed yesterday.

The difficulties encountered throughout the airline and aircraft manufacturing industries during the past 18 months should give way to improved economic conditions later this year, an Airbus spokesman said.

Airbus’s forecast was supported by the Boeing Commercial Airplane group, which said worldwide traffic growth in revenue-generating passenger miles would triple between now and 2030.

During the past 21 years the jetliner manufacturing industry averaged $10bn a year in deliveries. Boeing expected annual deliveries to average $45bn during the next 19 years.

Beyond 2002, growth was predicted to return and stabilise on an annual global level of about 4.3% until 2006, rising to 7.8% in the Asia-Pacific region, Airbus said.

Global aircraft deliveries by all manufacturers over the next 20 years would total about 12,000 aircraft, the industry predicted.

Stringent noise and exhaust emission regulations currently being imposed in Europe and the US would force airlines in Africa to either stop flying to those destinations or to update their fleets.

Airbus yesterday said it supplied 88% of the demand for new aircraft in the two main African markets—SA and the combination of Egypt, Tunisia and Algeria.

The purchase of new aircraft may present problems to African countries lacking the necessary capital as the IMF and banks were currently not inclined to extend credits for new aircraft purchases.

Airbus predicted that African carriers faced two possibilities. They would either be forced to adopt an “open skies” policy and let European carriers fly the routes for them, or they would have to look to leasing companies to supply them with new aircraft.
In my view . . .

Changing face of the airline industry

In this column this week South African tourism experts comment on aspects of the local industry.

Against a background of huge financial loss, the airline industry throughout the world is in the process of profound change.

Deregulation, liberalisation, privatisation, mergers, alliances and other developments make headlines every week.

A recent study published by the Economist Intelligence Unit predicts that by the year 2000, no more than about a dozen international mega-airlines will exist.

They will have trans-national ownership and will be free from all forms of economic regulation, except those which apply equally to all industries.

Niche markets

This does not mean there will be no room for smaller airlines, it is likely a large number will operate in niche markets.

In this scenario, the Southern African region could see smaller national carriers disappear and be replaced by a regional consortium, operating from a Johannesburg hub and serving sub-Saharan Africa.

Meanwhile, the changing face of Southern African politics has tempted many new carriers to enter the market, and others to increase the frequency of flights.

Some 19 airlines have been affected in the past year.

The competition for market share has never been greater, spurred on by the prospect of floods of inbound tourists.

Virgin Atlantic, for example, predicts that 75 percent of its capacity, on both in- and outbound routes, will be occupied by foreign tourists.

But the hordes of tourists have not materialised and the airlines are having second thoughts. (China Airways is planning to cut one of two weekly flights.)

The chief reason, logically, must be the lack of security and of political stability.

But, as SAA has pointed out, the general lack of suitable hotel and game park accommodation in popular tourist areas, and the steep increases in accommodation costs have made it costly.

To make inroads into the European market, South Africa simply has to compete with good value holidays offered by other long-haul destinations.

For example, charters operate from London to Florida, California, for £250 (R250) return, and accommodation is plentiful and of high quality, as is the standard of service.

However, if carriers cannot attract inbound tourists, they can at least try to persuade more South Africans to venture abroad, and special fares, at 1986 levels, have tempted first-time travellers.

Do special discount fares lead to incremental business and ultimately, real growth in outbound travel, or just to lower revenues?

The airlines and most travel agents are divided on the issue, but there is no doubt that, to the advantage of the South African traveller, bargain airfares are here to stay.
Airlink, Airline unveils R5.5m expansion plan

AIRLINK Airline is planning a multimillion-rand fleet expansion and refurbishment programme.

Speaking at the official launch of the airline last night, joint MD Rodger Foster said the carrier would invest more than R3m on refurbishment and a further R2.5m on replacing older aircraft in the Airlink fleet.

The drive to acquire additional aircraft should be completed in a few months.

Airlink was established last month when it acquired the assets and infrastructure of Link Airways, which was liquidated earlier this year.

It was announced last night that the airline was introducing a new service to Lesotho from September. Airlink has already been appointed the designated SA carrier on Swaziland and Mozambique routes.

Foster said the carrier planned to start air connections to several small centres in SA, which have been without air transport. Airlink was aiming for passenger loads of up to 75% by next year when it should be carrying more than 60 000 passengers a year.

Airlink's scheduled services include return flights from Jan Smuts Airport to Pietersburg, Bloemfontein, Maritzburg and Nelspruit. There are also return flights from Durban to Nelspruit, Maputo, Bloemfontein and Umtata; from East London to Umtata, Port Elizabeth and Bloemfontein; and weekend services from East London to Wild Coast resorts on a non-scheduled basis.
JOHANNESBURG — The South African Rail Commuter Corporation (SARCC) plans to establish a special rail guard corps to protect embattled commuters from attack, Transport Minister Piet Welgemoed has announced.

Dr Welgemoed, responding to the Goldstone Commission's interim report on train violence, said the SARCC had already approached a company "which is representative of the community" to establish the guard corps.

The establishment of such a corps was one of the recommendations made in the interim report released yesterday.

The commission was unable to apportion blame for the violence, but was critical of the police for failing to prosecute effectively the perpetrators of train attacks and also cited poor access control at stations as a cause of the violence.

Dr Welgemoed said that although the special guard unit would initially operate in the Southern Transvaal, the corps would be phased in countrywide "on a priority basis" at an additional cost of R200 million a year.

Issues highlighted in the report would be considered immediately, although some depended on availability of funds.
Struggle fatigue

In strictly legal terms, employers have the right to discipline employees who participate in next week’s two-day work stayaway. And given the understandable frustration at developments, many may feel inclined to use that right.

The stayaway is directed at government, but the primary victims are individual businesses and the general economy. It is not even a well-conceived strategy. In political terms, a two-day— or even a one-week — stayaway is purely symbolic. It is no Leipzig. Not only will it not bring down the government, it will win no extra concessions from the National Party.

The not inconsiderable damage to the National Party’s confidence and standing since Codesa II is already done. This is thanks to factors like Bopatso, General van der Westhuizen, Justice Goldstone, Dr Jonathan Gluckman, weird “power-sharing” constitutional proposals unheard of anywhere in the Western democracies, and the combined effect of these factors in reducing President de Klerk’s international prestige. Partly as a result, the NP has already moderated its negotiating position.

What is also clear is that enthusiasm for the stayaway in ANC/Cosatu ranks is less than uniformly high. A threatened week-long action has shrunk to two days, and there was genuine disappointment in negotiations to reduce that to one day failed. Nelson Mandela has recently been at pains not to exaggerate the purpose of the stayaway.

One suspects he would be relieved if an acceptable compromise could be found further to reduce its potential for economic damage and violence. “Struggle fatigue” is taking its toll. But trade union leaders, like their business counterparts, have been unable to find a formula acceptable to sufficient numbers of their constituents.

Yet, however “successful” the endeavour, it represents little more than a final fling before the inevitable return to negotiations. The need to avoid sparking a new round of conflict which delays this return is one reason for employers to exercise restraint in response to the stayaway. Another is that the threat of dismissal will not force people to come to work. Most will participate either because they are committed to the cause or because, whatever the undertakings made by Mandela and Cosatu, they fear for their lives if they do not. Finally, for most companies the replacement of an entire workforce would have severe effects on productivity. And a new workforce will be no more immune than the old from the forces that cause political stayaways to occur.

Heavy-handed employer responses will not solve the confidence-destroying problem of economically destructive forms of political protest. Perhaps it is time employer groups, including Sacca, began to think of how labour can be persuaded in the longer term to divert its political activism into less destructive channels. If the stayaway helps to initiate that process, the events of the past few weeks will produce some good.

Train violence

Government is planning to spend a vast amount of money making trains and railway stations safer for black commuters. Given earlier delays in implementing similar urgent safety measures, we hope Transport Minister Pest Welgemoed will take personal charge of seeing that the money is spent quickly and where it is most needed.

The Goldstone commission has found that inadequate security and access control at stations, and too few police or guards at commuter stations, had contributed indirectly to train violence in which more than 100 people died. Some of the problems were addressed in the commuter corporation’s March budget, or have since received attention, but Welgemoed has now advanced both planning and spending. Security spending on commuter services could total R460m in the current financial year. This includes station upgrading and the start of a new rail guard recruited from the black community.

Welgemoed must ensure that the urgency remains, because black commuters will remember delays to plans to upgrade nine Soweto stations by June. People died there during those delays. The causes of the violence lie elsewhere, but the railways have provided the scenes for some ugly crimes. Any measures to make the innocent safer must enjoy high priority.
Bid to upgrade train security

STEPS had already been introduced to upgrade security on trains, Transport
Minister Piet Wielgemoed said yesterday.

Reacting to the release of a Goldstone committee’s report on train violence, he
said negotiations were being conducted with a company, which is representative
of the community, to assist the SA Rail Commuter Corporation in establishing a
rail guard corps to combat violence on trains.

Wielgemoed accepted the interim re-
port regarding train violence and the
Commission’s proposals for curbing
such violence.

He said a number of matters raised
had already been addressed and propos-
a ls which had not been attended to
should be implemented “expedi-
tiously.”

A guard corps, which will help safe-
guard entry to railway stations, will be
recruited from the community and will
have its own, recognisable uniform.

This project will initially be limited to
the Southern Transvaal.

To meet the Goldstone committee’s
recommendation of establishing a rail
guard at all stations countrywide will
cost R200 million a year. Therefore this
will be phased in on a priority basis,
Wielgemoed said.

Approval had already been obtained
for increasing the number of security
officials providing services to the
SARCC from 377 to 731.

In addition, with the co-operation of
the SARCC, the deployment of the SAP
at commuter stations had been stream-
lined and the police had already been
empowered to conduct searches, as rec-
ommended, Wielgemoed added.

Along with progress in the upgrading
of railway stations, permanent and more
adequate facilities would be provided
for the SAP countrywide at an addi-
tional cost of R25 million

The corporation endorsed the neces-
sity for a national strategy to curb vio-
ence and would assist in the formulating
and implementation of such a strat-
egy.

Issues highlighted by the Goldstone
committee’s interim report and subse-
quent reports would be addressed im-
mediately, said Wielgemoed.

However, some of the recommenda-
tions were dependent on the availability
of funds authorised by Cabinet. As funds became available, these matters
would be addressed expeditiously, Wielgemoed said.

Measures already in operation in-
cluded toll free numbers that had been
provided countrywide.
Train security

"Along with progress in the upgrading of commuter stations, permanent and more adequate facilities will be provided for the SAP," he said.

"The corporation endorses the necessity for a national strategy to curb violence and will assent in formulating and implementing such a strategy."

He said some of the recommendations were dependent on the availability of funds authorised by Cabinet.

In a separate statement, Welgemoed said he accepted proposals contained in another interim report of the Goldstone Commission on train violence.

"I fully associate myself with the committee’s view that the means to peace largely lies in the hands of the taxi drivers themselves and that solutions imposed upon the industry by outsiders do not work," he said.

He said his department was investigating a statutory body consisting of representatives from local authorities, the taxi industry and the Transport Department to oversee the industry.

The ANC said yesterday it found some of the findings of the Goldstone Commission on train violence disturbing. Sapa reported: "It is an outrage that the statistics of the incidents of violence kept by the police are incomplete due to what the committee calls ‘routine destruction of records.’"

The destruction of records could be interpreted only as action to hide the nature of the train violence and the culprits.

The ANC also said the committee’s report provided government with "additional reasons, if any were needed, why it should immediately phase out hostels and ban the carrying of weapons in public.”
Checks to stop fare evaders

Staff Reporter

The Metro commuter train service is to crack down on fare evasions by stopping trains at randomly selected railway stations and checking passengers' tickets. Announcing the measure, Metro spokeswoman Ms Yvette Olwage said the move was necessitated by a R25 million loss in ticket sales countrywide.

"This action has taken place in the past but, in response to commuter concerns, it will take place on a more regular basis," Ms Olwage said.

Metro staff, backed by the police, will seal randomly selected railway stations to root out fare evaders.

No trains will be stopped between stations, she said.
Transport subsidies refused

By Shirley Woodgate

Calls by the Soweto Daily Passengers' Committee for the introduction of transport subsidies have been rejected by the Government.

SDPC chairman Stephen Sangweni said the latest rejection of appeals for some form of financial assistance for commuters meant his organisation was forced to mobilise protest action to make the authorities understand their plight.

Since millions of commuters were affected, all relevant political organisations and church groups would be approached for support.

Two appeals were made to the Minister of Transport for the reintroduction of subsidies after the latest increase in Putco fares.

But Dr Piet Welgemeen said that while negotiations were continuing with regional services councils to contribute partially to increased costs, the subsidy amount allocated by the Treasury for 1992/3 was 2.3 percent less than the previous financial year.
Plan for rail

Plan for rail

guard corps

Guard Staff

The South African Rail Commuter Corporation (SARCC) plans to establish a special rail

Guard Corps in a move to protect embattled train commuters

from attack. Transport Minister

Dr Piet Welgemeed announced

yesterday.

Dr Welgemeed, reacting to

the Goldstone Commission's in-
terim report on train violence,

said the SARCC had already ap-

proached a company "representa-
tive of the community" to es-

tablish the corps.

The establishment of a special

guard corps was one of the

recommendations made in the

interim report which was re-

leased this week.

The commission was unable to

apportion blame on any party, but was critical of the SA

Police for failing to effectively

punish the perpetrators of

train attacks. It also cited poor

access control at stations as a

cause of the violence.

The police had not comment-

ed at the time of going to press.

Dr Welgemeed said the spe-

cial guard unit would initially

operate in the southern Trans-

vaal. To meet the recommenda-
tion of establishing a rail-guard

at all stations countrywide would cost an additional

R200 million a year.

Dr Welgemeed said issues

highlighted in the report would

be addressed immediately.

The need for interlocking

doors between coaches was

being urgently investigated by

the SARCC and the question of

controls at station entrances had received attention.

He stressed that a number of

security measures had already

been implemented.

With the co-operation of the

SARCC, the deployment of po-

cilcemen at stations had been

streamlined and the police were

already empowered to conduct

searches.

In its reaction to the report,

the ANC said a statement it

was an "outrage" that the sta-

tistics of the incidents of vio-

lence kept by the police were

incomplete due to the "routine

destruction of records"
Pension payouts delayed

By Charmeela Bhagwat

Pension payments in 22 black townships in the East Rand, Vaal Triangle and West Rand would be postponed by one week because of planned ANC mass action, the Transvaal Provincial Administration announced yesterday.

Spokesman Metz van der Merwe said the decision to postpone the payments, which were due to be made from August 3 to August 7, was prompted by "concern for the security of the pensioners".

The TPA had no guarantee that pensioners would have transport to the pay points, that TPA workers would work during the campaign or that the townships would be accessible, Mr. van der Merwe said.

She stressed that the move was not a political one but the ANC condemned the postponement as "a clearly political position on the campaign for democracy, in which the TPA is targeting the old and the sick."

ANC spokesman Gill Marcus dismissed the TPA's reasons for postponing the payments as "absolute nonsense", saying their approach to pensioners was "a disgrace to any society".

The TPA announced the postponement of pension payments in Soweto earlier this week.
More commercialisation

The government is to commercialise airports and air traffic. Two state-owned public companies will be formed before April next year to operate the nine state airports and provide air-traffic and navigation services on a commercial basis, according to Transport Minister Piet Welgemeed.
BEIT BRIDGE BORDER

Some great northern prospects

A steady increase in traffic over the Beit Bridge border between SA and Zimbabwe has been noted over the past three years. The lifting of sanctions by countries in sub-Saharan Africa and, more recently, drought relief for Zimbabwe, have triggered moves to improve infrastructure on both sides of the line.

Zimbabwe is nearing completion of an enlarged border post and SA's Department of Public Works has decided to bring forward its own plans to ease congestion. It seeks separation of commercial vehicles from private, taxi and pedestrian traffic as the key to alleviating bottlenecks. Expenditure of R12m will provide facilities to streamline inspections (meaning inspection pits, fork-lifts, separate traffic lanes and a State warehouse) and furnish ample parking for those waiting their turn.

As an interim measure, land adjacent to the bridge has been cleared for commercial vehicle parking. Personnel will be increased substantially.

The Department of Transport has recorded increases of 18.3% and 3.4% for ordinary passenger traffic and commercial vehicles, respectively, over the two years - 1989 and 1991. But the increase in actual numbers of all vehicles from 13,940 in April 1991 to 25,118 for April 1992 gives a more vivid picture of developments. For 1992-1997, the department is budgeting for an annual 8% increase in passenger traffic and 5% in commercial traffic, and, thereafter, annual 4% and 2.5% increases respectively.

The Department of Public Works' announcement that it will commit R1.2m to the revamp coincided with a visit by the Meridian Group, which has been looking to buy land in the immediate area over the past few months.

Meridian — developer of Midrand's new CBD and part-owner and redeveloper of the Grand Central and Lanseria airports — is considering a mixed-use commercial development.

Certain oil companies have also been approached by individuals to commence some sort of service station development at the bridge.

Government's commitment to Beit Bridge is what developers have been waiting for.

Observers believe that in addition to a garage outlet, there is potential for food outlets, grocery, motor spare and luxury item retailers, restaurants and a hotel group. Catering group Fedics is also interested in these projects.

The border closes between 8 pm and 6 am daily (though this is extended during holidays). This could provide a niche for limited service hotel accommodation for the many truckers, or for tourists. Feasibility studies will take these factors into account.

According to Messina mayor Jack Klaff — whose town has a population of 15,000 and is 10km away from the border — retail demand is greatest for white and electronic goods.

National retailers, however, have inspected the area in the past, he cautions, and have not felt demand in the town sufficient to warrant entry. Instead, they have opted to set up shop on the N1 — the Great North Road to Zimbabwe — in the northern Transvaal's regional center of Pietersburg. The Game group is the most recent case.

Klaff believes these retailers have ignored the potential of the transient population — some as many as 100,000 people a month — going through Messina.

He says the town's existing hotel, the Impala Lusty — always fully booked — plus a second hotel, the soon-to-be-resuscitated Limpopo Inn, should be able to cope with increasing traffic.

The Limpopo Inn closed down some years ago — "when Messina was going down the tubes" — and was converted into a military barracks. It was recently sold on auction to a Durban syndicate for R400,000.

Messina's emergence into a bustling town has been underscored by the development of De Beers' Veneta Mine, 80km away.

De Beers chairman Harry Oppenheimer will officially open the mine on August 14 and, in the interim, 200 houses have been built for mine workers in the town.

Klaff says demand is so great for rented accommodation that an ordinary three-bedroom, two-bathroom house — if one can be found — is letting at R 2,500 a month. Commercially zoned land is currently priced at R 100/m².

Klaff hopes Messina will be a conduit for tourism in the area. The mooted Limpopo River Valley Reserve (Property May 29) may one day help fulfill that dream.

Meanwhile, the Department of Public Works will put its construction tenders to the market in January 1993. These will be followed — a few months before the project's scheduled completion in early 1994 — by tenders for duty-free shops. This retail component is envisaged as an important income earner for the department.

The allotted R1.2m does not include housing for additional staff. Five houses have been bought so far. Another three are under negotiation and 30 more will be built in the next couple of years.

DURBAN New lease of life

A R400m fund has been established by the Durban City Council to kickstart some of the city's most ambitious development projects. However, city management committee chairman Peter Mansfield believes this is just the beginning.

He says: "It should provide the impetus for the private sector to invest heavily when they realise the potential of participating in the schemes."

Allocations for the projects are:

☐ The Victoria Embankment (R29m);
☐ Point (R125.5m);
☐ A new regional library and cultural/education centre (R89m); and
☐ An international conference/convention complex (R154m).

Mansfield says raising the R400m will have little or no impact on rates — an average increase of 14.8% has just been announced (1% down on last year). He adds that though the council doesn't have the money in the bank, it knows where it will come from. It will be generated between now and 1997, primarily from the city's capital development fund which should bring in R160m; and unit trusts realising R25m.

Additional funds will come from the sale of council-owned land and the balance from interest earnings and other surpluses.
Tightening net on debt top Tollgate aim

MARC HASENFUSS
Business staff

THE reduction of debt, accompanied by the final tidying up and disposal of some non-performing assets, remained a priority for Tollgate Holdings; chairman Mr Julian Askim said in his annual statement.

He pointed out that although the group borrowings needed to be reduced as speedily as possible, management was not prepared to accept unreasonably high prices for any disposals.

"It has therefore taken considerably longer than we originally estimated to effect our restructuring plans" (Interest bearing debt stood at R186 million in the year to the end of December 1991).

He said the group would have concluded the restructuring objectives by the end of the year. "This will enable Tollgate to go forward and achieve higher returns on assets and long-term growth in earnings."

In his divisional review, Mr Askim said that plans were afoot at the group's vehicle distribution operation, Motorvia, to expand deliveries into areas not presently serviced.

Motorvia had also formed a division to investigate export opportunities.

Springbok-Axis was "well placed to take advantage of the expected upswing in inward tourism and a "significant growth in profits is expected for 1992."

"The reopening of air links, the deregulation of the routes, renewal of sporting ties and general lifting of sanctions points to a very encouraging latter half of '92."

But he stressed that longer-term growth could be negated by the lack of internationally acceptable luxury coaches in South Africa.

Last year proved to be a "watershed for Motor Racing Enterprises (MRE). To accommodate the Formula One and the World Motorcycle Grand Prix the Kyallami race track was upgraded extensively at a cost of around R25 million."

Mr Askim said that international racing at Kyallami would add substantial revenues to MRE and have a significant knock-up effect on other areas of Tollgate, particularly tourism.

● Rookie main board listing Macmed Healthcare posted an impressive 40 percent increase in earnings to R79 600.

Directors attributed the strong profit growth to tight overhead controls, strict cash management and beneficial bulk purchasing.

Earnings a share came in 33 percent higher at 2.3c on the back of an increase in shares issued. A dividend of 6.75c a share was declared.

● Toy group Redwood's has acquired a controlling interest in Baby and Company for an undisclosed sum.
Easier access planned for revamped station

CLIVE SAWYER
Municipal Reporter

THE Rail Commuter Corporation plans to redevelop the station deck, including a more convenient entry and exit point for third-class passengers.

The policy of barring third-class passengers from the first-class turnstiles has been the focus of African National Congress-led protests.

Plans to make platforms 22, 23 and 24 suitable arrival points for international tourists include using platform 24 for loading cars on to trains while the other two platforms will become reception areas.

The station deck was one of the issues discussed at a meeting between the mayor, Mr Frank Van der Velde, and Metro operations manager Mr Piet Lotz, on matters raised by the mayor's tourism liaison group.

Mr Van der Velde offered the help of the council's photographic section to provide pictures of Cape Town for the walls of platforms 22 and 23.

He said he would ask Captour if it would be possible for Spoornet staff to attend training courses on improving the standard of service to tourists.

Mr Lotz said it was "unfortunate" that benches had been taken away from the main thoroughfare of the station and the waiting room closed, but it had to be done because of antisocial behaviour.

A survey showed that train passengers supported the measures.

He said existing first-class barriers and ticket offices would not be able to handle the burden third-class passengers would add.

The existing third-class entry and exit point was developed mainly to serve District Six, and the redevelopment of that area would mean that the present entrance would still be needed.
Permission given for charter flights to SA

CAPE TOWN—A number of European charter or tour operators had already received permission to provide charter flights to SA, Department of Transport deputy director Gen Japie Smit said at the congress yesterday.

Several of these operators had also applied for an extension of their authorities since government announced its interim policy on non-scheduled air services. The current International Air Services Act 1949 was amended on July 1, 1992, and the Minister has already approved new regulations which will enable the Department of Transport to consider these applications.

Smit said it was government policy to allow charter flights for the transport of tourists within a broad upper limit to stimulate tourism.

Also, charter flights would be allowed to transport passengers to and from countries which had no scheduled air services with SA. The movement of small aircraft up to 3,700 kg to and from countries in Africa was to be deregulated.

Smit was confident the commercialization of state airports would result in airport management being more sensitive to users' needs — in particular those of foreign tourists.

"All charges to be levied at airports will in future be directly used to benefit the users of airports."

Also at the conference, Coach Express GM Christo Bester said the current permit system which governed intercity coach transport had resulted in the under-utilization of expensive equipment. Coach Express operates Transnet's intercity coach operations.

Bester said the permit system caused lengthy and costly application procedures which made planning difficult. Quick reaction to market demand and opportunities was inhibited, and the positive effects of healthy competition were not felt.

Bester welcomed the Competition Board investigation into the permit system with a view to the phased deregulation of the industry.

SA is high on BA's agenda

CAPE TOWN — Promotion of SA as a travel and tourism destination had been placed high on the list of British Airways (BA) priorities, BA deputy chairman and CE Sir Colin Marshall said at Fedhasa's banquet last night.

"I believe that one of the great growth areas of the '90s and beyond will be in travel and tourism to SA and its surrounding regions.

It is why our subsidiary, British Airways Holdings was the first UK company last year to produce a programme of tours exclusively featuring SA," Marshall said.

The most fundamental change to the industry in SA, he said, had been the deregulation of air transport. Within the space of just a month of deregulation, 12 more international carriers were flying to SA and a further 20 had applied for rights "in what resembles a latter-day gold rush."

Marshall said 7 000 of the 8 600 seats which BA had placed on the market on a special seat sale for flights between SA and London had already been sold.

He said BA had invested £30m to buy new aircraft fleets and £39m for a 44% stake in USAir, the fourth largest airline in the US.

This was BA's first major step to ensure it was one of the global airlines of the future, Marshall said.

World travel and tourism now had a gross annual output approaching $3.5-trillion, employed 127-million people, had collective capital investments exceeding $422bn, and contributed $303bn to national exchequers in tax revenues.

"The industry is growing faster than the world economy in terms of output, value added, capital investment and employment."

STEPHANE BOTHMA reports that earlier yesterday Marshall told a media briefing in Johannesburg that travellers would reap the full benefits of industry deregulation by next year. Marshall welcomed the trend by governments towards decentralizing the airline industry and said there would be major benefits for the public.

What had happened with fares between the UK and SA would happen all over the world, said Marshall. Decentralisation allowed for partnerships between airlines on different continents, he said.

Forming partnerships with other airlines were the anticipated way that smaller airlines, such as SAA, could ensure their futures, Marshall said. "The industry is flat on its back — a situation that cannot continue for much longer."

The industry needed rationalisation to ensure profitable operators in the future. Governments needed to step out of the ownership and control of airlines, because government funding provided for inefficiency, he said.

As well as its stake in USAir, BA had alliances with German and Russian airlines.
Charter flights key to fuelling tourism expansion

Charter flights are the key to fuelling growth in tourism,” Stephen Allen, marketing director of the UK-based Britannia Airways, told the Fednass conference yesterday. Britannia, which carries 3.5m return passengers every year, will introduce charter flights from Gatwick in the UK to Cape Town and Durban in December and January. It will be flying on behalf of SA-based tour company CLS International.

“To me this represents a breakthrough, but only a small step forward,” said Allen. “To develop tourism properly we should be allowed to operate for a full (European) winter season.”

The company had filed an application to do so. Allen said charter flights were the backbone of the tourism business from the UK. “They are an absolutely essential ingredient in keeping there on charter flights stayed only half as long as those arriving on scheduled flights they spent more in that shorter time.

There was a weighting towards the older end of the population, who had higher disposable incomes and more leisure time.

Allen said Britannia introduced charter flights to Australia in the winter of 1988/89. In the next two years passenger volume from the UK grew by 59%. “Scheduled carriers’ growth was up 38% while charter doubled from a very small base.”

A survey carried out by the Australian Department of Transport and Communications disclosed that 34% of charter passengers would not have gone to Australia if the holiday package had not been available. A further 6% would not have gone if it had cost 20% more. And 62% were first time visitors.
SA's airports on the up

CAPE Town's D F Malan Airport will probably be able to cope with the increase in air traffic "for some years", Malcolm Freeman, British Airways (BA) manager in SA, said at a press conference yesterday.

He expects Jan Smuts Airport in Johannesburg, which is now being extended, to "cope very well — phase two will last for a long time to come."

But he pointed out that Durban Airport would have problems. "It can cope with only one large plane at a time."

BA Cape Town manager Ian Petrie said that an airport users' committee had been formed at D F Malan last week.
Air travel growing despite deep recession

By AUDREY D'ANGELO
Business Editor

THERE are no signs of the world recession ending — but air travel is still increasing. Colin Marshall, deputy chairman of British Airways (BA), said at a press conference in Cape Town yesterday that BA is looking at the growing demand for flights to the US and South America.

Marshall, who also serves on the boards of SA Airlines and South African Airways, said the exchange rate is more favourable for tourists and the exchange rate is beneficial for them. We are looking at more outbound travel.

But even in the present climate, there was an air of hope and optimism about the future in SA.

Discussing the world economy, he said: "We have been hit hard but we are recovering. Our economy is growing and we are looking forward to a better future." 

"We are hearing from the industry that things are not going to return to normal in the short term. But we are optimistic that things will improve."

BA buys into Air Russia

BRITISH Airways (BA) has taken a 30% stake in Air Russia which “we hope to take off next year”, its deputy chairman, Colin Marshall, said at a Cape Town press conference yesterday.

The other 70% is held by three Russian banks.

Marshall said BA was forming partnerships and alliances in preparation for the consolidation of the airline industry into a smaller number of giant competitors, which he expects to happen in 10 or 15 years’ time.

Asked if it was likely to form such a partnership with SA Airways (SAA), he said BA never made statements on speculative matters if it entered into negotiations it normally made an announcement until the deal was finalised.

But, he added, “it is certainly the case that as part of our global strategy we anticipate entering into partnership with others in strategic areas”.

"We are looking at longer journeys on average and we see the prospects for our industry as very good indeed."

SA was now only 10 hours away from London by direct flight, which made it competitive with the Caribbean and Australia as a holiday destination during the Northern Hemisphere winter.

Marshall said the fact that the country is so clean in comparison with others would help to attract visitors. He and BA regional manager Bob Lee considered the widespread use of English, and being in the same time zone as the UK and Western Europe — eliminating jet lag — were other advantages.

But Marshall, stressing the need for more infrastructure, said SA’s tourism trade would have to be increased gradually as more provision was made for it. The big thing is to ensure that the infrastructure is available for people when they come. The best publicity is by word of mouth.

"Provided one is able to see progress in the political transition and we don’t have horror stories in the world’s media, I can’t see why SA should not develop as a major tourist destination."

Discussing the future of the airline industry, Marshall said that eventually, in the next century, international traffic would be handled by only about six giant airlines.

Based on industry forecasts, BA expected international passenger traffic to continue to grow at a rate of 5% a year in numbers and 6% in revenue terms.

In the first quarter of BA’s new financial year the number of passengers was almost 10% higher than in the same period two years ago. But all the growth was in the economy classes. Traffic in the premium classes was at the same level as last year and below the level of two years ago.

Based on industry forecasts, BA expected international passenger traffic to continue to grow at a rate of 5% a year in numbers and 6% in revenue terms.

Smaller domestic airlines could continue to exist, serving a well-defined sector.
competition in the tour-bus industry.

Springbok Atlas and the other big tour companies hold government-granted monopolies on the most lucrative touring routes. But with the expected tourism boom exerting more pressure for change, this may soon end.

Weary of the in-fighting in the industry and under fire for sub-standard tour coaches, Transport Minister Piet Welgemeed says he plans to deregulate the luxury end of the tour-bus industry.

He is now in Europe studying the industry there. After he returns, on Wednesday, he will consult experts in the bus industry, coach builders and tour operators and, by the end of the month, he hopes to know enough about their problems to set the terms of reference for a board of inquiry into the industry, which he wants to establish early next month.

His mind, however, seems already made up: "I think I will support my Cabinet colleague, Tourism Minister Org Marais, and call for buses to be classified, possibly on a five-star grading system. I will then classify those from three stars and up as coaches and deregulate them. One- and two-star vehicles will be buses and will be regulated until the bus industry is deregulated.

Despite Welgemeed's urgency, it may take at least a year for deregulation to take effect. Piet Gerber, the Department of Transport's deputy director of road transport, says it will take that long for local authorities, which handle licensing and other formalities, to prepare for the new system.

The current system does its best to limit competition. Tour-bus and coach operators must have permits issued by the National Transport Commission, but these are difficult and costly to get. The permits stipulate the routes and frequencies allowed, so the lucky holders practically have a licence to print money because they're largely shielded from another operator competing on the same routes.

There are other problems as well, says David Munton, who, after "lots of sweat and tears," won a permit for his company, Cape Guide Tours, to take tourists around Cape Town in open-topped double-decker buses. "Like everyone else, I had to apply to the commission and have my application gazetted, prove that the service was needed and, if someone else had been providing it, prove he wasn't supplying an adequate service. Anyone can object and get a copy of an application and the supporting documentation. The system forces you to reveal your business plans, which others can copy or capitalise on.

"Permits don't come cheap. One has to brief a specialised lawyer because the objectors come with their legal representatives. The verdict normally is that the service is adequately catered for. If a permit is granted, it usually comes with restrictions."

His permit limits him to operating within 10 km of the Cape Town Post Office Tower. He also wants to get into the luxury-coach touring business but balks at the thought of trying to get a permit.

He says, because permit holders are so well protected against competitors, they have little incentive to upgrade their equipment. That is one reason why most are operating couches up to 12 years old (Business & Technology July 10). And because of this, "there isn't an adequate supply of good used coaches coming on to the market to let the small boys get started; the established companies hold on to them because they know that, if they sell, someone will probably try to compete with them."

Paddy Vella, financial manager of Springbok Atlas, the biggest private-sector tour coach operator, says he doesn't like the permit system either but adds: "It's the system, so we use it. If someone wants to start operating on a route we developed, we object. But, of course, we also have to fend off objections when we want to start up new services. Legal fees are high and, if the commission decides to allow an operator to start a service using a temporary permit, it has to be renewed every two weeks, which is costly."

While Munton and Vella agree the government-granted route monopolies and other economic controls should go, they still want the government to enforce high standards of service in the industry. Vella believes the need for this was hammered home recently as signs of a tourism boom grew. "Hundreds of would-be operators, some having only min-buses, applied for permits. Naturally, we opposed every one. Many were fly-by-nights who would have harmed the industry and tourism."

The established operators say they would limit the industry to only those who operate suitable, well-maintained vehicles driven by qualified drivers, employ well-trained guides and can prove they have the financial resources to enter the business. This would enforce the standard safety and maintenance rules for drivers and vehicles that should apply to everyone on the road — but sounds like it could be nearly as restrictive and bureaucratic as the current system. Based on his strong deregulation track record, Welgemeed surely already knows this.

FINANCIAL MAIL • AUGUST 7 • 1992 • 75
TRANSPORT unions have decided to tackle the issue of transport policy seriously. At its recent bargaining conference, the Transport and General Workers' Union goods and docks section adopted a resolution setting up a committee to investigate policy.

This committee, along with the African National Congress/South African Communist Party/Congress of South African Trade Unions alliance, will look into matters such as the taxation and financing of transport. It will also look at issues affecting truck drivers, such as truck hijackings, long distance driving, and owner-driver schemes in which companies have been encouraging drivers to take part.
Enough to fill 2 000 Boeing 747s

Skies full of empty seats

MORE than 700 000 seats went empty on international scheduled flights last year, enough to fill 2 000 Boeing 747s, according to a confidential report prepared by SA Airways for the Government.

"This is equivalent to more than 1 000 empty Boeing 747 return flights per annum or roughly three per day," the report says. "The fact that there is an oversupply of seats, especially on the SA-UK route is evident from the low fares currently being offered."

The report was drawn up in an attempt to seek continued protection for SAA on international routes and was handed over in March — a month before a liberalised international aviation policy was implemented by the Government.

The liberalised policy aims to bring more visitors to SA by abolishing price-fixing and allowing more carriers to fly here.

SAA and British Airways subsequently announced cut-price fares on the London route. But SAA has also introduced two new flights on the London route and others to the Continent.

Tourism consultant Delano Caras of Keesel Feinson Consulting describes the number of vacated seats as startling. He expects deregulation to cause bloodletting until the market settles.

The report says Europe has always been regarded as SAA's most lucrative route. But traffic growth has not kept up with capacity costs have risen and this route is no longer a major profit generator.

Business Times Reporter

will be lower yields and a deteriorating effect on profits."

"It is essential that the business of SAA's international services is protected from predatory competition. Any large-scale or consistent granting of traffic rights without an appropriate trade of opportunities will inevitably impair the competitiveness of South Africa's airline industry."

Board of Airline Representatives vice-chairman Francois Maurel (also regional manager for Southern Africa for Air Mauritius) says the figure of 700 000 empty seats "sounds highly exaggerated. But there is no question that international airlines are struggling."

"Certainly some destinations are doing well — I can't get on a flight to London tonight — while others are suffering."

Most air fares available to tourists to SA are at pre-1994 prices, says the report.

"At an average load factor of 70%, the airline needs to sell 750 seats in each direction at an average yield of R4 000 return or R2 000 one way to break even."

But fares have now dipping to as low as R1 990 return.

SAA spokesman Leon Ellis declines to comment on the report. He says it was completed for Minister of Transport Post Wijnberg and is confidential.

Worrying

Costs on all routes must be managed to avoid a deleterious effect. The report shows that, despite a drop in prices (63.3%) the overall yield (45%) is lower than that of UK Airways (67%).

Revenue per passenger carried against an increased load factor is down 34% compared with the previous year. Capacity rose by 12% per seat trip, but traffic fell by 10% per seat trip. The result was a 22% drop in revenue per seat trip. The report says a "dramatic" reduction in number of passengers per seat on certain routes is a cause for concern.

"The SAA report says the number of seats occupied is far below the number of seats available," it says. "That imbalance is likely to continue with the continued rise in the number of seats available."

The report says some airlines have become so pessimistic about the airline's performance and could possibly only break even by raising prices even higher than before. This will reverse the process of regaining market share. The report says the airline's yield is much lower than that of other airlines. It calls for the airline to focus on the domestic market to ensure it has a competitive edge.
Big plans for station

Railway land for housing?

Municipal Reporter

PLANS for a conference centre above the Cape Town station deck, part of a R400m redevelopment plan, should be ready soon.

A team of local architects has just returned from an overseas trip to look at conference centres before finalising their own proposals for the centre.

Mr Dirk Ackerman, general manager of the SA Rail Commuter Corporation, said he expected the station deck proposals to be completed "within six weeks to two months".

The corporation would also announce plans for a terminus for luxury inter-city buses. This would also form part of the station redevelopment scheme.

Negotiations are taking place between the city council and representatives of taxi organisations concerning temporary, and eventually permanent, taxi rank facilities on the station deck, he said.

Mr Ackerman said the architects had also visited the famous Birmingham Conference Centre.

"In this country, we don't have a lot of experience with conference centres," he said. "There is one at Sun City, but that was established quite a few years ago. There have been advances since then."

The redevelopment is believed to include restaurants, fast-food outlets and possibly underground shops which link up with the concourse below Strand Street.
Rail campaign keeps the millions from starving

DESPITE the fact that National Railways of Zimbabwe (NRZ) delivers 5 000 tons of maize to Zimbabwe daily, the country's government estimates that maize shipments will have to be dramatically increased to feed its citizens adequately.

Maize imports estimates were revised last week to 2.5 million tons from 1.6 million tons to cater for household and stockfeed needs as the drought forces more people to rely on government supplies.

SA's Sponnet delivers thousands of tons of maize, either commercially bought or donated by the World Food Programme, to Beit Bridge with Harare acting as a distribution centre for relief supplies sent to Malawi, Zambia and Zaire.

Maize donated by the US, Argentina, Mexico and Australia is received by Portnet at SA's major harbours and is transported by Sponnet to Zimbabwe. At Beit Bridge, control of Sponnet's rolling stock is taken over by Zimbabwe.

At the Grain Marketing Board in Harare, supplies are distributed either to trucks carrying maize in sacks to Malawi and Zambia or to grain silos from where local millers produce maize meal.

Processed maize reaches rural areas by road.

The board receives and dispatches about 1 000 tons of maize on a 24-hour basis daily, says operating manager Fallemon Makumbirofura.

"We operate on an almost hand-to-mouth basis," Makumbirofura says, explaining that almost everything received was sent out the same day.

Privately owned Bak Storage of Harare handles the same capacity as the board on a daily basis.

Since the import of maize started in April this year, 314 300 tons had been also received by rail and road from Beira, NRZ eastern region area manager Norman Shoko said.

NRZ had so far received about 700 000 tons of maize from SA, of which 400 000 was destined for Zimbabwe, 100 000 for Malawi and 200 000 for Zambia, he said.

Eight million tons of maize will be imported by SA, Lesotho, Botswana, Swaziland, Namibia, Zimbabwe, Malawi, Zambia and Zaire in the 18-month period which began in April.

Referring to Zimbabwe's increased demand for maize, Shoko said NRZ could easily handle the flow of additional produce.

"We are geared to move this mammoth amount of food and so far nobody is starving because of transport problems," he said.

The entire distribution operation is being planned, controlled and overseen at Sponnet's operations room in Braamfontein, Johannesburg, where all the countries receiving food aid are represented.

CSIR prepares water relief for Zimbabwe

MICHAEL HARTNACK

HARARE — An SA water expert returned home at the weekend to prepare emergency relief schemes for the drought-stricken cities of Mutare and Bulawayo.

CSIR water quality information system programme manager Dr Peter Ashton finished a four-day inspection of the worst crisis areas with a visit to Mutare.

He said a CSIR team had already found an aquifer of water-bearing rocks outside the eastern border town of Mutare, whose residents were limited to a few hours of water supply from their taps every second day.

In Mutare, the CSIR team was examining the Nyamandlovu aquifer, northwest of Bulawayo, where householders were rationed to 300 l a day. The CSIR fears taps will run dry in a few weeks.

Co-operation in tackling regional water problems featured in talks which took place in Harare last week between Zimbabwean officials and SA Foreign Affairs chief director (Southern Africa) Gert Grobler.

Grobler reportedly told the Zimbabweans that SA desired to develop a 'more constructive' relationship with its neighbour.

Sources in Harare said Grobler discussed further technical co-operation between Zimbabwe and SA in other sectors, including transport, health, agriculture and telecommunications.

SA is assisting in the transportation to Zimbabwe of an estimated 2.5 million tons of maize.
Work begins soon to make trains safer

WORK to make urban trains and stations safer—following Goldstone commission recommendations—would begin soon, the SA Rail and Commuter Corporation said.

Corporation MD Wynand Burger told a news briefing yesterday they had consulted community groups, including the Soweto Civic Association, about introducing a rail guard corps acceptable to the community. It would be operational by the end of the year.

There had been delays in upgrading stations due to unrelated problems concerning water and sewerage systems and the procurement of additional land, but he gave an assurance this would now proceed speedily.

He said the rail guard, which would receive proper police training and wear a distinctive uniform, would initially be limited to the southern Transvaal region, but would be extended to the rest of the country later.

As much as R260m would be spent on the guard in the next financial year.

Metro Services senior GM Koos Meyer said about R750m would be spent on train security nationwide by the year 2000, if next year’s R260m budget was escalated by 15% annually to compensate for inflation.

Burger said the SARCC was asking the government for an extra R86m this financial year to speed up the process, and commuter fare increases to cope with increased expenditure on security and inflation were being considered.

Electronic surveillance equipment was being investigated for train compartments and the entrances and exits of stations.

Train coaches would be made safer by altering windows and doors to make it impossible to throw a person off a moving train and fireproof seating was being investigated.

The provision of interlocking doors between carriages—as recommended by the Goldstone commission—was being investigated, he added.

Sapa reports Burger said a lot of progress had been made on the remaining Goldstone commission recommendations. These were:

☐ The number of Spoornet security officials would be increased from 377 to 741 countrywide.
☐ SAP officers deployed on stations and trains would soon be appointed "authorised officers" by the corporation to control access to stations. Police and Spoornet security personnel are already empowered to conduct searches, and
☐ SAP facilities at stations would be improved countrywide.
☐ R18m had already been set aside for on-board communication systems between train drivers and controllers as well as security centres;
☐ A further R17m had been set aside for on-board public address systems as well as communication systems at stations; and
☐ Burger said the corporation was also researching the viability of walk-through search apparatus.

New push for peace summit

WILSON ZWANE

THE national peace committee meets in Johannesburg today in an attempt to remove obstacles to a summit between President PW de Klerk, ANC president Nelson Mandela and Inkhatha president Mangosuthu Buthelezi.

UN observers Hasham Omayad and Shola Omoroge—in SA to monitor the ANC-SACP-Cosatu alliance’s mass action campaign—will attend the meeting.

The summit, regarded as an opportunity for the three leaders to give fresh impetus to peace efforts, was scheduled for July 30 but was postponed after Buthelezi refused to attend.

Buthelezi cited Mandela’s alleged violations of the peace accord at a recent UN Security Council meeting and the existence of Umkhonto we Sizwe as reasons for staying away.

Natal violence pushes death toll to 10

TEN people died in unrest-related incidents around the country yesterday and violence flared up in the Muschenbao area of Natal.

The bodies of seven people who died in renewed violence in the township near Port Shepstone were found yesterday. Police did not reveal the causes of death.

The latest incidents follow the discovery of two bodies at the weekend.

In another incident, two men were shot dead by police who intervened to stop a gunfight between two taxi drivers at Ivory Park near Johannesburg yesterday. Police said they shot the driver of one of the taxis who had opened fire on them, and later shot the man who replaced him at the wheel.

The body of a woman who had been shot in the head was found in Alexandra yesterday.
R38 m ‘rail guard’ to be established

A security force to protect commuters on suburban trains will be established at stations and on trains in the Southern Transvaal early next year, the South African Rail Commuter Corporation (SARCC) announced yesterday.

The “rail guard” follows the Goldstone Commission’s recommendations on curtailling train violence.

The project will cost over R38 million for the 1992/93 financial year.

SARCC managing director Wynand Burger told a news conference the guards would collaborate with the SAP and the communities they served.

“It is evident that the most effective policing system alone will not totally eradicate crime and violence.”

Mr Burger said the following progress had been made on the remaining Goldstone Commission recommendations:

- The number of Spoornet security officials would be increased from 377 to 741 countrywide at a cost of R19 million.
- SAP officers deployed on stations and trains would soon be appointed “authorised officers” by the SARCC to control access to stations.
- Policemen and Spoornet security personnel are already empowered to conduct searches.
- SAP facilities at stations would be improved at a cost of R28 million countrywide.
- Up to R11 million had been allocated for on-board communication systems between train drivers and controllers as well as security centres. A further R7 million had been set aside for on-board public address systems as well as communication systems at stations.
- Mr Burger said the SARCC was also researching the viability of on-board closed circuit television cameras and the installation of walk-through search apparatus.
- Entrance and exit control points would be relocated, and the layout of stations was receiving attention. Upgrading had been budgeted at R17 million.
- The exit and access points for third class commuters at Cape Town Station would be improved at a cost of R2 million.
- Facilities for “searching purposes” at 168 stations in the Southern Transvaal region would be provided at an estimated cost of R4 million.

The issue of interleading doors was also being investigated and prototype coaches would be ready for testing in the near future. Should the doors be “visible and desirable”, the bulk of Soweto trains would be modified at a cost of R11 million, Mr Burger said.

On financing the projects, estimated at R250 million for 1992/93, Mr Burger said the SARCC was approaching the Government to make additional capital and operating funds of about R38 million available.

He cautioned, however, that the upgrading programmes would also mean fare increases in the near future. — Sapa
SA-UK air monopoly signed off

JOHANNESBURG — A new agreement on air travel between Britain and South Africa was signed in London yesterday, ending the monopoly held by South African Airways and British Airways.

The new agreement is the first in 47 years between the two countries since Field Marshal Jan Smuts signed the first agreement in 1965. The new agreement has been drawn up by the British and South African aviation authorities to meet modern needs and changed circumstances, says a statement issued by the Ministry of Transport yesterday.

In the new agreement there will be no limit to the number of carriers from each country but each contracting party has the duty to divide the agreed number of flight frequencies between the designated airlines in the spirit of free competition it was decided to move away from the principle of double approval of tariffs and the principle of double disapproval was accepted.

A new system was accepted according to which the frequency of flights can be changed without consultations between the designated airlines. Frequencies will automatically increase by three a year, which may or may not be taken up by the various airlines. This mechanism is more flexible than the previous system and was deemed necessary owing to the potential addition of more airlines on the route.

Under the previous agreement income had to be pooled but the new agreement makes no provision for this.

Trade agreements between various airlines are not excluded. Such agreements will have to be approved by South African aviation authorities. The route schedule of the 1992 agreement provides for an unlimited number of ports of entry which may be serviced in Britain and South Africa.
SAA fares go up and down

The Argus Correspondent

JOHANNESBURG — SAA today announced a double-edged fare scheme with the price of peak hour seats going up by 12 percent and discounts of 50 percent available on various off-peak flights from this Saturday.

Examples of the “first-come, first-served” fares include a single ticket from Johannesburg to Durban at R114 and between Johannesburg and Cape Town at R216.

Everyone now qualifies for discounts. The previous discount structure only applied to certain market segments, including national servicemen and senior citizens.

On flights for which there is a high demand, all economy seats will carry a surcharge of 12 percent. On all other flights, economy seats can be discounted up to 50 percent, depending on demand. All first and business class fares have been increased by 12 percent, and no discounts apply on these prestigious services.

The 50 percent discount on various off-peak flights will only be applicable to those passengers who book and pay three months in advance.

A similar discount will also be available on all midnight and early morning flights if the ticket is paid for three months in advance.

Commenting on the new fare structures, Jan Blake, managing director of FliteStar, said the price increase was long overdue. He said the last increase, including adjustments for VAT, took place 18 months ago.

He said FliteStar would submit proposals to its board and would probably follow SAA’s example. However, he could not say whether the fare adjustments would be the same.
SAA slashes fares on domestic routes

SAA entered the price war on domestic flights yesterday, reducing fares by up to 50% on a limited number of off-peak seats, on a first-come first-served basis.

However, peak hour, first and business class seat prices were increased by 12%.

SAA CEO Gert van der Veer said yesterday the airline had suffered a loss of R71m during the first quarter of the financial year — R38m on its domestic service and R33m on its international service.

He said cheaper fares would not make the domestic service profitable, but affordable travel would broaden the market.

The reduced fares, effective from August 15, could mean return Johannesburg-Cape Town fares of R432 and Johannesburg-Durban fares of R228.

The discount offers include Apex fares, which offer 50% discount if tickets are purchased at least three months in advance; Slumber fares, a 40% discount on midnight or early bird fares; Super Saver fares, a 30% discount if purchased at least seven days in advance; and Saver fares, which offer 20% discount without an advance purchase proviso.

Comair MD Piet van Hoven said SAA had, in effect, increased normal economy fares on its Johannesburg-Cape Town route by 12%, and in order to soften the blow to the traveller, introduced limited capacity discounted fares on certain off-peak flights. Filitestor declined to comment at this stage.
SAA joins domestic fare war

OWN CORRESPONDENT

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However, peak hour, first class and business class seat prices were increased by 12%.

/Broader market

SAA chief executive Mr. Gert van der Veer said yesterday that the airline had suffered a loss of R71m during the first quarter of this financial year, R33m on its domestic service and R38m on its international service.

He said cheaper fares would not make the domestic service profitable, but affordable travel would broaden the market.

The private airline Comair described the reduced fares as a “complicated system of commercial engineering which it will be very difficult for the travel industry and the public to understand.”

Comair managing director Mr. Piet van Hoven said SAA had, in effect, increased normal economy fares on its Johannesburg-Cape Town route by 12% and to soften the blow for travelers had introduced limited-capacity discounted fares on certain off-peak flights.

However, Comair’s prices were still lower than SAA’s newly-announced first-come, first-served fares.

The second biggest domestic carrier, Fliestar, decided to comment. The reduced SAA fares — effective from tomorrow — could mean return Johannesburg-Cape Town fares of R422 and Johannesburg-Durban fares of R228.

The discount offers include Apex fares, which offer 30% discount if tickets are purchased at least three months in advance, and Slumber fares, offering a 40% discount on mid-night or early-bird fares.

Without proviso

Also included are Super Saver fares, offering a 30% discount if bought at least seven days in advance, and Saver fares, offering a 20% discount without an advance purchase proviso.

Parents sue bar for son’s death

GAINESVILLE, Florida — A lawsuit has been filed against a bar and its bartender here by the parents of a University of Florida student, Mr. Larry Kenneth Wooten, who died of alcohol.

Team to prom muti murde

JOHANNESBURG — Following the discovery of yet another body of known five or six, bruc...
SAAC's new fare deal

welcome news for

some, not for others

By John Miller

SAAC yesterday announced a
double-edged fare scheme
with the price of peak-hour
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Examples of the “first-come,
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gle ticket from Johannesburg
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The travel industry has greet-
ed the new policy with cautious
optimism.

On flights for which there is a
high demand, all economy seats
will carry a surcharge of
12 percent. On all other flights,
economy seats can be discount-
ed up to 50 percent depending
on demand.

Other discounts range be-
tween 20 and 30 percent.

First and business-class fares
have been increased by 12 per-
cent and no discounts apply.

The 50 percent discount on
various off-peak flights will be
applicable only to those passen-
gers who book and pay three
months in advance.

While the 40 percent discount
on midnight and early morning
flights still remains, the addi-
tional saving can be had if the
ticket is also paid for three
months in advance.

On the 30 percent discount
scheme, tickets must be bought
seven days before departure.
With the 20 percent discount,
tickets can be bought up to the
day of departure. These dis-
counts are each subject to a
25 percent cancellation fee.

The previous discount struc-
ture applied only to certain
market segments, including na-
tional servicemen and senior
citizens.

SAAC chief executive Gerit van
der Veer believes the restruc-
turing of the discount fares will
create incremental traffic.

“Our previous discounts were
rather limited. We have simpli-

ted the system and made them
more accessible so that more
people can travel.”

Flitestar, SAAC’s main compe-
titor since domestic deregula-
tion last year, has not increased
fares to date but has added
more flights at discounted
prices.

Managing director Jan Blake
welcomed the SAAC peak-hour
increase. “There has not been
an increase in airline fees for
more than a year.”

Rennies Travel general man-
ager, marketing, Cathy Mac-
Whirter had mixed feelings.

“The peak-hour increases are
a bit high, especially in the
present economic climate.
However, the discounts should
benefit the holidaymaker and
those prepared to plan ahead,”
she said.

The Association of SA Travel
Agents vice-president, Rupert
Lawlor said the fare offers
were a positive move as long as
it was not part of a panic re-
action to competition.
Action call on public transport safety

TYRONE SEAL
Staff Reporter

CALLS for urgent measures to ensure safer public transport have been made by transport, business and community leaders.

They say last year's 11,000 deaths on roads countrywide, poor policing and soaring crime on trains are areas of concern.

The calls were made yesterday at a symposium on safer public transport staged by the Mitchell's Plain branch of the National Institute for Crime Prevention and Rehabilitation of Offenders (Nicro).

Panelsists who drew attention to growing problems in public transport nationally were railway crime prevention specialist Colonel John Parker, Metro security manager Mr André Roets, Golden Arrow Bus Services deputy general manager Mr Nico Prinsloo, senior traffic inspector Mr Tony Howes, Cape Town Chamber of Commerce assistant director Mr Albert Schutmaker and Cape Areas Housing Action Committee chairman Mr Joe Marks.

Mr Roets said that while the SA Rail Commuter Corporation was in the initial stages of a R250 million upgrading of stations throughout South Africa, vandalism was costing the corporation R189,000 a month.

The upgrading had been inspired by the corporation's own planning and by recommendations in Goldstone Commission reports.

Mr Roets called for greater vigilance among commuters and invited victims and witnesses of crime to use the corporation's toll-free, anonymous complaints service.

Colonel Parker said that in the Western Cape only 293 policemen were assigned to the security of 617,000 commuters daily.

During the first six months of this year police apprehended 1,047 suspects on trains in and around Cape Town, but had not solved all of the 35 serious assaults, seven murders, four attempted murders, six armed robberies, six rapes and 174 thefts of firearms reported by commuters in this area during this period, he said.
SAA joins
domestic
fare war

Own Correspondent
SAA entered the price war on domestic flights yesterday, reducing fares by up to 50% on a limited number of off-peak seats, on a first-come, first-served basis.

However, peak hour, first class and business class seat prices were increased by 12%.

Broader market
SAA chief executive Mr Gert van der Veer said yesterday that the airline had suffered a loss of R71m during the first quarter of this financial year — R38m on its domestic service and R33m on its international service. He said cheaper fares would not make the domestic service profitable, but affordable travel would broaden the market.

The private airline Comair described the reduced fares as a "complicated system of commercial engineering which it will be very difficult for the travel industry and the public to understand".

Comair managing director Mr Piet van Roven said SAA had, in effect, increased normal economy fares on its Johannesburg-Cape Town route by 12% and to soften the blow for travelers had introduced limited-capacity discounted fares on certain off-peak flights.

However, Comair's prices were still lower than SAA's newly-announced first-come, first-served fares.

The second biggest domestic carrier, Fitestar, declined to comment.

The reduced SAA fares — effective from tomorrow — could mean return Johannesburg-Cape Town fares of R422 and Johannesburg-Durban fares of R220.

The discount offers include Apex fares, which offer 50% discount if tickets are purchased at least three months in advance, and Slumber fares, offering a 40% discount on midnight or early-bird fares.

Without proviso
Also included are Super Saver fares, offering a 30% discount if bought at least seven days in advance, and Saver fares, offering a 20% discount without an advance purchase proviso.
New ‘guard corps’ for the trains?

Staff Reporter

THE Rail Commuter Corporation (RCC) is considering recruiting black marshals to help maintain security on commuter trains.

This was disclosed yesterday by a Metro security official at a seminar held by the National Institute for Crime Prevention and the Rehabilitation of Offenders (Nicro).

Transnet's Metro security manager in the Western Cape, Mr Andre Roets, told about 50 people that the RCC was looking at new ways to ensure passenger safety on commuter trains.

Steps already implemented included securing numerous railway stations around the country at a cost of R25 million and a reward system for anyone reporting crimes.

Mr Roets said a possible plan to ensure commuter safety would be to set up a "guard corps" consisting of recruits from black communities.

He said seven murders had been committed on trains or station platforms in greater Cape Town area so far this year. Nine murders had been committed in similar circumstances in 1991.

Participants in the seminar, "Working for a Safer Transport", included speakers from the Golden Arrow Bus Service, Cape Town Traffic Department, the Chamber of Commerce and the Cape Areas Housing Action Committee.

Police Colonel John Parker said Transnet should consider fitting "full" signs on train carriages to prevent overcrowding.

Statistics for the area showed that 327 incidents of crime on trains had been reported to police so far this year and that 1,047 arrests had been made.

There had been 35 serious assaults, seven murders, four attempted murders and six rapes. In all, 174 robberies had been reported.
Separate station entrances to go

Staff Reporter

ALL rail commuters will be allowed to enter Cape Town station at the entrance of their choice from September 28, it was resolved yesterday after weeks of commuter protest.

Negotiations between the ANC, Cosatu and the Rail Commuter Corporation resulted in the decision to allow first and third class ticket-holders to enter at either side of the station.

Spoornet spokesman Mr Brian Lotter said the opening of the “first class side” to all passengers would take place on September 28 as time was needed to restructure the present front entrances to allow for increased pedestrian traffic.

Welcoming the move, the ANC said it was pleased with the decision to “abandon the discrimination”.

The Pro-democracy Campaign had launched a battle for commuters who were forced to use the eastern entrance if they had third class tickets. The ANC said it “was inhuman and ridiculous discrimination” to force commuters to walk the extra distance to the third class entrance, especially in wet weather.

The Rail Commuter Corporation claimed the separate entrances were to differentiate between people paying prices which varied significantly and denied it was a racial distinction.

Mr Lotter said yesterday that there would be separate entrances for third and first class passengers but they could use either side of the station.
Third-party scam: Call for facts

THE Committee of Consumer Organisations has expressed concern about the functioning of the multilateral Motor Vehicle Accidents Fund and misappropriation of funds.

It called on Transport Minister Mr Piet Welgemoed yesterday for a campaign to tell people how to handle third-party claims without the high cost of legal advisers and insurance companies.

Mr Welgemoed assured the committee at talks in Pretoria that the Cabinet had accepted the Melamet Report on the MVA and it would be implemented as soon as possible.

Committee chairman Mrs Lilbeth Moolman said it was vital that full information was made available to consumers and that claiming procedures were simplified.

The committee also requested consumer representation in solving commuter transport problems.

Mr Welgemoed invited it to submit nominations to the Transport Advisory Council.
Beset SAA cuts fares

SAA has slashed fares by up to 50 percent from today, mainly due to huge losses in the past two years, report MANDY JEAN WOODS and JOHN MILLER.

Huge losses thought to total almost R200 million in the past two years are behind South African Airways' dramatic slashing of domestic fares by up to 50 percent today.

In the first three months of this year, SAA's domestic services ran at a loss of R33 million. Its international services lost R38 million.

The major losses follow on the heels of a profitless year which saw the airline lose a reported R100 million.

"SAA is feeling the pinch of the drawn-out recession and, with costs creeping up, we are having to adjust our revenue accordingly," said SAA's executive manager of domestic services, Johan Kuit.

"By slashing prices we are obviously hoping to increase our revenue and we also expect that we will actually increase passenger traffic. We thought it was rather an elegant way of solving our revenue problem without killing the market."

About 40,000 seats a month will be available at the new cut-rate fares, said Kuit.

"The bad news is that we have had to raise fares by 12 percent for all our business and first class seats and for economy class on peak flights."

SAA has slashed its capacity on domestic routes by 2.5 percent a week.

JUMBO LOSSES: Force SAA to slash certain fares.

SAA is predicting an increase in income of between 3 percent and 4 percent a year with passenger traffic up between 6 percent and 7 percent.

"This will help us turn around financially," Kuit said. While load factors on domestic services have been excellent — averaging around 70 percent — the fare structure in world terms has been simply too low.

In short, the new discount fares are calculated off the base of the current standard economy fare. Apex fares will be discounted by 50 percent and tickets have to be booked and purchased at least seven days in advance. Children's fares are discounted 50 percent and infants' fares by 90 percent (this will be off the lowest fare base available on a particular flight).

Discounts are available to anyone who meets the booking and payment criteria. Kuit said, unlike the past when only certain market segments qualified.

"It is encouraging to see SAA is finally managing to include more on the basis of supply and demand. The peak hour increases are a bit high, especially in the present economic climate."

"However, the discounts should benefit the holidaymaker and those passengers who are prepared to plan ahead," she said.
SAA cuts domestic fares by 50 percent

BY NOMVULA KHALO

SAA has reduced a limited number of domestic airfares by up to 50 percent.

Not everyone qualifies for the discounts, but the reduced fares for economy seats, introduced on a "first come, first served" basis this week, could mean return Johannesburg-Cape Town fares of R452, and return Johannesburg-Durban fares of R228.

The discounts do not apply to first or business class fares which have been increased by 12 percent.

For flights in high demand there will be a surcharge of 12 percent on economy seats. On all other flights they can be discounted up to 50 percent depending on demand.

The 50 percent discount for off-peak flights will only apply to passengers who book and pay three months in advance.

A 40 percent discount will be available on all midnight and early flights; 30 percent on the super-saver fare if bought at least seven days in advance, and 20 percent if not bought in advance.

The discounts for senior citizens remain.
Lufthansa to start Cape Town flights

LENORE OLIVER
Staff Reporter

LUFTHANSA is to fly twice a week from Cape Town to Frankfurt via Johannesburg from October 28.

The flights will leave Cape Town at 6pm on Wednesdays and Sundays.

"An intense campaign will be initiated in Germany to increase public awareness of South Africa as a destination," said a Lufthansa spokesman.

The introductory return fare will be R2299. From October 27, the airline will add a Tuesday flight to the Johannesburg-Frankfurt route.
A dash of speed to lure more rail traffic

![Image of train and tracks]

Companies that are already embracing the use of rail transportation are seeing advantages over road transportation, such as reduced costs, lower emissions, and increased efficiency. This trend is expected to continue as more businesses look to reduce their carbon footprint and lower operational costs.

Furthermore, investments in infrastructure and technologies are making rail transportation even more competitive. Advances in signaling systems, positive train control, and other safety technologies are improving efficiency and reducing delays. This, in turn, is attracting new customers who are looking for reliable and cost-effective transportation options.

One of the biggest drivers of this trend is the need for logistics companies to offer quick and efficient delivery options to their customers. Rail transportation is well-suited for this role, as it can move large volumes of goods quickly over long distances. This is particularly important for businesses that operate in industries such as manufacturing, agriculture, and energy, where timely delivery is critical.

Another factor that is driving growth in rail transportation is the increasing focus on sustainability. Many companies are looking for ways to reduce their carbon footprint, and rail transportation is a key component of this effort. By shifting more freight from roads to rail, companies can significantly reduce their greenhouse gas emissions and contribute to a cleaner, more sustainable future.

In conclusion, the trend of increasing rail transportation is likely to continue as more companies look for ways to lower costs, reduce emissions, and improve efficiency. As rail transportation continues to evolve, we can expect to see further improvements in service and technology that will make it an even more attractive option for businesses and consumers alike.
You may have precious things as fragile as shells, as priceless as food and water or you may have things to move that are as hard as stone, as tough as metal.

Whatever you have, wherever it must go, we will move it for you with the greatest of care.
Looking good so you’re not left behind

Standard Bank

Looking good so you’re not left behind.
Skies open up, fares fly down
Integrated approach to social investment

Telkom, a employer of about 65,000 people, has introduced several social investment programmes, including cross cultural, dynamic growth (people development), managing diversity (equal opportunities), literacy, numeracy and bridging courses.

An extensive range of preventative and supportive, uplifting and re-qualifying services are offered to employees and their family members who experience personal problems of a psycho-social, health and cross cultural nature.

These services offer support where problems are experienced with, for example, AIDS, alcoholism, burn-out, housing, life skills (self-actualisation, interaction, self-preservation), depression, marital problems and poverty.

Equal service benefits (e.g. housing subsidies, allowances, etc.) are available to all Telkom employees, regardless of race or sex.

In addition, the company has many developed in-house staff advancement and training programmes.

Those which warrant special mention are:

- The managers’ in-training programme, which has been developed for high potential employees who have been deprived of developmental opportunities in the past. This programme endeavours to equip them with self-knowledge, interpersonal skills, as well as management functions within the framework of a culturally diversified milieu in order to enhance their promotability to management posts.

- Literacy/numeracy programmes: these are intended for unskilled workers, to enhance their potential to acquire more advanced positions.

- Practical technical training: a programme has been launched for employees who have been deprived of development opportunities in the past, to undergo practical technical training abroad.

On the question of affirmative action, Telkom’s policy is that affirmative action is not a “nice to have” programme, it is a strategic necessity to achieve sustainable competitive advantage and business viability.

Media liaison representative Fana Bozhma states that Telkom has and will approach affirmative action with a strong commitment. It is a large organisation, and there is a real danger if a well-integrated approach is not adopted.

There is no doubt that affirmative action is complex, and is linked to wide-ranging issues.

Accordingly, Telkom has developed short, medium and long-term objectives for affirmative action.

These objectives are accelerated job skill/academic training, effective people management skills, and equal employment and promotion opportunities, whereby economic growth can be achieved.

This includes, for example, upliftment, quality of work life and cross-cultural programmes and increasing employee participation to ensure a stable labour force as the established basis for interaction between management and employees.

Although some problems are anticipated externally and/or internally with the application of affirmative action, Telkom’s long-term and integrated approach and the fact that the corporation involves the unions in the structuring process, indicate that insurmountable problems will not be experienced in this regard.
Lufthansa cuts 12% off fares

LUFTHANSA yesterday cut nearly 12% off fares to Europe from October 27 to December 15.

A fare from Johannesburg or Cape Town to Frankfurt would cost R2 299.50 — more than R300 cheaper than the airline's existing Pex fare. Lufthansa executive Adrian von Dornberg announced yesterday.

The move follows the introduction in October of an additional Tuesday flight on the Johannesburg-Frankfurt route, which will boost Lufthansa's capacity from SA by nearly 30%.

Lufthansa has also introduced two new southern African destinations by extending two weekly flights to Cape Town and two to Windhoek.

In terms of air freight, Lufthansa has been operating one DC8 freighter a week between Frankfurt and Johannesburg, but last week increased this to two.

"This means we offer 255 tons weekly into SA, and by January we plan to replace the two DC8 freighters with a Boeing 747 all freighter with a capacity of 180 tons a flight," Von Dornberg said."
Free skies 'will boost tourism'

FREEING up the skies would have an extremely positive effect on SA's economy and tourism industry, Lufthansa German Airlines executive board member Adrian von Dornberg said yesterday.

Deregulation of the aviation industry would lead to expansion, in the form of additional air carriers.

This in turn would lead to stronger competition resulting in a decrease in fares and the generation of new demand, Von Dornberg said at a SA-German Chamber of Commerce function in Johannesburg.

Von Dornberg is Lufthansa marketing and passenger sales CE and is visiting SA for the launch of a special cut-price fare promotion.

He said deregulation was already under way in SA. A new bilateral air treaty with Germany was concluded recently, bringing in three additional weekly flights for both the German and SA air carriers.

The new agreement allowed charter carriers to fly to SA. So far, about 40 European charter carriers had expressed an interest in the SA route. This was a clear indication of how big the expansion in SA was going to be, he said.

The tendency of prices to go down in a more competitive market would put carriers under pressure to control costs and make offers favourable to travellers.

'Here also state authorities are challenged. They have to make sure that the regulatory framework enables companies to reach lean and competitive structures, to achieve high productivity.'

The expansion of air services could be of great help to the SA economy and tourism by:

- Assisting the industry and trade to be more flexible in international business,
- Offering better opportunities to private travel, and
- Supporting the tourism industry by enhancing incoming business.

Tourism was a key SA industry, providing more than 300 000 jobs and generating about R3bn a year. It was one of the economy's fastest growing sectors, Von Dornberg said.

Last year, about 368 000 Europeans visited SA, including 85 000 from Germany. In the first months of this year, double digit growth rate could be observed, he said.

Von Dornberg said SA could learn from the deregulation process which had taken place already in Europe and the US to the benefit of the people and the industry.

He said a campaign would be launched in Germany to increase public awareness of SA as a tourism destination. The bulk of Germans currently visiting SA were business-men and friends and relatives of Germans living in SA.

The lifting of sanctions and SA's recently revised air traffic policy played a vital role in Lufthansa's decision to expand its services to SA, Von Dornberg said. He said the increase in air traffic to SA indicated a "confidence to invest in a country with an economic future."
A FIFTH international airline, Lufthansa, is soon to fly to Cape Town.

This follows British Airways, Air Namibia, UTA and KLM.

Lufthansa is to introduce a twice-weekly extension of its route between Johannesburg and Frankfurt to Cape Town from October 27 and will be launching an almost R22 million campaign to sell South Africa as a tourist destination to the European market.

This was announced yesterday by Lufthansa's chief executive of marketing and planning, Dr Adrian von Dornberg, who also said Lufthansa would be cutting its return fare to Frankfurt by 11.5% to R2 290 from October 27 until December 13.

Lufthansa's introduction of a flight service to South Africa is the sixth major international airline to do so since the lifting of sanctions. The others are KLM, UTA, Singapore Airlines, Cathay Pacific and Air Namibia.

Unlike other airlines who have recently cut their prices, the Lufthansa reduction extends into the busy holiday season at the end of the year. Most airlines suspend their special offers during this period.

Lufthansa spokeswoman Ms Karin Lambson said the German airline would be arriving in Cape Town at 12.20pm on Wednesdays and Sundays and would leave at 6pm on those days.

An additional flight will be added to the airline's timetable from October 27, increasing Lufthansa's Johannesburg operation to a daily service, except for Thursdays.

Lufthansa has also introduced a twice-weekly extension of its Johannesburg-Frankfurt route to Windhoek.

Ms Lambson said as the local travel market was stagnating, Lufthansa would launch an intensive campaign in Germany and Europe to increase public awareness of South Africa as a destination. The campaign would include introductory tour fares, travel agent study tours and a joint Lufthansa/Safari promotion.

Ms Lambson said the campaign would definitely focus on Cape Town. "(Cape Town) is pretty easy to sell," she said.

Mr Gordon Oliver, former mayor of Cape Town and chief executive officer of Captour, said yesterday the decision was a massive expression of confidence in Cape Town as a market for German and European tourists.

"Lufthansa recognises the unique value of the Western Cape as a prime tourist destination in South Africa." He said Captour was delighted by the new service to Cape Town. It would add to competition between airlines, which would make Cape Town more attractive as a tourist destination.
SAA defends off-peak fares

Own Correspondent

DURBAN. — Nearly 60% of available seats on off-peak flights have been set aside for South African Airways' new discounted fares, SAA said yesterday.

SAA spokesman Mrs Elise Glading was reacting to complaints that the new domestic flight discounts were "virtually worthless" because only a small number of seats were allocated for discounts.

The number of seats earmarked for discount differed from flight to flight but generally applied to 60% of seats; and only during off-peak hours, she said.

And only 10% of the cheapest 'L' class seats (50% discount) were allocated to off-peak flights.

Malaysia Airlines announced it would start operating a weekly flight to South Africa from October.
MALAYSIA Airlines will start operating a weekly flight to SA from October, the carrier has announced.

The first non-stop flight between Kuala Lumpur and Johannesburg would be on October 25, the airline said in an advertisement in the Kuala Lumpur newspaper The Star.

A SAA spokesman said yesterday the opening of the air route was a breakthrough for trade and industry.

SAA’s Directorate of Civil Aviation said yesterday talks between Malaysian and South African civil aviation authorities in June had been positive, but the bilateral air services agreement still had to be ratified.

"Therefore, no final starting date for flights had yet been agreed upon, although this could be reached by October and airlines would be designated to fly the route, directorate spokesman Maureen Nel said.

SAA spokesman Leon Eils said last night it was up to government to designate an airline. He said SAA had not been involved in negotiations.

At present there was no indication that SAA would fly to Malaysia. It would serve the route only if it was economically viable, Eils said.

Market sources said the route was not viable at this stage and the Far East was overserviced with Cathay Pacific, Qantas, Thai Airways and Singapore Airlines on the route.

SAA already served four Far East destinations — Singapore, Bangkok, Hong Kong and Taipei — and awaited landing slots in Tokyo.

The bilateral agreement followed a visit by Malaysia’s Transport Minister Long, Long Sik in April.
Golden Arrow 'willing to talk.'

Staff Reporter.

GOLDEN Arrow Bus Services have not ruled out the possibility that taxi drivers were responsible for the stoning and burning of their buses in Nyanga on Tuesday. A spokesman said yesterday the company would be willing to talk to the taxi body, Codeta, at any time.
Airline catering service upgraded

By John Miller

The Fedex Group recently completed the first stage of a R53 million refurbishment of its inflight catering facilities around the country.

Fedex, which has a major share in Air Chefs and Air Caterers, hopes that the upgrading of its kitchens at Jan Smuts Airport, DF Malan in Cape Town and Louis Botha in Durban will meet the expected increase in air traffic until the year 2000.

Air Chefs supplies SAA, Flyestar and 13 other international airlines while Air Caterers stocks British Airways, Swiss Air, Lufthansa, Cathay Pacific, Qantas and Singapore Airlines.

Part of the R11 million Air Chefs project led to the hot and cold food sections being separated, which is in line with overseas trends.

Johannesburg outlets are able to handle up to 70,000 meals weekly.

The Cape Town facility has been increased to handle 4,000 meals daily while a completely new kitchen was opened in Durban.

Air Caterers, in a joint venture with Swiss Air, will open its new kitchen next to the Jan Smuts runway in December.

This allows it to supply 6,000 meals daily, with a planned maximum of 12,000.

From the time meals are loaded into the containers and into the plane takes a maximum of two hours. The companies also load utensils, cutlery, crockery, drinks and wine trolleys.
With SA Airways (SAA) losing money in the face of stiffer competition, and rail traffic regularly losing to road hauliers, Transnet MD Anton Moolman has been restructuring his top management.

He made his first move early last month (Business & Technology July 10), when he made Spoornet CE Barry Lessing and SAA CE Gert van der Veer deputy MDs of Transnet Braam le Roux, then group GM, took over Spoornet Mike Myburgh, who was Spoornet group GM, got the top job at the airline.

Their appointments came into force on August 1 and Lessing has already stepped aside for le Roux. But Van der Veer, who has assumed his new deputy MD responsibilities, plans to hold on to his former position until April 1 (People August 7).

A few weeks after the first reshuffle, Moolman moved again, appointing Chari Moller, Autonet's GM for freight, as Petronet's CE. He switched Eric Crowley, who had headed Petronet for several years and had taken the flak for its being a monopoly, to CE manager of Protekon.

Some see Crowley's move as a sideways promotion and question the reason for his shift to Protekon, which is the old SA Transport Services (Sats) civil engineering department. He is a skilled financial man and served in Sats' expenditure section for several years.

Now Moolman has moved again. He has appointed Willem Burger, GM of rail services, as senior GM business management. When he was in charge of the rolling stock division earlier in his career, Burger had reduced to a quarter his maintenance budget and spent millions increasing Spoornet's capacity by upgrading its wagons and on developing the Class 14E locomotive, which puts Spoornet among the world leaders in rail traction.

Without the upgrading, it is questionable whether Spoornet could have handled the millions of tons of drought-relief maize that is being imported and railed to destinations in SA and to the north. The drought relief is keeping the rail business on track these days.

Moolman has also upgraded the PX delivery and transport-logistics service into a business unit of Transnet — which is what Spoornet and SAA are — and promoted Wicus Pretorius from executive manager to CE. Pretorius took over PX two years ago and transformed it from an operation that barely covered half its costs to one that is turning over R700m a year and covers 90% of its costs (Business & Technology September 6).

PX's logistics arm is worth about R220m a year and is showing a profit of R33m. Nevertheless, this and more is being lost in the parcels operation that Pretorius inherited.

The volumes needed to enable its huge infrastructure to operate efficiently have not yet materialised, and won't be before the economy recovers.

Possibly the biggest surprise is the appointment of Jan Venter, now GM for internal audit, as CE of Autonet, above the current CE, Gert Moutjes, who becomes deputy CE.

Moutjes had a rough ride as CE of Autonet. When it was still called Road Motor Services in the Sats days, he was obliged to convey all the uncompetitive traffic that Railways put his way. And there was plenty. In the early Eighties, when Sats was still the national carrier and obliged to accept everything on offer, the answer, to any branch line not covering costs was to close it and make Road Motor Services take over the service, rather than remedy the problem. As a result, it was forced to operate out of numerous depots, convey most of its traffic at below cost, and its losses ran into millions.

In another move, Friedel Mulke moves from Transnet group PR manager to GM for management support. It was obvious to those who knew him when he was rejigging the eastern Cape division and its narrow-gauge railway, a job started by Pretorius, that he was not really enjoying his sojourn in the RN world. He is a civil engineer whose speciality is building bridges.

In his new position, he will be involved in trying to sort out the Metro shambles. Metro is the rail commuter service operated by Spoornet on contract to the Rail Computer Corp. The corporation was formed in 1990 and is beholden to parliament, as was the old Sats, but it is unlike Transnet, which is a government-owned company that complies with private-sector norms.

In other moves, Leo Petkoom, CE of information systems, has been appointed GM for rail operations. Philip Venter, now assistant GM for rail services, has been appointed regional GM of Transnet, Pretoria.
Charter flights in December

Staff Reporter

The first charter flight from the United Kingdom to South Africa is scheduled to take off in early December, according to Mr Roy Miller, a spokesman for the London-based tourism firm CLS International.

Mr Miller said yesterday the group had arranged the charter flights from London to South African destinations with Britannia Airways, the world's largest charter airline.

The charter flights will operate from London to Cape Town and from London to Durban for a period of two months.

As a bonus, 274 travelers from Cape Town and another 278 from Durban who want to visit the UK this Christmas will be able to fly a return trip to London on a Britannia Airways flight at a cost of R2 800 per ticket, Mr Miller said.

The Cape Town flight will leave on December 2 and the Durban flight leaves on December 1.
Taxpayers carry insolvent airlines

MANDY JEAN WOODS

SOUTHERN African Development Community (SADC) member states' airlines are operating in a permanent state of insolvencc.

The latest World Bank report on aviation in southern Africa says government interference, a lack of skilled management, poor fleet handling and an absence of commercial orientation have all contributed to spiralling losses which, given that the SADC airlines are government-owned, are carried by taxpayers.

SADC member states include Angola, Mozambique, Swaziland, Lesotho, Namibia, Zambia, Botswana, Tanzania, Malawi and Zimbabwe.

Despite SADC airlines' inability to cover their operating costs and overwhelming evidence that they will not be able to service additional debt, the airlines have secured investment commitments of some $1 billion (about R2.7 billion) for the period 1985-1992, the report says.

Investments totalling some $500 million (about R1.25 billion) for new long-haul aircraft have recently been negotiated or are imminent. They will increase excess seating capacity, which has little prospect of being filled. The result could be combined annual losses of more than $50 million (about R100 million).

The plans of the most expansionist re-equippers (Malawi, Mozambique, Zambia and Zimbabwe) represent fleet capacities equal to their total international markets. Even in the unlikely event that these airlines take over all traffic, the passenger volume would still not fill 65 percent of their available seats, the World Bank notes.

The rates of loss are set to increase rapidly as re-equipment programmes are completed.

Most of the financial plans, traffic forecasts and revenue levels used by the airlines to justify these investments are based on unrealistic assumptions, misleading airlines and governments alike.

With one exception, SADC airlines show losses on domestic operations, the report notes. Even with load factors averaging between 65 and 70 percent, overall losses are an appalling 30 percent of revenue because of very low fares, poor aircraft utilisation and infrastructure deficiencies.

Typical symptoms of the lack of commercial orientation include indecisive management, unclear responsibilities and authority, low staff discipline and morale, little or no interest in inter-airline cooperation, excess capacity and inappropriate aircraft.

A comprehensive strategy, including airline restructuring and the formation of an SADC aircraft leasing company, is required if the regional aviation industry is to survive, the World Bank says.
Lufthansa plugs SA as tourist destination

Mandy Jean Woods

Lufthansa announced this week it is to spend R2 million in Germany and Europe promoting South Africa as a destination.

"This is the first time the German carrier has officially supported South Africa as a destination," SA Tourism Board Chairman Piet van Heerden says thus far, "a mark of a 'substantial, extraordinary temporal commitment.'"

"So confident is Lufthansa of successfully attracting large numbers of German tourists to South Africa that it simultaneously announced it was increasing its capacity to Southern Africa by more than 30 percent from October."

This does not include the additional capacity from Germany in the form of weekly flights to Durban by Lufthansa's charter subsidiary, Condor.

According to Lufthansa spokesman Karm Lambson, the airline has managed to maintain its market share and its position as the second-largest airline serving South Africa despite the numerous new carriers.

Adrian van Dordrecht, Lufthansa's chief executive, sales and passenger services, says Lufthansa will now be operating a daily service (with the exception of Thursdays) between Frankfurt and Johannesburg.

In addition, it will be taking Air Namibia's seat on by extending one of its weekly flights to Johannesburg to Windhoek, and it adds Durban as a destination in its South Africa portfolio through the services to be rendered by Condor.
PRIVATE companies would have to invest in SAA for the country to succeed in the international aviation field, SAA CEO Gert van der Veer said yesterday.

Speaking at a Transport Department civil aviation policy conference at Midrand, Van der Veer noted that SAA had lost about 63% of its Far East capacity share during the past year. Even higher losses on the route were expected this year, he said, and the same trend could be expected on the US route.

Van der Veer said SAA would also have to explore alliances and combine forces with other carriers. "I believe private enterprise is willing to invest in the airline industry and it should be allowed to do so. The government, as the only shareholder, cannot afford to invest the necessary additional equity in the airline, as its capital resources are needed for much higher priorities in the social, educational and housing fields."

SAA could also not continue to finance its growth through long-term loans only. Since the scrapping of sanctions, SAA's "golden route" had been transformed into a normal, highly competitive one. "In the case of the Far East market, fierce competition has emerged as efficient Far East carriers have entered the market." SAA's capacity has "gone drastically reduced from nearly 100% to no more than 37% within 12 months."

The airline's share would decrease to as low as 27% later this year when Malaysian Airlines entered the SA market.

Van der Veer said, "Although at present SAA is the only carrier operating the direct route to the US, a repeat of the Far East experience will most likely occur within the next 12 months."

SAA had spent R93m this year to promote SA as a tourism destination. The airline was the largest single contributor to the incoming tourism effort.

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**as competition takes its toll**

SAA's turnover in 1991/92 was R3.2bn, of which R1.8bn was from its international services. The net balance of payment contribution of SAA international services amounted to more than R1bn in the 1991/92 financial year — equivalent to the annual total earnings of iron ore exports.

However, the total international aviation market to and from SA from April 1990 to March 1991 was estimated to be R4.7bn. About R3.8bn or roughly 84% went to foreign carriers, Van der Veer said.

He said he was not asking for government protection, but for treatment equal to that being received by any other industrial sector. "No protection against foreign competition is provided to the industry through the mechanisms of custom duties, or import surcharges such as most other industrial sectors are enjoying."

The international aviation industry was a vital link in the tourism chain but government's White Paper on tourism provided no incentives for the industry.

If major industrialised nations such as France, Australia and Japan considered it necessary to introduce measures to ensure the survival of their national carriers, an underdeveloped country such as SA should take serious note.

*See Page 4*
SAA loses 63% of Far East market

MIDRAND. — SA Airways has lost 63% of its market share in the Far East since airlines from that region entered the South African market. This was confirmed by SAA CEO Gert van der Meer when he addressed a civil aviation policy conference at Midrand yesterday.

SAA’s market share in the Far East was expected to dwindle to 37% with Malaysia Airlines entering the South African route in October, he said.

The same trend was expected on the United States direct route in the next year.

To level international opportunities for SA carriers, the government should not allow foreign operators to fly to SA unless local airlines were allowed to operate corresponding direct services.

Meanwhile South Africa’s proposed new aviation policy, although more liberal than the existing one, does not represent an “open skies” approach. Lexetran MD V Prins told the conference yesterday.

Economic regulation was approached with a view to encouraging competition in SA but within limits to protect the national interests where necessary, he said. — Sap.
Flexible aviation policy is possible

SA's proposed new aviation policy was based on selected deregulation rather than a complete "open skies" approach, Directorate of Civil Aviation (DCA) commissioner Japie Smit said yesterday.

Addressing delegates at a Transport Department conference on civil aviation policy in SA held at Midrand, Smit said an "open skies" policy would mean foreign airlines could fly into SA even if other governments denied SA carriers a fair chance to compete on an equal basis.

The necessary legislation giving effect to the new policy would be submitted to Parliament next year. It was hoped to implement it not later than July 1, he said.

"The SA approach, having already taken some progressive steps, is to move with circumspection — even if it means being criticised for the protection of vested interests."

"The reason is the desire to develop and expand an aviation environment which is above all stable. The course to follow is to steer clear of the pitfalls of regulatory protectionism on the one side and destructive competition on the other."

The new policy had already stimulated foreign countries to the extent that since November the Transport Department had been involved in 26 bilateral meetings and a further 15 were scheduled for this year.

The proposed policy would be flexible enough to allow government to pursue its national objectives in an integrated international environment within a bilateral regulatory framework. The SA economy, and more specifically trade and tourism, the consumer and the aviation industry, would all gain substantially from the greater competition, Smit said.

The implementation of the new policy included the rationalisation of certain existing international aviation conventions.

Also speaking at the conference, Lexetran MD Victor Prins said the basic objective of the new policy was to continue the development of a network of regular scheduled international air transport services to and from SA within a well-defined regulatory framework — including some economic regulation.

Prins said the new regulatory framework consisted of a new International Air Services Act providing for a new licensing system, and a council to administer the system and new bilateral agreements based on a set of new principles.

For instance, he said, no cabotage rights — allowing foreign airlines to operate domestic routes in SA — would be granted.

SA Tourism Board chairman Piet van Hoven predicted that in contrast to 1992, when 25 foreign airlines served SA, 37 foreign carriers would fly to SA in 1994, offering 10,065 services and 2,465,698 seats.

Van Hoven believed that soon carriers from India, Egypt, the Middle East, Canada, Argentina and Japan would enter the SA market. This year income from tourism could be higher than that from agriculture, but the opportunity for tourism to grow depended on the marketing of SA as a destination, he said.

Drought, recession and debt sink Superlink

NATIONAL supermarket supplier Superlink Stores (Pty) Ltd was liquidated in the Rand Supreme Court yesterday with debts of R4.2m. Superlink had brought the urgent application for its own winding up, which was granted by Judge P Bleiden.

MD Johannes Jacobus Lombard said in court papers that Superlink had assets of R3.163m (including trade debts of R1.7m) against liabilities of R4.257m. This amounted to a shortfall of about R1.6m.

Lombard said Superlink had started trading when there was already a downturn in business. "This problem has been exacerbated by the general recession and the political turmoil throughout SA."

Superlink also had been severely affected by the drought, which had placed its largest members and their customers in severe financial difficulties.

In addition, one of Superlink's major competitors recently tightened up its credit arrangements with customers, many of whom were also customers of Superlink and were now unable to pay their debts.
AFRICA is on the verge of becoming one of South Africa’s most important tourism markets, said the South African Tourism Board.

Satoru said about 1.5-million tourists from Africa alone were expected this year as compared to 1.1-million from the continent and the Indian Ocean islands last year.

“This total is not an unrealistic one judging from the current arrivals figures,” Satoru’s chief director of tourism promotions Dr Emie Heath said.

Tourist hot spots
Zimbabwe, Namibia, Kenya and Egypt were the main four priority incoming markets, Heath said.

“Although arrivals by air from Africa are less than 20 percent of the total arrivals from Africa, this figure is larger than the air arrivals from North and South America, Australia and Asia combined.

“This means that air arrivals from Africa could soon be on par with air arrivals from the whole of Europe, should the 1.5-million arrivals materialise,” he said.

Heath said the interest in the country’s political and economic future and in tourism by other African states had reflected a dramatic increase in visits to this country.

Added air routes
New air routes from Luanda (Angola), Antananarivo (Madagascar), St Denis (Reunion), Moroni (Comores), Mahe (Seychelles) and Kinshasa (Zaire) to South Africa have been established to boost the movement of visitors.

Routes still to be developed include Dar es Salaam (Tanzania), Brazzaville (Congo), Abidjan (Ivory Coast) and Dakar (Senegal).
SAP pledges major security move on trains

RAY HARTLEY

POLICE would evaluate the security at Johannesburg railway station and decide whether it needed improving, SA Rail Commuter Corporation (SARCC) spokesman Koos Meyer said yesterday.

And police spokesman Capt Piet Brandt said police would announce today major changes that would affect the way they dealt with train security.

The developments follow the ANC's threat yesterday to renew its train boycott in protest against poor security.

Three commuters were shot dead and seven others injured between Johannesburg and Springs yesterday. And nine passengers were injured in a gunfight at Johannesburg Station on Tuesday.

Meyer was speaking after an ANC-organised inspection by journalists of Johannesburg Station yesterday morning. The group, including journalists carrying camera bags, was not searched or scanned by metal detectors.

Few security guards were seen and at one platform there was no security at all, Meyer said. "If we look at what police are doing, they really give of their best. Perhaps the group was there in the off-peak period. There are a number of roving police operators there."

"We are in the process of upgrading. I don't think anyone can accuse us of dragging our feet.

"As long as people due, it (security) is not enough," he said.

After the tour, the ANC said it was "quite clear" the SARCC had "done nothing" to implement the agreement, reached in May, to prohibit dangerous weapons.

ANC PWV spokesman Paul Mashatile said a combination of incompetence and a lack of commitment to end the killings were to blame for the delay.

Meyer said the SARCC was keen to discuss the issue with the ANC.
'Commercialise state airports'

THE commercialisation of state airports and air traffic and navigation services was necessary to ensure a healthy airport industry able to provide the level of service expected by passengers, Directorate of Civil Aviation (DCA) acting chief director Stewart Huckwell said yesterday.

The state-owned airports in SA had a current turnover of R120m but ran at a loss, resulting in the state having to subsidise the operation by 33%, Huckwell told a Transport Department conference on SA's civil aviation policy held at Midrand.

'Twelve' government departments were involved in the operation and development of airports and air traffic and navigation services, which hampered flexible and dynamic running of the service, he said.

Red tape resulted in long operational delays and insufficient allocation of funds, resulting in backlogs.

Airports were in dire need of skilled management, property management and revenue managers and chartered accountants, Huckwell said. Landing tariffs were grossly inadequate while air traffic and navigation services were free.

The proposed commercialisation policy involved the formation of two companies which would be assigned all operational functions of airports and traffic and navigation services. The remaining functions would be handled by government — the sole shareholder in the companies.

The state would not interfere in the companies' day-to-day business although it would regulate technical aspects such as safety and security standards.

British Airport Authority legal services director Richard Everitt told the conference he strongly supported commercialisation of airports, as it offered advantages to all concerned.

Since privatisation, turnover of UK airports had increased from £683m in 1993 to £793m this year, he said.
Call for probe into SAA tactics

SAA's seemingly predatory tactics in the domestic market urgently required investigation by the Competition Board, Lexetran MD, Victor Prins told a civil aviation conference yesterday.

Assessing the developments in the domestic aviation market since deregulation took place on July 1 last year, Prins said Midrand SAA's significant expansion of capacity on certain routes, despite a decline in the number of passengers, warranted further investigation.

Another seemingly predatory action by SAA was the recent leasing to Comair of a Boeing 737 for flights at discounted fares on the highly competitive Johannesburg-Cape Town route, an act Prins said had been described as a "surrogate attack on Flitestar".

"Seen in the light of the instruction to the Competition Board by the (government) policy document to investigate such matters, it would appear that an investigation is now urgently required," he said.

Since Flitestar entered the deregulated domestic market, SAA had lost close to 20% of its market share.

Despite an overcapacity in the aggregate market, significantly reduced air fares had been introduced by all domestic passenger carriers in recent months.

Prins said statistics showed that with 1984 as a base, the increase in SAA fares had remained below the increase in both the overall CPI and the transport price index. This implied a real decrease in SAA fares over the past years.

The dominance of SAA, as a state-owned enterprise, could lead to it severely prejudicing private sector-owned airlines in a deregulated market, he said. These airlines did not have the same resources.

"These issues should be addressed as a matter of urgency, especially in light of the potential for these issues to threaten the successful functioning of the deregulated market," he said.

Responding to Prins's call for an investigation into SAA, the airline's CE Gert van der Veer said, "If cutting prices means being predatory, each and every airline is guilty."

He added that the competition which followed deregulation was welcomed by SAA.

Van der Veer said fares on SAA's domestic routes were already too low, compared to world standards.
VAT lifts Safcor’s turnover

SA Freight Corporation (Safcor) turnover improved by nearly a third in the year to end-June 1992 and, as a result of this, forecasts were met with earnings up a creditable 14% over the previous year.

MD Peter Desnalla said the introduction of VAT on imports resulted in the group having to fund importer’s VAT commitments. This was reflected in the increase in turnover to R1.2bn from R1.0bn in the 1991 financial year.

However, because of the difficulty of recovering cost escalations in the poor economic environment, profit margins were lower and operating income increased 13% to R34.6m (1991 R30.5m), said Desnalla.

After taxation of R19.9m (R14.3m), taxed-profit was higher at R18.7m (R18.1m). Associated companies’ share of after-tax profits dropped substantially to R19.5m (R33.6m) leaving attributable profit 14% higher at R18.8m (R16.5m).

An extraordinary income of R2m (R1.3m) related to the sale of the trucking company Storm and Company Natal on July 1, 1991.

Because of that, net profit after extraordinary items was 18% higher at R20.8m (R17.6m).

The average number of shares in issue increased slightly to 22.5-million from 22.4-million.

Earnings a share which did not include the extraordinary item, increased to 83.5c (75.5c). The final dividend was raised to 27c (26c) a share, bringing the total dividend for the year to 47c (47c) a share.

Swiss firm to come to SA

Swiss-based fragrance and flavouring company Firmenich would take over operations from its agent, Southern Aromatics from October 1. SA MD Jurgen Metzer said yesterday.

Metzer declined to say how much Firmenich would bring into the country Firmenich is a $400m a year company with offices in 108 countries worldwide.

It specialises in producing fragrances for everything from soup to perfume, and also flavouring for a wide variety of foods.

Metzer said Southern Aromatics would now serve parts of Africa as well as SA.
NOTICE 766 OF 1992

DEPARTMENT OF TRANSPORT

URBAN TRANSPORT AMENDMENT BILL, 1993

The Department of Transport hereby publicize the Urban Transport Amendment Bill, 1993 as set out in the attached Annexure, for general information and comment.

Any department of State, regional, provincial or local authority, other instance or person who has an interest in the proposed legislation, is hereby invited to submit before 30 September 1992, comments and/or representations in connection therewith to the Director-General: Transport, P.O. Box 415, Pretoria, 0001, for attention Mr S. F. de Jager.

Mr De Jager can also be contacted for enquiries at Telephone (012) 290-2659.

ANNEXURE

GENERAL EXPLANATORY NOTE:

[ ] Words in bold type in square brackets indicate omissions from existing enactment

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WETSONTWERP

To amend the Urban Transport Act, 1977, so as to transfer the functions and power of the Roads Board to the Minister and the Director-General and to provide for matters connected therewith.

Amendment of section 1 of Act 78 of 1977, as amended by section 17 of Act 109 of 1985 and section 1 of Act 77 of 1990

1. Section 1 of the Urban Transport Act, 1977, hereinafter referred to as the principal Act is hereby amended—

(a) by the insertion after the definition of ‘core city’ of the following definition:

‘‘Director-General’ means the Director-General;’’;

(b) by the substitution for the definition of ‘‘officer’’ of the following definition:

‘‘officer’ means an officer of the Department of Transport;’’; and

(c) by the deletion of the definition of ‘‘roads board.’’
Wysiging van artikel 3 van Wet 78 van 1977, soos gewysig deur artikel 2 van Wet 77 van 1990

2. Artikel 3 van die Hoofwet word hierby gewysig deur die woorde wat paragraaf (a) van subartikel (1) voorafgaan, deur die volgende woorde te vervang:

"Ondanks die bepalels van enige ander wet kan die Minister [op aanbeveling van die padraad, gedoen], na oorleg met die betrokke Administrateur of Administrateurs, by kennis-gewing in die Staatskoerant—.

Wysiging van artikel 4A van Wet 78 van 1977, soos ingevoeg deur artikel 4 van Wet 77 van 1990

3. Artikel 4A van die Hoofwet word hierby gewysig deur subartikel (1) deur die volgende subartikel te vervang:

"(1) Die Minister kan met die regening van 'n selfregenerende gebied 'n ooreenkomst aangaan om ten behoeve van of in 'n gebied in daardie selfregenerende gebied enige bevoegdheid werkzaamtyd of plig ingevolge hierdie wet uit te oefen, of te verg en die geld ten opsigte daarvan uit die Fonds te bestee of deur 'n raad of kernstad te laat uitvoeren of te verg en die geld daarop te bestee."

Vervanging van artikel 5 van Wet 78 van 1977, soos gewysig deur artikel 10 van Wet 77 van 1990

4. Artikel 5 van die Hoofwet word hierby deur die volgende artikel vervang:

Werksaamhede van Minister ten opsigte van oogmerke van hierdie Wet

"5. (1) Ten einde dié oogmerk van hierdie Wet te bereik, moet die [padraad] Minister behouens die bepalels van subartikel (2)—

(a) die formulering en toepassing van 'n stedelike vervoerbeleid wat volgens sy oordeel doelmatig is, in enige metropolitaanse vervoer-gebied regel en beheer,

(b) die werksaamhede bepaal van enige instansie betrokke by die uitvoering van sodanige beleid,

(c) toesiens dat so 'n instansie sodanige beleid in alle opsigte behoorlik uitvoer;

(d) alle sake rakende stedelike vervoer in die Republiek koördineer en toesig daaroor hou,

(e) self of in samewerking met of deur bemeddeling van [die Nationale Instituut of] 'n ander persoon of instansie—

(i) toesiens dat navorsing in verband met stedelike vervoer-aangeleenthede op 'n nasionale grondslag gekoördineer word;

Amendment of section 3 of Act 78 of 1977, as amended by section 2 of Act 77 of 1990

2. Section 3 of the principal Act is hereby amended by the substitution for the words preceding paragraph (a) of subsection (1) of the following words:

"Notwithstanding the provisions of any other law, the Minister may [on the recommendation of the roads board, made], after consultation with the Administrator or Administrators concerned, by notice in the Gazette—.

Amendment of section 4A of Act 78 of 1977, as inserted by section 4 of Act 77 of 1990

3. Section 4A of the principal Act is hereby amended by the substitution for subsection (1) of the following subsection:

"(1) The Minister may enter into an agreement with the government of any self-governing territory to exercise such powers, perform such duties and functions in terms of this Act, and spend such money on behalf of or in any area within such self governing territory, as may be agreed upon, or have such powers exercised, duties or functions performed and have the moneys spent in respect thereof from the fund, by a board or a core city."

Substitution of section 5 of Act 78 of 1977, as amended by section 10 of Act 77 of 1990

4. The following section is hereby substituted for section 5 of the principal Act:

Functions of Minister in respect of objects of this Act

"5 (1) In order to achieve the objects of this Act, the [roads board] Minister shall, subject to the provisions of subsection (2)—

(a) in any metropolitan transport area regulate and control the formulation and application of an urban transport policy which is in [its] his opinion efficacious,

(b) determine the functions of any authority concerned in the implementation of such policy,

(c) ensure that any such authority implements such policy property in all respects,

(d) co-ordinate and supervise all matters concerning urban transport in the Republic;

(e) by [itself] himself or in collaboration with [or through the National Institute or] any other person or authority—

(i) ensure that research in connection with urban transport matters is co-ordinated on a national basis,
(ii) navorsing doen of laat doen of ander ondersoek instel of laat instel, heitsy binne of buite die Republiek, in verband met stedelike vervoerbeplanning of verkeerbeheer, of enige ander aangeleenthed wat volgens die oordeel van die [padraad] Minister die oogmerke van hierdie Wet sal bevorder,

(iii) ondersoek instel of laat instel in verband met vervoerangelykheid met die oog op die verklaring van 'n bepaalde gebied tot 'n metropolitaanse vervoergebied,

(f) oorleg pleeg met belanghebbende instansies en plaaslike besture ten einde toe te sien dat toe-reakende voorsiening gemaak word vir enige voorsienbare toename of veranderling in verestige en stedelike vervoerengewese, [en wel met betrekking tot enige bevolkingsgroep];

(g) [die] enige ander [take] laak vorg wat binne die oogmerke van hierdie Wet val [en wat die Minister die padraad ople] (2)

Die [padraad] Minister verong sy werkzaamhede ingevolg paragrafe (a), (b), (c) en (d) van subartikel (1) [slegs] na oorleg met die betrokke Administrateur [en met die goedkeuring van die Minister].

(3) Die padraad moet aantekening laat hou van die vernigtinge op elke vergadering wat hy in verband met sy werkzaamhede ingevolg hierdie Wet hou]."

Vervanging van artikel 6 van Wet 78 van 1977, soos gewysig deur artikels 5 en 10 van Wet 77 van 1990

5. Artikel 6 van die Hoofwet word hierby deur die volgende artikel vervang

Algemene bevoegdheid van Minister

6 (1) Ten einde sy werkzaamhede, te ver-

(a) [beheer der beplantings van

subartikel (7)] 'n behoorlik

opgestelde vervoerplan met

betrekking tot 'n metropolitaanse

vervoergebied wat deur 'n Admi-
nistrateur aan hom voorgeloop is,

correeg en sodanige plan goed-

keur, afkeur of wysig,

(ii) do research or cause research to be done, or make any other investigation or cause any other investigation to be made, whether in the Republic or elsewhere, in connection with urban transport planning or traffic control or any other matter which in the opinion of the [roads board] Minister will promote the objects of this Act;

(iii) make or cause to be made any investigation in connection with transport matters with a view to the declaration of any particular area to be a metropolitan transport area;

(f) consult with interested authorities and local authorities in order to ensure that adequate provision is made for any foreseeable increase or change in urban transport facilities needed, [and in relation to any population group]:

(g) perform [such] any other task filling within the objects of this Act [as the Minister may impose upon the roads board]

(2) The [roads board] Minister shall perform [its] his functions in terms of paragraphs (a), (b), (c) and (d) of subsection (1) [only] after consultation with the Administrator concerned [and with approval of the Minister].

(3) The roads board shall cause records to be kept of the proceedings at every meeting held by it in connection with its functions in terms of this Act."

Substitution of section 6 of Act 78 of 1977, as amended by sections 5 and 10 of Act 77 of 1990

6. The following section is hereby substituted for section 6 of the principal Act

General powers of Minister

6 (1) In order to perform [its] his functions the [roads board] Minister may—

(a) [subject to the provisions of

subsection (7)] consider [and

approve] a properly prepared

transport plan in relation to any

metropolitan transport area

which has been submitted to [him]
him by any Administrator and

approve, reject or amend such

plan,
(b) [behoudens die bepaling van subartikel (7) die veranderings wat hy aan so 'n plan nodig ag, aanbring en] die uitbetaling van geld wat reeds beekkbaar gestel is vir die uitvoering [daarvan] van 'n plan bedoel in paragraaf (a), nadat dit aldaar goedgekeur is, [beekbaar gestel is] terughou of staak indien die [padraad] Minister rede het om te vermoed dat die beoogde doelwitte van sodanige plan beleermes sal word deur die wyse waarop dit uitgeoer sal word, maar behoudens die verpligtings wat [die padraad] reeds in so 'n geval opgeloop [het] is;

(c) roerende of onroerende goed vir die doeleindes van hierdie Wet met inbegrip van kantoorkommodasie vir homself of sy beampies vir sodanige doeleindes koop, huur of op 'n ander wyse verkry, of sodanige goedhou of dit verkoop, verhuil, verhuur of op 'n ander wyse van die hand sit of daarmee op 'n ander wyse handel;

(d) die invoering van wetgewing betreffende enige aangeleentheid wat verband hou met stedelike vervoer of stedelike verkeerbeheer en wat volgens die oordeel van die padraad die oogmerke van hierdie Wet sal bevorder, by die Minister aanbeveel;

(e) versekering aangaan teen 'n risiko, verlies of skade in verband met die uitoefening van sy bevoegdheid of die verrigting van sy werkzaamhede ingevolge hierdie Wet;

(f) die vorm waarin of die wyse waarop enige vervoerstudie of plan of enige aansoek of ander aangeleentheid aan hom ingevolge hierdie Wet voorgelê, opgestel of gedoen moet word, voorskrif,

(IA) reglyne vir programme met betrekking tot onderhoud en die penodieke bywerk daarvan stel,

(b) [subject to the provisions of subsection (7), effect such alterations to any such plan as it may consider necessary, and] withhold or discontinue the payment of moneys already made available for its implementation of a plan referred to in paragraph (a), after being so approved, if the [Roads board] Minister has reason to believe that the contemplated purpose of such plan will be frustrated by the manner in which it will be implemented, but subject to any obligation [the roads board] which may have been incurred in any such case;

(c) purchase, hire or otherwise acquire, or hold, sell, exchange, let or otherwise dispose of or deal with, moveable or immovable property for the purpose of this Act including office accommodation for the roads board or its officers for such purposes;

(d) recommend to the Minister the introduction of legislation regarding any matter connected with urban transport or urban traffic control and which in the opinion of the roads board will promote the objects of this Act;

(e) take out insurance against any risk, loss or damage in connection with the exercise of its powers or the performance of its functions in terms of this Act;

(f) prescribe the form or manner in which any transport study or plan or application or other matter to be submitted, prepared or made to [him] in terms of this Act;

(IA) lay down guidelines for programmes in respect of maintenance and the periodic updating thereof;
(g) toesien dat openbare passasiersvervoer in enige stedelijke [verkeersregelingsstelsel] vervoerplan voorkeur geniet op enige wyse wat hy goedvind;

(h) toesien dat persone wat openbare stedelike vervoer onderneem, bestuurpraktyke wat volgens die oordeel van die [padraad] Minister geskik en doeltreffend is ten genoe van die [padraad] Minister toepas en gereeld hersien;

(i) [met die goedkeuring van die Minister] enige ander stappe doen wat volgens [die] sy oordeel [van die padraad] nodig is om die oormerke van hierdie Wet te bereik.

(2) 'n Goedgekeurde vervoerplan moet ten opsigte van die gedeelte van die betrokke metropolitaanse vervoergebied waarop die [padraad en] Minister na oordeel met die betrokkie Administrateur [oorleekom] besluit, die verhouding van die toelaatbare vloeroplakkte van enige gebou tot die oppervlakte van die grond waarop dit opgerig is of staan te word, soos bepaal deur die betrokkie dorpsbeplanningskema, aandui, en van sodanige verhouding mag daar nie sonder [voorgaande oordeel met die padraad] die goedkeuring van die Minister afgewyky word nie.

(3) Die betrokkie Administrateur moet toesien dat ten opsigte van enige gebou waarop die [padraad en] Minister na oordeel met die Administrateur [oorleekom] besluit en wat ingevoeg deen of ander dorpsbeplanningskema in 'n metropolitaanse vervoergebied opgerig staan te word, vir die op-en afsla van goedere die voorsiening gemaak word volgens die oordeel van die Minister [Administrateur en die padraad] toereikend is.

(4) 'n Beampte [van die padraad] wat of in die algemeen of in 'n bepaalde geval deur [hom] die Minister skriflik daartoe gemag is, kan, behoudens die bepaling van subartikel (5), ter inligting van die [padraad] Minister te alle redelike tye 'n boek, staat of ander stuk wat wees of vermoedelijk betreklik het op 'n buspassasiersvervoerders in enige metropolitaanse
6. Die verkoopprijs van die uiteindelike artikel of dienste moet die verkoopprijs van die toepaslike artikel of dienste omslaai.

7. Indien die agtergrond van die aanbeveiling verander of die belastingvoorskrif nie die eis van die regering stel nie, moet die minister die aanbeveiling in die gesamentlike belang van die regering en die publiek herbeoordel.

8. Indien die aanbeveiling deur die regering geneem word, moet die ontwerp van die aanbeveiling in die regering geregisseer word.

9. Indien die aanbeveiling deur die regering geneem word, moet die aanbeveiling in die publiek geregisseer word.

5. Die aanbeveiling moet in teken word deur die minister.

4. Indien die aanbeveiling deur die regering geneem word, moet die aanbeveiling in die regering geregisseer word.
Vervanging van artikel 7 van Wet 78 van 1977, 
goos gewysig deur artikel 10 van Wet 77 van 
1990

7. Artikel 7 van die Hoofwet word hereby deur die 
volgende artikel vervang.

Vervoerstudies, -ondersoek.e en -planne

"7. (1) 'n Administrateur kan [na oorleg] met 
die goedkeuring van die [padraad] 
Minister 'n studie, ondersoek of plan 
betrekkend tot vervoer instel of 
opstel of laat instel of opstel ten opsigte 
vaneen of meer bepaalde plaaslike besture 
met die oog op die totstandkoming van 
'n metropolitaanse vervoergebied en 
sodanige studie, ondersoek of plan 
word na die betrokke plaaslike bestuur 
of besture vir [sy] kommentaar verwys.

(2) Dié Administrateur moet 'n aldus opges 
getelde vervoerplan aan die [padraad] 
Minister vir oorweging en goedkeuring 
ingevolge artikel 6 (1) (a) of (b) voorlê, 
met die oog op die uitvoering daarvan, 
indien aldus goedgekeur, deur die 
betrokke plaaslike bestuur of besture.
"

Wysiging van artikel 8 van Wet 78 van 1977, 
goos gewysig deur artikel 10 van Wet 77 van 
1990

8. Artikel 8 van die Hoofwet word hereby gewysig—
(a) deur subartikels (1) en (2) deur onderskeidelik 
die volgende subartikels te vervang.

"(1) Die [padraad stel 'n] fonds [in] wat 
kratens hierdie artikel ingestel is en 
wat die Stedelike Vervoerfonds heet 
[en waarin gestort word] bly voort 
bestaan en daarin word gestort—

(a) die bedrag van enige bydrae waar 
toe die (padraad) verplig is ingevolge 
die bepaling van artikel 2 (3) 
(c) van die Wet op Nasionale 
Paale, 1971 (Wet No. 54 van 1971) 
[,] met betrekking tot die aanlé 
vaneen deurpad binne die regsg 
gebied van 'n plaaslike bestuur in 
'n metropolitaanse vervoergebied, 
dien sodanige deurpad 
deel uitmaak van 'n goedge 
keurde vervoerplan wat in 
sodanige metropolitaanse 
vervoergebied in werkning gestel is of 
sal word]

(b) geld wat die Parlement vir die 
fonds bewillig;

(c) rente op belegde kontantsaldo's 
wat aan die fonds behoort,
(d) enige ander geld [deur die padraad] wat die fonds ingevoeg hierdie Wet of vir die doeleindes daarvan [ontvang] toeval.

(2) Die [padraad] Direkteur-generaal bestuur die fonds, onderworpe aan die beheer en voorskrifte van die Minister, en bystaan daarby, behalwe vir sover die Parlement met betrekking tot 'n bepaalde goedkeurde vervoerplan wat in werking is, of met betrekking tot 'n plaaslike bestuur wie se regegebied of van wie se regegebied 'n deel opgeneem is in, 'n metropolitaanse vervoergebied, ander voorvordering maak, [en behoudens die bepalings van artikel 12 van die Wet op die Koördina-tering van Vervoer, 1948 (Wet No. 44 van 1948),] alle uitgawes aangegaan in verband met die uitoefening of vervul- ling van [sy bevoeghede of werksaamhede] enige bevoegdheid of werkzaamheid ingevoeg hierdie Wet of die regulasies daargrytens uitgevaar-
dig.

(b) deur subartikel (3) te skrap;

(c) deur subartikels (4), (5) en (6) deur onderskeidelik die volgende subartikels te vervang:

"(4) Die [padraad] Direkteur-generaal moet begrotings van uitgawes wat uit die fonds bestry moet word, paartjies aan die Minister vir sy goedkeuring voorlo, en maak geen betaling uit die fonds nie behalwe ooreenkomstig 'n aldus goed-
gekeurde begroting of met die vooraf-
verkree goedkeuring van die Minister belê.

(5) Die [padraad] Direkteur-generaal kan geld in die fonds wat [hy] nie onmiddel-
lik vir die doeleindes van hierdie Wet nodig [het] is nie, met die goedkeuring
van die Minister belê.

(6) Die [padraad] Direkteur-generaal moet behoorlik boekhou van alle geld wat die fonds toekom of wat daaruit betaal
word, en sodanige boekie word deur die Oudtjie-generaal geuiteer."

(d) deur paragraaf (a) van subartikel (7) deur die volgende paragraaf te vervang

"(a) Wanneer 'n Administrateur of 'n plaas-
like bestuur geld ten behoeve van die fonds vorder of ten behoeve van die
fonds aan die [padraad] Direkteur-
generaal oorbetaal, moet die Adminis-
trateur of plaaslike bestuur, na gelang

(2) The [roads board] Director-General shall administer the fund, subject to the control and directions of the Minister, and shall defray from it, except in so far as Parliament may, in relation to any specified approved transport plan in operation in, or in relation to any local authority of which the area under its jurisdiction has been included in, any metropolitan transport area, provide otherwise, [and subject to the provisions of section 12 of the Transport (Coordination) Act, 1948 (Act No. 44 of 1948),] all expenditure incurred in connection with the exercise or performance of [the powers or functions of the roads board] any power or function in terms of this Act or the regulations made thereunder.

(b) by the deletion of subsection (3);

(c) by the substitution for subsections (4), (5) and (6) of the following subsections, respectively:

"(4) The [roads board] Director-General shall annually submit to the Minister for his approval, estimates of expenditure to be defrayed from the fund, and shall make no payment from the fund except in accordance with estimates so approved or with the prior approval of the Minister.

(5) The [roads board] Director-General may with the approval of the Minister invest moneys in the fund not immediately required [by it] for the purposes of this Act.

(6) The [roads board] Director-General shall keep proper accounts of all moneys accruing to or paid out of the fund, and such accounts shall be audited by the Auditor-General."

(d) by the substitution for paragraph (a) of subsection (7) of the following paragraph:

"(a) When any Administrator or any local authority collects moneys or pays moneys to the [roads board] Director-

General on behalf of the fund, the Administrator or local authority, as the case may be, shall in respect thereof
van die geval, ten opsigte daarvan jaar-
lik aan die [padraad] Direkteur-gene-
raal rekeningstate vir opname in [sy-
eie] die rekenings wat vir die doel-
einders van hierdie Wet gehou word; [in
die vorm deur die Tescurie na oorleg
met die Ouditeur-generaal goedge-
keur] wat in die geval van 'n plaaslike
bestuur, geouderde is deur [die oudi-
teur van die betrokke provinsie of]
iedemand wat ingevolge 'n wet as ouditeur
van die plaaslike bestuur optree, [na
gelang van die geval] en gestaaf is
deur sodanige [ouditeur of] persoon
se verslag en die nodige dokumentêre
getuensis].

Vervanging van artikel 9 van Wet 78 van 1977,
soos gewysig deur artikel 10 van Wet 77 van
1990

9. Artikel 9 van die Hoofwet word hierby deur die
volgende artikel vervang:

Lenings

“(9) (1) Die [Minister] Direkteur-generaal kan
met die goedkeuring van die Minister
van tyd tot tyd uit geld wat die Parle-
ment daarvoor bewilling, [aan die pad-
raad] lenings [toeken] onpem vir die
doelendes van hierdie Wet.

(2) Die [padraad] Direkteur-generaal
betaal uit die fonds die rente op 'n aldus
toegekende lening, en los uit die fonds
'n aldus toegekende lening in die paa-
emente en binne die tydperk af wat die
Minister met die instemming van die
Minister van [Finansies] Staatsbeste-
ding bepaal.

Wysiging van artikel 10 van Wet 78 van 1977,
soos gewysig deur artikels 6 en 10 van Wet
77 van 1990

10. Artikel 10 van die Hoofwet word hierby gewysig—

(a) deur die woorde wat paragraaf (a) vooraf
gaan deur die volgende woorde te vervang:

"Die Direkteur-generaal kan met die goed-
keuring van die Minister en op die voor-
waardes wat die Minister bepaal, uit die
fonds—";

(b) deur paragraafe (j) en (k) te skraap

Wysiging van artikel 13 van Wet 78 van 1977,
soos gewysig deur artikels 8 en 10 van Wet
77 van 1990 en artikel 1 van Wet 14 van 1992

11. Artikel 13 van die Hoofwet word hierby gewysig
deur subartikel (3) deur die volgende subartikel te
vervang.

“(3) 'n [Lid van 'n raad], uitgesonder die voor-
sitter word aangestel vir die tydperk (maar
hoogstens twee jaar) en op die voor-
waardes wat die betrokke Administrateur in

submit annually to the [roads board] Direkteur-
Generaal, for inclusion in [its
own] the accounts kept for purposes of
this Act, statements of account [in
such form as the Treasury after con-
sultation with the Auditor-General
may approve] which, in the case of a
local authority have been audited by
[the auditor of the province con-
cerned or] any person who acts as
auditor of the local authority in terms of
any law, [as the case may be] and are
supported by such [auditor's or]
person's report and the necessary doc-
umentary evidence.".

Substitution of section 9 of Act 78 of 1977, as
amended by section 10 of Act 77 of 1990

9. The following section is hereby substituted for
section 9 of the principal Act.

Loans

“(9) (1) The [Minister] Director-General may,
with the approval of the Minister from
time to time, from moneys appropriated
by Parliament therefor, [grant] raise
loans [to the roads board] for the pur-
poses of this Act.

(2) The [roads board] Director-General
shall from the fund pay the interest on
any loan so granted and redeem any
loan so granted in such instalments and
within such period as the Minister with
the concurrence of the Minister of
[Finance] State Expenditure may
determine.".

Amendment of section 10 of Act 78 of 1977,
as amended by sections 6 and 10 of Act 77 of
1990

10. Section 10 of the principal Act, is hereby
amended—

(a) by the substitution for the words preceding
paragraph (a) of the following words:

"The Director-General shall on the in-
structions of the Minister and on such con-
ditions as the Minister may determine from the
fund—"; and

(b) by the deletion of paragraphs (j) and (k)

Amendment of section 13 of Act 78 of 1977,
as amended by sections 8 and 10 of Act 77 of
1990 and section 1 of Act 14 of 1992

11. Section 13 of the principal Act, is hereby
amended by the substitution for subsection (3) of
the following subsection:

“(3) A member of the board, other than the
charman, shall be appointed for such
period (not exceeding two years) and on
such conditions as the Administrator con-
elke besondere geval bepaal: Met dien verstande dat die Administrateur, indien daar volgens sy oordeel gegronde redes daarvoor bestaan, [na oorlog met die padraad] die dienste van so ’n lid te eniger tyd voor die verstrekking van sy amptemyn kan beëindig.

Wysiging van artikel 14 Wet 78 van 1977

12. Artikel 14 van die Hoofwet word hierby gewysig—

(a) deur subartikel (1) deur die volgende subartikel te vervang:

"(1) Die besoldiging en toelaes van die lede van ’n raad, uitgesonderd die besoldiging van ’n lid wat in diens van die Staat is, soos deur die betrokke Administrateur [na oorlog met die padraad] met die goedkeuring van die Minister bepaal, word uit die betrokke vervoerfonds betaal.’; en

(b) deur subartikel (3) deur die volgende subartikel te vervang:

"(3) Indien die Minister [op aanbeveling van die padraad en], na oorlog met die Minister van [Finansies] Staatsbeste-
ding, van oordeel is dat ’n lid in subarti-
kel (2) genoem, behalwe die vooruit, al sy tyd of ’n aansienlike deel van sy
tyd aan sy werkzaamhede as ’n lid van ’n raad bestee, kan die Minister, na
d sodanige oorlog, gelaas dat die raad die
besoldiging wat aan sodanige lid as iemand in diens van die Staat betaal
word, of soveel daarvan as wat die
Minister na sodanige oorlog bepaal, aan die Staat uit die betrokke vervoer-
fonds vergoed ’.

Wysiging van artikel 17 van Wet 78 van 1977, soos gewysig deur artikel 10 van Wet 77 van 1990

13. Artikel 17 van die Hoofwet word hierby gewysig—

(a) deur paragraaf (b) deur die volgende paragraaf te vervang:

"(b) ’n toepaslike goedgekeurde vervoer-
plan op die wyse wat die betrokke Administrateur [na oorlogpleging met
die padraad] bepaal, uitvoer,’’; en

(b) deur paragraaf (k) deur die volgende paragraaf te vervang.

"(k) die ander werk venn in verband met
stedelike vervoer in sy metropolitaanse
vervoergebied wat die betrokke Admin-
istrateur [na oorlog met die padraad] aan hom opdra,’’.

Amendment of section 14 of Act 78 of 1977

12. Section 14 of the principal Act, is hereby amended—

(a) by the substitution for subsection (1) of the following subsection:

"(1) The remuneration and allowances of
the members of a board save the remu-
neration of any member who is in the
service of the State, as determined by
the Administrator concerned [after
consultation with the roads board]
with the approval of the Minister, shall
be paid out of the transport fund con-
cerned.’; and

(b) by the substitution for subsection (3) of the following subsection:

"(3) If the Minister [on the recommenda-
tion of the roads board and], after
consultation with the Minister of [Fi-
nance] State Expenditure, is of the
opinion that a member mentioned in
subsection (2), other than the chairman,
devotes the whole or a substantial por-
tion of his time to his functions as a
member of a board, the Minister may,
after such consultation, direct the board
to refund to the State from the transport fund concerned the remuneration paid
to such member as a person in the ser-
vice of the State, or so much thereof as
the Minister may after such consultation
determine.’.

Amendment of section 17 of Act 78 of 1977, as amended by section 10 of Act 77 of 1990

13. Section 17 of the principal Act, is hereby amended—

(a) by the substitution for paragraph (b) of the following paragraph:

"(b) implement any applicable approved
transport plan in such manner as may
be determined by the Administrator con-
cerned [after consultation with the
roads board]’; and

(b) by the substitution for paragraph (k) of the following paragraph:

"(k) do such other work in connection with
urban transport in its metropolitan
transport area as the Administrator con-
cerned may [after consultation with
the roads board] with the approval of
the Minister direct it to do,’’
Wysiging van artikel 19 van Wet 78 van 1977, soos gewysig deur artikel 10 van Wet 77 van 1990

14. Artikel 19 van die Hoofwet word hierby gewysig deur subartikel (2) deur die volgende subartikel te vervang:

"(2) Tensy deur die betrokke Administrateur [na oorleg met die padraad] daartoe gemagtig of ingevolge die een of ander wet of toe-

paslike dorpsbeplanningskema gemagtig of verplig om dit te doen, mag iemand vanaf die datum van publikasie van 'n goedge-
keurde vervoerplan of 'n verandering daarvan ingege van subartikel (1), enige grond of gebou wat deur daardie plan of verandering
gevaar is, gebruik word of enige ander doel as dié waarvoor dit op gemeide datum gebruik is of 'n gebou op bedoelde grond op
of byvoegings by of veranderingen aan 'n gebou op bedoelde grond wat die ver-
houding van die toelaatbare vlooppervlakte van die betrokke gebou tot die opper-
vlakte van die grond waarop dit opgewes is, enhals verander, aanbring nie.".

Amendment of section 19 of Act 78 of 1977, as amended by section 10 of Act 77 of 1990

14. Section 19 of the principal Act, is hereby amended by the substitution for subsection (2) of the following subsection:

"(2) As from the date of publication of any approved transport plan or any alteration thereof in terms of subsection (1), no per-
son shall, unless authorized thereto by the Administrator concerned [after consulta-
tion with the roads board] or authorized or required to do so in terms of any law or
applicable town-planning scheme, use any land or building which may be affected by
such plan or alteration, for any purpose other than that for which it was used on the
said date, or erect or make additions or al-
terations to any building on such land which
in any way vary the ratio of the permissible
floor space of the building in question to the
area of the land on which it has been
erected.".

Wysiging van artikel 24 van Wet 78 van 1977, soos gewysig deur artikel 10 van Wet 77 van 1990

15. Artikel 24 van die Hoofwet word hierby gewysig deur subartikel (1) deur die volgende subartikel te vervang:

"(1) Die [padraad] Minister kan [onderworpe aan die goedkeuring van die Minister]

enige [bevoegdheid] bevoegdheid wat by

hierdie Wet aan hom verleen word, aan 'n

[lid of] beaampte [van die padraad], 'n

Administrateur of die gemagtigde van 'n

kernstad delegeer.

Vervanging van woord in Wet 78 van 1977

16. Die Hoofwet word, behoudens die bepaling van hierdie Wet, hierby gewysig deur woord "pad-

raad", waar dit ook al voorkom, deur woord "Minister" te vervang.

Wysiging van die Wet op Deregulering van Vervoer, 1988 (Wet 80 van 1988)

17. Artikel 3 van Wet 80 van 1988 word hierby gewysig deur subartikel (1) deur die volgende subarti-

kel te vervang:

"(1) Met ingang van die datum van inwerking-
treding van hierdie artikel word daardie

bevoegdheid, werkzaamhede en pligte wat

by of kragtens die Wet op Nasionale Paase, 1971 (Wet No. 54 van 1971) en die Wet op Nasionale Verkeers veiligheid, 1972 (Wet

No. 9 van 1972), [en die Wet op Stedelike

Vervoer, 1977 (Wet No. 78 van 1977)] aan
die Kommissie verleen of toegewys is, deur die Suid-Afrikaanse Padraad uitgeoefen en

verm en word laasgenoemde Raad, by die
tepassing van genoemde Wette, vr alle

doelendes geag die opvolger van die Kom-

missie te wees ".

Substitution of word in Act 78 of 1977

16. The principal Act, is hereby amended, subject to the provisions of this Act, by the substitution for the

words "roads board", wherever it occurs, of the

word "Minister".

Amendment of the Transport Deregulation Act, 1988 (Act 80 of 1988)

17. Section 3 of Act 80 of 1988, is hereby amended by the substitution for subsection (1) of the following

subsection:

"(1) With effect from the date of commencement of this section those powers, functions and duties which are conferred upon or
entrusted to the Commission by or under the National Roads Act, 1971 (Act No 54 of
1971) and the National Road Safety Act, 1972 (Act No. 9 of 1972), [and the Urban
Transport Act, 1977 (Act No. 78 of 1977)]

shall be exercised and performed by the South African Roads Board and for the pur-
poses of the said Acts the last mentioned
Board shall for all purposes be deemed to
be the successor of the Commission ".

Amendment of section 24 of Act 78 of 1977, as amended by section 10 of Act 77 of 1990

15. Section 24 of the principal Act, is hereby amended by the substitution for subsection (1) of the

following subsection:

"(1) The [roads board] Minister may [subject
to the approval of the Minister] delegate

any power conferred on [the] by this Act
to any [member or] officer [of the roads

board], any Administrator or the deputy of a
core city.".
Kort titel
18. Hierdie Wet het die Wyssigingswet op Stedelike Vervoer, 1993 en die bepalings daarvan tree in werkky op 'n datum wat die Staatspresident by proklamasië in die Staatskoerant bepaal.

OOGMERKE VAN DIE WYSIGINGSWETSONTWERP OP STEDELIKE VERVOER, 1993
In die wetsontwerp word voorgestel dat die funksies, werksaamhede en bevoeghede van die Suid-Afrikaanse Padraad aan die Minister oorgedra word uitgesonderd die bestuur van die stedelike vervoerfonds wat aan die Direkteur-generaal onderhewig aan die Minister se voorskrifte, oorgedra word.
(28 Augustus 1992)

Short title
18. This Act shall be called the Urban Transport Amendment Act, 1993, and shall come in to force on a date fixed by the State President by proclamation in the Gazette

MEMORANDUM ON THE OBJECTS OF THE URBAN TRANSPORT AMENDMENT BILL, 1993
In the Bill it is proposed that the functions, powers and duties of the roads board be transferred to the Minister excluding the administration of the Urban Transport Fund which is being transferred to the Director-General subject to the directions of the Minister
(28 August 1992)

KENNISGEWING 767 VAN 1992 • NOTICE 767 OF 1992
VOORLIGPDE OPAQWE VAN HANDELSSTATISTIEK VAN DIE REPUBLIEK VAN SUID-AFRIKA VRYGESTEL DEUR DIE KOMMISSARIS VAN DOEANE EN AYKSYS
PRELIMINARY STATEMENT OF TRADE STATISTICS OF THE REPUBLIC OF SOUTH AFRICA RELEASED BY THE COMMISSIONER FOR CUSTOMS AND EXCISE

Opmerking: Die in- en uitvoerstelsels wat in hierdie opgawe verskyn is grotelik aangepas om dit in ooreenstemming te bring met die vereistes wat gestel word vir die opstel van die betalingsbalans.

L.W.: Die oorskakeling na die Geheimeerde Tariefffetel met ingang van 1 Januarie 1988 het die indeling van sekere kommoditeite verander. Wanneer die afgelaste totale vir 1988 en later jare dus met dié van vorige jaar vergelyk word, moet die mondeling verskille as gevolg van die oorskakeling nie uit die oog gevoer word nie.

Remark: The import and export figures reflected in this statement have been adjust largely to bring them into line with the requirements for the composition of the balance of payments.

N.B.: The change-over to the Harmonized Tariff System with effect from 1 January 1988, altered the classification of certain commodities. When comparing the section totals for 1988 and later years with those of previous years the possible differences due to the change-over should therefore be taken into consideration

TYPERK: JANUARIE TOT JULIE 1992 • PERIOD: JANUARY TO JULY 1992

| Tabel A: TOTALE IN MIJLOEEN RAND VOLGENS WERELDSTREKE EN SKEEPS- EN VIJLGTUGVOORRADE | TABEL A: TOTALS IN MILLION RAND ACCORDING TO WORLD ZONES AND SHIPS' AND AIRCRAFT STORES |
|---|---|---|---|
| Wêreldstreke — World Zones | Invoere — Imports | Uitvoere — Exports |
| Afrika — Africa | 717,5 | 3 507,1 | | |
| Europa — Europe | 13 217,7 | 13 242,5 | | |
| Amerika — America | 4 686,1 | 3 575,5 | | |
| Asia — Asia | 6 704,6 | 6 871,7 | | |
| Oos-Afrika — Oceania | 358,7 | 197,5 | | |
| Ander ongeklassifiseerde goedere en betalingsbalansanswaarings | 3 517,9 | 10 659,6 | | |
| Skeeps/vliegtuigvoorraade — Ships' Aircraft Stores | | 418,9 | | |
| GROOTTOTAAL — GRAND TOTAL | 29 202,6 | 38 493,9 | 37 390,7 | |

| Tabel B: TOTALE IN MIJLOEEN RAND VOLGENS ADELINGE VAN DIE GEHARMONIEERDE STEELSEL | TABEL B: TOTALS IN MILLION RAND ACCORDING TO SECTIONS OF THE HARMONIZED SYSTEM |
|---|---|---|---|
| Afdeling — Sections | Invoere — Imports | Uitvoere — Exports |
| I Lewende diere, diélike produkte | 209,4 | 128,0 | | 403,2 | 355,3 |
| Live animals, animal products | | | | |
| II Plantaaardige produkte | 1 092,2 | 714,6 | 1 631,0 | 3 141,5 |
| Vegetable products | | | | |
| III Diélike of plantaaardige vette en olies en splitsproduktes, voorbereide spesemiddel, diélike en plantaaardige wase | 257,5 | 149,6 | 84,7 | 64,2 |
| Animal or vegetable fats and oils and their cleavage products, prepared edible fats, animal and vegetable waxes | | | | |
Fund crisis derails train security

By ROSALEE TELELA

RECOMMENDATIONS made earlier this year by the Goldstone Commission on how to improve security on railway stations had not been carried out in full because of a lack of funds.

While transport authorities this week explained the reasons to the commission, 12 more people died in a spate of train attacks in the PWV.

Giving evidence to the commission, which is investigating violence on trains, the South African Rail Commuter Corporation (SARCC) said R14-million would be needed to upgrade the security systems on seven Soweto stations alone.

The corporation said it did not have "that kind of finance" to implement changes suggested by the commission.

Among the interim recommendations made by the commission are that the police force be structured so that commuters regain their trust in them, control points be shifted to outside the stations, existing police facilities at the stations be upgraded; lighting on platforms should be improved; telephones should be in working order and a permanent security guard be placed at each entrance to the station.

The SARCC said it had applied on August 12 to the government for funds to finance the implementation of suggested security measures.

The corporation said it would "provide effective police facilities nationally," and told the commission that in the southern Transvaal alone it would cost an extra R25-million in 1992/1993 to upgrade existing facilities.

The budget for improving the security on railway stations in the southern Transvaal is R95,998-million for 1992/1993, with an additional R26,90-million to be spent in 1993/94.

The commission heard that the SARCC and the South African Police had joined a committee aimed at "reconstruction of the police force in metropolitan areas."

The SAP representative, Lieutenant Colonel Marthaus Marx, said in June and July there had been a decrease of about 50 percent in train violence on the Reef.

He added that it was the result of "the establishment of a central coordinating centre" and an increased police presence.

However, counsel for the ANC, Gys Rautenbach, said that on two occasions the organisation had sent someone to check the security on two different stations. This person found no police presence inside or outside the station.

While the SARCC and SAP presented their reports in the committee room, their statements were challenged outside the commission by the Civic Association of Southern Transvaal (Cast).

Cast member Dumusani Daniel said that representatives from the organisation had visited Park station, Johannesburg, on Wednesday — the day after eight people were shot and injured — and found "no security personnel at the gates to the platform when we arrived."

Later, he said, at about 2pm, "when we went to the same platforms accompanied by railway officials and senior policemen there were a number of police on the station, including Spoornet security."
NEWS FEATURE  IFP man pleased by statement that comrades are responsible for killings
- The train killers have claimed the lives of 130 people this year alone

Security forces swarm the platform and tracks at Mlambamkulu station, Soweto. The station has been the scene of violence.

still on the same old track

was seriously injured in Wednesday’s train attack on the Springs-Johannesburg line refutes the impression created by police that the assailants were ANC supporters.

Mr Chuma Sepele, whose lacerated face appeared on the front page of Sowetan yesterday, said: “I have travelled with comrades on the Johannesburg-Springs train for a long time, and they wouldn’t commit such beastly acts.

“It’s outsiders masquerading as comrades who attacked us. They trick commuters by singing Freedom songs so that we’ll think they are also opposing this rotten system of colonial occupation,” he said.

These attacks have continued despite the signing of the much-publicised agreement on May 14, which guaranteed security on trains.

An investigation by the Sowetan team this week on the Johannesburg-Springs route showed that the main aspects of the agreement had not yet been implemented.

Police presence at most stations remained unrecorded.

We went in and out of many Reef stations without being searched.

The fear on the faces of thousands of tax-paying commuters, whose lives are at risk every time on the platforms, was unmistakable.

At about the same time Sowetan conducted its random check, African National Congress official Mr Ronnie Mamoepa and a group of journalists on Wednesday visited Park Station, where a train attack had occurred the previous night, and inspected the Soweto-Johannesburg train, number 9366.

Speaking during the inspection in loco, Mamoepa remarked that there was hardly any security 24 hours after four gunmen armed with AK-47 rifles opened fire on a train, injuring eight commuters at the station.

But, the solution to the continuing train attacks seem to be elusive.

The senior general manager of the South African Rail Commuter Corporation, Mr Koos Meyer, this week said there was nothing they could do as the police were responsible for ensuring that such people did not enter the trains.

“For our part, we are still investigating our rail commuter guards. We are, however, satisfied that the police were still investigating the matter. We are not very sorry about these incidents,” Meyer said.

A special unit assigned to deal with train attacks has yet to record success in its tracking of train killers.

Captain Thys du Plessissadie people should not expect any “quick fix to the ongoing carnage”.

Train carnage

NO SECURITY The police were no where to be seen at the railway stations:

By Mokgadi Pela

I AM EXTREMELY happy that the truth has finally come out about the sinister forces behind the train killings,” said an Inkatha Freedom Party supporter from Soweto’s Nancefield Hostel yesterday.

The man claimed that two of the three people killed on the Johannesburg-Springs line on Wednesday morning were IFP members from Nongoma. He gave the name of one of them as Kubheka. In the attack seven people were severely injured and admitted to the Boksburg-Benoni Hospital.

Mr Ephraim Mpanza was reacting to a report in Sowetan yesterday which quoted police spokesman Captain Ida van Zeel as saying: “A group of young men who had been singing ANC freedom songs burst into a coach, attacked people and caused panic-stricken passengers to jump from the moving train.”

However, one of the victims who

Terror trains

Train killers have taken the lives of 130 this year.

In September 1990 exactly 26 people were killed and 100 injured near Jeppe station.

Between January and May this year more than 130 commuters have been killed — either shot, stabbed, or hacked to death — and 235 injured in about 130 attacks on trains and stations.

The four-month death toll exceeds that of the previous 18 months when about 100 commuters were killed and nearly 500 injured in 34 attacks.

Between May and August over 30 people have died and more than 60 injured in the trains in the country.
Transnet depots to close

Staff Reporter

TRANSNET train services depots at Daljosafat, Riversdale and Touwa River are to close.

About 30 staff will be affected, and are to be offered posts elsewhere, training for other jobs, or redundancy packages.
Own Correspondent

JOHANNESBURG. — The international passenger levy at South Africa's nine airports is likely to be doubled from R10 to R20 early next year.

However, a proposal that airline passengers be forced to pay a further levy of R5 each to subsidise a “tourism drive” was unlikely to materialise, a source said yesterday. The government had decided the tourism levy should be levied in the hotel industry, he said.

Planned improvements at airports, the estimated costs of which were R283 million in 1989, are now likely to cost R120m, a meeting between the Directorate of Civil Aviation (DCA) and the Board of Airline Representatives (BAR) was told earlier this month.

A proposal by BAR that passenger departure tax be increased from R10 to R20 in an attempt to cover the escalating cost of improvements, would be considered by the DCA, an industry source said yesterday.

Passenger levies, introduced in 1980 to partly fund the improvements, had to date been built into the price of air tickets.

However, airlines have indicated they are not prepared to continue with this practice. From next year the increased levy should be shown on the air ticket as a tax — imposed by the government and not the airlines, BAR suggested at the meeting.

Initially, DCA intended to impose the new R20 levy on September 1, but has now given BAR the assurance that it will not be implemented on that date.

The meeting was told that only R23.3m had been accumulated from passenger levies during 1991/92.
Should all air routes lead to SA?

Transport Minister Piet Welgemoed has an ambitious plan for Jan Smuts airport. He wants to make it the hub airport for the southern half of Africa. Huge jets from around the world would land at Jan Smuts and disembark thousands of passengers, who would then be shuttled to smaller planes waiting on the tarmac and whisked to Gaberone, Lusaka, Nairobi and other African destinations.

During a trip to Europe this month, Welgemoed met with aviation officials and pitched his idea of a hub-and-spoke system for Africa with Jan Smuts as the centre. "Their response was very positive. They know that Jan Smuts is the most advanced airport in Africa south of the equator."

But Welgemoed knows that the R100m now being spent to upgrade Jan Smuts is peanuts compared with what would have to be spent to turn it into an international hub. The airport can handle no more than 1,000 arriving and departing passengers in an hour now, and must handle up to 2,000 in a half hour.

The idea dovetails with proposals by others to make the entire country an international economic hub (Business & Technology July 24). Government won't have to confront the air-hub issue for several years, when the advent of the next generation of large aeroplanes will change the status of small airports to mere feeders to the big airports.

But Welgemoed points out that if SA does not start planning for the age of the super-jumbos now, the many advantages of being a hub could be lost to another airport in the region.

Spurred by deregulation in 1978, the hub-and-spoke system has dominated the US airline industry for more than 10 years. Large aircraft fly into a hub airport, where passengers are transferred to smaller regional airports on smaller aircraft timed to take off soon after the larger planes arrive.

Travellers who don't live in a hub city don't like the system because it can double their flying time by forcing them to switch open many opportunities to smaller airlines.

He adds, "Jan Smuts is the biggest and most sophisticated airport in southern Africa. It is the only airport that can be used as a hub. It would also make sense for the smaller airlines to drop their international operations and operate the regional routes from Jan Smuts."

The development that will force airports to decide between being a hub or a spoke is the plans of the big aerospace manufacturers for the next generation of planes that will seat at least 600 people, almost twice the capacity of today's jumbo jets. Airbus Industrie is considering designs and configurations for ultra-high capacity aircraft with a range of 13,000 km. They could be double-decker planes with six to eight seats abreast on each deck, or they could have single decks containing two cabins side-by-side with six seats abreast in each. Also undecided is whether their holds will be used for cargo or for in-flight gymnasiurns or cinemas.

Boeing stresses that it "hasn't made a commitment to build a large aircraft" but it has formed a large-aeroplane division under vice-president John Hayhurst, previously in charge of Boeing Airplane Group's marketing efforts, to study building and marketing a 750-seat aircraft.

The radical changes on the horizon will accelerate the trend towards mega-airlines dominating international aviation. SA Airways could benefit from this trend and expand its dominance in Africa or it could be swallowed up by a mega-carrier from abroad. So the designs on the drawing boards in France and the US will present enormous challenges for Jan Smuts and SA.
VAT lifts Safcor's turnover

EDWARD WEST

SA Freight Corporation (Safcor) turnover improved by nearly a third in the year to end-June 1992 and, as a result of this, forecasts were met with earnings up a creditable 14% over the previous year.

MD Peter Desilla said the introduction of VAT on imports resulted in the group having to fund importer's VAT commitments. This was reflected in the increase in turnover to R122m from R108m in the 1991 financial year.

However, because of the difficulty of recovering cost escalations in the poor economic environment, profit margins were lower and operating income increased 19% to R34.6m (1991 R30.5m), said Desilla.

After taxation of R15.9m (R14.3m), taxed profit was higher at R18.7m (R16.1m). Associated companies' share of after-tax profits dropped substantially to R129m (R338m) leaving attributable profits 14% higher at R18.8m (R16.5m).

An extraordinary income of R2m (R1.2m) related to the sale of the tracking company Storm and Company Natal on July 1, 1991.

Because of that, net profit after extraordinary items was 18% higher at R20.8m (R17.6m).

The average number of shares in issue increased slightly to 22.5-million from 22.4-million.

Earnings a share, which did not include the extraordinary item, increased to 83.5c (73.5c). The final dividend was raised to 28c (24c) a share, bringing the total dividend for the year to 47c (37c) a share.
Air travel levy set to double

THE international passenger levy at SA's nine state airports is likely to be doubled from early next year.

However, a proposal that airline passengers be forced to pay a further levy of R35 each to subsidise a "tourism drive" was unlikely to materialise, a source said yesterday. Government had decided this should be levied in the hotel industry.

Planned improvements at SA airports, estimated at R59.8m in 1990, were now likely to cost R128m, a meeting between the Directorate of Civil Aviation (DCA) and the Board of Airline Representatives was told earlier this month.

A board proposal that passenger departure tax be increased from R10 to R20 to help cover the escalating costs would be considered by the DCA, an industry source said yesterday.

Passenger levies, introduced in 1990 partly to fund the improvements, have to date been built into the price of air tickets. But airlines have indicated that they are not prepared to continue with this practice.

The board suggested at the meeting that from next year the increased levy be shown on the air ticket as a tax imposed by government and not the airlines. Initially, the DCA had intended to impose the new R20 levy from September 1.

The meeting was told that only R23.8m had been raised from passenger levies during 1991/92—an amount "dramatically surpassed" by the improvement costs.

Airlines can also expect a 15% increase in airport charges from November 1.
Toll of train violence in two years near 300

At least 20 rail commuters have died violently in the past two weeks, bringing the death toll since July 1990 to nearly 300.

A Human Rights Commission (HRC) report released today said 295 rail commuters had been killed, nine on the East Rand on Wednesday.

Police said yesterday they were searching commuters on an ad hoc basis at Johannesburg Station in an effort to enforce a ban on weapons. Additional manpower could be deployed to assist with train security, they said.

Referring to the proposed "rail guard", police said "a project has already been launched and the first formal report will be presented to the SA Rail Commuter Corporation on September 15."

Witwatersrand police spokesman W/O Andy Piekke said yesterday it was too early to say with certainty what had caused the latest spate of attacks, but that they could have been revenge attacks sparked off by earlier killings.

Sapa reports police shot and injured a man and a woman in Phola Park yesterday, after they were attacked by angry residents at the conclusion of a crime prevention operation.

A policeman fired into a crowd after stones were thrown at police, a police spokesman said.

Police said they detained nine people in the operation for offences ranging from murder to possession of dagga.

The ANC-linked Peace Action Group slated the exercise as harassment of local residents "Black doors were broken down and teargas was used. All men were herded into two yards, seated on razor wire and were forced to stand in the rain for approximately five hours," it claimed.

Renewed calls for the Goldstone commission to investigate violence in the Eikenhof area were issued yesterday following the killing of eight people there on Wednesday.

ANC northern Natal chairman Aaron Motsoaleda also reiterated a call following the killings for the permanent presence of UN violence monitors in the region.

SA women should condemn acts of aggression and urge government to bring perpetrators of violence to book, African Women's Organisation of Azania (AWO) president Ellen Motshoeng said yesterday.

She said AWO, the PAC women's wing, wanted to point out most victims of violence "happen to be women and children."

SA women should therefore bring pressure to bear on government to stop its "delaying tactics" and to arrest and prosecute the perpetrators of violence.

Justice unable to cope, says Von Lieres

The criminal justice system was unable to deal adequately with rising crime levels, Witwatersrand Attorney-General Klaus von Lieres and Wilkau told a conference of the SA Security Association at Nasrec yesterday.

Intimidation of witnesses and delays in summoning the police resulted in insufficient evidence to charge criminals.

One result of this was the fact that during the past year more than 1,000 politically related killings in the East Rand region had gone unsolved, he said.

Pointing to the increased prominence of "people's courts" in townships, Von Lieres said the criminal justice system faced a crisis of legitimacy.

"If this problem is not dealt with then we will be on the slippery slide to anarchy," he warns.

The government had already taken steps in the right direction by repealing discriminatory legislation, but more needed to be done to encourage the black community to assist in sentencing cases in court, he said.

"Moves are also afoot to take some of the weight off the criminal justice system by transferring more responsibilities for matters like traffic offences and violent disputes onto justices of the peace."
Deregulation is right course for SA airlines

By John Miller

Higher domestic airfares and a limited choice of carriers and flights could result if South African Airways failed to adhere to Government recommendations on deregulation, the Civil Aviation Conference heard this week.

Domestic air travel was deregulated last year, allowing other airlines to compete with SAA.

Leading transport consultant Dr Willie Prins and FliteStar MD Jan Blake both said they believed SAA should adhere to the Government policy document on deregulation issued last year.

The document recommends, among other things, that SAA should avoid predatory and restrictive practices to control the market.

It also recommends structural changes in the organisation and discontinuing the practice of cross-subsidising international and domestic operations.

Dr Prins said flights between the major centres had increased by between 20 and 30 percent since deregulation, while seating capacity had increased by between 10 and 35 percent.

Substantial discounts were also now available.

He questioned SAA's motives in reducing economy class fares while it continued to lose money.

Mr Blake questioned the 300 percent increase in the fee for using SAA's computer reservations system shortly before deregulation and FliteStar's joining it.

He also accused SAA of overcharging by about 80 percent for ramp handling fees.

Mr Blake said that domestic fares were far too low and needed to be increased substantially to allow airlines to make a reasonable profit.

Defending SAA from the floor, chief executive Gert van der Veer was quick to point out that the latest discounts were an attempt to stimulate a declining market.

He denied that any cross-subsidisation was taking place. He also said SAA was stuck with surplus old aircraft which were impossible to get rid of.

Most speakers were generally satisfied with the year-long deregulation, however they made it clear that certain aspects would need regular review and attention.

The conference also heard that South Africa's nine state-run airports were running at a loss.

Director of airport services of the Department of Civil Aviation, Stewart Huckwell, said the airports had to be run like 'any shopping centre', with property and marketing managers and accountants.

The commercialisation of airports would avoid much-needed money for upgrading to put them on a par with overseas airports.

Currently 12 Government departments were involved in the day-to-day running of the airports.

Passenger and aircraft fees needed to be changed drastically, Mr Huckwell said.
Demand for support park land

AIA Get the Green Light

Compiled by CHARLES CLAYTON

2/06/18
Lack of safety appears to be the main gripe in a row between sacked Golden Arrow workers and the company management.

VUYO BAVUMA
Weekend Argus Reporter

DISMISSED Golden Arrow bus workers have accused the company of putting profits before their lives by failing to take sufficient steps to protect them from township violence.

The workers, most of whom belong to the Transport and General Workers' Union, also claim the company reneged on an agreement to install bullet-proof cabs in buses to protect them.

They claim the company agreed to do so after driver Mr. Raman Hansen was shot dead in Khayelitsha while driving a fully-laden bus at the height of the taxi conflict last year.

One sacked Golden Arrow worker, who refused to be named, said the company had promised to install the bullet-proof cabs last year, but later said it would be too expensive.

"This indicates that the company doesn't care about our lives and is only concerned about profits," he said.

He said workers were told they were insured for R100,000 — "but that's not worth anyone's life".

The sacked workers have demanded their jobs back as well as an end to retrenchments which began after a Boland depot was closed down in April.

Workers said they were being caught up in the "cross-fire" of a dispute between the company and taxi representatives.

Two weeks ago, nine bus workers — five drivers and four inspectors — were kidnapped and locked up in a shack in Kuwait, Khayelitsha, by angry taxi representatives.

The workers were released unharmed after the company negotiated with the taxi representatives.

The taxi men accused Golden Arrow of failing to pay for repairs to minibuses which were involved in accidents with buses.

In the past three weeks, several bus workers have been robbed at gunpoint in the townships. One driver lost an eye after being shot during a hold-up.

Tension between workers and management heated up after three workers were fired for disciplinary reasons two weeks ago.

In response, about 150 workers went on strike and demanded unconditional reinstatement of their colleagues and "safe passage" into the townships.

Another fired worker said the company was leaving the workers in the lurch for refusing to lay charges against the kidnappers.

"It's an offence for us to leave a bus unattended, but the company is dragging its feet about laying charges against the perpetrators of such serious crimes," he said.

On Monday, striking workers were ordered off company premises and fired.

This week, workers held meetings at the offices of the Food and Allied Workers' Union in Gugulethu.

They also held marches in Khayelitsha to advertise their cause and seek solidarity from the community.

Golden Arrow spokeswoman Mrs. Jeanne Welsh wouldn't comment and referred Weekend Argus to a statement issued by general manager Mr. Frans Mayoss this week which said the dismissed workers had refused to work after repeated warnings.

Workers had disrupted bus services by inciting others to strike and had blockade the Arroygatay depot.
Feeder airline Airlink signs co-operation pact with SAA

AIRLINK Airline has signed an interline operating agreement with SAA aimed at promoting an exchange of traffic and developing co-operation between the carriers, the airline announced at the weekend.

Airlink, the largest domestic feeder airline in southern Africa, was established in June this year when it acquired the fixed assets and infrastructure of the provisionally liquidated Link Airways.

The agreement between the two airlines would, for example, enable Airlink to make international passage bookings for passengers and baggage, and cargo could also be “inter-lined”, Airlink marketing GM for sales and travel Terry Anderson said. Anderson predicted that the SAA agreement would be the forerunner of several other domestic and international joint agreements, but he would not elaborate at this stage.

The main objective of the interline agreement was to promote an exchange of traffic between carriers by developing co-operation and by fostering inter-line understanding in field offices.

The agreement was aimed also at generating traffic through domestic feeder carriers by emphasising to the customer the convenience of connecting times and by enabling passengers to pay for a ticket involving both airlines in a single currency, even though a journey through many different countries was involved.

Meanwhile, Airlink introduces a special scheduled service between Johannesburg and Maseru next month.

The new service was aimed particularly at the business community, Airlink operations manager Trevor Johnstone said.

For the first time, travellers would be able to fly into and out of Maseru on the same day, he said.

Two flights would be offered every weekday, departing from Jan Smuts in the early morning and returning in the late afternoon. Duration of the flights will be one hour and Airlink will utilise its 14-seater Metroliners and 11-seater King Air aircraft on the route.

The only other airline offering a service from the Reef to Maseru is Lesotho Airways. However, its flights require overnight stays.

Airlink is also the designated SA carrier to Mozambique and Swaziland.
Pensioners’ discount goes in air fares move

THE blanket 30% discount previously available without any restrictions to senior citizens and national servicemen on all SAA domestic flights has fallen away. B 1 D A M 3 1 8 7 9 7

SAA’s recent announcement of a 50% discount on a first come, first served basis on some flights replaced the previous concession, SAA spokesman Leon Els said, at the weekend.

The 50% discount was available only on a limited number of seats, on off-peak flights. Tickets had to be booked and purchased at least three months in advance and carried a 25% cancellation fee.

Although the previous discount to pensioners and servicemen, and on special bookings for sport groups, was available only in limited numbers, booking and cancellations carried no conditions or restrictions.

Els said that in terms of SAA’s new fare structure, the airline’s Super Saver Fares at 30% discount were also available to all, with the only restriction being that tickets had to be booked and purchased at least seven days in advance.

Saver Fares — a 20% discount — carried no advance purchase proviso.

All the discounted fares were available on a first come, first served basis, but in limited numbers, and carried a 25% cancellation fee. Reservations, payment and ticketing was a simultaneous transaction and if flight details changed the next highest fare would be charged.
SOUTH African and TBVC transport ministers met in the Ciskei yesterday to discuss the development of a southern African transport policy for the Economic Community of Southern Africa. They also discussed road safety and the co-ordination of road traffic legislation for the region, and signed interim agreements on cross-border passenger and freight transport activities.
Council to decide whether to resume train boycott

A MEETING of the ANC-aligned PWV Regional Action Council will decide to-morrow whether or not to resume a boycott of commuter trains in the region, says ANC PWV spokesman Ronnie Mamoepa.

Mamoepa said yesterday the committee, on which the ANC, Cosatu, the SACP and the CUCUS Association of the Southern Transvaal (Cust) serve with several other organisations, would draft an “elaborate plan” to counter train violence.

A meeting with the SA Rail Commuter Corporation and the ANC was being planned to discuss the matter. This follows a low-key meeting last week.

Mamoepa described a heightened police presence at the station on Friday as a token show of force.

“If you go to Johannesburg station now, you won’t see them there,” he said.

Meanwhile, two more people were killed in train attacks at the weekend — one at Johannesburg’s Jeppe Station — according to police.

Police reported yesterday the deaths of seven more people in other incidents of violence, Sapa reports.

Four people were hacked to death and then burned at Isandlwana near Durban in a revenge attack after a man was killed on Saturday. No arrests were made.

Sapa reports that a young police constable is in a critical condition in hospital after being shot in the head at Meadowlands, Soweto, on Sunday night.

Police said Const Helmut Schubert, 22, had lost an eye and was in a critical condition in the Garden City Clinic. His attacker had not been arrested.

And police found the body of a man killed by the “necklace” method at Sharpeville, near Vereeniging. Another man was shot dead at Bekkersdal on the West Rand, the police report said.

Two men appeared in the Maritzburg Regional Court yesterday on several charges of attempted murder and public violence, including the petrol-bombing of the house of Greytown ANC leader Solomon Mxolo.

Staff theft is main cause of shrinkage

SHOP assistants with their hands in the till were the main cause of shrinkage in the retail trade, Sacco president Henrie Viljoen told a Security Association of SA conference in Johannesburg last week.

He said retailers were having to allow for between 1% and 2.4% of turnover for shrinkage. Worst hit were medicine and beauty outlets.

Viljoen warned that the law was ineffective as a tool to combat shrinkage.

The solution, he said, lay in “sound industrial relations, with a contented and motivated workforce.”
Transnet move restores calm to Elfi bond market

CALM has returned to the Elfi bond market following Transnet's recent move which set limits on the stock's carry facilities.

The limits, negotiated with market participants in June, cleared up market uncertainty by clarifying both the rate at which, and the amount to which, carry facilities on Transnet's equity linked fixed interest financial instruments (Elfi stock) would be accommodated by the transport utility.

Treasury manager Johan van Schoor said while Transnet undertook to keep on rolling over carries within the set limits at the fixed rates, "any new carries outside the set limits will be rolled over at market related rates."

The total value of stock carried at the rate fixed by Transnet has been limited to around R100m per institution. However, the market believes that some institutions have limits as high as R160m.

The short and long position carry rates, within the set limits, on Elfi III stock, which matures in April next year, are 14.75% and 15.25% respectively, while those on Elfi IV stock, which matures a year later in April 1994, are slightly lower at 14.25% and 14.75%.

A carry rate is a money market rate against gilts or bonds. If a trader is long on Elfi stock, he stock is bought without being paid for immediately. Transnet, or another financial institution, will lend the dealer the funds or "carry" the stock on his behalf. The financing cost is calculated at the carry rate.

If a dealer is short on Elfi stock, when stock is sold and the dealer does not receive payment immediately, the security is being lent out. The cost incurred to the buyer is the short position carrying rate.

As money market rates are now lower than Transnet's fixed carry rates, dealers short on stock can earn 14.75% from Transnet's carry facility while paying less on cash borrowed.

Following falls in money market rates earlier this year, the market became jittery expecting a drop in Transnet's carry rates.

Fixed carry rates remove interest rate risk and allow traders, by simple present value calculation, to work out the stock's future price. Earlier this year when unlimited volume was permitted at these fixed rates, traders who had been selling futures and bear tranche stock ran up short positions until Transnet was carrying almost its entire issue.

Government-guaranteed Elfi loan stock is largely a derivative instrument and consists of both a bull and a bear tranche linked to movements in the JSE all-share index. Providing a fixed rate of interest, these loan stocks also furnish investors with a hedge against fluctuations in their share portfolios.
More deaths meet new rail violence talks

THE ANC's PWV region will meet SA Rail Commuter Corporation (SARCC) and Law and Order Department representatives tomorrow to find ways of ending train violence which claimed two more lives yesterday.

ANC PWV spokesman Ronnie Mamoepa said if demands for the installation of TV surveillance equipment in coaches, improved access control systems and the fencing of off of stations were not met, the train boycott was likely to resume.

He said a similar multilateral meeting in mid-May had agreed to these things would be implemented speedy but nothing had been done.

A meeting of the PWV Action Council — which includes representatives of union and community groups — would evaluate the discussions and decide on further action on Saturday, he said.

Police said the bodies of two people killed in train violence were found at Kweni and Mayfair stations near Johannesburg yesterday.

The latest deaths bring to 96 the number of people killed in train violence since the mid-May agreement, according to Human Rights Commission (HRC) figures.

In another incident, ticket controller Eliphak Tokwe was in a serious condition in the Garden City Clinic after being shot in the head and thrown off a train near Germiston. Wittwatersrand police spokesman W/O Andy Piele said Tokwe had been found at Kutalo station near Germiston at 5.30am. And a man was badly injured when he was stabbed and thrown from a tram to Boksburg.

Police are investigating.

SAPA reports that police Const Z.P Phunewane was killed and his eight-year-old daughter Portia wounded when unknown gunmen opened fire on their vehicle in Sebokeng on the East Rand yesterday afternoon.

SAP spokesperson Cap. Piet van Deventer said Phunewane was hit in the neck, chest and arm. He died in the Sebokeng Hospital. His daughter was being treated for a bullet wound in the shoulder.

SAPA also reports that an ANC Natal leader, Sibhuda Chuya, was shot and killed at Wema in Natal yesterday. His assassination follows the earlier killing of the chairman of the Zuma branch, Morris Gumede, his son and an unidentified neighbour.

Recently, another ANC member, Syvasteser Nkosinathi Mhlabo, was killed at Ingcolweni. The ANC southern Natal media officer, Dumisa Makhanya, said Chuya was shot in the back of his head at Wema on Monday evening. He had survived several previous assassination attempts.

The police have not yet commented on the killings.
SA AIRWAYS

Casting about for a lifeline

A few years ago there would have been no shortage of takers if the talk of privatising SA Airways had come to anything. With the price-fixing and cosy cartel arrangements on international routes, SAA showed healthy profits, even when government forced the airline to keep domestic fares down.

All that has changed. A more liberal government policy on international routes and the end of sanctions have spurred fare wars on formerly lucrative overseas routes and encouraged foreign competitors to show off shares of the market. And domestic deregulation has seen two feisty competitors — Fitestar and Comair — take on SAA’s monopoly on the main local routes.

The result: SAA has lost an estimated R60m in each of its last two fiscal years, ending March 31. Then, in this year’s June quarter alone, it lost R38m on international services and R33m on domestic flights.

In the words of managing director Sir Els, SAA is in “a bad way. . . . SAA expects the red ink to continue in the September quarter, says spokesman Leon Els.

SAA’s gearing to retire the Boeing 737 fleet will have a major impact on its finances. Trimming of the fleet — which will start in 1993 — is expected to cut profits by R350m a year.

Van der Veer says the airline is trying to strengthen its balance sheet by capitalising on the government’s R1.2 billion loan to the airline. This will be repaid over 25 years at 6% interest.

The government has also extended the airline’s licence until 2012, and SAA says it has a right to extend it for another five years if business justifies it.

Despite this, SAA’s balance sheet is weak. The airline has a net debt of R2.3 billion, compared to its capital of R1.1 billion. It has no cash reserves and is expected to borrow R800m in the next year.

SAA’s existing debt is R1.2 billion, of which 75% is interest-free. The remaining R300m will be repaid by June 1993.

SAA is also looking for new investors to help it raise capital. The government will only consider this if SAA agrees to a 20% shareholding by an approved investor.

Van der Veer says the airline is also looking at opportunities to sell part of its non-core assets, such as its holding in Caltex and its stake in the South African Airports Corporation (SAAC).

With the advertising campaign under way for several weeks now, government is confident that the State abattoir corporation, Abacor, is on track for a November JSE listing. But State officials aren’t revealing many details yet. The sale is expected to take place No-

ABACOR

With the advertising campaign under way for several weeks now, government is confident that the State abattoir corporation, Abacor, is on track for a November JSE listing. But State officials aren’t revealing many details yet. The sale is expected to take place No-

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Tough year ahead for Tollgate

By ARJ JACOBSON

"ITS going to be a tough year," said Tollgate Holdings (TGH) chairman Julian Askin at its AGM in Cape Town yesterday.

The group, expecting to announce its results for the half year to December 1991 in the next few weeks, has its companies operating at profitable levels.

"But we need to bring down the debt inherited some two years ago with the old TGH management."

Askin said the new management had invested some R70m into the group — taking a three to five-year view on this investment.

"TGH is probably 18 months behind where we projected," said Askin.

This he blamed on the slow response of the local and overseas economies, in moving out of the recession.

Askin said the gameplan of the group was to reduce debt (already down by R400m in two years) and to sell off the non-strategic investments of the group.

SA-born Askin headed up powerful UK-based Thompson T-Line, which controlled cash-rich Vernon soccer pools, before returning in July 1990 to take over troubled TGH.

The group has taken advantage of Askin’s insights overseas to build a successful currency hedge with the purchase of UK-based fastener manufacturer Jalon Holdings.

However TGH’s share price has toppled from R6.25c a share at the beginning of September 1991 to its current position, exactly a year later, at R2.20c a share.

This negative market reaction has come, even though the group has returned to profitability under the new management.
Safair in Russian air freight venture

Own Correspondent

JOHANNESBURG — South African freight carrier Safair has clinched a deal with a Russian company which will put a large number of Soviet-built cargo aircraft, at the disposal of the airline, for use in Africa.

And Safair is expected to announce today that it will also start using Russian-built Antonov aircraft for freight purposes.

Safair Cargo is expected to launch the new service today, with five Antonov aircraft currently parked at an Mmabatho airport, being the first craft brought into service.

Safair chief Mr Braam Loots announced yesterday that the company had entered into a joint venture agreement with the Russian company Ecostrends in terms of which Safair would market and manage services by a wide range of Russian aircraft in Africa.

Among the aircraft available to Safair are the Antonov 124, the largest aircraft in the world and capable of lifting 120 tons. Helicopters with lifting capacities of up to 20 tons will also be used.

Initial operations are likely to involve the distribution of emergency food aid to drought-stricken parts of the continent, under a UN contract.

Safair will not invest any capital in the venture. The aircraft and qualified crews are to be supplied by Ecostrends free of charge and profits would be split equally, Mr Loots said.
SAAF airlift to Somalia

THE SAAF will airlift 20 tons of medicine and food supplies to starving Somalia refugees tomorrow as part of relief operations by the Jama'atul Ulama and the Africa Muslim Agency in Johannesburg. In addition, the SA Navy will transport a further 200 tons of supplies by sea by September 19.
Rail boycott threat again

THE Pretoria News

Rondele, 14/1/92

The Pretoria News

Railway authorities have been informed of a new threat of a national rail boycott by the African National Congress (ANC) to be launched next week.

The threat comes in the wake of an agreement reached with the ANC and the Department of Railways last week.

The agreement was reached in May and was hailed as a breakthrough in the long-standing dispute between the railway authorities and the ANC.

The agreement was reached after a series of talks between the two sides, and it was hoped that it would bring an end to the long-running dispute.

However, sources said that the decision to launch the boycott was taken today after a series of meetings between the ANC and the railway authorities.

The boycott is expected to cause widespread disruption to railway services across the country.

The railway authorities have been informed of the threat and are preparing to take action to prevent the boycott from happening.

Source: Pretoria News
Safair clinches deal with Russian company

FREIGHT carrier Safair has clinched a deal with a Russian company which will place a large number of Soviet-built cargo aircraft at its disposal for use in Africa.

And SAA is expected to announce today that it will also soon start using Russian-built Antonov aircraft for freight purposes.

SAA Cargo is expected to launch the new service today, with five Antonov currently parked at a Mmabatho airport being the first craft brought into service.

Safair MD Braam Loots told a news conference in Johannesburg yesterday that Safair had entered into a joint venture agreement with Russian company Eco-trends in terms of which Safair would market and manage services by a wide range of Russian aircraft in Africa. Among the aircraft available are the Antonov 124, the largest aircraft in the world, capable of carrying 120 tons. Helicopters with capacities of up to 20 tons will also be used.

Initial operations are likely to involve emergency food aid distribution to drought-sticken countries under a UN contract.

Loots said the Russian planes and helicopters would dramatically cut distribution times. He estimated that maize could be airlifted from Durban docks to a Zambian village within three hours.

Recent developments had made it vital for Russia to earn foreign currency, making the deal ideal for both parties, he said.

Safair would not invest any capital. The aircraft and crews would be supplied by Eco-trends free of charge and profit would be split equally. Joint operations are likely to start within the next few months.

*Picture Page 3*
The four-month-old saga of the MV Aforthos is drawing to a close. The ship nearly sank at Richards Bay while loading coal destined for Spain. Since May 1, the ship has been stranded in the middle of the bay, laden with 66,000 t of cargo and waiting for someone to decide its fate.

Now the coal is being unloaded at the port while there are claims that the coal is heating up. Trans-Natal, which produced and sold the coal, is buying it back — and at much less than its US$2m value if it could have been delivered to consumers. Trans-Natal MD Mike Salamon declines to name the purchase price.

The 77,000 t Aforthos started sinking at the rate of a metre an hour after an inlet pipe burst (Business & Technology May 22). After teams of divers from Portnet and a Durban commercial firm sealed the pipe, about 15,000 t of sea water were pumped out. With its electrical system out of commission, the ship was towed to the harbour’s inner anchorage, where it has sat helplessly ever since.

A raft of legal motions followed in the wake of the near-sinking. The suppliers of the diving teams have claims against both the ship’s owner, Andros Maritime of Malta, and the Spanish power-generating company that was having the coal shipped to Spain, amounting to an estimated total of $650,000. The Spanish company — which all the parties refuse to identify — has claims against the ship’s owner for non-delivery; the ship’s owner has claims for non-payment for transport.

And Portnet is believed to have an attachment order against the ship.

Meanwhile, the coal is being unloaded into rail wagons and will be moved to Trans-Natal’s stockpile at the Richards Bay Coal Terminal.

Trans-Natal executive director Gordon Osterloh says the whole affair has been a nuisance. “We certainly didn’t enter the arrangement for the purpose of gain. We’ve done it to help the purchaser, who is a long-standing customer. Normally we wouldn’t entertain getting involved in a distressed cargo.”

He challenges reports that the coal has begun to heat up. “There’s been a continuous monitoring programme conducted both by the cargo owners and ourselves and we’re quite satisfied with the results. There’s no way we will accept contaminated product (coal that has lost some of its ability to burn).”

It is uncertain what will happen to the Aforthos after all the coal is unloaded. Durban attorneys Shepstone and Wylie’s Krishna Reddy, representing the owner, declines to comment and refers questions to London solicitor Marcus Bowman. He’s not very talkative either: “I’ve no authority from the owners to speak about this issue.”
Despite the recession, business has been fairly brisk at the top ports. And to be in a position to take advantage of any economic upturn, Durban and Cape Town are launching major capital development drives that together are worth at least R130m.

Each port has a different reason for its uptick in business. Traffic through Durban is being boosted by drought relief shipments for SA and its neighbours, while Cape Town’s fruit exports are on the crest of a wave, thanks to the country’s improving international image abroad. And, for Richards Bay, the mechanised loading of coal ships grinds on relentlessly — in May, the terminal hit the milestone of half a billion tons of exported coal.

Since April, 1.5m t of maize and other food — delivered by 70 ships — has passed through Durban. In total, the port handled 4.9m t of imports from January through June, compared with 4.5m t for the same period last year. There was also a rise in exports from 6.9m t for the first six months of 1991 to 7.2m t through June this year. The total number of vessels docking in Durban also rose — from 2 563 for the first half of last year to 2 656 this year.

Similarly, according to Portnet’s Cape Town financial manager, Martin Swanepeol, even without maize — Cape Town is on the periphery of the food-relief operations — the harbour traffic to July has grown by about 3%, compared with the first seven months of last year. The growth is evenly split between imports and exports. And Swanepeol says export growth is by no means confined to fruit; the container terminal is also doing increased business.

Nevertheless, the ports, which between them handle 90% of the country’s imports and exports, are still operating well within themselves. So in the event of an international economic upturn, Durban and Cape Town would be able to accommodate the extra cargo.

But the ever-increasing international trend towards containerised shipping means that these ports will have to upgrade their facilities. Durban port manager Jan Mors says Portnet is spending nearly R100m on its container terminal in the next year. The investment is in two new gantries, replacing straddle carriers, and the computerisation of the handling facilities.

And Swanepeol says Cape Town harbour, which has seen minimal infrastructural investment recently, is getting a R20m quayside cold store (constant temperature of $-6^{\circ}$C). It is also planning the phased development of a chemical tank farm, with the first stage costing R10m.

Meanwhile at Richards Bay, coal magnates still aren’t satisfied with the vast tonnage being exported from the terminal. The Coal Export Joint Venture last month approved a 10-month feasibility study into the construction of a rival second 10m t-a-year coal terminal at the port. But owners of the existing 53m t-a-year terminal have voiced concern that additional capacity could depress the price of SA’s export coal.
Jan Smuts hub for property development

JAN Smuts Airport will become the hub of huge property development because of a Cabinet decision to commercialise it in April 1993.

The Department of Transport says companies are queuing up with proposals.

Two have presented plans for multimillion-rand developments around the airport to the Department of Transport. The plans include a conference centre, international hotel, office block, shops and parking.

One R100-million proposal by the Engineering Foundation was turned down because it required state guarantees for funding, says the department.

The department has drawn up a master plan for development of the airport and its surroundings.

But no decision on projects will be taken until April next year. Large tracts of land are available. Private-sector managers will be brought in to run the property portfolio. Property development is the key to improving the airport's financial position.

Stuart Huckwell, director of airport systems and development, says "Jan Smuts will have to start looking at ways of improving profitability. It will have to become involved in airport-related developments and joint ventures with the private sector."

Facilities

The Government plans to separate airport management into two companies. One will run the airport, terminal and apron activities and the other traffic control.

Companies will be invited to take part in further airport upgrades and new developments, says Mr Huckle.

Passenger and terminal handling facilities are already being upgraded at Jan Smuts. The R100-million project will increase airport handling capacity from 5,5-million in 1991 to 11-million passengers eventually.

Based on projected annual increases of 7% in international traffic and 5% in domestic passengers, the present upgrade will last until 2003.

Mr Huckwell says Jan Smuts Airport will start planning a second upgrade before 1996 based on these projections.

But latest figures from the SA Tourism Board (Satour) show a 15.6% increase in foreign tourists to SA in the first six months of the year. If the trend continues, Jan Smuts will require another upgrade well before the end of the decade.

Satour expects the number of foreign visitors to increase by 18% a year.

"Cape Town and Durban have now been declared alternative points of entry to the country, particularly for charter flights," says Satour spokesman Derma Holtzhausen.

"This will ease pressure on Jan Smuts, but even then I think activity has been under-projected."
NEWS  Gluckman conducts a post-mortem on woman • Train violence talks f

Indaba flops as train violence rages on

Police fail to provide crucial statistics:

A COMMUTER was killed and thrown off a train at Pellada Station, Elsburg, near Germiston on the East Rand on Saturday, according to a police unrest report.

Eighty-five incidents of train violence, in which 95 people were killed and 1,523 injured, have occurred since May.

In a related development, a regional peace conference in Johannesburg on train violence collapsed on Friday because police delegates failed to provide crucial information required to make progress in combating the carnage, conference participants said.

The conference was postponed to Friday to enable the police to collate and provide the required information.

The information concerned the number of security personnel deployed in areas affected by train violence, arrests, court cases and convictions, and cohesive strategy to combat the violence.

The conference was also attended by representatives of the South African Railway Commuter Corporation, the African National Congress, the South African Communist Party, the Congress of South African Trade Unions, Civic Associations of Southern Transvaal and the Institute of Contextual Theology.

As a result, SA Railway Commuter Corporation managing director Wynand Burger said the gathering failed to achieve what it had set out to do because information required from the police was unavailable - Sopa.
Police given ultimatum
to produce station records

POLICE had until Friday to provide information on the numbers of officers deployed at PWV stations and their records of arrests, prosecutions and convictions, Cosatu spokesman Amos Masando said at the weekend.

He said talks between the ANC, Cosatu, police and the SA Rail and Commuter Corporation (SARCC) had been postponed after it became clear key information was not available.

"They basically had no information. The very little they had was unsatisfactory," he said.

"We were also not satisfied by the ability of the police to provide a coherent strategy (to combat train violence)," said Masando.

The meeting was attended by SAP Witwatersrand commander Gen Erasmus and SARCC MD Wynand Burger as well as representatives from Cosatu, the SACP and the Civic Associations of Transvaal (Cast).

Burger said a great deal of progress had been made in implementing recommendations for improved train security made by the Goldstone commission.

"From the SARCC side, we are very concerned about the situation, the violence, the deaths and the injuries," he said.

A Witwatersrand police spokesman said yesterday police would furnish the information needed on the number of police deployed at stations and their record of arrests, prosecutions and convictions at Friday's meeting.

Meanwhile, Sapa reports that a commuter was killed and thrown off a train at Eros railway Station, Elyburg, near Germiston on the East Rand on Saturday. Police are investigating a case of murder.

Two policemen have been killed since Friday and 11 injured in attacks around the country.

ANC gets some HRCo's Coleman says business
Flitestar clinches 22% of market

STEPHANE BOTHMA

JOHANNESBURG — In less than one year of operations, local carrier Flitestar had captured almost 22% of the total domestic market, MD Jan Blake said yesterday.

Blake predicted strong future competition in the domestic market, but said: "It was sad that a year after announcing deregulation of the industry, the government had not yet fully implemented the policy and SAA still enjoyed privileges other airlines did not."

Before deregulation, SAA held 95% of the domestic market, and the industry expected the airline to cut capacity to reflect its lower market share. But this did not materialise — resulting in an oversupply in the market.

Flitestar’s load factor had increased to 60% in July and was just below that last month, Blake said at a function to launch the airline’s new frequent flyer scheme.

He added that Flitestar would introduce its first international flight on October 2 — to Bahrain. The carrier was currently awaiting approval from Kenyan aviation authorities to fly to Mombasa and approval from the local authorities to fly to Europe and India, Blake said.

Flitestar’s frequent flyer programme — the first of its kind to incorporate car rental, hotel accommodation and restaurant dining — would be based on the accumulation of "starmiles", the airline announced.

Members of the Escape scheme — membership would be granted on request to any passenger — would earn starmile credits for full-fare domestic flights, as well as for Budget Rent-a-Car rentals, Southern Sun hotel accommodation and Diners’ Club purchases.

Benefits include complimentary air tickets, as well as Caribbean cruises, Amazon adventures, hot air balloon trips, camel trekking safaris and river rafting.

Escape members will be given 500 free "start-up" starmiles, and as a special launch offer travellers will earn double starmiles every time they fly with the airline between September 14 and December 31 this year.

Flitestar would give frequent flyers three years to earn and redeem starmiles, as opposed to other airlines’ packages which restrict the credit to a 12-month period.
Station contracts set to empower blacks

THE S. Africa Rail Commuter Corporation (SARCC), which signed contracts for the upgrading of nine So- weto railway stations with five black contractors yesterday, has challenged financial institutions to increase their investment in the township.

The contractors with whom the corporation signed the contracts are NBS Construction, Mankoni Projects, CJB Construction, LET Property Developers, and Sechaba Construction.

Speaking to journalists yesterday, SARCC property development GM Dirk Ackerman said the contracts for the project had purposefully been broken into “bite-size chunks” in order to enable small black entrepreneurs to tender.

This breaking down of contracts not only resulted in substantial cost-savings for the corporation, but it also contributed to the economic empowerment of blacks, Ackerman said.

A sum of R13.8m would be pumped into the project, which was expected to be completed early next year.

Ackerman said 60% of this money would go into the upgrading of security facilities, while the rest would go into making the stations more aesthetically pleasing and into building commercial centres.

The commercial centres would include stalls for hawkers and supermarkets.

Ackerman also disclosed that the corporation was liaising with the taxi industry on upgrading taxi facilities.

The stations are: Miamlankuma, Phedini, Phomolong, Naledi, Chiawemo, Nancefield, Midway, Nhlanzane and Dube.
Special rates under threat on SA flights

JOHANNESBURG — Many airlines are now operating out of SA, and with them the special fares and tourist schemes being offered.

The number of flights from Johannesburg to all parts of the world is beginning to take shape, according to travel bureau reports.

"Passenger volume has remained stagnant due to political uncertainty, which has kept the expected influx of overseas tourists from materializing. The Thorne said the airlines are now being forced to cut the number of South Africa bound flights."

Further if it is made sense to establish an infrastructure to be competitive, SA has a large selection of routes to the country. All but one airline is going to try and cut down flights on behalf of the country's aviation interests.

"This does not mean the airlines will abandon SA as a destination. Unhindered flights will have to go for the moment and with some of the discounted fares," Thorne said.

Meanwhile, reports from London show the Civil Aviation Industry first display at Farnborough, the world's major airshow, is proving a big attraction — with high hopes that business will follow.

"Because of the continuing high levels of business, military, and technical interest in SA, the display co-ordinator Elaine Kingman said serious business had been impressed by the display, which is part of the country's aviation interests."

SA debts no effect on reserves

OWN CORRESPONDENT

HANNESBURG — Foreign debt of approximately $230m has been repaid to the Bank of England. Dividend payments totaling R12.3m (R16.6m) and interest of R12.3m (R16.6m) were paid to reduce the debt.

"This is equivalent to 14.34% per share. Dividend payments were paid to shareholders, and the foreign exchange debt was repaid to the Bank of England. Therefore, the debt ratio has been reduced. The Bank of England has extended the deadline for the debt repayment."

Exchange gains James Cross said yesterday. However, this had not had a marked effect on the reserves which rose from R751m to R759m in August. Although it was difficult to say for sure, there were reasons for the unexpected rise in reserves. Between August and September, the exchange rate was volatile. The rand was weak against the dollar, which led to forex inflows as forward cover on long-term liabilities was rolled over, said Cross.

SABC-TV beams to rest of Africa

A NEW TV station broadcasting to 50 countries in Africa will give local producers a chance to reach millions of prospective customers, says Lord Williams, executive editor of SABC External Services.

The station — Channel Africa — will be launched on October 1, initially broadcasting for an hour a day, half in English and half in French.

Williams says the programmes will be available, free, through a multiple access satellite, to any African broadcasting company or organisation.

"Initially we expect at least a direct broadcast for the African audience and will contain news and items of interest about Africa, which will not necessarily include anything about SA."

Williams says that broadcasters belonging to the Union of National Radio and Television Organizations of Africa will be able to participate.

"We met most of the broadcasters at a conference in Dakar in May and they were very enthusiastic. They were particularly keen to explore avenues for cooperation."

The broadcast will cover an area from Morocco and Egypt in the north to Lesotho and Swaziland in the south, with an estimated population of 200m.

According to the World Radio and TV Handbook, there are more than 2000 radio and 150 TV stations in Africa but the real figure could be double or even triple. For the first six months Channel Africa will build up an audience profile; before seeking advertisers. But Williams said some major SA companies doing business with Africa were already showing interest.
Safren stays on even keel

By Stephen Cranston

Safren’s earnings per share growth fell to 9.1 percent in the year to June from 16.2 percent previously.

CE Buddy Hawton describes the results as satisfactory in the light of existing conditions.

The dividend has been raised by 7.4 percent to 255c and dividend cover remains 2.4.

Salmarne, which operates primarily in the containerised liner trade, suffered from reduced cargo volumes, resulting in earnings growth of just 7.7 percent to R167.7 million.

Star performer was Rennies, which operates bulk terminals and offers cargo, freight forwarding, travel and trading services.

It lifted its contribution by 17.9 percent to R48 million. Rennies increased market share and improved efficiency despite a reduction in imports.

Hotel, entertainment and liquor group Kersal’s contribution increased by 9.8 percent to R127.2 million.

There was an adverse change in net interest to fund significant capital developments within the group, notably Lost City.

Kersal was also hit by the proliferation of unregulated casinos.

Salmarne wrote down its investment in CMB Transport, which was the main component of the extraordinary loss of R62.2 million reported by the group.

Group turnover rose by 7.5 percent to R4,698 billion, while operating profit before depreciation was up 8.9 percent to R887 million.

The depreciation charge for the year fell from R243 million to R215 million, which enabled operating profit to rise by 13.5 percent to R772 million.

Because of major capital projects, net interest received of R2.9 million in 1991 turned into net interest paid of R20.9 million.

Group long-term borrowings increased from R822 million to R1,066 billion. Cash resources fell from R655 million to R418 million.

The net worth per share increased by 17.8 percent to R25.36.

At the present share price of R91.50, Safren sits on a P/E ratio of 14.8 and offers a dividend yield of 2.8 percent — both demanding ratings.

But Safren’s two core areas, foreign trade and tourism, are both believed to have good medium-term prospects.
Safren's earnings rise 9%.

CAPE TOWN — Diversified shipping, transport and leisure group Safren produced a 9% increase in earnings in the year to end-June as the nosedive in international and domestic economies undermined its shipping and tourism-related operations.

Heavy capital investments of R1.2bn also meant a R31.8m swing to paying finance charges, compared with the net receipt of interest last year.

Earnings a share rose to 617c (565.5c) and a final dividend of 196c (177.5c) a share was declared with an alternative offer of a scrip dividend at a share price of R0.90c.

To Page 2

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Safren Ordinary shares for every 100 held.

Deputy chairman and CEO Buddy Hawton said Safren — which consists of Safmarine, Kersaf, Interleisure and Remtes — had decided on a scrip dividend to maintain its shareholding in Kersaf, which had decided to issue shares in lieu of a cash dividend.

Capital of R47m had to be raised to accept Kersaf's scrip and, depending on the level of acceptance, an additional R50m was expected to flow into the group.

Hawton disclosed that Kersaf's offshore subsidiary Royale Resorts would begin negotiations soon to invest hundreds of millions of rand in a Caribbean gaming resort.

Turnover increased by 7.5% to R4.7bn (R4.4bn), operating profit before depreciation by 6.9% to R687m (R632m) and after depreciation by 13.5%.

Operating margins of Safmarine, the biggest contributor to earnings, declined substantially.

In the second half of the year the relative stability of the rand against the dollar also meant the exchange rate did not benefit Safmarine.

Safmarine's attributable earnings rose by 7.7%.

Safar continued to expand its freight transport operations in Africa and had bedded down its domestic freight operation which continued to gain market share.

Hawton said the expansion of the domestic network was planned and the acquisition of an additional aircraft for about R27m (R75m) was being considered.

CMB Transport, a broad-based European shipping group in which Safren had a 49% stake, had incurred substantial rationalisation costs which had affected its earnings.

However, Safren was not exposed beyond its initial R75.5m investment.

Hawton said CMB Transport's operating profit had increased but it had a large amount of debt to write off.

An extraordinary item of R62m reflected the write-down of Samarine's investment.

Kersaf's attributable earnings rose 9.5% as the proliferation of gaming houses offset a significant amount of business from Sun International's casinos.

The decline in disposable income also saw Interleisure's earnings fall 6%.

Hawton said Bonnies performed well, increasing earnings by 19%, despite the fall-off in imports, through an increase in market share, good cash management, cost containment and the elimination of low-return divisions.

Gearing moved up sharply to 26% (8%) because of the heavy capital expenditure programme in Kersaf and Safmarine but was still extremely healthy, Hawton said.

The use of some of the group's cash resources also meant a large reduction in interest received so that the group paid a net R26.9m in interest compared with the receipt last year of R2.9m.

The group's cash resources fell R377m to R418m (R654.8m).

Capex of R844m had been authorised for this year, part of which would be spent on the acquisition of three new ships.

Hawton was reluctant to make forecasts for the year ahead but said the group would be looking at improving efficiencies and containing costs.
Unrest could affect flights to SA

ECONOMICS would soon force airlines to cut the number of flights to SA, NedTravel Holidays MD Eric Thorne said yesterday.

Political unrest and uncertainty had kept the expected influx of overseas tourists from materialising, Thorne said. Seats on the many airlines operating to and from Jan Smuts Airport, as well as recently announced special low fares, could soon diminish.

Rennies Travel MD Lilian Boyko said "The in- and out-bound traffic is stagnant due to political instability in SA and the state of the national and international economy. We have already seen several carriers not taking up negotiated additional flight frequencies to SA and expect carriers, like China Airlines, to cancel flights."

However, major airlines serving SA said yesterday they had no intention of cutting the frequency of flights. British Airways and Lufthansa said they were, in fact, increasing capacity in the next few months.

SAA said the Bisho shootings had not influenced its bookings to date. The airline had no immediate plans to cut capacity, but would monitor the situation.

Spokesman Zelda Roux said political reforms and the scrapping of sanctions had had a very positive effect on SAA international operations during the past 18 months and the airline was still "riding the wave". Thorne said travellers should make use of the special air fares available because they would not last much longer. "To keep their routes to the country viable until the expected rush, airlines began discounting to encourage outgoing SA travellers."
Falling air fares but millions will still go by bus

Falling air fares mean South Africans who were once restricted to rail and bus travel can now look skyward to get around the country, but coach operators are not expecting to lose out.

TYRONE SEAL
Weekend Argus Reporter

MILLIONS of South Africans will continue to use long-distance buses even though air fares are falling as South African Airways relinquishes its monopoly of internal air travel.

SAA's recent reduction of fares by up to 30 percent on a limited number of off-peak seats on a first-come, first-served basis, and Comair's dangling of low-fare, pre-booked flights, follow the freeing of the country's internal flight paths.

SAA's off-peak fare reduction was announced at the same time as a 12 percent hike in peak, first class and business class seat prices and the package was designed to cut a R33-million loss on its domestic service during the first quarter of this financial year and to attract people who might not normally consider air travel.

Suddenly, Cape Town-Johannesburg return fares of R432 mean people can dash between the major centres at competitive rates.

But major bus operators do not expect their services to come under strain, citing as advantages a better view of the scenery during bus travel, the wide network of destinations and the lack of restrictions on bus ticket bookings.

"Unless you have to get to one of the major cities in a rush, there's no reason to miss out on the beauty along the way and the relaxed nature of road travel," says former Captour chief Mr John Robért, who has been appointed director of the tours and travel division of Intercap Tours, launched 13 years ago.

A fleet of 41 coaches covers 10,000 km daily within a 2,000km radius of Cape Town. Between March 1991 and February this year Intercap transported 163,000 people on inter-city routes. This figure does not include tour groups, charters and other arrangements.

"South Africans and overseas visitors will continue to appreciate the special qualities of road travel," says Mr Robért.

"Coach travel makes more than just aesthetic sense, says Mr Robért.

With the introduction of a daily passenger service between Cape Town and Johannesburg through Uplington, it is now possible to board an Intercap coach in East London and travel by way of Cape Town to Windhoek and Tsumeb or Walvis Bay and then through Uplington to Johannesburg — a distance of almost 5,600 km — for a total fare of R755.

This compares with the equivalent air fare of R3,515.

Miss Elmarie Botha, spokeswoman for Coach Express, the Transnet-owned operator of the luxury Translux Express and the semi-luxury Transcity Express inter-city services — they carried three-million passengers in the past year — believes lower air fares may "potentially influence the coach transport market to a certain extent.

"There is, however, a certain segment of the market that shows a strong preference for coach travel due to the intrinsic qualities offered by coach transport, such as the scenery, the on-board atmosphere and the comforts offered by today's super-luxury vehicles."
Improved service hoped for when state-run terminals go commercial

Airports to go ‘open’

WILLEM STEENKAMP
Weekend Argus Reporter

COMMERCIALISATION of state-run airports in South Africa has started in earnest with a strategic business plan being drawn up to form two companies which will take over the airports by April next year.

Airports would undergo comprehensive refurbishment on a priority basis which would bring them on a par with major airports internationally, said Mr Stuart Huckwell, acting chief director of the Department of Civil Aviation.

Twelve committees had been appointed to investigate what needed to be done to achieve commercialisation.

Run as commercial ventures, the airports and the air traffic and navigation services would undergo major changes.

Mr Huckwell said airports would be run as businesses on the same lines as large shopping centres. Services would be upgraded, new shops would be opened and entertainment facilities might be developed at some airports.

Airlines would have to pay a tariff for cargo and air traffic control services which up to now had been free.

The principle of “the user pays” would be strictly applied. This could mean that extra costs would be passed on to air travellers.

This was done elsewhere in the world and in the United Kingdom, which, together with one that had been installed at Sutherland, would cost more than R23 million. At the end of last year, equipment was supplied making it possible for aircraft to land in heavy fog.

Commercialisation of state-run airports in South Africa should see vast improvements of services and should bring them in line with other modern terminals throughout the world.

The Cabinet has approved in principle the commercialisation of state airports and draft legislation is under review by the state legal advisers. Changes to legislation to make commercialisation possible is expected to be approved by parliament early next year.

A new modern radar system was being installed at the airport. This, together with one that had been installed at Sutherland, would cost more than R23 million. At the end of last year, equipment was supplied making it possible for aircraft to land in heavy fog.

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A HISTORIC air services agreement between South Africa and Pakistan was signed in Pretoria on Friday. It opens the way for trade and tourism between the two countries.

Pakistani International Airways (PIA) manager for eastern and southern Africa Hishakor Ahmed says the agreement— the first between the two countries—is a "tremendous breakthrough".

Pakistan will probably send other government delegations to SA.

PIA is expected to begin twice-weekly flights from Karachi to Johannesburg by November. It is not known when SA will take up its reciprocal rights.

Flitestar managing director Jan Blake says his airline has applied to the Directorate of Civil Aviation to fly the route.

Mr Ahmed says PIA will use either a twin-engined Airbus A310 or a Boeing 747 depending on whether flights are direct or through Nairobi.

The million-strong South African Asian population has strong traditional ties with Pakistan. We have been flying them between the two countries from Nairobi since 1965, but this will change with the introduction of direct flights.

SA Airways plans to start a service to a second US destination before the end of the year.

Top contenders are either Miami or Los Angeles—depending on which is likely to generate the most traffic. SAA will not comment, saying no decision has been taken.
Prison monitors to increase

The number of magistrates appointed by Law and Order Minister Hennie Kriel to monitor detainees in police custody would be doubled soon, his department said at the weekend.

Kriel announced that negotiations regarding the appointment of six retired magistrates had been completed and their names would be announced shortly.

"In order to increase the effectiveness of this measure, I have decided that the number of these monitors should be doubled as soon as possible to 12 persons," he said.

Kriel and the International Red Cross were also negotiating visits by the organisation to prisoners.

Kriel said the SAP was busy with an intensive analysis of suicide cases in custody to determine if steps, over and above existing measures, could be taken to prevent such incidents. Monitors would be asked to give urgent attention to the aspect of suicide and to make recommendations to the Minister.

Regarding claims by independent pathologist Dr. Jonathan Gluckman that alarming numbers of detainees were dying of unnatural causes in police custody, Kriel stated: "I still remain fully committed to my pledge to reply in full to his allegations, but due to a number of factors, I am at this stage not able to do so."

He said the attorneys-general of the Witwatersrand, Transvaal and Free States had had discussions with Gluckman, who had consented to make available to police a list of 120 names of people who had allegedly died in police custody under suspicious circumstances since 1986.

To date Gluckman had provided details and documentation regarding 83 cases, Kriel said.

Attorneys welcome new-style courts

PRETORIA — The attorneys' journal, De Rebus has welcomed the introduction of short process courts, suggesting they might become as popular as small claims courts.

Short process courts, essentially magistrates' courts with simplified procedures, are likely to reduce legal costs significantly.

The September edition of De Rebus, in an editorial, said the involvement of practitioners in the operation of short process courts would help improve the image of the profession.

According to statistics supplied by members of the Association of Law Society's branches, more than 1,400 cases are heard every month in small claims courts. The same opportunities to help people and thereby improve the image of the profession and gain experience in adjudication appeared to be inherent in short process courts, the editorial said.

Taking part in the process of adjudication would be important in preparing attorneys for appearances in the Supreme Court and for when judicial members would be drawn from their ranks, the editorial said.

Groups meet to end train killings

POLICE, the ANC, Cosatu, Civic Associations of the Southern Transvaal (Cast), SACP and SA Rail and Commuter Corporation representatives agreed at the weekend to meet within three weeks and plan a strategy to end train violence.

The six groups decided to consult their constituencies for fresh ideas before the meeting, scheduled for early October.

Cosatu spokesman Amos Msando said ANC-aligned organisations believed police were not dealing with the problem adequately. "There is no overall strategy that is acceptable to all parties. We hope that at this meeting some clear guidelines will be given," he said.

The number of police deployed on trains and at stations had tripled to 1,201 since May, but only five people had been arrested for violence against commuters.

Of the five arrested, four were "linked to hostels", pointing to a pattern which the police had not investigated adequately, he said.

SA Rail and Commuter Corporation MD Wynand Burger said he was happy with the meeting: "We've made good progress."

The SARCC presented four alternatives to improving station security, including a system using magnetic detection and closed-circuit TV. The systems would be tested soon, it said.
SAAF plane boost for SA industry

Own Correspondent

Johannesburg — The new trainer aircraft to replace the SA Air Force’s ageing Harvard fleet will have a 55% local content — a move to protect South Africa’s avionics industry.

The deal, involving the purchase of at least 60 aircraft, is estimated to exceed R500 million.

SAAF’s chief, Lieutenant-General James Kriel and SAAF had informed Armscor and the government of their choice of trainer. A final decision from the cabinet is expected later this year.

He said SAAF had insisted that at least 55% of the contract be local, including electronic cockpit equipment which made up 50% of the total cost of the aircraft. — Sapa
US air giant enters SA war

The Argus Foreign Service

WASHINGTON — An air war has begun in the United States for the potentially lucrative US-South Africa passenger and freight route.

United Airlines, one of the world’s biggest, has applied to operate a return service from Dulles, near Washington, via New York to Johannesburg and Cape Town.

Its move has drastically altered the battle lines and could mean that one or more of the two smaller airlines that plan to fly the route — USAfrica and Pegasus — will have to seek the backing of another US heavy weight.

And it is bound to mean that South African Airways, which has a monopoly on the route, will face the sort of ferocious fare-cutting that is a characteristic of the US airline industry.

United has the financial resources, aircraft, personnel and established international presence to emerge as the strongest of the four carriers which, if all proceed with their plans, will be flying the US-South Africa route.

The two new US airlines set up to compete on the US-South African route, USAfrica and Pegasus, had intended a cautious entry to the battle. USAfrica has been granted an operating certificate by the US Department of Transport to fly from all cities in the US to airports in South Africa, Zimbabwe, Botswana and Namibia, via Idle d’Os Sal. Pegasus has yet to be granted preliminary authorisation.

With United’s sudden entry, USAfrica might have to seek a partnership with one of the giants competing in the US against United.

It has leased two long-range jumbos from TWA, which might be a natural partner. But TWA is in grave financial trouble and may not have much enthusiasm for a war against United on a route that has not been tested by a US airline for some years.

The chairman and chief executive of USAfrica, Mr Art Lewis, said he was “watching things very closely, and we are going ahead with our plans” in spite of United’s entry to the fray. Spokesmen for Pegasus could not be reached for comment.
Commuters stage sit-in at Joburg offices of Receiver of Revenue

By Shirley Woodgate

Three delegates from the Soweto Daily Passengers' Committee (SDPC) and the Vosloorus Commuters' Committee (VCC) staged a sit-in in the Receiver of Revenue's offices in Johannesburg yesterday.

They left when they were assured that their demands regarding transport subsidies would be addressed.

SDPC chairman Stephen Sangweni said a planned protest march was aborted but the delegates insisted on handing a memorandum to the Receiver, threatening to sleep on the third floor where they staged their sit-in, unless their case was heard.

He said that during their two-hour wait they were warned they would be removed by the police, but they were allowed to stay when they stressed they were staging a peaceful protest.

Johannesburg assistant Receiver of Revenue S J Motsei eventually accepted the memorandum, which was acknowledged by the Deputy Minister of Finance for handing over to Transport Minister Dr Pet Willemse.

Mr Sangweni said their deadline for a response to demands for the reintroduction of the subsidies was September 31. Further action would be taken if their requests were ignored, a VCC spokesman said.
Safair and Transkei in plane deal

By Stephen Cranstoun

Safair has bought a BAe 146-200 Quick Change jetliner for $27 million.

Safair MD Braam Loots says that the domestic freight market has grown only marginally in the last ten months, but that Safair has been developing new markets and has lured back traditional airfreight business.

To make full use of the aircraft, Safair has entered into an agreement with Transkei Airways in which Safair will use the jet at night on the Johannesburg-Cape Town freight route, while during the day Transkei Airways will fly a passenger service from Johannesburg to Umtata.

The service of two diverse markets is possible because the specifications of the BAe 146-200 allow for a change from passenger to freight configuration within 30 minutes.

Mr Loots says the jet is fuel efficient and incredibly quiet. Its noise output is low enough to enable it to use airports which have night flight curfews.

Transkei Airways will have its logo flying on the tail of the aircraft and Safair will have its name on the fuselage.

Safair is due to take delivery of the aircraft on September 22. Transkei Airways flights begin on October 1 and Safair flights on October 5.
Investors could not have been too optimistic about Safren's results for the year to end-June. But, given the domestic and international economic environment, the performance could be considered good.

Across the shipping lanes of the world, growth in trade has shrunk from the levels of a few years ago. Obviously, competition becomes greater as suppliers of freight space struggle to capture and retain market share.

In the process, margins suffer.

In addition, Safmarine saw a reduction in cargo volumes during the year. Its 7.7% increase in attributable earnings is, therefore, commendable, but if the economic situation, here and abroad, persists, short-term growth prospects for the shipping line are not encouraging.

As the SA economy has been pounded by the recession and tourism retarded by political unrest and violence, so too has Kersal's earnings performance weakened. Profits from its gambling establishments have also been affected by the plethora of privately owned, unregulated salons that now operate all over the country. Safren CE Buddy Hawton says it's been claimed that about 400 such clubs now account for a monthly turnover of about R200m. Against that background, the 9.5% increase in Kersal's contribution to attributable income is satisfactory.

The smallest of the three main divisions, Rennies, excelled itself by increasing its attributable earnings 18%. One aspect of trade that helped Rennies to post improved results was the large-scale import of grain needed because of the drought. Hawton says efficiencies at grain freight terminals boosted the results. Other positive factors included rationalisation throughout the division and benefits that followed from stringent administration procedures and adroit management of cash flow and working capital.

The R2.1bn capital spending programme, among other projects, the construction of the Carousel at Babelegi and Lost City in Sun City over the past two years is nearing an end. The investment of these funds took its toll in fiscal 1992 as evidenced by the swing from interest receipts of R3m to an interest bill of R29m. Lost City will open in November and begin to make its contribution to offset this cost.

At R85, in keeping with the bearish sentiment towards industrial shares, Safren is 16% below its peak of R101 reached in June and is trading at levels similar to those of a year ago. It should not be forgotten that only two years ago, it was trading at R35. A reaction to the steady share price rise was long overdue. But the price will recover quickly with any sign of improvement in the local economy or international trade.
NEWS FEATURE Cops lack culprits’ description

Attacks occurred two coaches from police

FOXY CRIMINALS They have carefully studied cops’ methods and strike unguarded areas during peak hours:

By Mathatha Tsedu
Investigations Editor

The train attackers who killed at least three people outside New Canada station on Tuesday, did so only two coaches from a police contingent.

Police believe the attackers are well-informed criminals who make a careful study of the patrol and search patterns of the security forces.

Meanwhile, as attempts to stem the killings go on, the sealing of coaches is emerging as one of the major contributing factors to the death toll, as trapped commuters have only windows as escape routes.

The police are now calling on commuters to stand up and defend themselves.

The head of the New Canada-based Police Mobile Unit that is responsible for Soweto trains, Colonel Frank Sneygans, said the train that was attacked had three groups of policemen in it.

Two of the groups were conducting searches from the back and front while a plain clothes contingent was in another coach.

The attackers hit the second coach from the plain clothes policemen. Sneygans said the police were unable to move into the affected coach while the train was in motion because the coaches were sealed.

“The closure of the coaches is a big impediment because it means our men can only move from one coach to another when the train is stationary,” Sneygans said.

The coaches were sealed after people stole the outside brass railings which protected passengers moving between coaches while the train was in motion.

The coaches have now literally become moving coffins in the event of an attack.

The attacks on Soweto trains have taken place mainly between New Canada and Longdale, which is, ironically, just a few metres from the strongest police mobile unit dealing with train attacks.

Sneygans said this could be because it is the only long stretch between stations outside Soweto.

The attacks are mainly on trains packed with workers and happen within a period of 30 minutes, mostly from 5:45 to 6:15 in the morning and during peak hours in the afternoon.

Commuters, he said, should fight back and defend themselves. “Instead, they vent their anger on the police. They refuse to talk to us. They do not give us information or descriptions of the attackers,” he said.

“As a result, we can’t develop a profile of the attackers to see whether the same people are involved. We have no description, no leads, nothing. How can we investigate properly without information from those who witnessed the attacks?”

Sneygans said the culprits were not stupid people who merely pounced on any train.

“These people watch us. They see how we work. They saw how we were searching and decided where to attack in the middle. When the train stopped at Langlaagte station, everybody, including the attackers, rushed out of the coach as the police closed in. No one would describe them..."
Touws River replans future after SpoorNet withdrawal

By JESSICA BEZUIDENHOUT

There are also plans for a “sophisticated” ostrich farm, which had the potential to become a major tourist attraction, to open before the end of the year.

The development phase of the farm, Chez L’Autruche — “Home of the Ostrich” — had already provided work for nearly 100 people, said Mr Casper Wolfs of Kalan Investments this week.

Plans for the construction of a holiday resort on the farm were in the pipeline, he said.

“We hope our tourist development plans will attract the thousands of people travelling between Cape Town and Johannesburg, especially in the festive season,” Mr De Kock said.

SpoorNet spokesman Mr Brian Lotter said the changes would help provide the best service to clients.
France chalks up R.150 in export salvo

THE NEW TARGET 313A

[Image of a plane]

planes to pay more

land at state airport

travel up to the end year

managed to supply more

than 20% of the market

applications for licences to...
Travel sagacity to continue and next year

A far behind the head

Towards mega-careers

On a distant road of humanity’s mean

The journey towards the future

Economic

In the next few years, the economy is expected to continue to grow at a strong rate, driven by domestic consumption and investment. The government has been working on policies to support businesses and stimulate growth. The international environment is also favorable, with global demand for commodities and services expected to remain robust. However, there are some challenges, such as the need for more innovation and the risk of over-reliance on foreign markets.

Tourism infrastructure needs overhaul

In the coming years, there is a need to upgrade the tourism infrastructure. This includes improving transportation, accommodation, and entertainment facilities. The government is working on projects to enhance the tourist experience, such as the development of new attractions and the improvement of existing ones. Additionally, there is a focus on promoting tourism as a key sector for growth and development.

Hopes

There are high hopes for the future, with the government targeting a significant increase in tourism revenues. This would not only boost the economy but also create new jobs and opportunities for the local community. The goal is to make the country a top destination for visitors from around the world, leading to a brighter future for all.
Cheaper fares are ‘Just The Ticket’

BUCKET shops in SA are not the same as those in Europe, but the general idea of buying “last-minute” seats at wholesale discount prices from airlines and reselling them cheap has proven viable in SA.

Sandton-based Just The Ticket has grown in leaps and bounds during the past year. Airline deregulation and increased competition, with the resultant surplus capacity, has created a climate ripe for Just The Ticket to exploit the situation, the company’s MD, Kevin Rawlsey says.

He says his company is constantly fine-tuning its position to take full advantage of the market, and that it has recently invested in the Galileo computer reservations system and has computerised its telephone network.

Outgoing

Unlike traditional retail outlets, ongoing political violence has not had a negative impact on Just The Ticket’s business. Rawlsey attributes this to the fact that all of the firm’s business is outgoing traffic.

“We concentrate mostly on the leisure market, with the majority of our customers being first-time travellers or VFR (visiting family and relatives) travellers.”

“Current discounting among airlines is great for these two market segments, as they can take advantage of the low fares, and the VFR people generally don’t have to worry about costly accommodation when they get to their destination.”

Rawlsey predicts that the next few months will be busy.

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Bureaucrats frustrate good intentions

RAY HARTLEY

A visit to Johannesburg station the day after a commuter had been shot dead on a train in the vicinity bore this out. Not only were the two policemen at the station lounging in the sun outside the building, but private security guards were nowhere near platforms where commuters were boarding trains. There were no searches, no metal detectors and no guards.

The problem does not lie with the intentions of SA Rail Commuter Corporation (SARCC) managers, who are obviously sincere in their concern about passenger safety. But instead of direct, immediate action, they are bound by the slowness of their own bureaucracy and a series of small-scale consultations with police, the ANC and its allies.

The last two meetings between the parties to discuss train violence illustrate the point well. The first meeting was postponed after police could not say how many officers were deployed to protect commuters or how they were deployed.

The second meeting made no decisions, but reached agreement on a further meeting in three weeks to discuss guidelines for train security. Parties did not have enough time to discuss four models for train security developed by the SARCC. And the police finally produced their statistics — including the amazing figure of five arrests for 195 train killings.

It is no longer a trite notion to wonder how many commuters will be shot, hacked and bludgeoned to death because meetings had to be postponed.

Another case in point is the implementation of the Goldstone commission’s recommendations on securing hostels which have become flashpoints for violence in surrounding communities.

Last week a detective was shot by inmates of the Wolhuter hostel in Jeppes. A few weeks ago residents of KwaMadala hostel — from which the Boipatong massacre was launched — fired on policemen arresting a rapist.

A spokesman for Iscor, which owns and runs KwaMadala, later admitted that residents were not searched for arms when entering the premises, despite the fact that a massive steel fence had been erected around the hostel for “security.” Police said they did not have the personnel to conduct the searches, which were Iscor’s responsibility.

Somewhere between the laudable decisions of leadership and the inertia on the ground there lies a series of procedures that blunt and ultimately frustrate good intentions if effective action is to be taken, these bureaucratic processes have to be short-circuited.

Interminable meetings need to be transformed into action-oriented task groups with the financial backing of government, so they can focus their energies on problems and pursue them with urgency.

Judge Richard Goldstone set an example for this when he announced his new investigative unit. The unit will be uncumbered by the procedures, traditions and rigmarole of police structures. Instead they will be focused on the priority of establishing the causes of violence and will report directly to Goldstone.

Goldstone’s accelerated inquiry into the Bisho massacre, which will now be completed in October, is another example of the kind of priorities that is required.

But the Goldstone commission, however streamlined and responsive it becomes, is nothing if the legislative and executive arms of government and the processes of consultation they are involved in cannot match its urgency and decisiveness.

Goldstone’s bark must be matched by government’s bite.
LOTUS FANTASIA, a local bus operator, has taken the initiative to improve the safety of commuters by implementing a new security system in their buses. The system involves the installation of real-time tracking devices and video surveillance cameras, ensuring that any potential incidents can be promptly addressed.

The installation of these devices has already shown promising results. In a recent incident, a passenger reported a case of theft. The authorities were able to locate the suspect within minutes due to the real-time tracking system. This has not only increased passenger security but also boosted the operator's reputation for providing a safe and reliable service.

LOTUS FANTASIA's commitment to enhancing safety is evident in their ongoing efforts. They have also launched a campaign to educate passengers about the importance of being aware of their surroundings and reporting any suspicious activities to the driver or authorities.

In conclusion, the implementation of these safety measures has significantly improved the travel experience for passengers. LOTUS FANTASIA's dedication to their customers' well-being is commendable, and it is expected that other local operators will follow suit to ensure a safer public transport system.

Images and multimedia elements have been removed for a text-only representation.
UTA to fly direct to Cape Town

FRENCH airline UTA will introduce direct flights from Paris to Cape Town next month — the first since the carrier started flying to SA almost 40 years ago.

The move follows similar earlier announcements by German carrier Lufthansa, Dutch carrier KLM and British Airways, despite travel industry speculation that major airlines will cut capacity on flights to SA shortly.

SAA and international carriers serving SA have denied any intention of cutting flights in the foreseeable future and have said they would increase flights and services UTA fares from Cape Town to Paris, London, Amsterdam, Frankfurt, Munich and several other European destinations would be available from R2 700 with certain conditions such as seasonal blackout periods and a R600 cancellation fee, UTA spokesman Wilma Lawson Turnbull said.

In addition, UTA would introduce non-stop flights between Paris and Johannesburg and flights to Namibian capital Windhoek. The first UTA aircraft would fly into Cape Town on October 29, she said. The airline had been operating in SA since 1953 but this was the first time it would fly to Cape Town.

However, no traffic rights between Johannesburg and Cape Town and Johannesburg and Windhoek existed on the UTA flights and therefore domestic passengers would not be able to board a UTA flight at Johannesburg, she said.

Smoking ban hangs in air

CAPE TOWN — The Tobacco Action Group (Tag) — an anti-smoking lobby yesterday urged government to support a proposed ban on smoking on international flights.

Tag said the International Civil Aviation Organisation would consider a resolution to prohibit smoking on international flights at its meeting in Montreal, Canada, this week.

Tag, which represents the Heart Foundation, the National Cancer Association and the National Council Against Smoking, said the meeting would ask member states to phase out smoking on international flights as soon as possible but no later than July 1, 1994. A majority vote was needed, Tag said — Sapa.

Greed blamed for poor crayfish sales

CAPE TOWN — Profit seeking by restaurateurs — and not government’s quota system — was why so few crayfish and perlemoen were consumed in SA, Environment Minister Louis Penaar said yesterday.

His comment follows criticism that government was making available insufficient stocks for the tourist trade.

Penaar said local demand for crayfish had been lower during the past few years than the 25% of the total commercial catch allocated for sale within SA.

For from there being a shortage, permission had to be given for the unused portion of the local quota to be exported, he said.

"If restaurateurs did not have the wish to make extraordinary profits on these sought-after products — some runts having at 500% — South Africans would indeed scoop up the 25% of the production."

LINDA ENSOR reports that Western Cape Restaurant Guild chairman Alido Girol said it was impossible for Cape restaurateurs to obtain crayfish in season and they were forced to pay 10% to 15% more at the end of the season.

Western Cape Marine Society chairman Vic Kabalin, speaking at Fedhala’s AGM in Cape Town yesterday, said SA’s resources of rock lobster, kingfish and abalone were being depleted by gross mismanagement. Signatures were being collected for a petition calling for exports to be stopped.
Smokers face ban on flying

Andrea Weiss, Health Reporter

Smokers facing long-haul international flights will have to invest in worry beads to make it through the night if a resolution before the International Civil Aviation Organisation is passed.

The resolution, to be considered at a meeting in Montreal this week, will ask all member states to phase out smoking on international flights as soon as possible but no later than July 1, 1994.

Among the strongest arguments for the resolution, compiled by the Australian and Canadian governments, is that a ban would increase safety. It says:

- Cockpit crew and flight attendants exposed to high concentrations of carbon monoxide could develop headaches, breathing problems, light-headedness and other reactions which might impair their performance during an emergency.
- An aeroplane is an enclosed area containing thousands of litres of flammable fuel. Open flames and lighted cigarettes pose a fire hazard.
- Safety equipment can be damaged by cigarette smoke. There is at least one documented case in which oxygen masks failed to release at a time when the cabin was losing pressure. The failure was attributed to tobacco tar build-up on latches holding the masks.
- Environmental tobacco smoke may also affect the efficiency of pressurisation and air-conditioning.
- Airline passengers reviewed in surveys have voted for smoke-free flight. Some international airlines, including Air Canada, Northwest in North America, Lufthansa Air and Scandinavian Airlines in Europe and Cathay Pacific in Asia offer smoke-free international flights.

South Africa is a member of the ICAO and has been asked by the Tobacco Action Group to support the resolution.

The group is conducting a survey among passive smokers on their feelings about being caught in confined spaces with smokers, particularly in the workplace. The number to call is 23459.
Comair cuts fares
to less than R400

STEPHANE BOTHMA

COMAIR has cut its return fare to Cape Town to less than R400 on a limited number of seats — slashing the cost of flying the route to 1970s levels.

The new fare was for reservations made and paid for two months in advance, with effect from December 1. Comair MD Piet van Hoven said at a media conference yesterday.

More than 1,400 seats a month on Comair Citijet flights will be allocated to low-fare passengers on a first-come-first-served basis.

A discounted Cape Town return ticket on Comair will now cost R596. To date, the lowest fare available has been R438 on SAA's off-peak flights for tickets booked and paid for three months in advance.

Normal Comair fares are R678 return, 30% cheaper than the SAA economy fare of R962.

The good response Comair received from travellers since the introduction of its all-economy Citijet flight to Cape Town last month had prompted the carrier to add a second aircraft to the route and to cut fares, Van Hoven said.

There will be three return flights from Johannesburg to Cape Town daily.

The airline will take the new aircraft — a 90-seater Fokker F28 twinjet — into service in October.

The plane will also be used for some flights between Johannesburg and Manzini in Swaziland.
Population crisis

There are more than 200 problems related to transport alone:

GIVEN the anticipated population growth rate, the PWV area may have to cope with up to 12.8 million people by the year 2000.

Apart from obvious socio-economic problems, the huge increase would also require an efficient and well-managed transportation system, said Mr. Ahmed Arbey, MEC for Roads and General Provincial Services of the Transvaal.

He was speaking at a report-back meeting of the PWV Public Transportation Study in Pretoria yesterday.

Mr. Arbey said a host of meetings, involving all relevant parties, had already identified more than 200 problems related to public transport - but these could be solved or bridged if sufficient planning was done.

Current urbanisation trends pointed to the PWV population increasing from its present 9 million to about 12.8m by 2000.

"This means we will have to cater to transport for an additional 3.8m people. However, it will offer unprecedented opportunities for economic growth if well-managed..."
Food aid demand increases

Drought, political violence and economic woes had swelled the number of families seeking food aid from Operation Hunger, executive director Ina Perlman said in her report for the financial year.

Mounting demands for relief aid had forced the organisation to reverse its principle of independence and accept financial assistance from government, Perlman said.

Under government’s R220m hunger relief programme, Operation Hunger had received R10m “after a five-month battle”.

Perlman said a steady slide in the economy, increasing unemployment, retrenchments on the mines, violence and the return to rural areas of people fleeing warfare had swelled numbers seeking assistance.

“It is worse, much, much worse than we anticipated,” she said.

Field trips are journeys of discovery into previously uncharted depths of misery, human suffering and want,” Perlman said:

Perlman said the organisation would have to halve its rations in September, knowing this would affect more than 2 million people.

In the northern Transvaal, which has been devastated by drought, 269,000 people were receiving food and “Prospects are frightening,” regional director Johann Russik said in his report.

Russik expected an increase of between 20% and 60% in numbers seeking relief from Operation Hunger.

The organisation was feeding 250,000 in the Free State, 350,000 in the eastern Cape and Border region and 102,000 in the western Cape.

In Transkei, Operation Hunger was feeding 70,000 children at 398 schools and creches.

About 60,000 people threatened with starvation were waiting to be placed in feeding schemes in the eastern Cape and Border, said regional director Gysus Baer.

The drought had also affected vegetable-growing schemes started by the organisation in Hammanskraal, Mafikeng, Rustenburg and the Free State.

Deputy director for relief and development Mpho Mashumi said that of the large-scale agricultural schemes started a year ago, only 1,000 farmers in KwaZulu had a chance of yielding 30% of their harvest.

“It is no longer a case of part-intervention. All intervention must now be 100%,” he said.

Perlman said: “Central to all our thinking these past 12 months has been that hugely increased relief must be linked to long-term development.”

— Sapa

Public transport revamp facing many challenges

PRETORIA — Lack of development finance and an urbanisation strategy were two barriers in the way of solving the problem of an adequate public transport system in the PWV, TPA MEC for roads Ahmed Arbee said yesterday.

He said a public transport study by a consortium appointed in 1990 by the TPA was on course and more than 200 problem areas had been identified. Among them were the poor quality of transport services and facilities, lack of co-ordination, unplanned development, and the fact that only certain public transport modes received subsidies.

Arbee said the challenge facing transport planners in the PWV area was to provide public transport for a population of 12.8 million people in an urbanised area of 210,000 hectares by the end of the century.

The population of the PWV increased from 7 million in 1965 to 9 million in 1991. A projected rate of increase of 3.8% a year would increase it to 12.8 million by 2000.

Provinces would, therefore, have to be made for an increase in the transport requirements of 3.8 million people over the next eight years.

“The picture looks bleak if all the associated social costs are taken into account,” Arbee said. It was important to acknowledge transport was as legitimate a need as education, housing and health.

Currently only about 51% of the increase in the worker population could be absorbed by both the formal and informal economies. Close analysis revealed only 5% were absorbed by the formal sector.

The absorption rate of the informal economy was likely to steer transport even more in favour of public transport in future. The study showed this trend would be supported by the existing per capita incomes in the PWV area, Arbee said.

He said the PWV economy could not absorb the working population increase of 3.9% a year since 1965. In addition to the 238,000 people without work in 1995, 417,000 workers had since been unemployed, the study showed.

The limited capacity of the informal sector had also been stretched by about 673,000 workers finding a livelihood within it.

Arbee said 83% of all commuters in the low-income group used public transport.

More than 250 representatives of interest groups were invited to the consortium’s first series of group discussions. As a result, the consortium had identified 24 transport problems. A further series of meetings was planned for October.

— Sapa

Fruit and greens
earned R1.51bn

DAY HARTLEY

SA farmers sold 20.5 million tons of fruit and vegetables worth R1.51bn at 15 markets across the country in 1991, producer representative Phil van Zyl said at the 5th Agricultural Union Fresh Produce conference yesterday.

This represented an increase in volume of 1.65% a year.

About 20,000 producers traded at fresh produce markets, generating about 17.1-million transactions a year.

Producers waited fresh produce markets “in every centre” and existing markets expanded.

Johannesburg City Council informal trading chief officer Duncan Pillay told delegates the informal sector accounted for 15% of GDP and employed about 35% of the labour force.

Phil said the informal sector provided significant opportunities which could be exploiting by businesses and farmers.

Meanwhile, the Milk Producers Organisation decided at its annual meeting in Port Elizabeth yesterday that the industry needed selective deregulation.

MPO chairman Boy Blackenberg said a working committee had been established to investigate the long-term effects of deregulating the industry.
Challenges to SAA could see more fares drop

MANDY JEAN WOODS
Weekend Argus Correspondent 21/9/92

DOMESTIC airline Comair has applied to fly internationally in opposition to SAA. It is one of 36 South African applicants seeking similar permission from the Department of Civil Aviation and could see airfares tumbling still further.

"If these applications are granted, then we can definitely expect to see a lot of fare innovations on regional and international routes," said Comair's managing director Mr Piet van Hoven.

Already, Comair's competitive pricing structures on its services to Cape Town has seen SAA introduce a whole new range of discounted fares.

The Comair deal on flights to Cape Town will see prices plunge to levels last enjoyed before 1972.

Travellers planning their holidays in the Mother City will fly one way for just R188 providing they book and pay for their seat 60 days before departure. A 20-percent cancellation fee is applicable.

This fare undercutS not only SAA and Flyestar's cheapest, but also challenges other forms of transport (buses, cars, trains) which have grown in popularity because of the high cost of air travel.

The beauty of this special fare, Mr Van Hoven noted, was that it was not restricted to times or flights. A total of 1,400 seats a month would be available indefinitely on Citjet flights at the special rate.

"Every airline has a certain number of seats which it does not fill. We believe we can make these seats available at a satisfactory price to commuters who generally cannot afford to fly," he said.

Comair this week also took delivery of a new Fokker F28 Mk4000 twinjet aircraft from Holland to be introduced on the Cape Town service from October 1.
Fistful of dollars buys a slice of the West

There have been remarkable changes in Russia in the past year, but has there been progress? After a five-day visit to Moscow recently, REHANA ROSSOUW had her doubts:

F LENIN could see the Moscow of 1992 he'd turn in his tomb. The founder of the world's first socialist state would see capitalism taking root on Russian soil. Nowhere is the transition more obvious than on Manezh Square opposite the Kremlin where a Coca-Cola kiosk has been set up in the shadow of the building's looming walls.

"The Pepsi-Cola generation" is one of the new terms which have been adopted by Russians in the last two years. It describes the young people who stroll through Red Square wearing their Reebok running shoes, Levi jeans, Benetton sweaters and Ray-Ban sunglasses.

Most of the stores which sell these fashion statement for the wealthy prominently display two signs: "Hard currency only" and "Prices in US dollars."

The average monthly salary of a Russian worker is $15 (about R40). The average price of a pair of jeans is $90 (about R240).

No-one is sure whether the US dollar is a legal currency in Moscow. One thing is certain, if you want to buy a little more than the basic necessities of life, you can only do it with "hard currency".

The country which overthrew a regime because its privileged elite enjoyed top lifestyles while the masses were oppressed under communists ruled is creating a new elite — the "underground millionaires."

"Today everything is for sale in the former Soviet Union. Of particular interest to the West are the secrets hidden in the KGB archives, especially Archive Number Seven which is rumoured to hold evidence of dirty tricks perpetrated during the Cold War."

Russian editors complain bitterly that the trouble is so undervalued that the guardians of the archives will be tempted to deal with the west and their hard currency.

More astonishing is the attitude of the Russian attorney-general, Mr Valentin Stepanov, who investigates human rights abuses committed by party officials.

Stepanov charges at least $500 (about R1350) for interviews about his work because "interviews are creative work."

He plans to publish a book on the information he uncovers. The date of publication has been set for just before trials are scheduled to start.

Any journalist interested in the progress of the investigations will have to wait to buy the book.

Russians value everything Western. However, their understanding of the West is warped as they were denied access to the West and its media for decades.

They refuse to believe that countries such as America and Britain suffer serious social problems including unemployment, poor health care and drug addiction. They prefer to regard these countries as utopias to emulate.

"I've been to the West and have seen these problems, but I still think people there are better off than people in Russia," says Mr Evgeny Milchakov, a new entrepreneur who buys clothing in Taiwan and resells it for hard currency in Moscow.

"What we have to learn now is that is going to be the survival of the fittest in the new Russia. Only those with drive are going to suc-ceed," says Milchakov.

Ukrainian journalist Mr Misha Moscova, who remains a committed socialist, believes Russia and the other republics are being "led by the nose" by Western capitalists whose sole interest in the countries is the wealth they can exploit.

"The population is unbelievably apathetic. Even though people's standard of living has dropped, they believe democracy has come to the former Soviet Union because there is now a MacDonald's nearby."

"Our politicians are selling the country to Western capitalists without trying to privatize properly or build small enterprise for the benefit of the people," says Moscova.

One place where the changes were obvious was a night-club called the Red Zone which caters to the new hard currency elite.

It costs $15 to enter and at first glance the place resembles a normal disco. "I'm too sexy for my shirt" blares from the speakers, strobe lights flash and nubile teenagers gyrated on the dance floor.

But along one wall are four metal cages in which topless women shivered erotically to the music.

A row down the wall point to a "VIP lounge" where an extra $5 could buy a chance to see "erotic dancing", which turns out to be no less than a strip-tease act. The women are trained at a school run by a former gynaecologist.

The bouncer angrily dismisses suggestions that his show is decedent. "This is normal for a club in the West. We have to put on the kind of entertainment Western businessmen are used to," he says.

Yes, there has been change in Moscow. Places like the Red Zone did not exist three years ago, but it sure isn't progress.
Cheap airfares slash travel agent income

By TERRY BETTY

Cheap airfares are choking travel agents, sending their commissions plummeting.

The cost of international and domestic airfares has dropped by between 28% and 40% since the deregulation of SA aviation on July 25, 1991, according to the Association of Southern Africa Travel Agents president Laurese Wilkinson.

She says travel agents' income has dropped by the same amount because there has been no increase in sales volumes.

Margins

International travel has been static for the past 10 years at about 500,000 passengers a year. It is estimated to be worth R4-billion now.

Renesse Travel managing director Lilian Boyle says the trade expected discounted airfares to lift sales by 20% to 35%. Instead there was a 10%-to-15% decline, hammering revenue even further.

Mrs Boyle says agents' net profit margins of about 2% have nearly been squeezed to zero as they battle to keep their heads above water.

About 650 licensed operators are competing for a share of the shrinking market. A few operators have gone under and the number will increase if trading conditions do not improve.

Agents attribute declining sales to the SA and worldwide recession hitting disposable income.

American Express Travel managing director Rod Rut- ter says leisure package tours are the cheapest ever.

"If you include airfares and accommodation, it is cheaper to spend a week in Mombasa, Mauritius, or any of the other Indian Ocean islands than to have a holiday in SA."
"Watch corps" to guard railway

PRETORIA — A special task group examining the protection of train commuters and Spoornet properties has introduced a security force comprising special constables and known as "Wagkorps"; a Goldstone committee heard yesterday.

The commanding officer of the SA Police's 'Physical Services' Division, Major-General Michael Bester, told the committee inquiring into violence on trains that the decision to establish the unit had been taken after meetings involving the SAP, the SA Railway Commuter Corporation and Spoornet.

General Bester said the unit did not fall under police control, but under the SARCC and would prove effective on the Witwatersrand.
Iscor share values dive against assets

EDWARD WEST

ISCOR’S market value was R1,53bn at 62c a share yesterday, which, compared with its R6.7bn asset value, would normally make it a prime target for a takeover with a view to selling off its assets, analysts said.

Based on its current net asset value of 36c a share and the number of shares in issue, its assets are worth about R6.7bn. Anybody who bought all Iscor’s shares at its listing price of R2 a share could theoretically sell off its assets and realise a profit of R1.50 on every share.

However, with local and foreign investors limited to a 20% stake and individual investors to a 10% holding in terms of the group’s listing prospects, a takeover is impossible.

Major shareholders include the Industrial Development Corporation with a 16.5% holding, Standard Bank Nominees with 13%, SA Mutual Life Assurance Society with 10% and CMB Nominees with 8%.

Iscor’s share price has been trading at record lows because of the weak local economy, and overcapacity in international steel markets which shortens earnings potential.

Simpson & McKee analyst Hennee Vermeulen said the share price prevented Iscor from raising funds by a rights issue because a shares increase would further dilute earnings, and the share was poorly rated.

He suggested unbundling might be the way for Iscor to go. For instance, its Sishen iron ore facility and its coal mining operations could be floated off as separate entities.

Rentbel achieves remarkable turnaround

CAPE TOWN — Rationalisation and improved efficiencies saw diversified industrial holding company Rentmeisterbeleggings (Rentbel) achieve a remarkable R8m turnaround in operating profit in the year to end-June, even though turnover fell 30%.

However, the tax bill and heavy losses from associated aviation company Trek Airways, which launched Flightex in competition with SAA, wiped out these gains to such an extent that bottom-line losses were larger than last year.

The loss made by associates amounted to R3.4m compared with last year’s R5.4m profit. The group suffered a loss of R12.8m compared with last year’s R7.3m loss and no dividend has been declared.

MD Joggie Vermooten said Flightex’s competition with SAA on major routes had resulted in fare dilutions which had placed pressure on margins. He expected this situation to continue for some time because of overcapacity and an inadequate fare structure in the domestic market.

Start-up costs of Flightex and initial losses had been capitalised and would be amortised over 90 months.

Group turnover declined to R94.4m (R135m) but an operating profit of R8m was generated compared with last year’s R2.9m loss. The interest bill dropped to R8.6m (R16.6m). While the total attributable loss increased to R4.2m (R7.2m), the attributable loss from subsidiaries improved from R8.7m to a loss of R9.9m.

Poor landings hurt Natrawli

LINDA ENSOR

CAPE TOWN — Natal Ocean Trawling (Natrawli), which catches prawns off the Natal and Mozambique coasts, recorded a 5.5% increase in attributable earnings in the six months to end-June as a result of poor landings of inshore prawn and a sharp drop in prices.

An additional factor was that no contribution was made by Natrawli’s Mozambique associate company.

Earnings dropped to 2,79c (5.56c) on an increase in the number of shares in issue to about 41.6-million (19.6-million), after last year’s rights issue of about 19.8-million and this year’s bonus share offer.

Chairman Frank Walsh announced that Natrawli was negotiating the sale of part of its stake in its Mozambique associate company, in which it had a 40% interest.

“Deep water fishing results in Mozambique have remained stable but trading conditions there have become extremely difficult,” he said. Whereas in 1991 Natrawli derived R470 000 in dividend income from its Mozambique associate, no contribution was expected for the current year.

Turnover increased 41% to R7.8m (R6.4m) with gross income from fishing rising by only 13%. Margins fell to 19.8% (22.4%), generating a 21% growth in operating income to R1.5m (R1.24m).

The bottom-line result was underestimated by higher finance charges arising from the increase in long term loans to R7.8m (R5m).

Walsh was not optimistic about prospects for the final result.

“It is difficult to forecast what to expect from the second half of the year, but if the prevailing circumstances continue, earnings are unlikely to rise,” he said.
Dispute mediator's evidence challenged

A witness testifying before a Goldstone committee inquiry into violence on trains said yesterday that while observing station security measures in Soweto one day in August, he did not notice any policemen on duty.

Nathu Gaia was working for the Independent Board of Inquiry at the time, a body acting as a mediator in disputes, and his brief was to observe and report on railway station security.

During cross-examination he said that although he did not see policemen at the Soweto stations, he was told by a passenger that special policemen were sometimes on duty.

Asked by counsel for the South African Police why he did not mention the presence of the SAP-controlled special police in his report, he said he did not place emphasis on the information because he did not see policemen when he was at the stations.

Mr Gaia said when he visited Nancefield station later in August he saw two policemen in camouflage uniforms.

If there were other policemen who dressed in plain clothes, he would not have been aware of them.

He said he saw security personnel wearing uniforms with "SS" written on the shoulders at Merafe station, and was told they had been brought in from a Meyerton-based security firm to examine the security at stations.

He also saw four ticket examiners at Merafe station, and identified them by their uniforms.

At Niklasane station, he was not asked to present his ticket when he walked on to the platform.

He did not see any ticket examiners on the platform, Mr Gaia said.

Assumption

Asked by counsel for Sporner if he was aware that because of violence on trains and intimidation, ticket examiners could not wear their uniforms, Mr Gaia said he had seen newspaper reports to that effect.

He conceded that because there were no uniformed ticket examiners and because he was not asked to produce his ticket, he had assumed that there were no ticket examiners at that station.

Committee chairman Gert Steyn adjourned the sitting until today. — Sapa.
Isotec probe shows drip contamination

KATHRYN STRACHAN

ISOTEC Nutrition yesterday admitted its investigations had found bacterial contamination in drip bags which allegedly caused the deaths of seven babies last week.

Isotec MD Ian Rosekilly said the results of independent laboratory testing, commissioned by the company, were released yesterday.

Isotecs and seven newborns were contaminated, he said.

Investigations are being conducted by the SA Institute of Medical Research and the Medicine Control Council, as well as researchers abroad, to find the exact cause of the contamination. The preliminary results of these tests will be available today.

Isotecs buys some of the ingredients for the solutions from Sabaax, the company which supplied drip bags given to 13 babies who died in 1990.

Rosekilly said that due to the highly complex nature of the solutions, a sterilisation process of the final product could not be performed.

The component therefore had to be mixed in a totally isolated sterile environment and sealed prior to distribution, he said.

"This is not a generally prescribed intravenous solution," said Rosekilly. "They are in fact highly specialised solutions which are usually only prescribed and administered to patients who are already critically ill."

Meanwhile, two babies who were given intravenous fluid last week are still in intensive care.

A JHB Central General Hospital spokesman said 19-day-old Louis Ronder was still in a critical condition, but the condition of the baby at Park Lane Clinic had improved.

35 hurt as police open fire on Ratanda march

RAY HARTLEY

AT LEAST 35 residents of Ratanda township near Heidelberg were injured — two seriously — when police opened fire on protesters at Ratanda police station yesterday, ANC PWV spokesman Ronnie Mamoepa said.

The residents marched to the police station to demand demolition of the Ratanda Hostel from which a grenade attack, in which one person was killed and others were injured, was allegedly launched on Monday.

Ten protesters were arrested during the demonstration, he said.

Ratanda Hostel is believed to be among 15 hostels targeted by government and ANC negotiators for fenced by mid-November.

The ANC called for urgent security measures to be implemented at the hostel "to prevent further flare-ups in the area."

But the call to fence hostels has elicited furious protests from Transvaal hostel residents, with one threatening "bloodshed" if such a move is attempted, reports TEO WAWANE.

President F W de Klerk and ANC President Nelson Mandela agreed at their meeting on violence that hostels would be "adequately fenced" and that there would be security patrols against police outside the hostels.

But East Rand hostel Residents' Association chairman Zakhele Mlambo and De Klerk and Mandela should first explain why hostels should be fenced.

"It is not acceptable, because government took a decision without the hostel's leadership. It is not going to happen — there will only be bloodshed if it is attempted," said Mlambo.

While Mandela said hostels were sources of violence, hostel dwellers saw Umkhonto we Sizwe at its root, he said.

Transvaal hostel Residents' Association chairman Joe Kuhlesa said his organisation was surprised at the agreement on hostels. It would meet today to decide what to do.

"We are going to react strongly," he said.

"Even National Housing Minister Leon Wessels recommended to the Goldstone commission that hostels should not be fenced."

Meanwhile, Sapa reports that four people were killed on Monday night at Chicken Farm squatter camp near Kliptown, Soweto.

Khabaz Mosimkhulu of the Soweto Civic Association said yesterday the four were shot and hacked in separate attacks.

"Residents managed to apprehend seven of the attackers, but three escaped," he said.

The suspects were handed over to police.

In Umalam's G section, Durban, Gabriella Dlamini was found shot in the head late on Monday night. The body of an unidentified man was found in Umalam's T section yesterday.

Hospital staff alarmed by murder of doctor

KATHRYN STRACHAN

STAFF at Baragwanath Hospital in Soweto were deeply shocked and upset on the killing of a German doctor on his way home from the hospital, sources at the hospital said.

Dr Stephan Walter, 29, was shot by unknown gunmen after leaving work on Monday evening. He was found unconscious at the turnoff on the M1 North, close to Baragwanath, and was taken to hospital. He died without regaining consciousness.

Walter came to SA from Munich in January to work at Baragwanath.

Baragwanath Hospital spokesman Amantine Carrier said the killing had not only shocked those close to Walter, but had left a feeling of fear and uncertainty that could be sensed throughout the hospital.

It was also possible that the attack would turn away doctors and nurses who might otherwise have applied for jobs at the hospital, she said.

"All staff members fear for their safety wherever they go," said Carrier, adding that the attack had intensified that fear.

"This hospital has been through a trying time in the past few months with the strike and the violence, and this has only made it worse," she said.

Clear said Walter was shot on a road which many of the staff used as a short cut through the township.

Hospital superintendent Chris van den Heever appealed to staff members yesterday not to go into areas about which they had any doubts.

Train boycott in PWV

ANC-aligned organisations in the PWV have agreed in principle to boycott commuters in protest at the failure of police and Rail and Commuter Corporation to implement agreements.

The decision was taken at a PWV Action Council meeting which included representatives of Coas, the SACCP and the ANC, but would have to be vetted by individual organisations before it was implemented, ANC PWV spokesman Ronne Mamoepa said.

He said it was unacceptable that a new rail guard would only come into operation in April 1993 instead of the end of the year.