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Tourists to SA still flowing in

(288) Star 1/9/95

■ BY PATRICK WADULA

Tourism to South Africa continues to grow, with close to 950 000 foreign tourists expected to visit the country this year.

Figures released by the South African Tourism Board indicate that the number of overseas visitors entering the country increased by 114% and 64% in May and June respectively.

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

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

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

"Moreover, foreign airlines are constantly introducing additional flights into South Africa" he said.

Visitors flock to SA — Satour

(288) ARG 1/9/95

Staff Reporter

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

Figures for May were up by 114 percent and 64,2 percent in June over the corresponding periods last year, Satour says.

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

For example, 550 percent more people from Hong Kong visited South Africa in May this year, 250 percent more from Malaysia and 201 percent from Singapore in the same month.

But the fact that Irish visitors soared by 488 percent in May was no doubt rugby related as were the increases from Britain (133 percent), Canada (117 percent), Argentina (277 percent) and New Zealand (330 percent) for the same month.

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

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

It predicts that nearly 950 000 visitors can be expected to come to South Africa this year, an increase over last year of about 35 percent.

Is it Olympic re-think time, folks?

(288) 2/9/95 (288) ARG 2/9/95

■ CAPETONIANS need seriously to rethink the City's Olympic bid. Unless the bid enjoys their strong, extensive and demonstrable public support by the beginning of next year, the bid will certainly fail, warns PETER COLLINS.

ORIGINALLY, the rationale for urging public support for the Olympic bid was primarily economic and political.

Specifically, bidding for the Olympics would boost tourism, accelerate development to the advantage of all Capetonians, especially the least advantaged, promote national unity and sustain an internationally favourable focus of attention on South Africa which might otherwise suffer the fate of being free but forgotten. It would also, of course, be very good for Africa, for the Olympic movement and for South African sport.

These were the main reasons given to government by the Independent Development Committee. The IDC had been instructed by Derek Keys to audit Cape Town's plan, which it did with meticulous thoroughness between June and September last year.

The plans which the IDC and the government endorsed were those which had been developed by Raymond Ackerman, the technical consultants, Ove Arup, and the marketing consultants, Corporate Image.

This was the team that won the right to bid for Cape Town against Durban and Johannesburg and whose plans not only won government approval but also secured a 93 percent approval rating amongst Capetonians according to an Omnicheck survey for January 1994.

This team has now notoriously and amid much acrimonious controversy been replaced.

Ackerman as CEO has been replaced by Chris Ball (at a salary of some R900 000 pa). The technical planning and marketing are to a very large degree in the hands of seconded city officials.

Of the three top positions on the board of the bidding company, Steve Tshwete is quite rightly and uncontroversially the chairman. But the senior vice-president of the bidding company is Danie Malan, who led Johannesburg's failed bid and showed himself in defeat less than gracious towards Cape Town. The junior vice-president and only Capetonian is Clive Keegan, who believes that his influence is negligible, especially in respect of securing the interests of the city and recovering the support of its citizens.

Finally, as everybody knows, the bid is really being led by Nocsa president Sam Ramsamy, who is now the International Olympic Committee's representative in South Africa but holds no official position in the Cape Town bidding company.

None of these changes in personnel, though obviously distressing for some and gratifying for others, should in themselves determine whether the city, the province and the country should be willing to give the bid its support.

The decision must be taken on the basis of whether the new bidding team is likely to be successful in securing the manifold benefits for so many people which originally secured both government support and popular enthusiasm for Cape Town's Olympic Bid and which, crucially, would not risk being a substantial financial burden on the tax-paying public.

There are serious reasons for doubting whether the new team can bring this off. The most obvious and alarming of these concerns private sector support.

A year ago at least seven companies were prepared to support the bid to time of R10 million each.

Their pre-conditions were that national government support the project, that an acceptable budget be compiled and that a CEO be appointed.

All these conditions had been met three months ago. Virtually no serious financial support has been so far forthcoming.

This means not only that the bid cannot be effectively prosecuted — it also means that it cannot repay the R3-4 million it owes to its former consultants, nor the R1,25 million it has borrowed from the ratepayers and certainly not the R7 million which is personally owed to Ackerman.

Most importantly, without R60 million in private-sector contributions, national government general support for the bid falls away, as does the specific grant of R470 million for massively upgrading the greater Cape Town public transport infrastructure.

It is not difficult to understand why the big companies have become reluctant to be so expansively associated with the Olympic project. They do not wish to be involved in an adventure which seems to be locally unpopular, fraught with acrimony and controversy and quite possibly doomed to ignominy.

Certainly, the perceived idealism which was originally associated with the bid has evaporated. The developmental aspect of the bid planning, which would have dramatically improved the material circumstances of the region's poor, seems to have ceased being the central concern and driving force of the new bid managers.

The RDP — friendly aspects of the original bid in terms of job-creation, community empowerment and the provision of essential facilities — show no signs so far of being translated in the concrete policies and practices.

Moreover, faith has been broken with Capetonians who are now paying the salaries of senior seconded city officials, who have been appointed through a process of extreme untransparency, to work full time on the bid.

Unsurprisingly, litigation looms which will cost the taxpayers one way or another and which will, in itself, sink the bid.

In these dismal circumstances, should Capetonians be seeking to bring the whole issue to a close as quickly and as cheaply as possible?

There is one very remote chance of saving the bid and making a success of it in terms of the commonly agreed goals of almost all South Africans.

This would require skills of leadership and diplomacy which are unlikely to be forthcoming and which, in any case, would be extremly complex both in foreseeable and unforeseeable ways.

The first and necessary condition for it consists in Sam Ramsamy convincing his fellow-South Africans that he really is wholeheartedly behind the Cape Town bid for 2004; that he really wants this bid to succeed; that he is not in alliance with Samaranch, the IOC's president and supremo, to promote Beijing for 2004; that he is not treating the Cape Town bid as a trial, an expected-to-fail run prior to backing in a Johannesburg bid in 2008.

He has not yet uttered or behaved as if he really did want Cape Town to win in 2004 and was prepared to negotiate some honest and unambiguous agreement to ensure a really successful Cape Town bit.

Otherwise, Capetonians would do well to say "All right — let's run a national bid, paid for by the national governent which will unashamedly cash in on the favourable PR and other political advantages which accompany bidding. Let's not expect to win. And, therefore, let's not risk any more money than we absolutely have to on what will essentially be a mock bid.

Let us, whatever we do, not allow ourselves to be deceived in to financing a white elephant, attractive enough from the outside and at a distance, but rampant with all kinds of corruption within.

■ *Peter Collins is senior lecturer in political studies at the University of Cape Town.*

Theme park plan – it's up to Kriel

WILLEM STEENKAMP
Staff Reporter

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

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

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

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

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

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

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

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

ARG 2/9/95 (286)

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

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

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

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

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

Tourist boom hinders SA travellers

(288) Star 4/9/95

■ BY AUDREY D'ANGELO

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

Travel agents say almost every airline is fully booked for the next 10 days at least by foreign visitors returning home at the end of the European and American holiday seasons, and they are battling to get seats for local clients.

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

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

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

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

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

Increase in tourism to SA curbs local travellers

CT (BR) 4/9/95

(288)

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But, she said, KLM could not do so because of the restrictions designed to protect SAA, which prevented other airlines from increasing their services to meet demand.

"The interests of passengers are best served by additional flights from longserving, reliable airlines."

Referring to the recent collapse of Avia and the sudden ending of Sudan Airways charter flights she said: "Short-term price cutting by new entrants may seem attractive, but airlines simply cannot provide service on sub-economic tariffs."

IOC okays Cape Town's Olympic bid logo

(288) ARG 7/9/95



ANDREA WEISS
Municipal Reporter

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

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

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

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

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

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

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

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

"Nocsa is extremely happy with the present bid structure. There must be total synergy between Nocsa and the bid which is what we've got now."

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

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

"I believe that the bid has never been in a better position than now."

African hoteliers view future with optimism

288 ARG 7/9/95

DENNIS CAVERNELIS
Staff Reporter

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

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

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

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

"Tanzania is no different in operation to many African countries. It's a beautiful place, but there are problems with infrastructure, such as communications, roads and the availability of goods.

"In South Africa you can go down the road to buy fresh produce and meat, but you can't assume these things will be readily available in the rest of Africa," said Mr Dougan.

Mr Dougan said another problem was the lack of a "a Tanzanian work and tourism culture", and the lack of a well-trained workforce: "It is a lot of work to train people, but it is an exciting challenge, and I look forward to being around after things have improved."

The toughest part of working in Africa, said Mr Dougan, was trying not to catch malaria. "I have had it four or five times."

The biggest problem facing Wayne Colpitts, general manager of Pinewood Village in Kenya, is the drop in tourism.

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

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

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

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

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

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

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

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

Tourism policy paper launched

(288) BD 8/9/95

Edward West

CAPE TOWN — SA's tourism industry, which currently contributed 3,6% of GDP, was conservatively expected to grow by more than a third by the turn of the century and could become SA's biggest industry, Environment Affairs and Tourism Minister Dawie de Villiers said yesterday.

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

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

"If we can't get 3-million tourists by the end of the century we will be very disappointed. This year we are hoping for about 1-million tourists," said De Villiers. Tourism's international average contribution to GDP was 7%, compared with SA's 3,6%, indicating that the sector in SA was underperforming.

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

The document outlines a policy framework and roles of national and provincial government to promote and market tourism; the need for strategic planning; the formation of a special Cabinet committee on tourism; the creation of a new national tourism council, to become the main body responsible for SA tourism policy; and provincial tourism organisations, which would include provincial and other local stakeholders.

SA 'could double revenue' from tourism industry

(268) ARG 8/9/96

Political Staff

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

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

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

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

Dr De Villiers said tourism accounted for 3,6 percent of the gross domestic product but could, if fully exploited, produce at least twice this.

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

"We shouldn't compare ourselves with that seven percent. We should go beyond that."

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

Yet the country attracts only 0,2 percent of the world's reported 300 million annual tourists and earns R6 billion in foreign currency each year.

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

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

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

For copies of the green paper and comment on it, write to Tourism Green Paper, c/o Department of Environmental Affairs and Tourism, Private Bag X447, Pretoria 0001.



Picture: ROY WIGLEY, The Argus.

OARS INCLUDED: Peter Claxton, right, and Todd Lane are the men responsible for bringing the restored and rebuilt De Havilland Beaver to South Africa, for tourist flights around the Peninsula from the end of the month.

Tourist flights by seaplane planned for Peninsula

(288) ARG 8/9/95

Staff Reporter

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

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

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

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

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

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

A flight will cost R270 for an hour and R145 for half an hour.

MAIL & GUARDIAN
September 8 to 14 1995

Olympic bid is 'just big business'

(288) WM 8-14/9/95

Rehana Rossouw

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

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

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

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

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

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

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

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

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

"This is a bid for all the people of Cape Town and must represent a joint effort between all sectors of the community," Butler said.

9/9/95/288

Cableway set to scale new heights

(288)

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

ARG 9/9/95

WILLEM STEENKAMP
Staff Reporter

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

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

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

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

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

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

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

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

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

It is estimated that about 1 400 passengers an hour will be transported up and down the mountain with the new larger cars. In good weather conditions the windows of the cars can be removed.

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

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

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

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

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

Mr De Waal said if everything went according to plan, upgrading the cableway would start in June next year which meant that the station would be closed for between four and five months and would open in December next year.

9/9/95/286



Picture: BRENTON GEACH, Staff Photographer.

CABLE KING: Table Mountain Aerial Cableway Company chairman Louis de Waal holds up a scale model of one of the circular cable cars with which the company plans to replace the old cable cars. Each car can hold 65 people — and slung beneath it is a tank that can hold four tons of fresh water.

Olympics: City takes inside lane

9/9/95/28

9/9/95/288

ANDREA WEISS
Municipal Reporter

PROVISIONAL budgets for the Cape Town 2004 bid will be available in about 10 days, in anticipation of a meeting the company has with the Cabinet at the end of the month.

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

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

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

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

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

"We're busy and becoming more and more productive as we get through the basics," he said.

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

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

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

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

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

Peter de Tolly, who has been seconded

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

(288) ARG 9/9/95

to the bid from the Cape Town City Council's planning department, said the plans were being designed to fit in with existing frameworks for the city, chiefly the Metropolitan Spatial Development Framework, guided by the RDP.

Potential Olympic sites which have been included in a provisional plan are at Du Noon near Milnerton, Tambo Square in Crossroads and Modderdam Road.

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

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

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

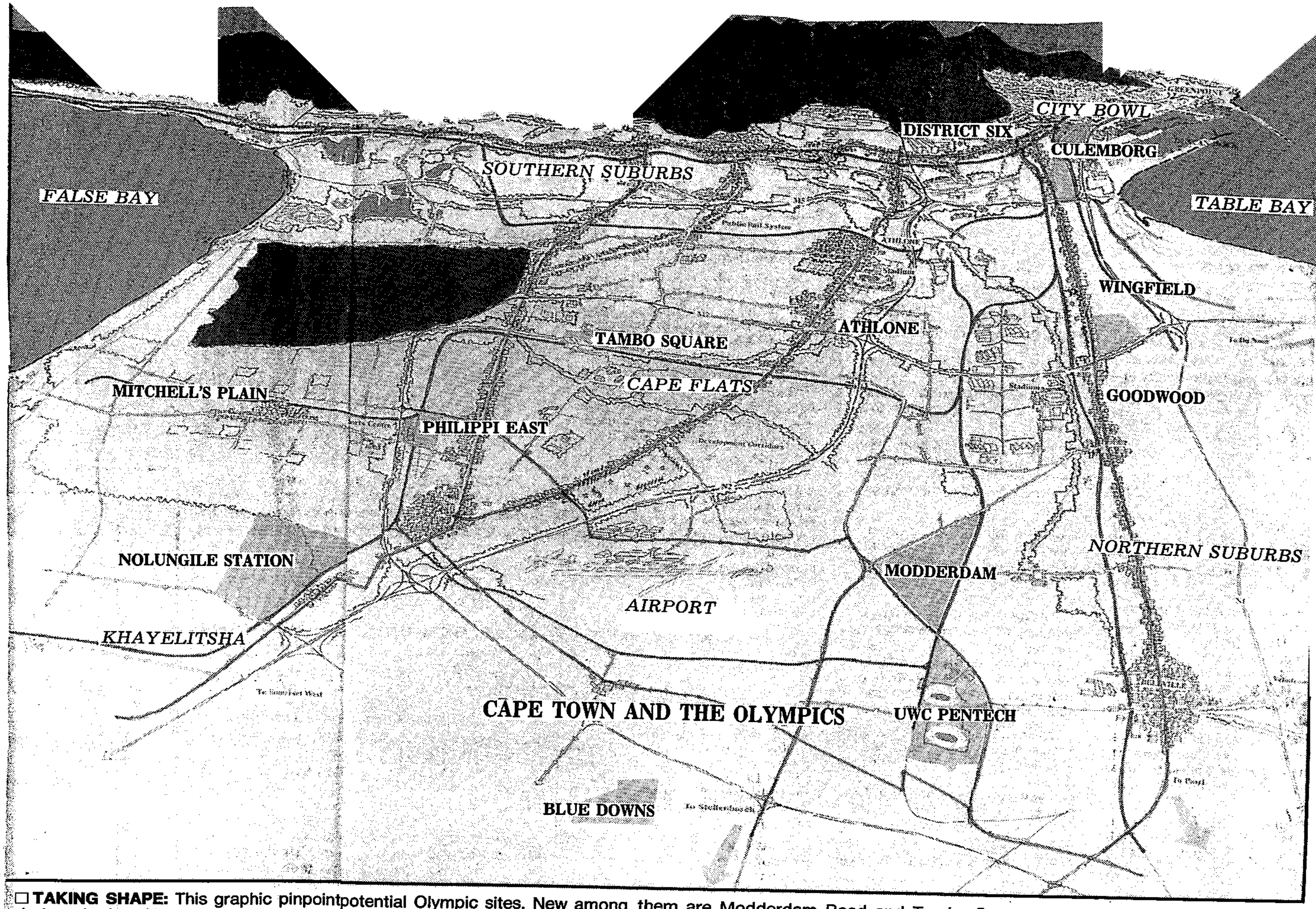
Other information released at the conference:

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

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

■ Work on setting up an environmental task team to guide the environmental approach to the bid would get underway next week. The bid company also recently sent Marlene Laros of the Wildlife Society and Howard Firth and Sandra Hustwick from the Cape Town City Council, to Switzerland to an International Olympics Committee conference on sport and the environment.

4/9/95/288



☐ **TAKING SHAPE:** This graphic pinpointpotential Olympic sites. New among them are Modderdam Road and Tambo Square. Potential sites are shown in darker shades. Sites which already havelympic status — among them Hartleyvale hockey stadium in Observatory — are also marked. Some potential sites in outlying areas such as Stellenbosch dcot appear on the plan, and the issue of Culemborg versus Wingfield for the main stadium is not yet resolved.

Study of holiday needs of disabled

A STUDY is being conducted to assess the market and available facilities for disabled and elderly tourists. The study is the first of its kind in South Africa.

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

(288) CT 5/9/95

Ball warns of high Olympic tab

Edward West
(288) BD 11/9/95

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

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

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

Infrastructure costs for the Games would be drawn from capital budgets, such as the Airport Company's upgrading of the city's airport. The company had budgeted R1,1bn to upgrade airports nationally.

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

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

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

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

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

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

Wikus Weber said police

New tourism organisation proposed (288)

Nicola Jenvey

BD 11/9/95

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

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

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

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

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

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

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

He believed the new policy would streamline planning and development application processes, which would in turn make it easier for the private sector to initiate projects and receive speedy approval.

'Millions' for Ackerman

CT 11/9/95 (288)

EUNICE RIDER
STAFF REPORTER

MILLIONS of rands are to be paid to businessman Mr Raymond Ackerman to re-imburse him for money he spent on Cape Town's 2004 Olympic bid, but the new Olympic Bid Company will not divulge the exact amount.

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

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

Mr Ackerman and Mr Ball said: "We are delighted that the issues relating to the development of the bid up until June this year have now been resolved.

"We want the bid to proceed in a spirit of full co-operation and in support of the goals of Olympism."

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

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

"We urge all South Africans and our neighbours in Africa to take advantage of this opportunity and support the 2004 bid," the statement said.

Olympic Bid Committee unveils plan for city

(288)

CT 12/9/95

SPECIAL CORRESPONDENT

JOHANNESBURG: The Cape Town Olympic Bid Committee yesterday unveiled the beginnings of a "new plan" incorporating the RDP, private sector finance and Cape Town's development needs over the next decade.

The announcement was made here by the committee's chief executive officer, Mr Chris Ball.

Committee planning and environment director Mr Peter de Tolly said new centres would have to be created which would contribute to the "upgrading of fragmented and disadvantaged communities".

Mr Ball said the bid would have to be "realistic and pragmatic".

"We are carrying out an impact study, with concept plans for the facilities," he said.

The public in Cape Town and the government will be consulted on the plans.

Mr Ball said greater Cape Town had an infrastructure which was capable of hosting the Games.

"The plan sets out how the metropolitan areas in Cape Town will cope with 10 years of growth and overcome the legacy of apartheid and a colonial past", Mr De Tolly said.

Remuneration

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

Lion's share for local hotels

(288) CT 14/9/95

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

In that time, 23% of bednights sold to foreign visitors in hotels were in this region, compared with 15% in Johannesburg, 13% in Pretoria and 14% in the rest of Gauteng. Greater Durban and North-West Province had 5,9%.

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

WALTONS STATIONERY REF. W 79

Tourist numbers doubled in June

CT(BR) 14/9/95 (288)

BY DEREK TOMMEY

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

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

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

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

However, although these figures look impressive, tourist officials say that when the figure for the extra 104 435 bednights sold in June this year is recalculated on a daily basis it shows that an additional 3 481 tourists were visiting South Africa a day, which is far below the country's potential.

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

However, three-star hotels did more business than the nil-star hotels, with 54 674 bed nights sold from 28 175 in June last year.

One- and two-star hotels sold 12 602 bed nights in June from 4 562 in June last year. Four-star hotels had sales of 48 082 bed nights from 28 086 last year.

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

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

In June last year Johannesburg was the favourite destination, selling 20 662 bed nights. It was still a popular destination this June, selling 29 470 bed nights, an increase of 42,6 percent.

Bed nights sold in Pretoria rose from 9 213 in June last year to 26 368 in June this year.

Olympics: Boost for city bid

(288)

STAFF REPORTER

CT 14/9/95

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

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

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

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

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

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

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

Cape Town is one of 10 cities who have put their names forward as would-be hosts to the 2004 Games and it is strongly tipped to win selection.

Southern African regional plan needed, says NPB head

Ecotourism could lead the RDP into the future

288 Star 15/9/95

■ BY ANITA ALLEN
SCIENCE WRITER

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

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

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

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

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

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

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

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

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

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

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

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

In addition to its Big Five and other wildlife, the region offered tourists bio-diversity options ranging from Alpine-type snow to coral reefs and more than 30 000 rock art sites in its Drakensberg mountains.

The briefing was part of a NPB campaign to promote the tourist potential of the KwaZulu-Natal region.

Hotel occupation increase during World Cup up a paltry 16,2%

(288)
ARG-16/9/95

CHARLENE CLAYTON
Property Reporter

CONTRARY to great expectations, average hotel room occupancy rates around the country increased by a paltry 16,2 percent to 52 percent during the the Rugby World Cup this year.

This emerged from figures released by the Central Statistical Service, who compared hotel occupancy rates, bed occupancy and income of hotels around the country in June this year to June last year.

A spokesman for the service said there had been a dramatic increase in the number of foreign tourists to this country this year compared to the previous year and reports indicated that guesthouses had enjoyed tremendously high occupancy levels.

Figures for guesthouses were not available, but the service would be doing a census of these establishments in October after which they would be surveyed on a regular basis.

Jacaranda, covering the areas of Pretoria and Wonderboom, reported the highest room occupancy increase of 79,4 percent, followed by the East Rand with 75,1 percent and Durban, Umhlanga at 66,6 percent.

The largest increase in room and bed occupancy occurred in the Overberg and Breë River Valley with an increases of 52,5 percent and 50,2 percent respectively.

Cape Town, the Peninsula and Winelands experienced an increase in room occupancy in June of 24,2 percent and in hotel income of 46,7 percent.

The Northern Province was the only region that experienced a decrease in room occupancy of 31,8 percent.

Based on star gradings, nil-star hotels showed the largest increase in room occupancy of 20,8 percent, while three and four-star establishments had increases of 11,4 percent and 12,4 percent respectively.

On an income basis, the one and two-star hotels topped the list with a 54,1 percent increase, followed by five-star establishments with 42 percent.

The five-star hotels also had the highest bed occupancy at 31,2 percent, followed by four star with 23,4 percent down to 14,3 percent for one and two start.

Tourism could be SA's greatest income earner

Star 18/4/95

CONSERVATION areas are our biggest drawcard but we have no overall conservation/tourist strategy in place, reports Science Writer Anita Allen.

Tourism is the world's largest and fastest growing industry and has been identified as a core industry in terms of further development in the southern African region.

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

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

Currently, tourism contributes 3,6% of GDP and is expected to grow by more than a third by the year 2000. Eventually it could become South Africa's largest industry.

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

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

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

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

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

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

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

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

At Lake St Lucia, plans to create a world-class destination in the Greater St Lucia Wetlands Park as a World Heritage site, have been on hold since 1989, due to an application to mine the dunes.

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

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

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

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

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

■ A draft Green Paper on a new tourism policy for South Africa was released earlier this month. Workshops on the Green Paper will be held during October and November at 12 centres nationwide: Johannesburg, Nelspruit, Rustenburg, Cape Town, George, East London, Umtata, Empangeni, Durban, Kimberley, Bloemfontein and Pietersburg.

All interested parties are invited to make inputs towards formulating a tourism policy. Copies of the working document are available free from the Department of Environmental Affairs and Tourism, Private Bag X447, Pretoria 0001, telephone (012) 310-3550 or fax (012) 320-4740.

One million tourists expected

Star 18/9/95

(288)

■ BY DEREK TOMMEY

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

Conservative projections indicate the number could reach 2,3 million by 2000, a growth rate of about 19 percent a year.

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

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

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

Colin Reeve, a top American Express official, said it was estimated that the world travel industry would employ 212 million people this year. By 2005, the figure was expected to reach 338 million.

Its turnover was about $3,4 trillion. This was predicted to grow to $7,5 trillion in 2005, and rise from 10,9 to 11,4 percent of the world's GDP.

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

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

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

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C1/5003

Outrage over brutal attack

Fivaz moves to protect tourists in SA

(284)
Star 18/9/95

TALKS to be held with tourism industry after gang-rape on Eastern Cape road

BY CHERYL HUNTER

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

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

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

The four tourists, aged between 20 and 26, had been travelling from Durban to Cape Town and had planned to spend the night in Port St Johns.

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

The tourists crashed into a fence and were dragged from their car by about 10 armed men who locked Dino Druda, a medical student, in the boot of the car before repeatedly raping his 20-year-old fellow Briton and the New Zealand woman for about four hours.

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

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

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

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

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

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

Foot patrols and roadblocks had also been erected to search for the stolen white Sentra, registration number CA760893.

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

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

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

Police to attack foreign tourist 'evil'

Cape premier condemns attack as British media highlight dangers of SA

(288) ARGUS 18/1/95

The Argus Correspondent and Foreign Service

PORT ELIZABEth. — A special police task force has been appointed to investigate "the crude and evil attack" on four foreign tourists in Transkei, Eastern Cape Premier Raymond Mhlaba said today.

A reward of R100 000 has been offered for information leading to the arrest and conviction of people who attacked the three Britons and a New Zealander near Port St Johns, Mr Mhlaba said.

Condemning the attack, he said: "The police have informed me of the plans they are making and are busy following up. Details of these plans will be made known later."

The gangrape of two tourists and the beating of all four is getting wide coverage in British national newspapers and in television and radio broadcasts.

In the attack, medical student Dino Druda was beaten and locked in the boot of his hired car while two of his female companions were raped. The third woman, Shirley Dickinson, talked her way out of being raped. The attack has touched a nerve in Britain, where violence against tourists abroad is a subject of concern.

Several tourist agencies and the Foreign Office are renewing warnings to British visitors to South Africa about the high level of violent attacks, and of the risk of travelling alone in certain areas.

Mr Mhlaba said this sort of criminal activity was sabotaging the economy by discouraging tourism.

"Community policing" from people at grassroots level who were willing to assist the police would be of great help.

Satour regional director Peter Myles called for a tourist protection unit, incorporating convoys, for tourists wishing to visit Transkei.

The attack has also prompted fears among Eastern Cape politicians, including the Democratic Party's Eddie Trent and the National Party's Tertius Delport, that the entire province could become a "no-go" tourism area.

The attack is expected to see renewed support for a 10th province in the country, to enable special attention to be paid to Transkei to restore law and order.

However, the attack prompted Mr Trent to call not for an additional province, but rather a curatorship of Transkei by the central government.

Police are still hunting for the suspects and have issued six identikits.

In Britain yesterday's national newspapers all headlined the attack, and it continued to be heavily reported today, with particular emphasis on the student who escaped rape with the question: "If you had a sister is this the sort of thing you'd want to happen to her?"

One million tourists expected this year

(288)

CT(BE) 18/9/95

BY DEREK TOMMEY

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

And conservative projections indicate the number could reach 2,3 million by 2000, a growth rate of about 19 percent a year.

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

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

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

Colin Reeve, a top American Express official, said it was estimated that the world travel industry would employ 212 million people this year. By 2005, the figure was expected to reach 338 million. In other words, the industry was creating a new job every 2,5 seconds.

Its current turnover was about $3,4 trillion. This was predicted to grow to $7,5 trillion in 2005, and rise from 10,9 to 11,4 percent of the world's GDP.

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

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

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

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

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

Philippi may get Olympic site

(288) CT 18/9/95



CIVIC DIARY

By PETER DENNEHY

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

And details concerning the infrastructure to prepare the city for an effective bid will be released by the end of this month, soon after a presentation to the cabinet.

Nobody has yet said where the indoor sports complex will be, but I have enough information to make an informed guess.

It is going to be in Philippi, beside Crossroads and Brown's Farm.

There are several reasons for this guess. I have attended three or four presentations of the Metropolitan Spatial Development Framework (MSDF) and from these it seems the Crossroads/Brown's Farm site is probably the most suitable.

Also, there are so many roads in that vicinity which are earmarked for upgrading under the "kick-start" budget which will determine how the government's R470 million for transport is going to be spent.

Among these are Borcherd's Quarry Road, Mahobe Drive just off it, New Eisleben Drive, Klipfontein Road near Crossroads, and various public transport routes in Nyanga and the surrounding area.

A report on the Olympic transport plan drawn up by Cape Town City Council officials nearly six months ago says Borcherd's Quarry Road must be upgraded to "form a continuous transit route linking the Olympic venues of Philippi with those in Bellville".

Later, the report says Symphony Way (off Modderdam Road) must bridge the N2 and provide access to "the future Philippi City" — a concept that could have come from the MSDF.

The background to the "kick-start" budget is that when the government made it known it was prepared to lay out so much money for the city's transport infrastructure, transport planners began a lively debate on how the money should best be spent.

Controversies

Local Transport Minister Mr Leonard Ramatlakane noted the advice he was getting came from two diametrically opposed schools of thought — one which backed the MSDF proposals, the other which was critical of it and seemded to place more emphasis on major roads and privately-owned cars.

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

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

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

This is probably good as the next hurdle to clear before getting a lot of money for the development of greater Cape Town's transport infrastructure is getting government approval for the company's plan.

It is hard to imagine the present government not liking a transport plan that fits nicely with the MSDF proposals. The company is well-placed to win its most significant victory yet.

Fivaz seeks ways to protect tourists

CT 18/9/95 (288)

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

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

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

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

Police said the three women and man, aged between 20 and 26, were assaulted on a lonely stretch of road near Lusikisiki.

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

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

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

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

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

Villagers

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

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

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

In a telephone interview with PA News in London, Miss Dickinson said: "We have seen two sides of South Africa. On the one side people were kind and on the other, they were brutes." — Own Correspondent, Special Correspondent

MONDAY
SEPTEMBER 18, 1995

OLYMPIC PLAN TO BE PUT TO CABINET

Key presentation may unlock roads money

CT 18/9/95 (284) (288)

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

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

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

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

Among the 30 projects are:

● Extending the R300 to link Vanguard Drive with Kromboom Parkway (M5);

Bridge

● Building a bridge over the Black and Liesbeek rivers to link Liesbeek Parkway with the Maitland interchange on the Black River Parkway;

● Linking Prestige Drive in Maitland with Section Street in Paarden Eiland and providing access from here to the N1. This should alleviate the congested Koeberg Interchange.

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

'New' Sun will be positioned to grow

BD 18/9/95 (288)

Amanda Vermeulen

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

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

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

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

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

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

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

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

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

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

Committee plans to transform Durban

BD 18/9/95 (288)

Nicola Jenvey

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

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

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

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

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

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

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

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

Tenders should favour joint ventures between established and emerging businesses.

The committee would concentrate on developing the infrastructure and services in outlying areas.

Police to combat crimes against tourism industry

(288)

ARG 19/9/95

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

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

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

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

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

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

He would be helped by SAPS divisional chief of management services, Andre Pruis, who was responsible for implementing the Community Safety Plan. — Sapa.

COMPANIES

New hotel company is formed

(288)

Adrienne Giliomee

BD 20/9/95

SOUTHERN Sun and international hotel group Inter-Continental Hotels concluded a joint venture agreement yesterday as part of an expansion plan to develop jointly more than 10 five-star hotels in sub-Saharan Africa during the next 10 to 15 years.

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

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

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

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

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

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

Mercedes backs bid

MERCEDES-Benz backed its support for the Cape Town 2004 bid yesterday with the signing of a R10m sponsorship agreement lasting until September 1997, when the International Olympic Committee decides the host city for the 2004 Olympic Games. (288)

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

BD 20/9/95

Business Day Reporters, Sapa.

Fewer tourists predicted

(288) Star 20/9/95

■ BY TAMSEN DE BEER

Experts of the tourist industry have warned that the brutal attack on four tourists near Lusikisiki will affect the tourism industry throughout South Africa.

"Incidents like these normally affect the whole industry", Satour spokesman Martin van Niekerk said yesterday.

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

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

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

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

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

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

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

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

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

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

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

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

Shortly prior to elections, attacks on tourists and motorists numbered in the dozens, with eight attacks between May and April of 1993 alone.

The tourism industry in the area suffered as a result of the attacks, until recent reports of a boom on the Wild Coast late last year.

Hotel joint venture deal

Star 20/9/95 (288)

■ BY CHARLOTTE MATHEWS

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

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

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

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

Reservations

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

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

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

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

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

Post rugby, tourists still flocking to SA

(288) Star 20/9/95

■ BY RONNY TSHABALALA

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

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

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

This represents an increase of approximately 37,4 percent over the July period last year. Of these visitors, 68,3 percent came on vacation, proving the country is still a favourable holiday destination.

Of the total number, 18 percent came to do business, 4,1 percent to look for work, and 1 percent to study, while 8,5 percent were in transit.

Britain contributed the largest number of visitors (13 915) to South Africa. This indicated a 4 174 or 42,9 percent rise on last year's figures for the same period.

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

Visitors from other African countries amounted to 16 957, virtually unchanged from last year's 16 460.

Big scramble for prime hotel sites around Jo'burg

(288) Star 20/9/95

■ BY CHERYL HUNTER
CITY REPORTER

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

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

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

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

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

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

"Developers have realised that they have to build now in order to accommodate tourists in 1996 and everyone has joined the rush," McManus said.

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

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

> *"There are new developments going up on a daily basis and we (tourism board) are not even aware of the plans"*

Hilton, new to South Africa, have plans for a R200-million hotel in Grayston Drive, Sandton, and Hyatt has completed construction of a large hotel in Rosebank behind The Mews.

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

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

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

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

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

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

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

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

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

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

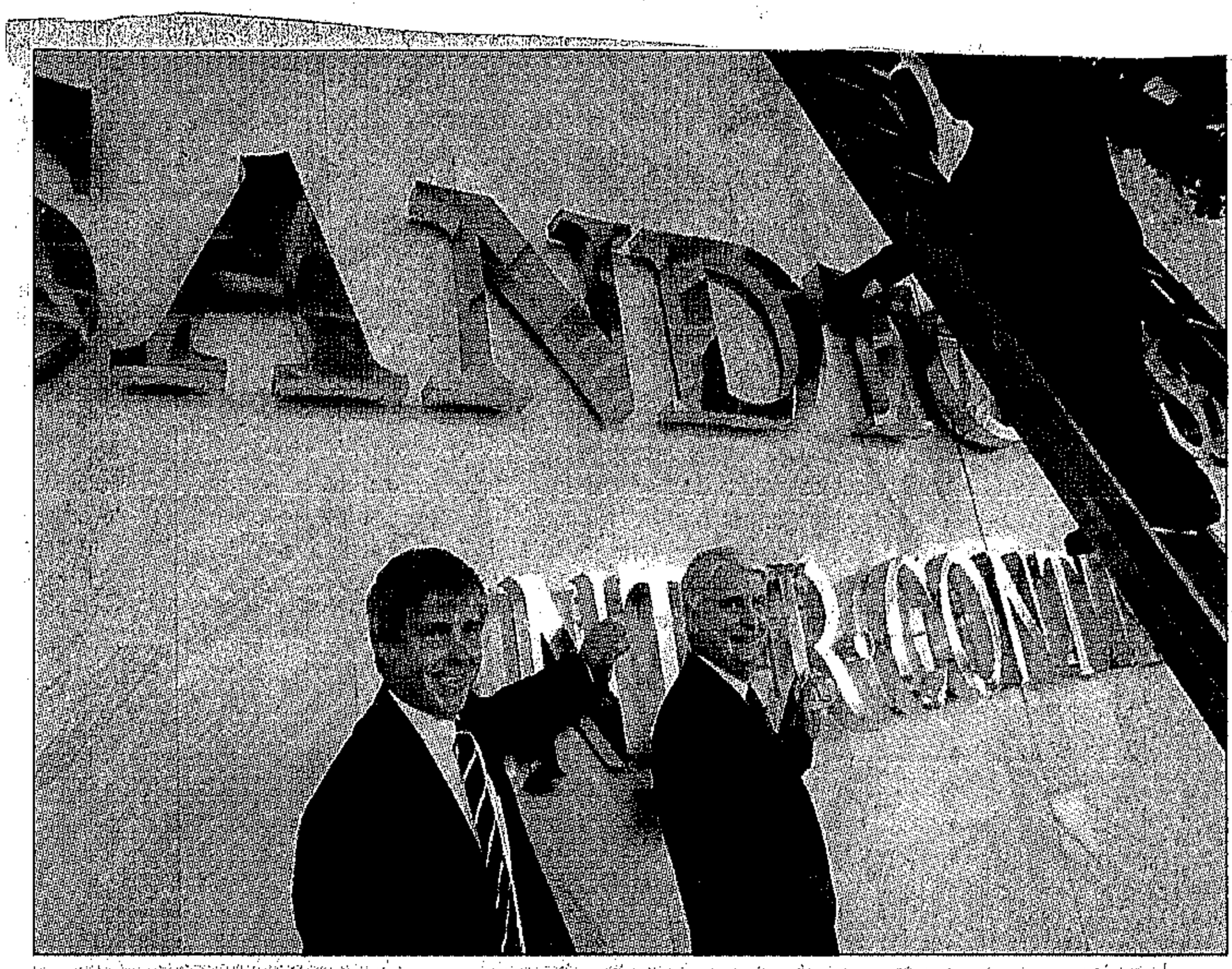
"Old buildings are being revamped and repaired because it's cheaper than building a new complex," he said.

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

"Two years ago it cost R250 000 per room to build a hotel. Now the least one pays is R450 000."

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

"There's another new one – Stocks and Stocks (a construction company) recently started building the Leonardo da Vinci hotel in Sandton Square," McManus said.



AFRICAN IDYLL *Southern Sun Hotels managing director Ron Stringfellow, left, and Inter-Continental Hotels joint managing director Robert Collier show off the new jointly-branded Sandton hotel*

PHOTO: JOHN WOODROOF

Joint venture plans 15 new co-branded hotels in Africa

ET(BR) 20/9/95 Z88

BY CHARLOTTE MATHEWS
INVESTMENT EDITOR

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

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

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

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

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

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

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

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

See Page 3

Victims were warned not to drive at night

CT 20/9/95

OWN CORRESPONDENT

(288)

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

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

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

Mr Jamie Waterton, the British consul here, said last night that the four had not yet decided when to leave the country.

TRANSKEI ATTACK 'ISOLATED'

Govt may spotlight dangerous tour areas

CT 20/9/95 (288)

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

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

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

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

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

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

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

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

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

Premature

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

Focus on Tourism

More three-star hotels needed for UK visitors

(288) CT(BR) 20/9/95

BY AUDREY D'ANGELO
CAPE BUSINESS EDITOR

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

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

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

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

Shanks said demand for holidays in South Africa had exceeded expectations. Sales had doubled in the last year.

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

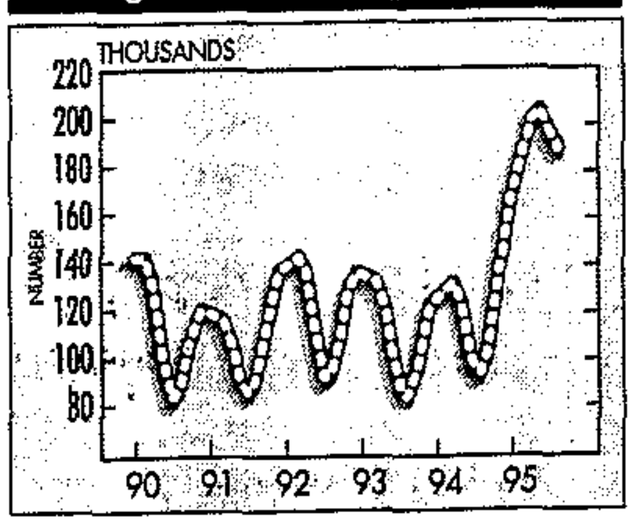
He feared there were not enough of these hotels to meet demand, and warned that if major chains upgraded their three-star hotels, they would price themselves out of the market.

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

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

"British holidaymakers will go instead to Australia which offers good value for money," said Shanks.





Tourism in SA rises dramatically

CT(BR)20/9/95

BY DEREK TOMMEY

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

In the first six months of the year the number of bed nights sold reached about 1,18 million, which was 73 percent more than the 681 000 sold in the first half of last year, a phenomenal growth by most standards.

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

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

The hospitality industry has been responding to the surge in tourism with huge price increases without satisfying service requirements commensurately.

Violent attacks such as experienced in the Eastern Cape last weekend could scupper the entire boom in tourism.

Number of tourists to SA still rising

(288) CT(BR)20/9/95

BY RONNY TSHABALALA

STAFF WRITER

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

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

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

This represents an increase of approximately 37,4 percent over the July period last year.

Of these visitors, 68,3 percent came on vacation, proving the country is still a favourable holiday destination.

Increase

Of the total number, 18 percent came to do business, 4,1 percent to look for work, and 1 percent to study, while 8,5 percent were in transit.

Britain contributed the largest number of visitors (13 915) to South Africa. This indicated a 4 174 or 42,9 percent rise on last year's figures for the same period.

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

Visitors from other African countries amounted to 16 957, virtually unchanged from last year's 16 460. The number of visitors from Asian countries was at 11 878.

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

BID COMPANY SIGNS UP FIRST SPONSOR

Tshwete slams Olympics' critics

CT 20/9/95 (288)

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

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

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

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

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

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

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

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

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

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

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



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

PICTURE: CLIVE SMITH

'Not enough focus on RDP'

CT 28/9/95 (288) (289)

BARRY STREEK

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

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

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

Hotels tell of better figures

(288)

Amanda Vermeulen

BD 21/9/95

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

The Central Statistical Service said average room occupancies increased a year-on-year 16,3% to 52% in June, while the average bed occupancy rate improved 19% to 35%.

The total number of bednights sold to foreign tourists in the same month increased sharply to 193 881 from 89 446, with bednights sold to tourists from the UK and Australasia accounting for almost 44% of this. Foreign tourists accounted for almost 20% of all bednights sold in June.

Five star hotels' bed occupancies showed a 31,2% increase over June last year.

TOURISM (288)

Plane sailing

FM 22/9/93

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

Central Statistical Service (CSS) says there was a 63% rise in the first half of this year compared with the same period last year. Tourists entering through the three main international airports, Johannesburg, Cape Town and Durban, increased from 681 160 in 1994 to 932 734 this year. The figures exclude visitors who came in by road or flew in from neighbouring countries through smaller airports.

The latest CSS statistics for bed nights sold to foreign tourists show a quantum 125,7% leap in May — up from 75 236 in May 1994 to 169 815 in May this year. The most popular province proved to be Gauteng, with a market share of 41,7%.

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

"In the first quarter of this year, we were 58% up on our target. If we can keep the current momentum going, we can expect 2,3m by 2000," says Heath.

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

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

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

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

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

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

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

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

Rampant crime real threat to 2004 Olympic bid

Star 23/9/95

(34) (288)

By TONI YOUNGHUSBAND

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

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

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

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

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

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

Kingwell added that in the end it didn't matter to those overseas reading reports about an attack in Transkei that it may be 1 500km from Cape Town. "They see the country as an entity, and we have to promise we can protect them."

Olympic bid: Marais resolves legal wrangle

GLYNNIS UNDERHILL
Staff Reporter

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

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

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

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

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

"The Cape Town City Council and the MEC for Local Government, Mr Peter Marais, are at one over the necessity for having a watertight contract with Nocsa for the 2004 Olympic bid. To this end they have agreed to amend the Municipal Ordinance appropriately so as to remove any possibility of legal ambiguity," according to a joint statement issued yesterday.

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

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

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

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

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

Foreign visitors streaming in

(288)

ARG 25/9/95

But crime rate curbs full potential

The Argus Correspondent

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

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

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

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

In the first six months of 1975, 1,83 million bed nights were sold to foreign tourists — 73 percent up on the 681 000 sold in the first half of last year.

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

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

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

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

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

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

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

Visitors mugged in city

STAFF REPORTER

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

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

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

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

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

"They didn't give a damn about the people around them. They just sauntered off afterwards," said Mrs Cheary.

She said that "nobody was interested" in their plight, evidenced by the apathy of passers-by and the non-arrival of police called by Woolworths security guards.

When they eventually made a statement at the railway station police kiosk, they were treated with indifference, she added.

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

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

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

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

She also invited the Chearys to register complaints about their treatment by the police.



VICTIMS: Johannesburg visitors Mr Richard and Mrs Lorraine Cheary who were mugged in Adderley Street — in full view of hawkers and pedestrians — by 10 gangsters. Mrs Cheary said that the indifference of those who watched and the less-than-enthusiastic response from police, left the impression that "nobody cares". ***PICTURE: CLIVE SMITH***

CT 25/9/95 (288)

TOURIST
FRIDAY
SEPTEMBER 29, 1995

EXTRA FLIGHTS LAID ON TO COPE WITH TOURISTS

Carriers home in on Cape Town

(288) CT 29/9/95

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

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

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

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

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

"In the two years that Swissair has been flying to Cape Town, growth has exceeded all expectations . . ."

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

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

Newcomer

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

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

South Africans are making use of the stop-off in Singapore to take advantage of the shopping bargains and to visit the various tourist attractions.

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

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

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

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

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

Likewise, South Africans are making use of the stop-off in Singapore to take advantage of the shopping bargains and to visit the various tourist attractions.

IRLINE SURVEY



MORE TRAFFIC: Jumbo jets operated by overseas carriers at Cape Town International Airport. From November, additional international flights will be servicing the city.

New Hilton is sign of Malaysia's commitment

WM(BM) 25-31/8/95

288

Karen Harverson

CONSTRUCTION of the R205-million Sandton Hilton will be the first concrete result of Malaysian investment interest in South Africa.

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

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

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

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

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

Business Focus was also involved with other players in bidding for the now suspended R2-billion project to acquire four Corvettes for the South African Navy.

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

Whether the South African National Defence Force intends implementing a policy of rationalisation; if not, what is the position in this regard; if so, what are the relevant particulars in respect of the (a) army, (b) air force, (c) navy, (d) departmental structure and (e) various ranks in each of these categories?

N944E

The MINISTER OF DEFENCE:

Yes. On completion of the integration of the statutory and non-statutory forces into one new National Defence Force, this force will be too large for the present needs of South Africa and it will have to be downsized or rationalised.

As one of the preparatory actions to this downsizing I have released a draft White Paper on defence policy for discussion. After national debate and based on the responses thereto, a comprehensive defence review based on national consensus will be presented to Parliament.

This review will not only set out the defence requirements of South Africa but will also govern the size and shape of the National Defence Force which in turn will dictate the downsizing exercise. I am therefore not in a position presently to provide the hon member with the detail he has requested. As soon as finality has been reached I will gladly make public all the relevant details.

Members of MK called up for training

461. Mr J A MARAIS asked the Minister of Defence:†

(1) (a) On how many occasions have members of MK been called up for training with a view to integrating them into the South African National Defence Force and (b) in respct of each of these occasions, how many of these members (i)(aa) reported for duty and (bb) did not report for duty, (ii) completed their training and (iii) have subsequently been admitted to the SANDF;

(2) how many members of MK have not yet been called up for training;

(3) whether it is the intention to call them up for training; if not, why not; if so, when?

N984E

The MINISTER OF DEFENCE:

(1) (a) and (b) Members of MK have been called up for training on seven occasions to date. The first three call-ups were based on a free-reporting system and names were not coupled to the call-up of the 28 888 persons listed in the MK Certified Personnel Register of these 9 720 reported for integration. Call-ups thereafter were coupled to names. Details are provided in the table below.

Call up Date	*Number Called up*	*(i)(aa) Reported*	*(i)(bb) Failed to report*
18 Apr 94	Free reporting		
18 Jul 94	Free reporting	9 720	
22 Jul 94	Free reporting		
6 Feb 95	1 620	1 278	342
3 Apr 95	1 620	981	639
22 Apr 95	1 300	992	308
7 Aug 95	1 068	910	158

(ii) and (iii) To date 1 900 of the 13 881 who reported have completed their basic bridging training and are presently busy with either advanced Corps/career training or have been assigned to posts within the National Defence Force. 1 334 have been lost to the National Defence Force due to recruitment by the SA Police Service and the Service Corps, or deaths, desertions, discharges and resignations. The balance are still involved in the selection process or are busy with basic bridging training. Those who do not meet the negotiated criteria for employment in the National Defence Force will be offered the option of a demobilisation package.

(2) The Certified Personnel Register of MK contains 28 888 names, therefore 15 007 are still to be called up.

(3) Yes. It is the intention to call all former MK members up for training. A further six intakes have been planned: 25 September 1995; 13 November 1995; 8 January 1996; 1 May 1996; 5 August 1996 and 19 August 1996.

Ulundi Police Training College: students under investigation

485. Mr D H M GIBSON asked the Minister for Safety and Security:

(1) Whether any former students at the Ulundi Police Training College are under investigation for alleged criminal activities; if so, (a) how many, (b) what are the allegations of criminal activity, (c) at what stage is the investigation and (d) when is it envisaged that the investigation will be completed;

(2) whether any of these former students are currently employed by the South African Police Service; if so, how many;

(3) whether any of these former students are not performing duties as a result of the allegations made against them; if so, (a) how many and (b) what is the monthly cost to the State of employing these persons;

(4) whether he will make a statement on the matter?

N1010E

The MINISTER FOR SAFETY AND SECURITY:

(1) Yes.

(a) Four (4)

(b), (c) and (d) One student has been charged with attempted murder—Plessislaer CR 333/10/88. The trial was set down for 31 August 1995 and has been postponed to 5 October 1995.

A second student is still being sought on a charge of Bribery—Pietermaritzburg CR 178/06/93. A warrant has been issued for his arrest.

A charge of driving a motor vehicle without a licence was laid against a third student on 17 October 1994—Melmoth CR 96/07/94 has reference. A warrant of arrest has been issued in this regard.

A fourth student was identified as a Caprivi trainee. He was wanted on a charge of Conspiracy to Murder—Mtunzini CR 114/09/94. The Investigation Task Unit has arrested him on 13 counts of Murder—Amanzimtoti CR 278/01/87. At this stage it is not possible to envisage when the investigation will be completed.

(2) No.

(3) None. (These former students are not performing any duties because they did not successfully complete their basic training and not because of the allegations against them.)

(a) Not applicable.

(b) Not applicable.

(4) No.

Satour: use of contributions (288)

511. Mr M F CASSIM asked the Minister of Environmental Affairs and Tourism:

Whether any contributions received by Satour have been or are being employed with a view to promoting small hotels as tourist destinations; if not, why not; if so, (a) to what extent and (b) what are the further relevant details?

Hansard 11/9/95 N1079E

The MINISTER OF ENVIRONMENTAL AFFAIRS AND TOURISM:

(a) Contributions received by Satour are employed in marketing South Africa generically as tourist destination. All accommodation establishments including small hotels benefit from marketing and promotion actions on the board.

(b) Apart from benefiting from the umbrella marketing campaigns small hotels are also assisted by Satour in the following ways:

— their marketing tools (eg brochures) are distributed in target markets

— they have access to all market research undertaken by the board

— they are invited to participate in marketing platforms such as local and foreign exhibitions

— they can participate in overseas publicity and media programmes.

Motor vehicles owned by Department

514. Mr D H M GIBSON asked the Minister of Justice:

SA tourism 'neglected'

(288)

Theo Rawana

BD 26/9/95

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

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

Tourism earned R5bn in foreign exchange from overseas visitors in 1993 and was widely expected to triple this figure by the year 2000. It also contributed significantly to tax revenue.

However, highlighting potential prospects was the fact that in SA tourism accounts for only about 3,5% of GNP, indicating a growth potential of 200% to 300% based on the world average of 10%.

Eco-tour operator enjoys wild success

CT (BR) 26/9/95 (288)

By Shirley Jones

STAFF WRITER

There are success stories and then there are miracles . . . and the story of Zululand Tours and Safaris, the country's oldest tour operator, is closer to the latter.

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

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

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

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

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

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

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

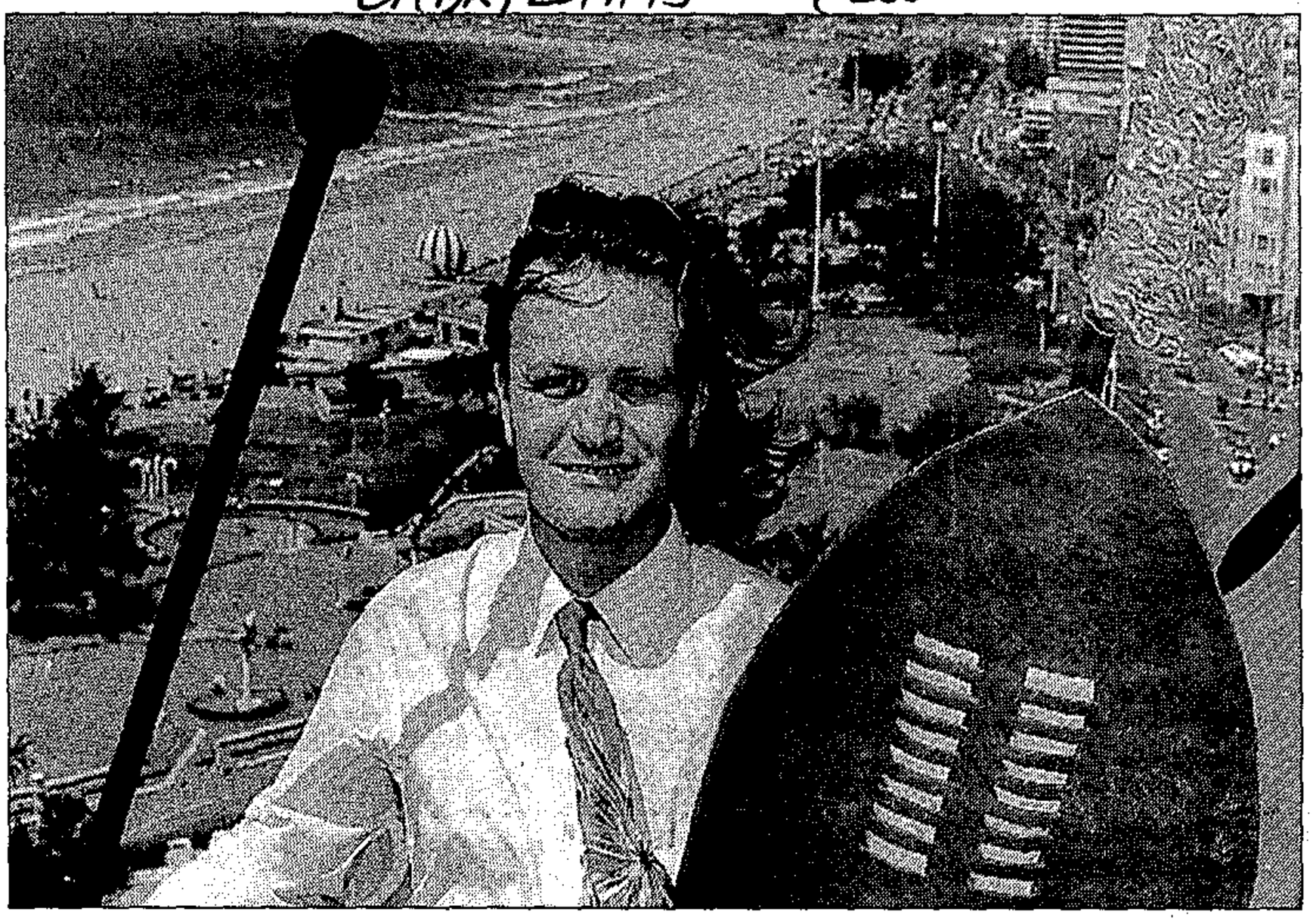
Although profit margins were "not big in this business" there was still a great deal of untapped potential, he said.

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

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

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

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



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

Tourist attacks: Fivaz appoints committee

CT 27/9/95 (288)

A NATIONAL working committee has been established to find ways of improving tourist safety following the attack on four tourists in Transkei earlier this month.

And Captour chairman Mr Gordon Oliver said it was time the Cape Town City Council and the community joined forces with the SA Police Service in combating crime, following the weekend attack on four tourists who were mugged near the Waterfront and the Golden Acre shopping centre.

Police spokesman Mr Eric Pelser said the attack on three Britons and one New Zealander in the former Transkei this month had resulted in the establishment of a working committee to look into tourist safety.

Police Commissioner George Fivaz has appointed deputy commissioner Lieutenant-General John Manuel to initiate discussions between the police and the tourism industry.

A four-person working committee has been established and consists of Gen Manuel, the head of the SAPS management services Lt-Gen Andre Pruis and representatives from Satour and the Department of Tourism.

Meanwhile, Mr Oliver said he was "absolutely devastated" over the weekend attack on four tourists who were mugged near the Waterfront entrance and outside the Golden Acre shopping centre.

"We cannot have this kind of thing as it will ruin our reputation as a tourist destination. This situation requires a top-level forum. It needs more than the police. It is a city problem," Mr Oliver said.

● Three men suspected of the attack on four tourists in former Transkei appeared in the Lusikisiki Magistrate's Court yesterday.

No charges were put to them and the case was postponed to October 18. They were remanded.

Police are still looking for two other suspects, one of whom escaped from police cells at the weekend. — Staff Reporter, Sapa

Olympic ruling blow to city bid budget

(288) CT 27/9/95

STAFF REPORTER

THE International Olympic Committee (IOC) has announced a reduction in the television rights revenue received by host cities.

This came just three days after the Cape Town Olympic Bid Company disclosed details of its budget.

The provisional operating budget for the Games is due to be presented to the cabinet today.

On Friday last week Bid Company chief executive Mr Chris Ball said there would be an operating budget surplus of R1,3 billion, in terms of preliminary estimates.

It was estimated that R2 billion would come from television rights.

But on Monday, IOC director-general Mr Francois Carrard announced that the host city's share of television rights revenue would be cut from 60% at present, to 49%.

The difference, estimated to amount to $70 million dollars (about R256m), would go to international sports federations, Mr Carrard said.

Bid Company media spokesman Mr David Butler declined to comment yesterday because the company had not yet been officially informed of the change.

According to weekend reports, R500m of the surplus is earmarked for upgrading local sports facilities. Another R150m would keep down the prices of Olympic village houses, and R50m must be set aside for the special Olympics.

Visitors to SA increasing

(288) BD 27/9/95

Theo Rawana

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

The CSS says 66 320 overseas visitors entered SA through Johannesburg, Cape Town and Durban international airports in July. This represented an increase of 37,4% from the same period last year.

Of these visitors, 68,3% came to SA for holiday purposes, 18,1% for business, 4,1% for work, 1% for study purposes and 8,5% were in transit.

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

The largest number of visitors came from the UK, which at 13 915 represented a 42,9% increase over the 9 741 who came last July.

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

Satour said it expected a 35% increase in numbers of overseas visitors this year to 950 000.

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

The publication says SA tourism last year experienced at least 27,6% growth from Africa over 1993, 20,2% from America, 22,3% from Asia and 3,7% from Europe — resulting in an overall growth of 22,7%.

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

Smaller provinces to benefit

Licensing blow for Sun International

(292) (286)

BD 27/9/95

Amanda Vermeulen

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

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

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

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

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

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

Fismer said the restructuring of the number of licences was based on the need to give the smaller provinces a proportionally bigger share to assist them in their development objectives and to create a more balanced accommodation of existing Sun International investments. Sun International MD Peter Bacon said he needed more time to discuss the implications of the proposed Bill with the group's partners, but the group was not happy with certain aspects of the draft legislation.

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

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

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

Continued on Page 2

Licences

(288)

Continued from Page 1

BD 27/9/95

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

Gambling consultant Richard Irvine from Price Waterhouse said Fismer's guideline was more pragmatic and realistic, and had taken cognisance of Sun International's investments over the years.

Global Resorts CE Ernie Joubert said the proposed legislation was fair to Sun International as well as to new developers and operators planning to enter the industry.

Sapa reports the Gauteng legislature passed the Gambling and Betting Bill during a special sitting yesterday.

Gauteng premier Tokyo Sexwale will have to sign the Bill before it becomes law.

THURSDAY
SEPTEMBER 28, 1995

OLYMPICS RESPONSE 'WITHIN DAYS'

Cabinet considers bid budget

CT 28/9/95 (288)

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

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

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

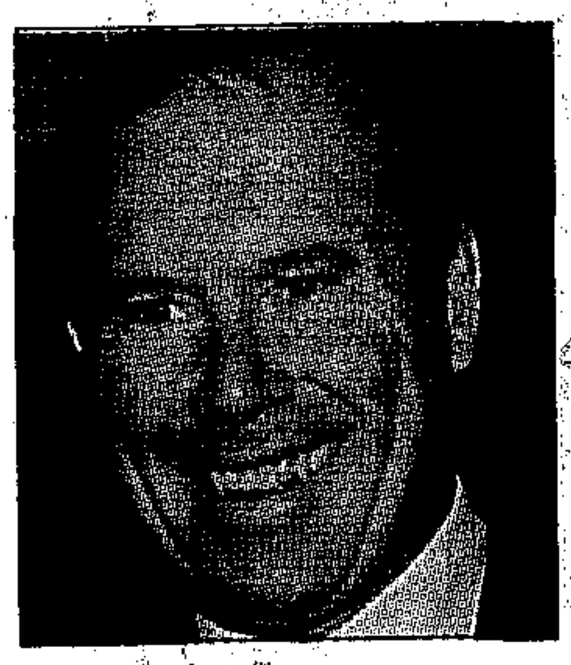
Mr Ball said the cabinet's approval or otherwise of the proposal was expected "within days".

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

Expenditure will primarily be made up of a Games operations figure of almost R2,5bn — "an overestimation", said Mr Ball.

Total revenue — including television rights, marketing, and ticket sales — is estimated at R4,21bn. The means a forecast gross surplus of R1,3bn.

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



'SURPLUS': Mr Chris Ball

The company has asked the government to cover the R1,76bn cost of accelerating spending on infrastructure such as sports venues.

Price Waterhouse partner Mr Anthony Coombe explained that the R1,76bn was spending that the public sector would have undertaken anyway over the next 15 years, but which would be accelerated so that it is spent before 2004.

Mr Ball said this excluded the R1 040m cost of the Olympic Village, which will be funded by the private sector. The houses will be sold afterwards.

He added that R918m of the R1,76bn would be spent on sports facilities, R506m on roads and R337m on rail. — Sapa, Staff Reporter

Olympic team says government must foot bill for R979-million

ARG 28/9/95 (288)

Municipal Reporter

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

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

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

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

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

During the 1½-hour presentation to the cabinet, the Olympic team was quizzed on the new figures, which are about half of those first produced by the former Olympic bid committee.

Olympic financial director Michael Fuller said there had been a "healthy exchange of points of view" during the cabinet meeting.

The cabinet's response was expected in "days rather than weeks".

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

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

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

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

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

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

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

An economic impact study showed that the gross domestic product would be increased by about R17,8 billion by the year 2004.

About 11 000 jobs will have been created nation-wide, one third of those in the Western Cape.

Now Cabinet hurdle must be overcome

R2,9-bn draft budget for Games bid unveiled

(288)

Star 28/9/95

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

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

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

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

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

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

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

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

A preliminary capital expenditure budget was also submitted, making provision for R1,76-billion in development and upgrading of infrastructure and facilities. Of this, R978-million is expected to come from the public sector. This figure was considerably less than initially anticipated, Ball said.

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

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

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

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

Captour, airlines join to promote Cape tourism

288

AUDREY D'ANGELO
BUSINESS EDITOR

ET 29/9/95

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

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

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

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

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

Probe into tour fund is nearly complete

ARG 30/9/96 (288)

GLYNNIS UNDERHILL
Staff Reporter

THE Office for Serious Economic Offences expects to conclude its investigation next week into alleged misappropriation of funds at the now-defunct National Tourism Forum.

The non-governmental organisation (NGO) was chaired by ANC MP Peter Mokaba, who said in an interview with Saturday Argus that he was the first to raise the alarm about R100 000 he believed was missing.

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

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

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

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

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

The money had come from local and overseas donors, said Mr Swanepoel.

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

Mr Mokaba had been "most co-operative" in the investigation.

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

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

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

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

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

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

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

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

Many top-flight tourist organisations had been involved in the forum, which had employed around 20 people, said Mr Mokaba.

Mokaba welcomes National Tourism Forum funds probe

(288) Star 30/9/95

By GLYNNIS UNDERHILL

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

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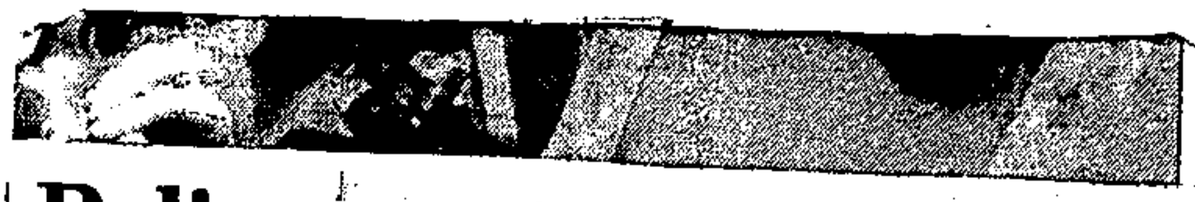

Police protection unit for tourists announced

(288) Star 2/10/95

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

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

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

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

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

At least 240 000 British tourists are expected to visit South Africa this year, closer to 300 000 next year and at least 600 000 by the year 2000, Manuel said. – Sapa.

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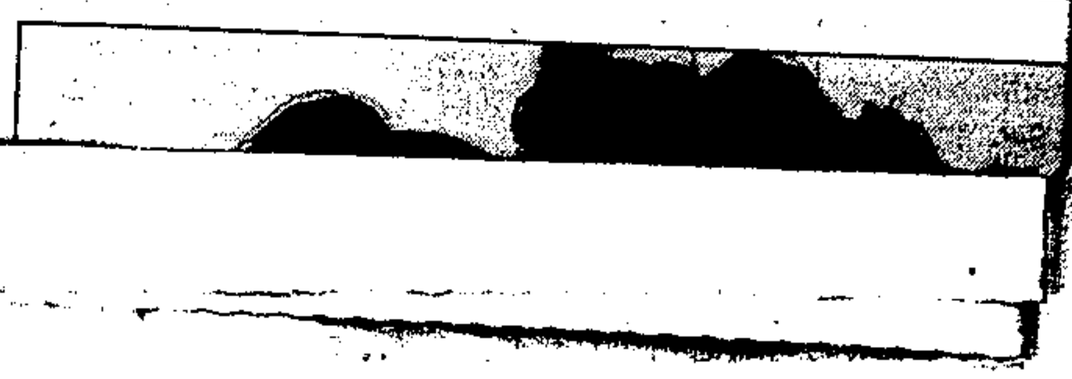

Tourist police patrols for 'this wonderful country'

(288)

ARG 2/10/95

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

He said the unit would be able to focus only on key areas and not back streets or remote parts of cities.

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

"You have a crucial role to play in helping this wonderful country of ours to move away from the poverty and economic desperation that we inherited from that previous iniquitous system."

Mr Manuel said that at least 240 000 British tourists were expected to visit South Africa this year, closer to 300 000 next year and at least 600 000 by the year 2000. — Sapa.

Cape Town 2004 gives turbo bc



THE SPIRA INTERVIEW

(288) CT(BR) 2/10/95

Preparing Cape Town's bid for the 2004 Olympic Games is the most exciting thing erstwhile banker Chris Ball has ever done.

To the uninformed, such a statement might not generate much in the way of enthusiasm, since banking is not perceived to be the most dynamic of activities. Yet Ball, 56, has not spent his career at a single bank, nor has he been involved in the humdrum which characterises much of the banking world.

"I am constantly seeking challenges. I find it irksome to sit still for too long."

Hence he has been an investment banker in London, New York and Johannesburg, held a variety of positions in Barclays Bank,including general manager in London, was the chief executive of Barclays in South Africa before it became First National Bank and was involved in the creation of several private banks in Europe.

So when he says competing for the 2004 games gives him a turbo boost, you get some idea of the excitement in taking on cities throughout the world just as anxious as Cape Town to stage the most glamorous of all sporting events.

Though not a Capetonian, he has embraced the city with the enthusiasm of one born and bred there. He is passionate about its potential to host an Olympic Games that will long be remembered the world over.

Opinions as to Cape Town's suitability vary widely, with the critics quick off the mark in drawing attention to the city's shortcomings and the wisdom or otherwise of assuming so awesome a responsibility. Accommodation and facilities, or, rather, the lack thereof, is but one of the sceptical fingers to have been pointed in Cape Town's direction.

Ball's response: "The Hilton and Sheraton are already committed to hotels in Cape Town of about 300 rooms each. Another major hotel group is currently involved in negotiations. Stocks & Stocks has bought the Milnerton golf course, where it will develop a hotel-type project.

"None of this includes Sun International's casino site, nor the many hotels which currently exist not only in Cape Town but in the peninsula.

"On top of that, we'll be contracting for 27 ships to be parked in the harbour, where several thousand guests will be accommodated.

"Discussions are in progress for the construction of a convention centre for 6 000 people — by far the biggest in South Africa — which will be an ideal venue for some the games' indoor events."

Ball sees much of this infrastructure serving Cape Town beyond 2004. "Cape Town's future must lie in tourism and as one of the world's leading convention centres."

He says there are as many as eight cycle tracks in the peninsula and several athletics tracks. While there would be only one stadium for the Olympics' athletic events, practice facilities will be required and Cape Town is, he believes, already well serviced on this score.

Nor is Cape Town alone in preparing its bid. "Atlanta and Sydney are sharing a lot with us. They're totally open."

All the work being undertaken could, of course, come to nought if Cape Town's bid fails. What are its chances of pulling off the 2004 Olympic Games?

Ball tells of a Stockholm journalist who has asked all the cities competing for the 2004 Olympics to rank the top five cities (other than their own) which they believe are the strongest candidates. "Cape Town comes out first or second in every case."

Ball considers Rome and Rio to be Cape Town's strongest competitors.

"Some of the competing cities have the facilities to hold the games tomorrow, so we're up against stiff opposition. Cape Town, South Africa and Africa have sentiment on their side, but sentiment doesn't win the bid. Sentiment can sway the decision if all other things are equal.

"What we have to do is persuade the world that we are able to run the games efficiently. I'm confident we have the ability and the resources to deliver."

For purposes of the bid, the bid company needs sponsorships from the private sector of R80 million. It has so far received promises for in excess of R65 million, of which R20 million has been firmly committed.

"The promises are only contingent on a few minor issues, including our discussions with the national government, which will be required to countersign the contract for the games. From the way people are responding, I'm confident we'll get the money."

The R80 million is needed between now and September 1997, when the final adjudication is made. Then the bid company is wound up in terms of the International Olympic Committee (IOC) charter. Thereafter, the winning city creates a new company called the Organising Committee of the Games.

Ball says it is not a foregone conclusion that he will head up that company should Cape Town win the bid.

"The people who have the power in this situation are the city and the regional government. You can develop antagonistic relations while trying to get the job done. In the case of Australia, the person who headed the initial process is not running it."

The prospective antagonism to which Ball refers is very real.

"There's a tendency in the Western Cape for the bid company's interaction with civic communities to be aggressive. We've already experienced a measure of confrontation on issues ranging from affordability to affirmative action."

In the former case, the communities had expressed the fear that the financial burden of the games would cost the citizens of Cape Town in the form of higher rates. Not so, says Ball, since the Olympics would almost certainly yield a profit.

On affirmative action, Ball insists that the bid company has been more than affirmative. Other than a few of the senior people, most of whom have been seconded, very few are white.

"At present the ratio is 65 percent in favour of black appointments. And our affirmative-action strategy extends to the firms with which we deal — car rental companies and those producing ties, badges, etc."

After September 1997, most action is put on hold until 2000, because the organising committee is precluded from taking the spotlight away from the 2000 games.

The biggest post-2000 challenge lies in telecommunications, which, at close to R1 billion, also happens to be the largest single item in the budget.

Telkom, says Ball, is optimistic it can handle the challenge.

"And it's a substantial challenge You've got 28 championships and 200 countries. The global media (between 10 000 and 20 000 of them) demands the necessary capacity, which includes all the camera angles, all the statistics, dedicated seats and interactive screens. Today's technology is touch-screen."

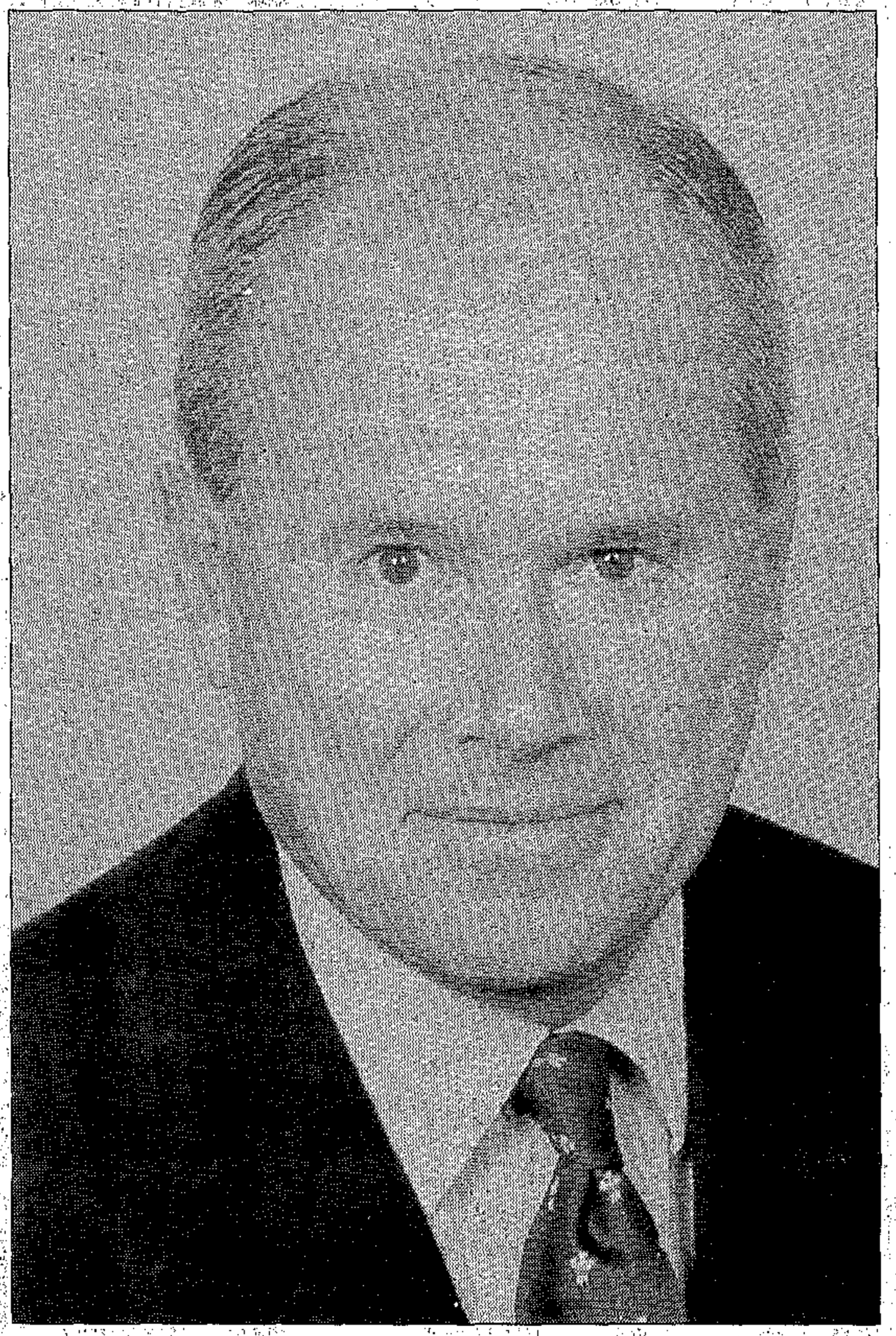
Conservative

The bid company's preliminary operating budget, based on this year's prices and thoroughly checked and approved by Price Waterhouse, is highly instructive and, Ball stresses, highly conservative.

Total revenue is targeted at R4,2 billion and total operating expenditure at R2,9 billion, for a substantial gross surplus of R1,3 billion. By far the biggest revenue item is television and international marketing at R2,3 billion.

2/10/98/288

ost to banker Chris Ball



ART OF THE CHALLENGE *Chris Ball*

From the gross surplus, the bid company has deducted a venue contribution of R504 million, a housing reserve of R150 million and a contingency of R554 million, to leave a net surplus of R94 million.

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

He notes that although R150 million has been provided for a housing reserve, housing would be provided by the private sector and subsequently sold as low cost housing.

"At present there's a shortage of 100 000 low-cost houses in Cape Town itself. Here we're talking of 3 500 to 4 000 houses, so I don't envisage any problem in disposing of the houses once the games are over. And the R550 million contingency? "It provides for nothing. It's a general reserve. The IOC doesn't like to show a profit."

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

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

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

What of the capital budget? "It has still to be approved. In compiling the capital budget we had to extrapolate capital expenditure against what would normally have been spent by Cape Town. Bear in mind that the population will grow from 3,1 million now to 4,5 million in 2004.

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

"The airport, funnily enough, isn't an issue. The Airports Company has budgeted enough to take care of the expansion, though we will need some stretch (probably a temporary facility) on the passenger handling side at the time of the Olympics."

Ball says Cape Town airport is handling 60 international flights a week, from five three years ago. "And it's coping."

The recurring capital costs comprise national roads, national rail, the airport and local government. The accelerated costs are mainly for national roads Ball estimates that accelerated public expenditure of R979 million will be needed — a figure which is lower than was anticipated and one which would at any rate have been spent regardless of the Olympics

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

Sun International plans public offer for expansion

(288)

Amanda Vermeulen

BD 3/10/95

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

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

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

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

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

UNIVERSITY OF CAPE T
SALDRU LIBRA

Buoyant tourism boosts City Lodge

(288) BD 3/10/95

Amanda Vermeulen

AN INCREASE in local and foreign tourists, as well as business travellers, helped boost City Lodge's performance in the 1995 financial year, the executive chairman Hans Enderle said in the group's annual report.

Much of the group's good fortune stemmed from the economic upswing following the general election last April.

"Domestic and international business and leisure travellers all showed a vote of confidence in the new SA by strongly increasing their business and holiday travel," he said. The Rugby World Cup also lifted occupancies.

In the year to June this year average room occupancies at City Lodges and Town Lodges increased to 81% from 75%. The 1995 year produced strong results — earnings increased to R23,8m from R14,5m in the 11 months to June last year.

Enderle said a highlight during the year was the 50% acquisition of the suite hotel chain, The Courtyard, and the 100% acquisition of The Courtyard's management company. Subsequent to the year-end the group launched its first Road Lodge near Johannesburg International Airport, adding a fourth tier to the group's brand, which include City Lodge, Town Lodge and The Courtyard.

Continued refurbishment has been undertaken to maintain standards, meet guests' needs and prepare for the demands of the next century. Enderle said the upgrades — called Room 2000 — would begin in the current financial year.

Subject to acquiring suitable sites, the group would embark on extensive expansion over the next five years. Negotiations to enter other southern African countries were in progress, and an announcement would probably be made this financial year. Overseas expansion remained a longer-term objective, Enderle said.

Profitability was likely to grow by at least the level of inflation in the 1996 financial year, and would be assisted by a full year's earnings from The Courtyard.

R470M FOR TRANSPORT MAY BE SCRAPPED

Cabinet divided on Olympic bid

(288) ET 3/10/95

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

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

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

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

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

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

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

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

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

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

CAPE TOWN 2004

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

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

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

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

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

● See Page 3

City Lodge to expand in Africa

ET(BR)3/10/95 (288)

CHARLOTTE MATHEWS
INVESTMENT EDITOR

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

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

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

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

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

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

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

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

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

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

There could also be entrants to the selected services market, although City Lodge had good locations and construction costs were rising sharply.

Sun International may benefit from new casino licensing environment

(288) CT(BR) 3/10/95

By Ann Crotty

SPECIAL WRITER

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

Despite the possible loss of several existing casino licences, the group may be better off in the new licensing environment. With several months of negotiations and lobbying between now and the passing of the Gambling Bill, it is not inconceivable that Sun International will emerge with fewer licences but greater income earning potential.

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

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

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

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

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

Bacon would not be drawn on selecting a candidate for disposal: "It is an impossible decision; there is cross subsidisation between these three operations." He added: "The decision is not entirely up to us; the provincial government is also involved and will have to express its views to central government." Again he stressed that nothing was final and there was opportunity for discussion.

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

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

The arrangement by Sol Kerzner, head of Sun Bop, to make the former Bophuthatswana government a major partner in the project will now prove to have been even more astute than originally thought.

The potential loss that the Northwest government faces on the sale is certain to make it a significant ally in discussions with central government.

There is little doubt that the existence of mega-casinos in Gauteng would severely undermine the Carousel, Morula and Sun City.

In Bacon's words, in the months ahead there'll be "dialogue, interaction and negotiation with all the parties", but, "it remains to be seen whether there will be co-operation between the provinces".

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

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

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

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

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

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

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

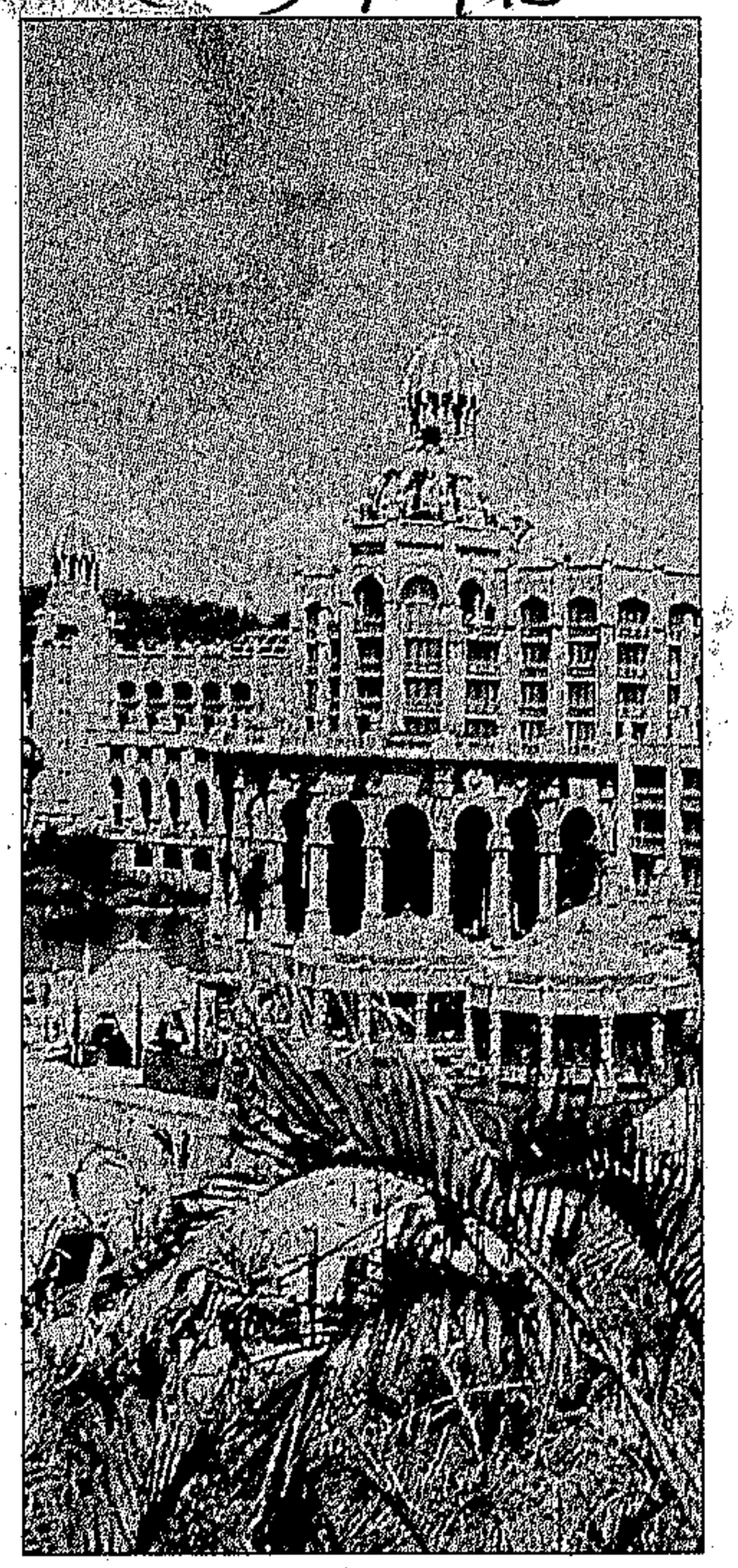
What is also unclear is the definition of licence holder.

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

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

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

The important role of the provincial governments will add considerably to the complexity.



LOST LICENCE *Sun City's gambling licence, under threat by the Gambling Bill, is a crucial part of a large and ambitious infrastructure*

'No split' over Olympic bid

BD 4/10/95 (288)

Edward West

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

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

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

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

There were individuals in both the Cabinet and the ANC's national executive committee who had strong views either for or against the bid. It was wrong to convey a impression that both had discussed the bid and differed.

Hyatt is looking at more hotel and resort projects

(288)

By Roy Cokayne

CT(BR) 4/10/95

PRETORIA BUSINESS EDITOR

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

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

The 244-room Park Hyatt in Rosebank is owned by the Iscor Pension Fund and involves a total investment of R180 million, which includes the adjoining Firs Shopping Centre which was acquired and revamped by the fund at a cost of R65 million.

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

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

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

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

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

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

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

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

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

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

"The Park Hyatt represents 1,5 percent of the Iscor Pension Fund's total assets and the target is for only a maximum of 3 percent to have exposure to the tourism market," he said.

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

He said the initial return from the investment was 9 percent from the hotel in the first year and 11 percent from the shopping centre.

Cape attracts Orient-Express Hotel's sales office

ET(BE)5/10/95 (288)

BY AUDREY D'ANGELO

CAPE BUSINESS EDITOR

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

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

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

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

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

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

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

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

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



LOOKING SOUTH *Pieter de Haas of Orient Express Hotels' African collection*

Olympic budget 'conservative'

CT 6/10/95 (288)

DALE GRANGER

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

He told 50 of the Western Cape's top businessman last night that it was expected to generate an operating surplus of R1,3 billion.

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

To win the bid in 1997, R260m was needed.

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

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

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

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

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

Victoria and Alfred hotel deal

R250-million five star hotel for Cape Waterfront

By RAYMOND JOSEPH

A CONTRACT for Sun International to build a R250-million five star Victorian-style hotel at Cape Town's Waterfront is due to be signed next week, following months of intensive negotiations.

The heads of agreement for the development were signed on Friday and the final contract is due to be signed early next week, reliable sources revealed yesterday.

The 330-roomed luxury hotel, which will include several high class shops and restaurants, is to be developed on Quay Six, and will adjoin a new shopping centre currently under construction next to the Victoria Wharf shopping centre.

Construction of the hotel is due to begin in March next year and the hotel will begin operating in the first quarter of 1997.

The deal, between the Transnet Pension Fund and the Victoria and Alfred Waterfront Company and unnamed local financiers follows months of protracted negotiations.

The new hotel will be Sun International's first venture in the Cape. Several leading hotel groups, including major international players, were also interested in developing a hotel on the site. It is said to be one of the finest hotel sites available in South Africa.

The managing director of the V & A company, David Jack, said yesterday: "We have been negotiating with Sun International for some time and we hope the deal will be concluded next week."

Sun International spokesman Richard Carter said yesterday he had no comment "at this stage."

Although Sun International is known to be vying for one of the five casino licences due to be issued to operators in the Western Cape, it is not clear whether a casino will be included in the hotel complex if the company is granted a licence.

Stocks hotel group harnesses tourist boom



THE SPIRA INTERVIEW

(285) CT(BR) 9/10/95

Stocks Hotels & Resorts, the partnership recently formed between Stocks & Stocks and the Transnet Pension Fund, which has a 26 percent stake, is fast becoming a major player in South Africa's burgeoning hotel industry.

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

"We, along with other players in this industry, are enjoying boom conditions this year in line with the upsurge in foreign visitors forecast to reach 900 000 in 1995 — almost six times the number coming to South Africa 10 years ago."

By March next year, when Stocks Hotels & Resorts will have completed construction on its R130 million, 242-room hotel at Sandton Square, the group will have about 1 000 rooms on offer, 60 percent of which it expects to be occupied by foreign tourists and businessmen.

"In terms of size, we won't be anywhere as big as the giants like Southern Sun and Sun International, but" says Corte, "we'll certainly be a force in the industry — particularly in the four- and five-star sector of the market."

Stocks Hotels & Resorts has had an effect on the industry within a relatively short space of time.

It ventured into the hotel market 12 years ago when it launched Kwa Maritane in the Pilansberg. Almost eight years were to elapse before Bakabung was added in the same vicinity.

Today, in addition to Kwa Maritane and Bakabung, it boasts the exclusive Tshukudu game lodge, also in the Pilansberg, Centurion Lake, recently enlarged by the addition of 60 rooms, the Portswood on the Cape Town waterfront, with 100 rooms with another 60 in prospect, and two casino resorts in Namibia — the Windhoek Country Club Resort and the Swakopmund Hotel and Entertainment Centre.

Corte is looking forward to the finalisation of the gaming legislation. He is confident that Stocks Hotels & Resorts will clinch at least one of the licences up for grabs.

"The competition is fierce, but I've no doubt we'll get part of the action. We've secured certain sites in advance of the new development, so we haven't been sitting idly by waiting for a licence to fall into our lap."



CONFIDENT *Bruno Corte, the chief executive of Stocks Hotels & Resorts*

Corte is sceptical over the numbers being bandied about for South African casino resorts.

"It's unrealistic to talk of individual prospective developments requiring investments of between R1 billion and R3 billion. R1 billion buys a lot of resort. Besides, that sort of money simply isn't going to be forthcoming."

He sees companies granted licences as likely to set up complexes on a somewhat smaller scale, thereafter expanding at a steady but not dramatic rate.

"Ultimately, however, I would envisage some of these complexes expanding to the size of small towns, with accommodation ranging from the two-star to five-star variety along with shopping complexes and recreation and entertainment facilities."

Stocks Hotels & Resorts is not alone in adding to its hotel portfolio. Is there a danger of excess capacity developing?

"It's unlikely," says Corte. "In any event, South Africa's hotel groups have little option but to expand or they'll find that some of the prime sites will be snapped up from under their noses by the foreign groups.

"Already we're seeing the Malaysians making some innovative moves, while multinationals like Hyatt and Hilton have wasted little time in making their presence felt."

Corte pinpoints skilled labour and the general tourism infrastructure as potential bottlenecks to expansion.

"During the 1980s and early 1990s, we lost many hundreds of our top people to hotels elsewhere in the world. Although the drain has slowed down significantly, there's a crying shortage of skilled hotel personnel."

Corte urges the government to provide meaningful training incentives, along with incentives to accelerate the development of South Africa's tourism infrastructure.

"Despite ongoing and urgent appeals in this direction, the government just can't come to grips with the fact that tourism has the potential to make a significant difference. It can be a major factor in creating jobs and generating much enhanced economic growth.

"The government fails to appreciate that for every 11 additional foreign visitors one new job is created. If it did, it would create a single tourism ministry and elevate it to a status on a par with other important ministries."

He ascribes the government's lack of commitment to tourism as partly a legacy of the former administration's attitude towards the industry.

"It certainly isn't an African phenomenon, since countries like Egypt, Kenya and Mauritius have transformed their economies by placing tourism at the top of their list of economic priorities."

Corte notes that tourism, along with its peripheral industries, has developed into the world's largest single economic sector, worth more than $3 trillion a year, accounting for 6,1 percent of global GNP and employing one in every 15 workers. Yet in South Africa tourism accounts for a tiny percentage of GDP.

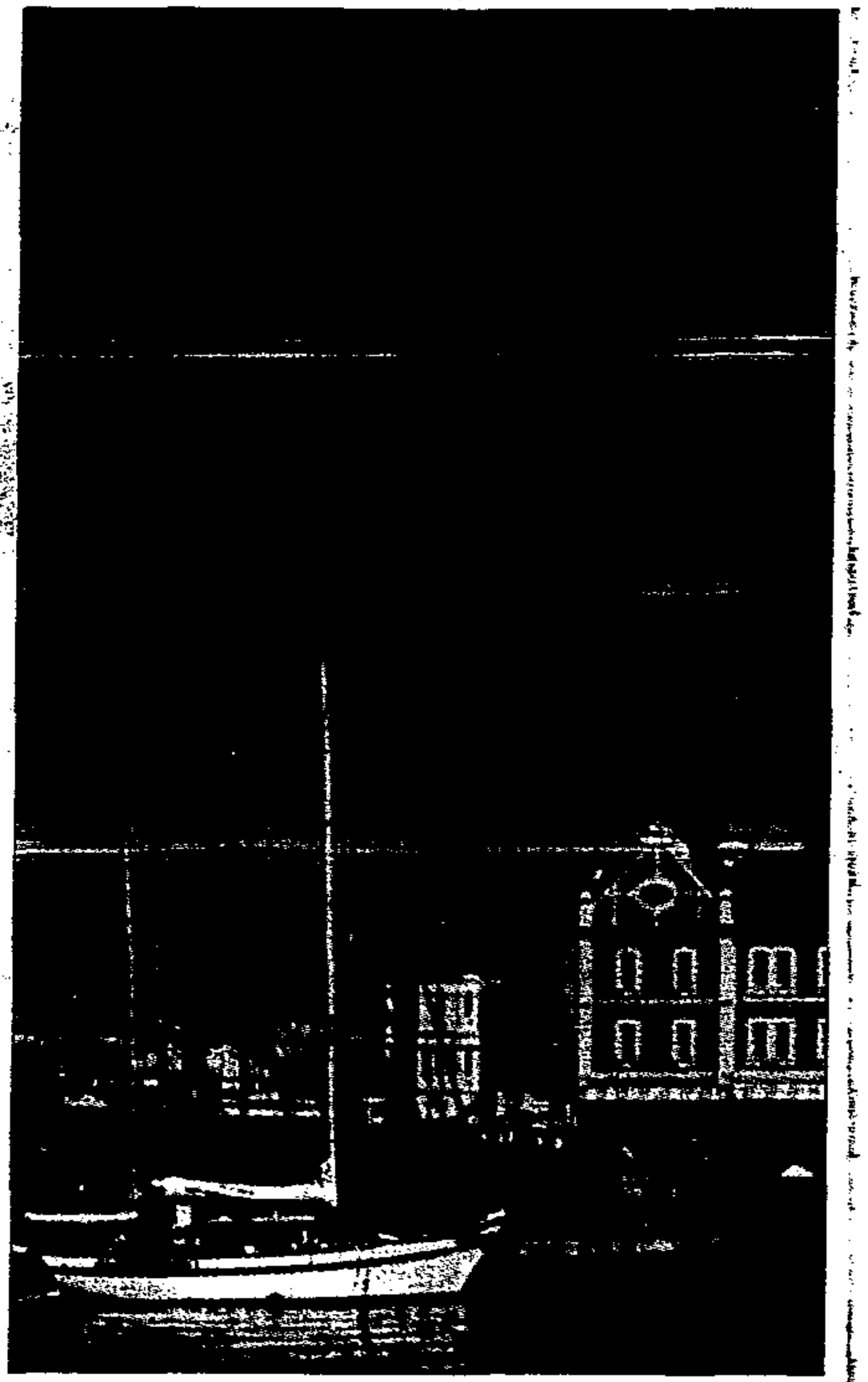
"Extrapolate the global situation into the one we have in South Africa and the industry here should more than double. That's the sort of potential at which we are looking.

"South Africa has a mere quarter of a percent of world tourism. Its income as a percentage of GNP is 53 percent of the international average."

Corte postulates that should domestic tourism grow at a moderate rate of 2,5 percent a year and should international tourism grow at 12 percent a year, present hotel capacity would be insufficient within two years.

"We have been given a window of opportunity. If we don't capitalise on that opportunity now, it's going to close on us. Competition is intense. Australia, for example, is fast trying to establish itself as the world's most attractive long-haul destination — and its government is providing the incentives needed to fulfil that promise.

"South Africa has more to offer than Australia but the world doesn't know it. Unless we get our act together, and quickly, we'll be left contemplating what might have been."



PORT OF CALL *The Portswood hotel on the Cape Town waterfront, which has 100 rooms with another 60 planned*

R23bn boost from Games — new study

(288)

LINDIZ VAN ZILLA

CT 9/10/95

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

The government-appointed research also forecast the creation of more than 30 000 jobs in the Western Cape and 140 000 nationally.

The impact study was conducted by chartered accountants KPMG and N N Gobodo and Co, who have done similar economic analyses in Sydney and Atlanta.

But Olympic consultant Mr Ian Howard issued a word of caution. He said although Cape Town is ahead in the race to win the 2004 bid, there is a danger of losing it unless there is more support for the bid.

"The people are not yet demonstrating the sort of support and commitment essential to win the International Bid Committee's approval."

According to the study, the overall benefit to the Western Cape is estimated to be between R342m and R555m a year until 2010.

Treatment for male menopause

OWN CORRESPONDENT

LONDON: Hormone replacement therapy patches for men are to be launched next year, giving recognition to the widely disputed condition of the male menopause.

The patches, approved for sale last week in America, are worn on the back or arm overnight to provide a boost of the male sex hormone testosterone, in an effort to counteract the symptoms of flagging sex drive and fatigue suffered by middle-aged men.

The menopausal condition is said to occur in men men between 45-55 and produce the same symptoms experienced by women.

Advocates say the patches will enable tired 50-year-olds to keep up with their wives powered by hormone replacement therapy. Critics, however, argue that the condition of abnormally low testosterone, a byproduct of the ageing process, affects only a minority and those with hormone levels within the normal range will not benefit.

Harley Street specialist Dr Malcolm Curruthers welcomed the news, saying: "Men often complain of depression, night sweats and hot flushes as well as loss of libido and erectile dysfunction."

Foreign tourist tidal wave

Staff Reporter

FOREIGN visitors are flocking to Cape Town in a "tidal wave" — and airlines, tour operators and hotels say they cannot handle the enormous influx.

In August, 17 968 more foreign visitors entered South Africa through the three international airports than in August last year — an increase of 36,5 percent, according to the Central Statistical Service.

Most of them were from the United Kingdom (13 933), followed by Americans (9 509) and Germans (7 957).

But tourism industry spokesmen said there could have been far more visitors had the facilities and airline seats been available.

"We could have had a growth in tours of more than 200 percent this winter season," said Cape Town tour operator Hylton Ross.

"But we simply didn't have enough coaches. Everything was booked, we just can't grow anymore. The same goes for hotel beds and aircraft seats.

"The trickle of tourists that started just after the elections has grown into a stream and has recently become a tidal wave. And summer season has yet to come.

"Tourists who now think of coming to South Africa and Cape Town are already too late for a flight in January. Every seat is booked in spite of the fact that while three years ago only SAA landed in Cape Town, there are now direct flights from the Far East, Europe and the United States.

"I can easily say tourism is the fastest growing industry in the Western Cape. The future capacity is dramatic."

The number of passengers flying to Cape Town on German airline Lufthansa's flights has more than doubled in the past year.

"There is a shortage of seats. But we can't increase our flights as there are simply not enough hotel beds and tour coaches to provide for the tourists' needs," said Mike Kahn of Lufthansa.

"There is a big international tourism boom," said Danny Bryer, sales and marketing director of Protea Hotels.

"The Far East market is the fastest growing. They take 12- to 16-day trips and visit Kruger Park and Cape Town. That leaves less room for tourists who do not book all-in tours.

Mr Bryer said Protea Hotels was thinking of opening another hotel in Cape Town to meet the increasing demand.

Gordon Oliver, chief executive of Captour, said the organisation was concerned about the shortage of facilities.

"We are aware of the need for an increase in accommodation and other tourist facilities. The private sector and developers should have more confidence in the future of Western Cape tourism."

Sun International to ask for time extension

Amanda Vermeulen (288) BD 11/10/95

SUN International would ask government to at least double the time given in the proposed gambling Bill to reduce its number of casino resorts, MD Peter Bacon said yesterday.

Bacon said various development bodies which owned a R1bn stake in the group's listed operations would also request at least five years to sell their shares, given the current uncertain climate.

General Services Minister Chris Fismer said at the recent tabling of the Bill in Parliament that interested parties had until the end of October to make representations.

The Bill's proposals included a cap of two licences per operator in each province, no more than 16 licences per operator, and a two-year phase-down period for Sun International to meet these requirements.

Bacon said current market conditions could force the group and its stakeholders to sell investments well below their asset value. The shares of its three listed companies — Sun Bop, Sun Ciskei and Transkei Sun — have slumped over the year, with Sun Bop dropping to its current level of R22,25 from a year high in November of R36.

Transkei Sun's share has come off to R3,10 from its annual high in January of R4,75, while Ciskei Sun is trading at R2,40, down from its January figure of R2,90.

The shares are still trading higher than the individual companies' net worth per share. Sun Bop's net worth a share stands at R12,02, Transun's at R1,45 and Sun Ciskei's at R1,23.

'Bid's hurdle is Capetonians'

(288)

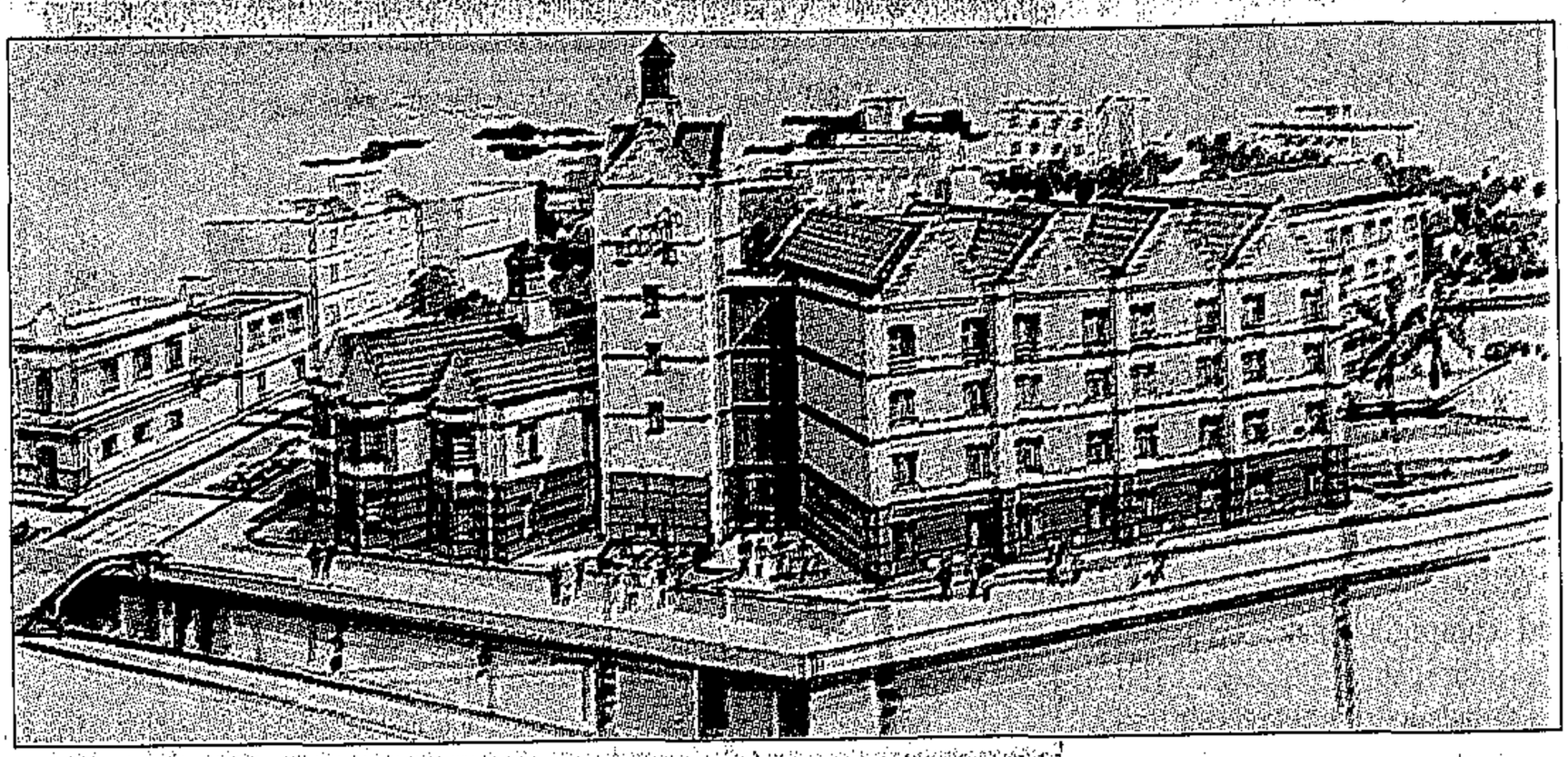
STAFF REPORTER

CT 12/10/95

CAPETONIANS are apathetic about the city's bid for the 2004 Olympics — and public workshops on the games will soon be launched at the city hall, which is to be opened during lunch for people with questions about the bid.

This was announced last night by Mr Ronnie Kingwill, director of the bid process, addressing the Institute of Directors. They were meeting just nine days before the cabinet is to vote on whether to endorse the bid and agree to make R975 million available for roads, railways and infrastructure — money budgeted up until 2010 but which the bid company wants accelerated to build the infrastructure.

Mr Kingwill said overseas Olympic experts had told the bid company that, if Cape Town played its cards right, there was no other city in the world that could win the nomination. Canadian Olympic sponsorship expert Mr Ian Howard had told officials that Cape Town's biggest rival was itself and the question was "whether the people really want it".



CAPITAL *An artist's impression of the R25 million City Lodge Pretoria Lake, one of two City Lodge hotels the group plans to open in Pretoria next year. A Town Lodge will also be built in Menlyn Park*

CT(BR)12/10/95(28)

Two new luxury hotels for Pretoria

BY ROY COKAYNE
PRETORIA BUSINESS EDITOR

City Lodge Hotels, the listed hotels group, is planning to build two hotels in Pretoria at a cost of almost R40 million.

Hans Enderle, City Lodge chairman, expects the construction of both hotels to commence next year and that they will open for business before the end of next year.

Enderle confirmed a four-storey hotel would be built in Sunnyside at a cost of about R25 million.

The rezoning of the 3 500m² site, which is owned by the Pretoria City Council, was approved by the council last week.

Although the site forms part of the area being rezoned for the City Lake Project, the rezoning application stressed it was relatively isolated from the main development area and could function independently of the Lake Project.

The application added that the hotel could later link up and form part of the Lake Project as originally planned.

The hotel will comprise 160 rooms and be in the same style as the group's flagship hotel at the Victoria & Alfred Waterfront in Cape Town.

The group's second hotel in Pretoria — a Town Lodge — will also be built on land belonging to the council on Atterbury Road at Menlyn Park.

Enderle said City Lodge hotels took about eight months to build and that the construction of the Menlyn hotel would begin before the City Lake Project hotel.

Restaurant body joins Cape protest

CT 12/10/95 (287)

STAFF REPORTER

THE national body of restaurateurs has joined local restaurateurs in objecting strongly to Cape City Council's smoking legislation.

Mr Chris de Jager, national chairman of the South African Restaurant Guild, which represents 800 top restaurants, said not the Restaurant Guild nor any local authority nor any person had the right to prescribe a number of seats or quotas for (smoking) arrangements in any restaurant.

The Tobacco Products Control Act states that in the Cape Town municipality 80% of a restaurant should be non-smoking and 20% be a well-ventilated smoking area.

Mr De Jager said both smokers and non-smokers were important to the industry and the restaurateur was in the best position to respond to patrons' requirements.

He said there were areas of the industry geared towards smokers and that rigid guidelines could not be applied.

He said that the guild had called upon its members to offer patrons the "courtesy of choice" — providing a smoking and non-smoking option.

Mr Don Titmus, vice-chairman of the Cape Town Guild, said Western Cape restaurateurs as business people were worried by prescriptive legislation, but supported the non-smoking issue.

Hazard

Dr Ivan Bromfield, Cape Town's assistant medical officer of health, said regulations against tobacco had been been created because cigarette smoke was a health hazard.

He said restaurants must provide smoking areas that were naturally ventilated or they must provide ventilation systems by April next year.

Street children mug tourist

(288) CT 12/10/95

STAFF REPORTER

ANOTHER tourist has been mugged in the city in broad daylight — and CBD businesses, the police and tourism organisations are to meet soon to discuss measures to combat the growing violence on city streets.

Mrs Ann Simms, 60, of England, was walking with her husband on Tuesday about 10.40am when she was attacked by about 10 street children on an escalator off Strand Street, police said yesterday. Her necklace was ripped off her neck.

The previous night a vagrant in Thibault Square was shot dead by another vagrant and recently a Johannesburg couple were mugged by a gang on a Saturday afternoon as they were walking in Adderley Street.

Captour chief Mr Gordon Oliver said yesterday the city was now a year-round destination for overseas visitors and with tourism booming, increasing violence in the city was a "serious concern".

HOTELS

From gloom to boom

(288) FM 13/10/95

With the volume of tourists to SA growing by 20% a year and hotel beds — especially at the top end — in short supply, hoteliers are rushing to secure the best hotel development sites.

But the stampede to meet the burgeoning demand for hotel accommodation has given rise to fears that an oversupply of five-star hotel rooms could develop in the short term.

The UK's largest international long-haul tour operator and travel company, Kuoni, says it can't secure enough four- and five-star hotel rooms in Cape Town for the next two years.

Consequently, it is having to book ahead to 1997 when some of the new hotels should be ready for occupation.

Says Kuoni: "Our need is greatest for four-star hotel rooms in Cape Town for leisure travellers all year round and for five-star rooms in peak season for business or incentive-related travel. This is where the main shortages are."

Hoteliers say the room shortages are likely to persist for another two years. But the spate of new hotel developments being embarked on — some of which will open their doors in about 18 months' time — is raising concerns about an oversupply developing in the short term.

Cape Town has 700 five-star hotel rooms (out of a total of 4 500) provided by The Bay, Mount Nelson, Cape Sun and The Cellars hotels. The new Sun International at the Victoria & Alfred docks and a proposed new Hilton Hotel should double the number of five-star hotel rooms available in the city in the next two years.

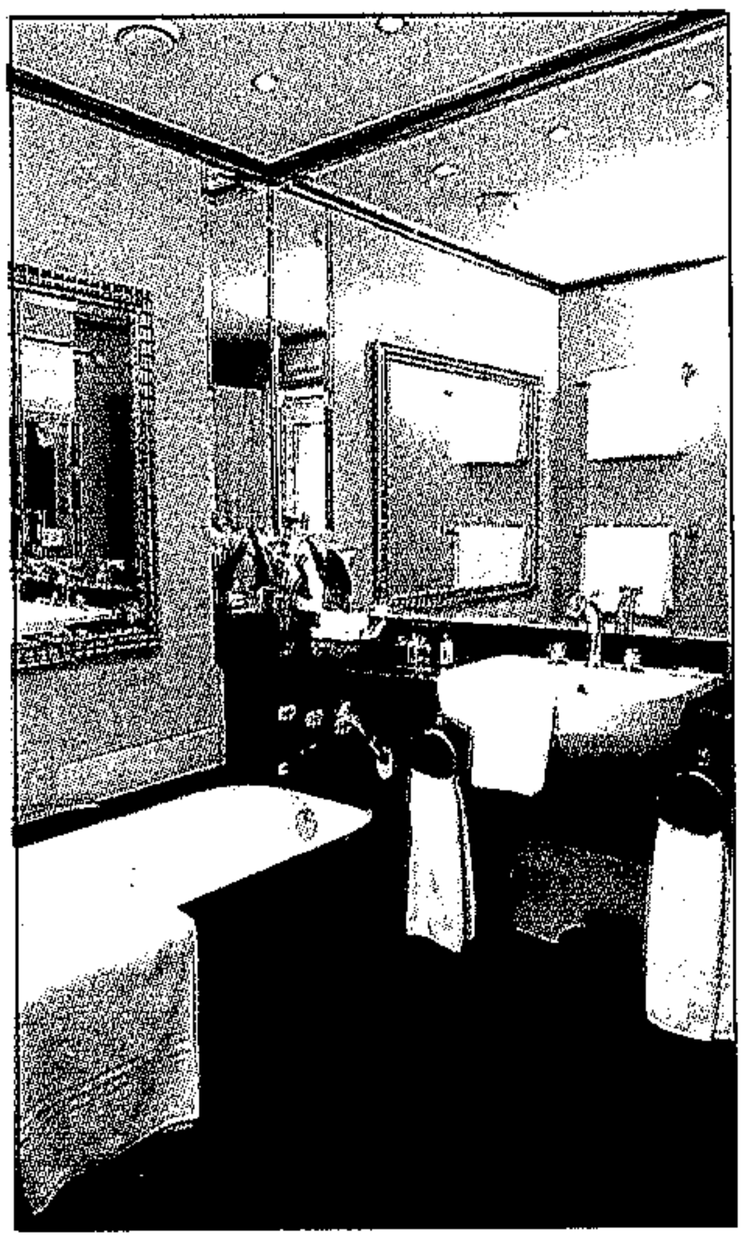
"All studies show," says Marshall Finlay, who helped develop Johannesburg's new Hyatt Hotel, "that the five-star market in Cape Town can cope with an average of 300 new rooms a year over the next 10 years. I estimate that there are around five new hotels, with an average of 250 rooms apiece, in the planning stage. That's likely to produce 1 500-2 000 extra rooms in Cape Town in six years. So we expect a short period of oversupply between 1998-2001. The first hoteliers in will scoop the cream; the rest could be faced with a surfeit of rooms when they open. Timing is crucial."

His accounting takes in the plans of Lonrho hotel subsidiary Metropole, now considering developing another hotel on the Power Station site; the Ritz Carlton; Sheraton Hotels (rumoured to be on the point of signing a new hotel deal); Hyatt Hotels; Stocks & Stocks; Cape Grace and Sun International. The proposed Hilton Hotel is excluded.

Finlay says Hyatt is "pushing like mad" to get hotel development sites secured. "Our first choice is the V&A in view of the competition the precinct is likely to experience from hotels on the Power Station site but we've taken options in Mouille Point and are talking to architects about Sanlam Properties' President site in Sea Point."

This week, the go-ahead was expected to be given for a five-star hotel at the V&A and a four-star hotel nearby. Sun International and Transnet Pension Fund are finalising negotiations on a 320-room five-star hotel at the V&A and Protea Hotels is developing a four-star, 180-room hotel within Newport Property Group's Victoria Junction office/loft apartment/hotel development across the road from the V&A's main entrance. Protea's will open next November.

After months of wrangling over the fact that a second five-star hotel at the V&A could tip room availability into oversupply, Sun International is said to have agreed to go ahead with its development on condition that any simultaneous development of a five-star hotel at the waterfront is restricted to a small, 105-room boutique-type establishment. The hotel most likely to fit this bill is an 80-room Cape Grace facility of "five-star quality" operated by Charles and father Chippy Brand of the Mount Grace in Gauteng. However, their plans are only likely to be confirmed in a fortnight.



Rosebank's Hyatt Hotel . . . *putting the emphasis on room comfort*

According to Finlay, the V&A company has asked Hyatt Hotels to put on hold its plans for a new five-star hotel at the waterfront. Its proposed new facility would only be allowed to open two years after the commissioning of the new Sun International and Cape Grace hotels in 1997.

Meanwhile, representatives of the Ritz Carlton Group — recently taken over by the Marriott Group — fly to Cape Town and Johannesburg this week for discussions on several new hotels. The *FM* has learnt that the Ritz is considering leasing Old Mutual's Derbers site in Tyrwhitt Avenue, Rosebank, for a 200-room hotel that will be funded from offshore. And new hotel group eLan Park Hotels says it has secured sites in Durban North, Sea Point and within Johannesburg Country Club property for the development of three four-star hotels.

Orient Express Southern Africa MD Nick Seewer — now upgrading four small properties next to its five-star Mount Nelson Hotel in Cape Town to raise luxury room/suite numbers from 159 to 219 by next December — is soon to announce a "120-room, five-star hotel somewhere between Rosebank and Johannesburg in the next two months. A change in zoning is all that is being awaited," says Seewer.

Southern Sun, which recently forged links with Intercontinental Hotels, is also keeping a beady eye on the Cape Town market. Group chief operating executive Helder Pereira says Southern Sun is waiting for the finalisation of casino licence allocations to learn to what extent the group will be required to form joint ventures in hotel developments. Details of the allocations should be finalised early next year.

Meanwhile, Pereira's medium- to long-term plans for Cape Town include a four-star Crown Plaza hotel and two two-star Holiday Inn Expresses. He will not divulge where they will be put up but indicates the Clifton-Camps Bay area is top of the list for a small hotel and a greenfield development suitable for a large casino/entertainment centre — subject to the final regulations governing casino development.

The increased demand for hotel accommodation in Cape Town can be seen in the diminishing winter off-season which typically runs from May to October. Mount Nelson says September occupancies were around 65% and October's are around 85%,

up from 45% and 50% respectively last year. Most Cape hoteliers see the five-month slow season eventually reducing to two months as the general improvement in winter occupancy rates takes effect.

DEVELOPMENT

Wrist-slapping time

Townhouse and cluster developer Rod Frew, a partner in the Summercon development company, has vowed never to build without proper approval again.

Three weeks ago the Greater Johannesburg Transitional Metropolitan Council's town planning department, prodded by the Craigpark Residents' Association, issued a stop order on Summercon to halt the building of its Craighall Estate clusters in Craighall because the approval for the developer to build to a higher density had not yet been promulgated. Summercon began building three months ago but promulgation only took place on Monday.

According to Frew, Summercon has only "done the brickwork" on 30 out of a total 52 units. The two and three-storey simplex development is on the corner of Waterfall and Alexander avenues in Craighall.

While he admits the contravention, the way Frew sees it promulgation is only a formality that takes place in the Gauteng minister of planning's office. "It's merely an announcement in the *Government Gazette* that formal approval has been given."

Summercon began building in July once the Townships Board recommended to the Provincial Administrator that high density rights be granted.

Frew says no written representations were made to the Gauteng Premier in the 30-day period allotted for objections to the scheme. The recommendation and lack of representations, he says, enabled Summercon to develop the site.

But according to TMC acting director of city planning Jean Luc Limacher, when the development right is promulgated, the developer is still required to submit site development plans for the permission of, for example, third storeys, and for approval regarding the number of units being built. The developer is also required to submit a building plan.

Frew says that were the submission of site and building plans allowed after the Townships Board recommendations are received, costly time delays could be avoided. New legislation should achieve this goal says Limacher. It will replace the decision-making process of the Townships Board with a town planning tribunal at local authority level.

Residents are not able to object to the building and site plans.

As things stand Frew says "the local authority does not have any authority to grant any permission until promulgation."

Limacher notes that in terms of the Removal of Restriction Act, the province is the decision-making body. But in terms of the Town Planning & Township Ordinance, local government takes the final decisions. These are the two pieces of legislation through which rezoning is applied for.

Limacher says the Gauteng Province is now in the process of delegating its powers to local authorities to make decisions in respect of the Removal of Restriction Act, and at the same time it plans to provide for the establishment of an appeal jurisdiction at provincial level.

This will simplify rezoning applications but not necessarily expedite them, says Frew. He believes the greater community participation in the process of development which the Bill will enable, will "in the absence of clearly defined steps and procedures for local government officials to follow in the Bill, only exacerbate the delays currently being experienced by developers in rezoning applications."

The net effect of the Bill is to grant local authorities the right to approve rezoning applications where such applications are linked simultaneously with the application for the removal of restrictive conditions contained in title deeds. But because province can still be appealed to, Frew says it only introduces a further level in the decision-making process. Instead, he suggests, local authorities should have the final authority to make decisions though Limacher argues they will have that.

Residents have been upset by Summercon's actions. They allege Summercon erected three-storey units on a portion of the site that bordered on its neighbours. But Frew says this was done in error and the brickwork pulled down soon after.

Frew says Summercon's real motivation for building ahead of promulgation was to get his idle construction teams to work while rezoning applications were being formalised. He says residents may be convinced that developers do as they like because they are often unaware of town planning procedures, particularly the process of objections. The real confusion, he says, takes place at the local and provincial levels of government because they have received no clear message from provincial or central government on densification policy in urban areas. ■



Craighall Estate . . . *Summercon building without approval*

INFLATION

FM 13/10/95

Changing the rules

The August drop in the consumer price index to 7,5% supports predictions by Rand Merchant Bank chief economist Rudolf Gouws and property analyst Erwin Rode that the inflation rate is on a steady decline. They see inflation dropping to 5% within a few years.

Gouws says that if fiscal and monetary discipline continue, "there is no reason our inflation rate should not be the same as our trading partners' within five years."

They say inflation may rise next year but as a hiccup in the descending trend. But Rode says the property industry is not convinced the inflation bogy can be beaten: "Though the CPI is 7,5% and underlying inflation is 9%, the industry still has inflationary expectations of 14%. This is likely to continue for some years."

So Rode sees no change in rental escalation percentages in the short term. Eventually, though, he expects escalation rates to decline from 11%-12% to 5%-6%.

In the long term, says Rode, growth in rentals is likely to slow to equal building cost inflation. But other factors such as declining vacancies, contractors pushing up their building margins and generally higher demand for housing will tend to keep rentals buoyant.

Falling inflation is bad news for highly geared property owners and developers who rely on high inflation to boost returns. But lower nominal interest rates make houses more affordable.

"In a low-inflation scenario, most of the total return comes from the income yield. Unfortunately, the yield is fully taxable unless the property is owned by a pension fund or, to a lesser degree, a life office," Rode says. ■

SUN INTERNATIONAL

Bedevilled by uncertainty

FM 13/10/95 (288)

The stodgy share prices of Sun International (SI) companies are starkly reflecting investor concerns about the uncertainties surrounding the group's future and the dilemmas management are grappling with.

Incorporation of the former homelands into the new SA, plus sweeping changes in the gambling laws, have engendered a restructuring of SI's local casino hotel interests — but in a climate still fraught with uncertainty about the final shape of gaming legislation, which will determine the number and disposition of licences and the regulatory structure.

In the absence of hard numbers, chairman Buddy Hawton faces a tough challenge: to anticipate the shape of things to come as closely as possible and to manage the changes with minimal damage to the share prices of the listed companies.



Hawton

He contends that the group restructure plan — which involves gathering Sunbop, Transun, Suncisk and unlisted Venda Sun under the aegis of Sun International (SA) — is a move in the right direction, creating a more streamlined, cost-effective operation with lower risk to shareholders.

Even though Transun and Suncisk have made good profits recently, the share prices have remained slack, their p:e ratios sitting at only 6,3 and 4,7 respectively. The market has dealt harshly with the much larger Sunbop, long one of the best-rated shares on the JSE's industrial board. Its share price has fallen from an eight-year high of R50 in May 1994 to the current R22 and a p:e of 10,5 — far below the sector average of 27,3. In the process, shareholder wealth has been slashed by some R3,3bn.

Part of the cause of market unease is that it has become plain some substantial shareholders will be forced to divest their holdings completely. The National Gambling Bill stipulates that provincial governments and development corporations which inherited SI shares from the former homeland governments must sell up within a two-year "sunset" period.

Hawton believes that this deadline is far too soon. "It will create a downward pressure on the shares."

The number of shares is significant — about 37% of SI's total South African share capital and currently worth about R1,3bn. Efforts to shed such large holdings will almost certainly lead to an overhang in the market, says Ed Hern Rudolph director Syd Vianello.

Hawton intends to take the issue back to General Affairs Minister Chris Fismer to try to negotiate a five-year sunset clause, which would encourage would-be investors to buy shares at a market-related price. "The money that will be realised will be used for provincial development," Hawton adds. "A low share price will have a negative effect on the RDP."

However, an impediment to the speedy repurchase of these shares is the current fogginess about the number and recipients of new gambling licences. Hawton says potential investors will want to "see the impact on the facilities before they buy."

With the lure of gambling revenue in mind, the provinces are "moving fairly rapidly ahead in terms of their own legislation," says Hawton. But he does not expect final licence applications to be called for until next April or May.

Delays in legislation have more sinister implications for SA's gaming industry. The failure to police illegal operations opens the door to shady activities, such as tax evasion and money-laundering.

Hawton is concerned about the effects on legal operations and on SA's image as a law-abiding society.

Gaming licences

It seems certain that SI will lose at least some of its gaming licences. The uncertainty breeds unhappiness in the market, as well as in the boardroom, and analysts are divided on the present value of the shares. Views range from "wait-and-see" to the belief that the prescient investor is now being offered a great bargain.

Vianello says the group needs to replace lost earnings with a new gaming venture: "I don't think we'll see a major appreciation of the share for a long time," he says.

For his part, Hawton would like the maximum number of licences nationwide in the National Gambling Bill (16), but what he particularly wants is a clear decision.

"This will give us a degree of certainty. Then we can decide which operations to retain and which new licences to apply for. Understandably, the market is uncertain about our strategy and whether it will be successful."

The saga is far from over. Meanwhile, the share prices of SI companies, which have made huge investments in the hope of attracting local and international customers to top quality gaming and tourism facilities, continue to languish. *Margaret-Anne Halse*

RANDGOLD

Placing rights in US

Mining house Randgold is said to be in the process of placing out 20% of its West African mineral rights for US$20m cash.

The *FM* wasn't able to confirm the story as it went press, but a New York source says the placing was snapped up by US gold bulls. Randgold commercial director Brett Kebble refused to comment.

Another well-placed New York fund manager says presentations by Randgold chairman Peter Flack and geologist Mark Bristow last week were impressive and well received. "But I wouldn't have thought it possible in mechanical terms for the placing to have been achieved so quickly."

What is intriguing — apart from the fact that the issue effectively places a value of $100m on Randgold's West African mineral prospects — is that few private foreign investors ever get the opportunity to take part in potential new mine development at such an early stage.

"I know," says the fund manager who won't be named, "that West Africa is a really hot exploration area. For that reason, some investors were sceptical initially because it's almost unheard of for a major to invite such early participation."

Randgold has acquired 60 projects in five countries — Burkina Faso, Gabon, Mali, Senegal and Ivory Coast. The only bad news is that US house Newmont has backed out of the Sanmatenga project in Burkina Faso (it held a 50% stake), apparently because its interests are focused more on epithermal deposits in the Far East.

"Anyway," says the fund manager, "the politics inside Newmont are worse than almost anywhere else. Randgold is better doing this on its own."

All this probably explains the sudden run in Randgold's share price — it has moved from 1 425c to 1 600c in just six trading days. *David Gleason*

Sol's Cape Town palace

(288) AAG 14/10/95

■ Sun King Sol Kerzner has concluded a deal with the Transnet Pension Fund which will see a new R250 milion hotel being built at the Waterfront over the next 18 months.

WILLEM STEENKAMP
Staff Reporter

IN a major financial coup for Cape Town the Waterfront has cliched a R250 million hotel deal with Sun International which will see the construction of a 330-room five star hotel at the Waterfront.

The hotel will be the biggest five star hotel in the Cape and will include a 260-seat theatre-style conference room as well as a smaller 60-seat "meeting room", a first floor pool and health club area, a tea room and restaurant.

David Jack, managing director of the V & A Company said the project took four years to put together but in typical Sol Kerzner fashion — now that the deal has been concluded — construction on the mega-buck hotel is set to start on Monday.

The anticipated opening date for the hotel is April 1997. About 1 200 jobs will be created during the construction period and 430 fulltime staff and 108 contract staff will work at the hotel.

The design of the hotel was a joint effort between the design firm of the Landmark Entertainment Group in California and the Cape Town Design Review Committee of the Waterfront which includes several of the city's foremost architects.

Main objective of the design team was to blend a five star hotel into the themed architecture of the Waterfront — which represents a working harbour and dock.

Mr Jack said the design reflects a turn of the century architecture with a Cape Town Victorian flavour and a touch of Edwardian gables which was the local trend during that era.

During the next 10 years another R2 billion to R3 billion will be spent on further developments in the Waterfront.

The Transnet Pension Fund which owns the Waterfront is investing R190 million in the new hotel while Sun International is investing R60 million.

Mr Jack said the Transnet Pension Fund was approached by several local and global groups all of whom were keen to develop a hotel in the Waterfront.

"Sun International was distinguished by its commitment, it was prepared to invest financially and to guarantee a long lease.

"Most crucially for us, they have positive beliefs about Cape Town, the Southern Cape and the Waterfront as an increasingly important tourists destination."

As for the aesthetic demands, Mr Jack said: "We take the design and details of every element here seriously, and so did Sun International.

The hotel is to be constructed on Quay Six, next to the new shopping centre which is currently under construction adjacent to the Victoria Wharf retail centre.

Buddy Hawton, chairman of Safren, holding company of Sun International, said the new hotel will make a substantial contribution — estimated at about R4 400 million over the next 20 years — to economic growth and the RDP in the region.

Ian Douglas, director of Sun International in the Western Cape, said the new hotel would provide a catalyst for economic development in the province which would go far beyond the tourism and leisure sector alone.

"The provision of this world class facility in Cape Town is the first in a series of development commitments that the group hopes to undertake in the Western Cape, providing a base for the expansion of the province's rapidly growing share of the discerning international tourist market.

"Estimated annual direct expenditure by visitors will exeed R110 million and tog salaries and other hotel will be the c R180 million in spen Western Cape in th of operation alone."

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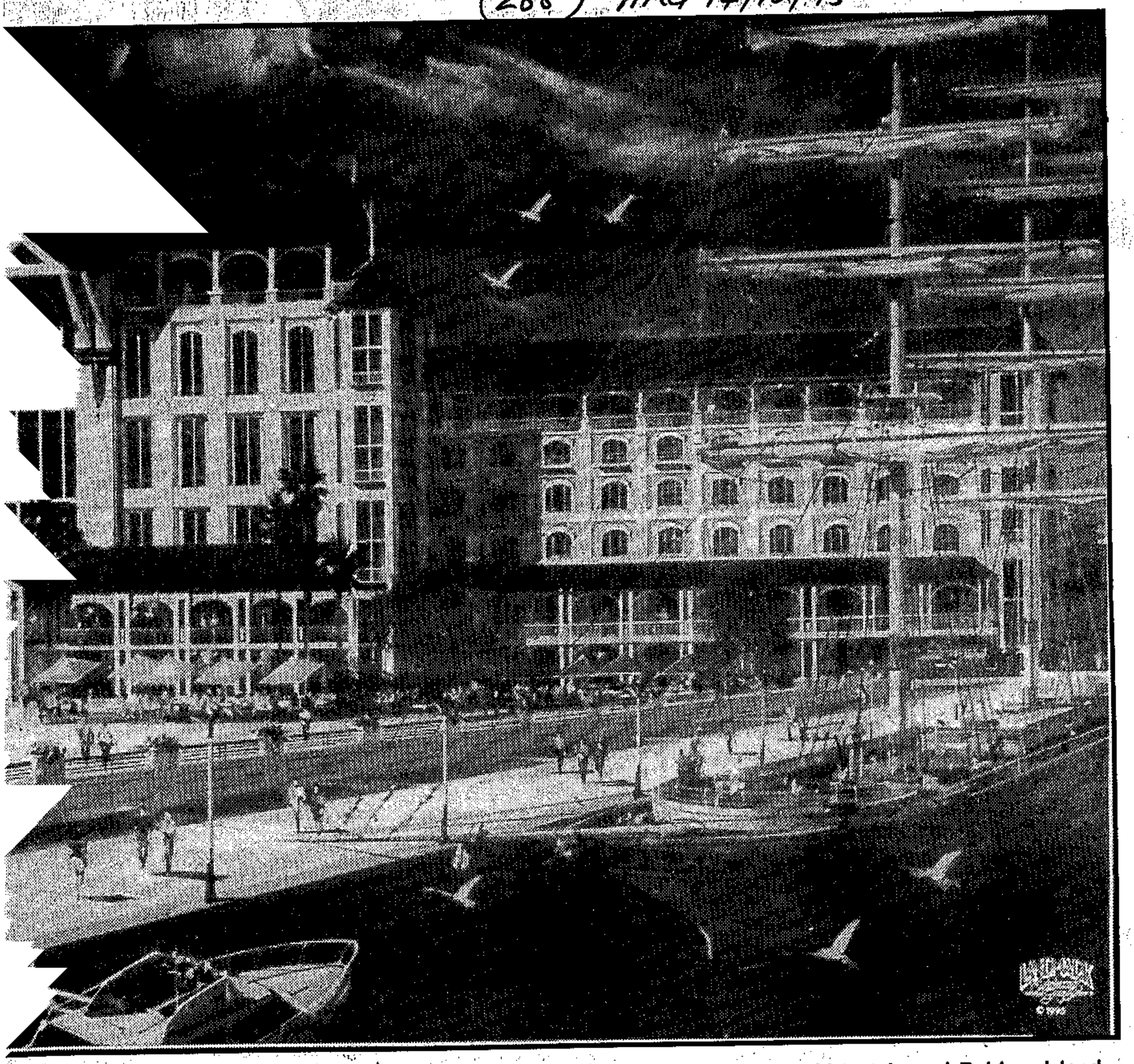
□ **MEGABUCK HOTEL:** The new R250 million five-star hotel which is to be built at the Victoria & Alfred Waterfront. The hotel will have 360 degree views which include Table Mountain and Robben Is

/n palace

(288) ARG 14/10/95



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"Estimated annual direct expenditure by visitors will exeed R110 million and together with salaries and other items, the hotel will be the catalyst for R180 million in spending in the Western Cape in the first year of operation alone."

Based on an expenditure of about R46 000 per job created, the company estimated that nearly 4 000 new jobs will be progressively opened up in year one.

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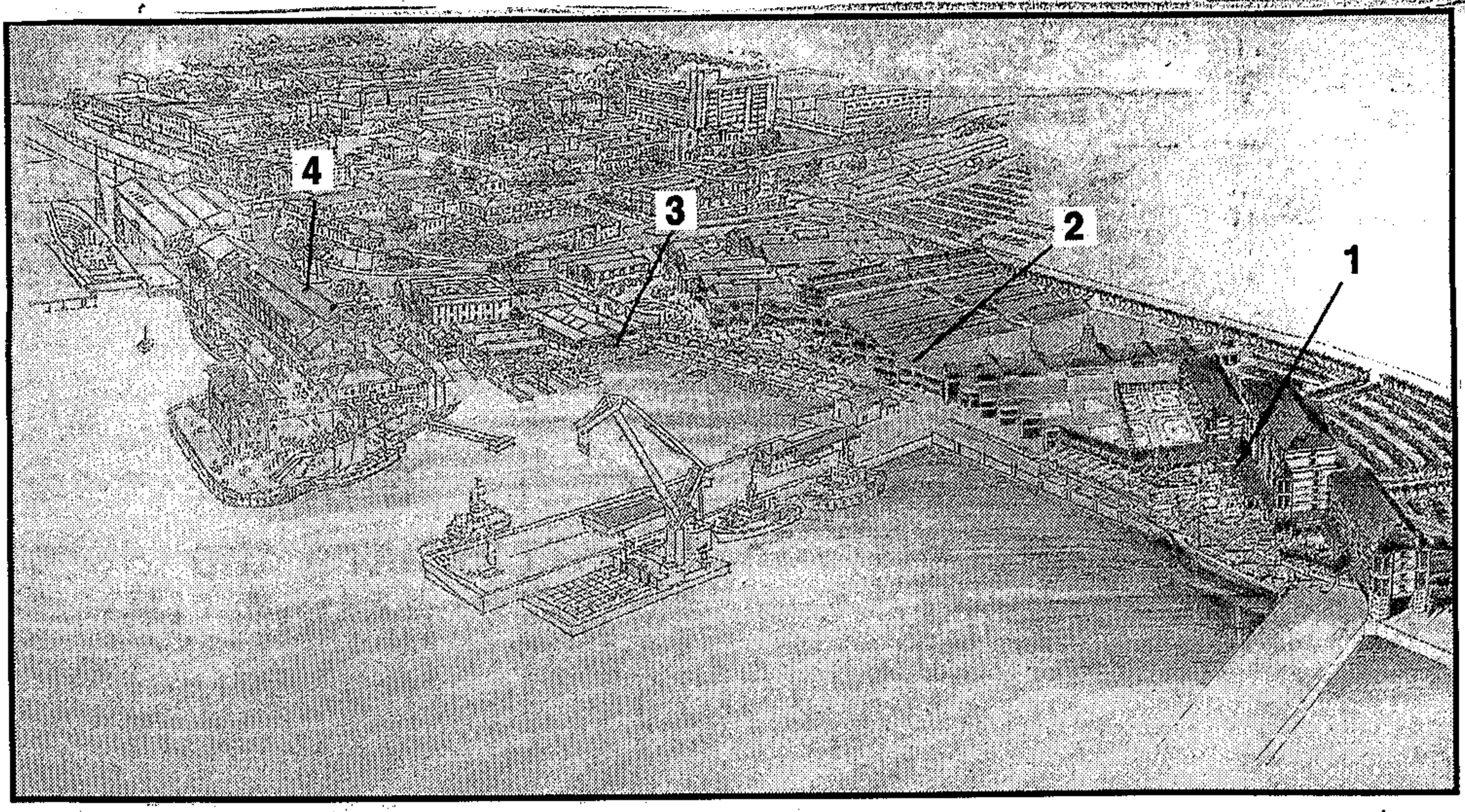
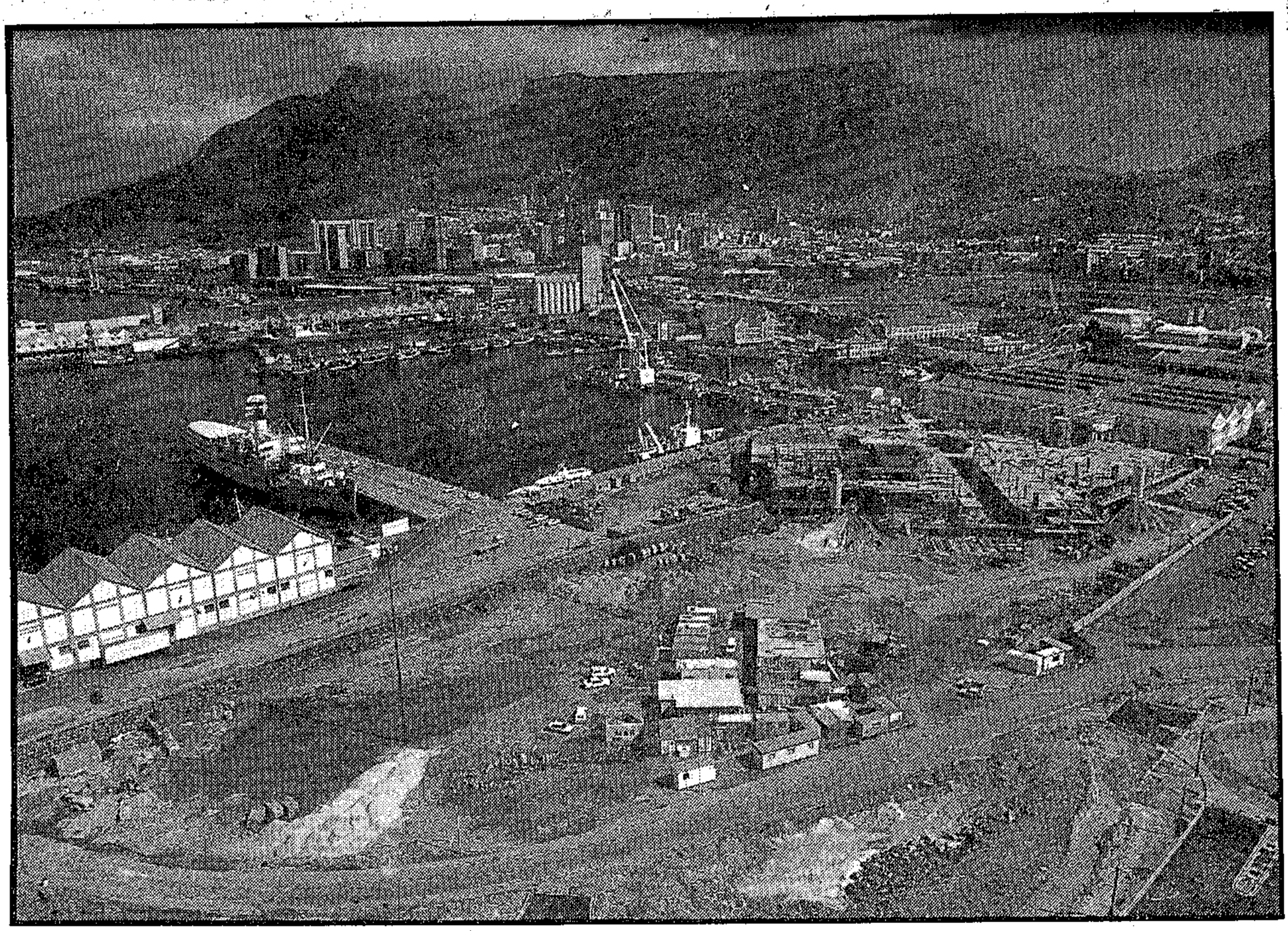


☐**RAPID EXPANSION:** This artist's sketch shows how the new R250 million hotel will fit into the Waterfront complex. The hotel(1) is on the right, with the new shopping complex which is currently under construction sandwiched between the planned hotel and the existing Victoria Wharf (2) shopping centre. Quay 4 (3) and the Victoria & Alfred Hotel (4) is to the left.

14/10/98/286



☐**PRIME SITE:** An aerial view of the site in the Waterfront where a new R250 million hotel will be constructed. The five star hostelry with a nautical theme, is set to open in April 1997.

Work to start on R250-m Waterfront 'palace'

ARG 14/10/95 (288)

EXCLUSIVE

WILLEM STEENKAMP
Staff Reporter

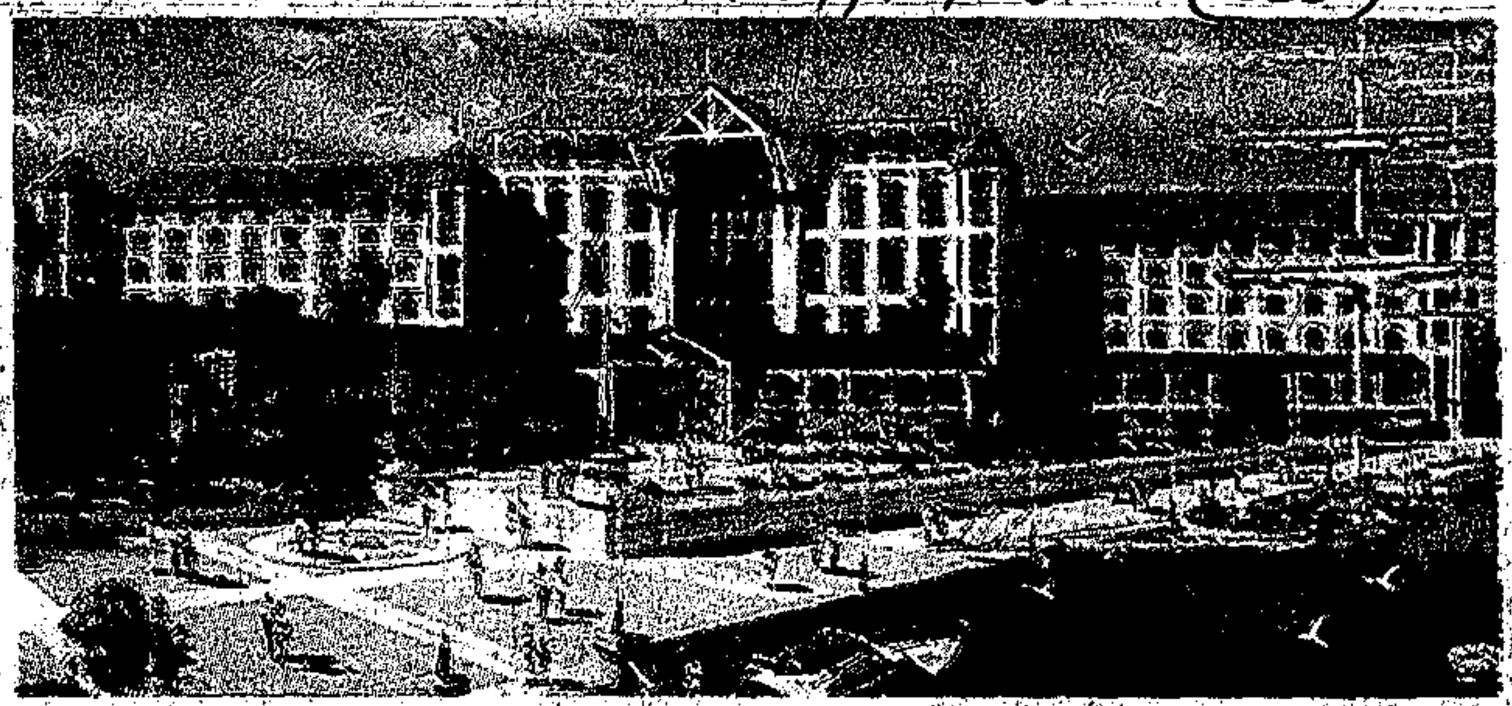
WORK begins on Monday on Sol Kerzner's R250-million "palace" at the Waterfront — and exclusive details of the project revealed to Saturday Argus suggest the project will make Sun International a major force in Western Cape tourism.

The 330-room, five-star hotel will be the biggest top-of-the-range hotel in the Cape and will include a 260-seat theatre-style conference room as well as a smaller 60-seat meeting room, a first-floor pool and health-club area, a tea room and restaurant.

David Jack, managing director of the V&A Company, said the project took four years to put together but, in typical Kerzner fashion, now the deal has been concluded construction will start quickly.

And the "palace" may be the first of several megabuck projects planned for the Western Cape by the international group.

A bullish Peter Bacon, managing director of Sun International, told Saturday Argus the group was considering various other major projects in the Western Cape.



□ **MEGABUCK HOTEL:** Sol Kerzner's R250-million five-star hotel to be built at the Waterfront.

He said that since the expiry of the restraint of trade agreement between Sun International and Southern Sun, the international group was now positioning istelf in the five-star hotel market.

Mr Bacon said the Western Cape was one of the prime tourist destinations and Sun International was positioning itself to take advantage of that.

The company was considering various projects in the region, but Mr Bacon was reluctant to disclose particulars because he did not want to give details to competitors.

Referring to the Cape Town Showground which the company acquired last year at a cost of about R35 million, Mr Bacon said Sun International was planning a major entertainment complex on the site costing more than R500 million.

Plans to go ahead with the project would hinge on the acquisition of a casino licence.

Mr Bacon stressed that it would not only be aimed at gamblers.

"What we are in fact looking at is a vast entertainment complex which will be geared towards family entertainment.

"We are looking at something different, a development that will not emulate what is already available in the Cape, but will appeal to a broad segment of people."

■ **See page 23 for report, more pictures.**

ST (BT) 15/10/95 (288)

Making more room at the inn

SA companies are responding vigorously to the tourism boom. Both City Lodge and Protea Hotels this week announced major expansion plans, writes **ZILLA EFRAT.**

IN its first expansion outside of South Africa, the City Lodge hotel group has concluded a franchise and joint venture deal with Zimbabwean-based industrial group TA Holdings and its subsidiary Cresta Hospitality.

The deal should see City Lodge open up across southern Africa. Initially, however, the selected services hotelier will become joint owner and franchiser of two existing hotels in Botswana and Zimbabwe — Cresta Lodges in Harare (170 rooms) and in Gabarone (160 rooms).

Both hotels are built in the same style as City Lodge's SA hotels. Following an upgrade, they will become City Lodge hotels in January next year but will be managed by Cresta Hospitality.

Hans Enderle, City Lodge's executive chairman, adds that the partners have advanced plans to build further City Lodges and Town Lodges in Zimbabwean centres like Harare and Bulawayo. Other southern African countries such as Zambia and Mozambique are also being considered.

Mr Enderle says two new hotels should be built next year at a cost of between R40-million and R50-million. After that, the joint venture will construct one or two new hotels outside of South Africa each year. The value of the deal, which is subject to foreign currency and Reserve Bank regulations in South Africa, Zimbabwe and Botswana, has not been disclosed. The Botswana Development Corporation will have a stake in the Gaborone hotel.

Timothy Chiganze, TA Holdings' managing director, says the deal will create a strong organisation for growth in Zimbabwe and the southern Africa region.

TA Holdings is one of Zimbabwe's largest listed groups with annual turnover of more than Z$2,1-billion (R860-million). Its subsidiary Cresta Hospitality operates eight Best Western hotels in South Africa, Botswana and Zimbabwe, two Travel Inn hotels in Botswana and Safari Lodges in Botswana and Zimbabwe.

City Lodge owns and operates nine City Lodges, four Town Lodges and one Road Lodge. It also has a 50% stake in the companies associated with the Courtyard chain. This week City Lodge also announced plans to build two new hotels in Pretoria next year at a cost of almost R40-million. One will be in Sunnyside on a site which may include the City Lake Project. The other will be in Menlyn Park.

Meanwhile, Protea Hotels announced it would build Cape Town's first "loft-style" hotel near the Victoria and Alfred Waterfront at a cost of R40-million.

The hotel will form part of the Newport Property Group's R130-million Victoria Junction development, a six-minute walk to the waterfront and 10-minute walk to Cape Town's city centre.

Arthur Gillis, Protea's managing director, says: "This is the first opportunity to build our own hotel and we are going to create one that is totally different to other Protea properties." Protea operates 85 hotels in 11 African and Indian Ocean island countries.

The four-star hotel, which will have 148 rooms and 22 lofts serving as suites, will be accorded Premier status, Protea's upmarket hotel brand.

It will be situated alongside the present Gallows Hill Traffic Department and will open in November 1996.

Development of Victoria Junction out of what used to be Cape Town's old telephone works began in April and should be completed at the end of 1997.

In addition to the hotel, the complex, which has the raw brick outward appearance of old industrial buildings, will house offices, studios, shops, restaurants and residential loft accommodation, says Ian Fife, Newport's marketing director.

Mr Gillis says hotel rooms worldwide have rapidly become commodities, almost 'cookie cutter' replicas of each other. But research has shown that individuality in room design is proving extremely successful.



ROOM MATES: Timothy Chiganze, managing director of TA Holdings, with City Lodge executive chairman Hans Enderle. Picture: RUSSELL ROBERTS

15/10/98/288

Sun International wagers R2bn on casinos' new deal

ST (BT) 15/10/98 (288)

By JEREMY WOODS

SUN International is planning a R2-billion capital expenditure programme to establish a new five-star luxury hotel chain as well as several new casino and gambling centres.

The plan comes in the wake of recent draft gambling legislation which will force the group to sell five casinos in each of the North West and Eastern Cape provinces.

But the legislation also allows the group to bid for licenses in major urban centres.

The plan is the first move Sun International has made into hotels since its restraint agreement with Southern Sun ended in 1991.

New hotels are planned in regional centres including Durban, Johannesburg and Cape Town.

The first of these will be a 330-room hotel with conference facilities to be built on Quay Six on Cape Town's Waterfront at a cost of R250-million.

"We believe that tourism to South Africa is about to expand rapidly and have identified a need for premier hotels in certain sites to match the standards set at the Lost City," said Buddy Hawton, chairman of Sun International. "We are positioning ourselves for that tourism growth and also putting Sun International in a situation where it can package Sun City, with its new hotels in Cape Town and Durban.

"Most foreign tourists to South Africa want to visit Sun City, Cape Town, Victoria Falls, and the game parks. We see considerable scope for packaging all these destinations, possibly with an air link provided by Sun Air and other regional airlines."

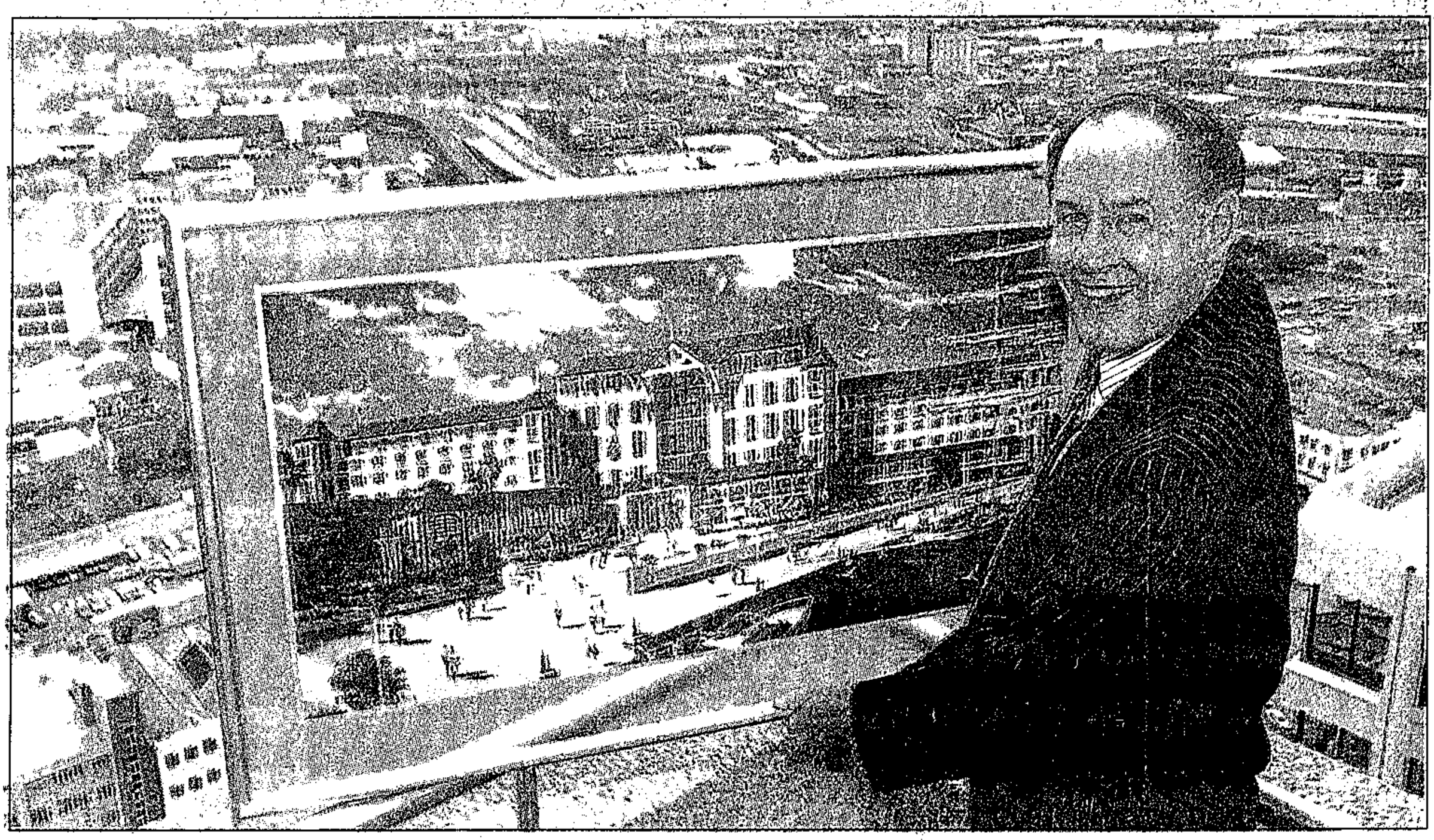
On casino licences and gambling, Mr Hawton said Sun International had "tied its flag to the mast" over casino sites in Cape Town with its 50ha Goodwood Show site.

"We are also looking at a new gambling and casino complex north of Durban and believe there will be scope for a second hotel site in Cape Town.

"We have studied the national gambling bill and had discussions with the various provinces to whom we shall be making applications.

"The key aspect about gaming, we believe, is that it should be properly regulated and run by professionals who have experience in the industry."

Sun International is understood to be in discussion with a number of other casino consortia to sell some of its licenses in the North West and Eastern Cape.



PLAYER: Buddy Hawton with a painting of Sun International's proposed Waterfront hotel Picture: TERRY SHEAN

Holomisa given a cold shoulder

CP 15/10/95 (288)(E)

IN A FURTHER salvo surrounding the recent chaotic visit to Europe by the deputy minister of environmental affairs and tourism, Bantu Holomisa, the general accused the South African deputy ambassador in London, Gert Grobler, of having a party with intelligence officers on the fifth floor of the embassy while he and his guests were trying to get inside, reports Ecna.

According to Dr Khorsbed Ginwala – South Africa's ambassador in Rome and sister of Dr Frene Ginwala, Speaker of Parliament – the visit was marked by "faulty information, confusion and crossed communications lines". She summed it up in a "confidential and important" memorandum to the deputy minister of foreign affairs, Aziz Pahad.

General Holomisa said he would be submitting details of the incident to Foreign Affairs Minister Alfred Nzo, in which he would be asking for Grobler to be sent home in disgrace.

"Minister Nzo has to discipline this sort of behaviour ... these people are not good for South Africa's image," he said.

A senior diplomat, who denied that he had any bad feelings towards the deputy minister, said Holomisa's visit had been "an exercise in crisis management", writes our correspondent in London.

Holomisa had been so secretive about his travel plans that it caused friction in the host countries and was an embarrassment to South African diplomats, said diplomats.

The problems started in London, where Holomisa and his entourage were guests of the British government. Holomisa allegedly pushed a senior South African diplomat aside and demanded that a staff member be fired because the door of the embassy had not been open when he arrived there for a function.

Arnold Nel of Holomisa's office confirmed this and said the deputy minister and his entourage "had to queue like school kids" at South Africa House "so that their names could be taken before they were allowed to go further".

South Africa House acknowledged that the doors had been locked, but said Holomisa had arrived too early. He then went to another entrance, where a security guard told him he would open the main entrance for him.

Unfortunately for Holomisa, another function was being held at the same time in South Africa House – which caused the queueing. There was confusion over which guests belonged at which function.

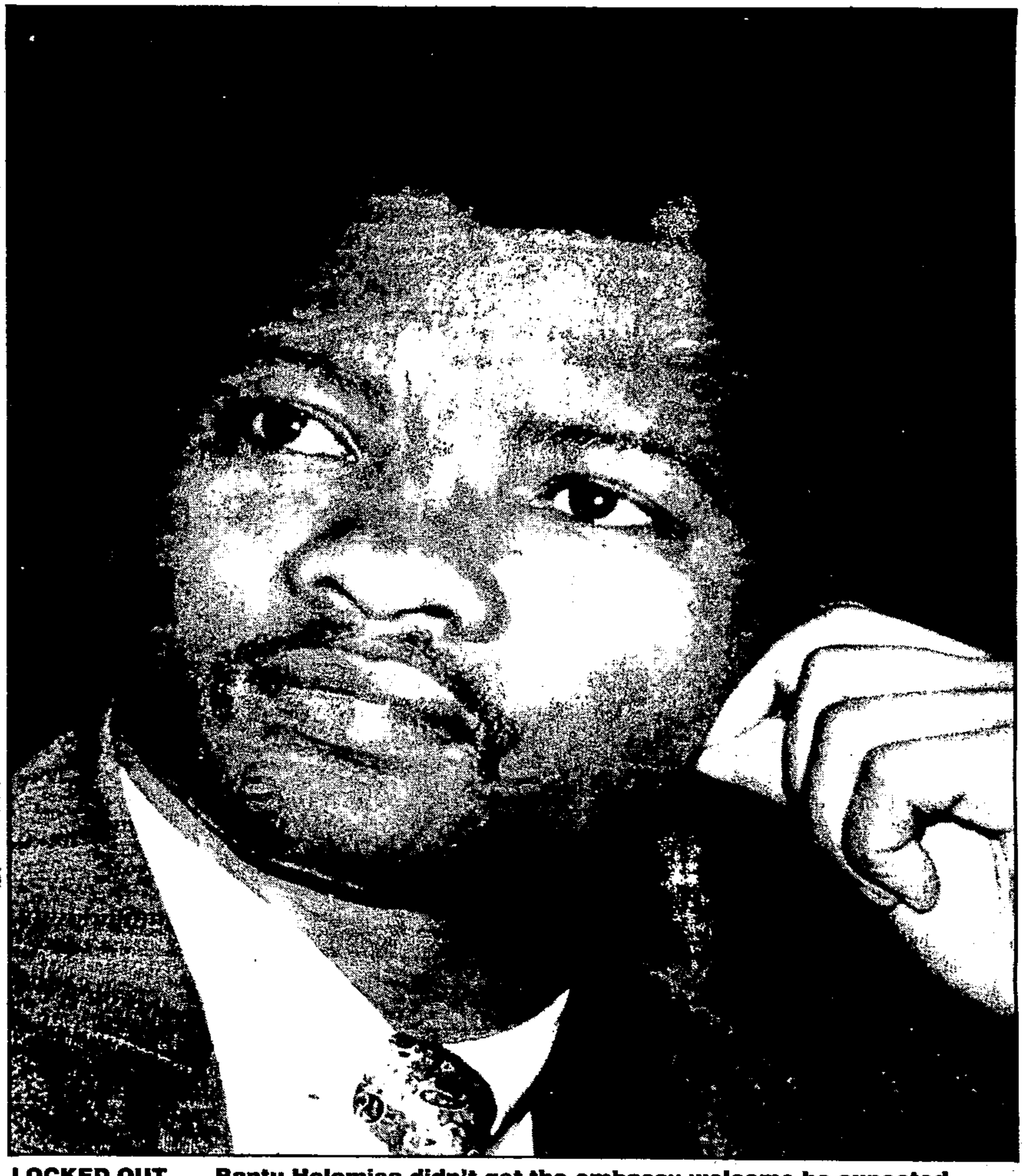
Holomisa's British hosts were also unhappy because he and his delegation made an unplanned visit to Bristol – after having failed, moreover, to vacate their hotel in London. The British department of foreign affairs demanded that South Africa pay the hotel expenses. The baggage of Holomisa's group was then taken to a storeroom.

Greater confusion surrounded Holomisa's visit to Italy – as the Department of Foreign Affairs in Pretoria had apparently not been informed about it.

It is apparently because of this confusion that Ginwala recommended to Evans that ministers and members of parliament should get counselling before travelling overseas and that "clear and firm guidelines" should be provided.

In his reaction Holomisa said a "malicious diplomat" had probably been responsible for the "malicious propaganda".

He denied that there had been problems with unpaid hotel bills or confusion over his schedule.



LOCKED OUT ... Bantu Holomisa didn't get the embassy welcome he expected.

Boom-time – but we just can't cope!

ARG 16/10/95 (288)

16/10/95/288

Cape Town's Olympic bid a sensitive political balancing act

Hilary Joffe

BARCELONA spent about $6bn on the Olympics — $1,5bn on the games themselves and the rest on beautifying the city and remaking its infrastructure. Its residents will be paying the price for some time to come. If the planners of Cape Town's bid for the 2004 Olympics have their sums right, Capetonians would not suffer the same fate. But there are still some tough political choices involved.

The draft budget for the bid, which Cabinet is due to decide on this week, assumes a low budget Games, complying with International Olympic Committee (IOC) minimum requirements. "We are not building any monuments in Cape Town," Cape Town Olympic 2004 Bid company (Bidco) CEO Chris Ball said week.

But hosting the games would still be fairly costly. On Bidco's figures, about R4,7bn would have to be spent on infrastructure and operations, quite a lot more than the R3,5bn cost of the Columbus stainless steel project — all for 18 days of glory in and around the Cape Peninsula in 2004.

Countering the costs are the benefits to SA at large, as well as to the Western Cape, from the bid period until some time after the event. Tourism — lots of — is the essence of the payoff. From the time of the bid period, the games would cast what Ball calls a "blinding light, giving the economy massive exposure".

The games could add R23bn to GDP, R7bn in tax revenue and R12bn in foreign exchange inflows, and create an annual average of 112 000 jobs between now and 2010, according to the impact study released recently. These figures are the median between the "high" and "low" scenarios calculated in the study. There are also a wide range of qualitative benefits, from national pride to sports training to information technology.

To Bidco's surprise, Ball says, the study found that 65% of the GDP impact and 75% of the job creation resulting from a successful bid would occur outside the Western Cape.

The games themselves would be expected to record a net operating surplus of R94m — every games since 1968 has made a profit at operating level — and surpluses go into trust for sports development in the region.

The budget presented by Bidco estimates revenue at R4,2bn, of which R3bn would be in dollars (added to this R1bn would be spent by visitors to the games, hence a direct inflow of R4bn). The revenue figure includes R2,2bn in TV rights, conservatively as it is lower than the Sydney figure, but it covers the likelihood that the IOC will increase its share of the cut (reportedly from 40% to 50%) because mega-TV sales have produced huge surpluses for host cities. Other revenue is from marketing and ticket sales (prices have been pitched at two thirds of the Atlanta level).

Operating expenditure is estimated



BALL

at R2,9bn, hence a gross surplus of R1,3bn, which will be directed to sports facilities, a housing guarantee and a R554m contingency fund.

Ball says Bidco has been generous in its costing, doubling Sydney's security and health budgets and providing R90m for the opening and closing ceremonies. He adds that the bulk of the revenue is locked in five years ahead of the games — providing a dollar hedge for the rand-based costs and allowing for early budget decisions.

Bidco's capital budget assumed current capex programmes would continue. It found R3bn was due to be invested in the Western Cape by 2004 anyway, with MetroRail accounting for half, the Airports Company upgrade programme for Cape Town airport a further R500m, and the rest on roads. The Olympic capex budget adds to this R1,7bn (excluding expenditure on housing), just over half of this on sports facilities and the rest divided between public transport and roads.

Of the R1,7bn, R278m would come from business (via sales of stadium suites) and R978m from the state — bringing forward spending which had been proposed for the years after 2004. The rest — R504m — comes from the Olympic operating budget and goes to sports facilities. IOC rules prohibit games operators from building stadiums, but allow them to finish facilities and to pay large leases.

Bidco has also planned for just more than R1bn to be invested by the private sector in the villages for the 10 000 athletes and visiting media. The 2 500 to 3 500 units would be designed as low cost housing, to be sold by the developers after the games. The budget includes a R150m provision to underpin the selling price. There is no word yet on how athletes will feel about unplastered, unceilinged accommodation with showers, not baths, but the IOC apparently does not require luxury.

Accommodation is also a private sector task. There is a shortfall of 70 000 beds for the games period, but 23 new Cape hotels are on the drawing board. Other sources could be cruise ships in harbour and B&Bs in private houses (an estimated 5 000 to 10 000 will be needed).

Ball says Bidco defined as objectives that the games should be affordable, profitable, and cash positive for the state. The draft budgets presented to the Cabinet meet these criteria. "We have been over-conservative in preparing these numbers and we believe they are sound."

They probably are — to the extent that estimates at today's prices can predict the outcome in 2004. Nevertheless, there is probably a temptation to under budget to sell the bid politically, with underestimates most likely on the infrastructural spending side.

A key issue is the relative roles of private and public sectors in delivering on the proposals: SA's city councils are not known for their ability to finish within budget and on time. More importantly, if Cabinet decides on Wednesday to bid, SA will find it has already tipped the balance in a series of political decisions about resource allocation.

One example: the IOC requires the host city have a world-class (public) hospital. That may mean spending has to go to Groote Schuur which, on development grounds, should arguably have gone elsewhere.

Cape Town will gain sports facilities, many in deprived areas — but perhaps not the number one development priority in the region. And while Capetonians will not be paying for their city's enhanced infrastructure, it will have to be maintained.

Ball's counter is that the macroeconomic benefits — for all — are so large and widely spread that they outweigh any costs. State infrastructure spending of R979m should not be seen as a problem if the fiscus can expect R7bn in extra revenue. And the large number of jobs created should quash any notions that the poor would not benefit.

Nonetheless, Ball and his team may find that the logistical task of planning an Olympic Games is easy compared to that of managing the bid process politically, especially given the fractured politics of the Western Cape.

The level of popular support for a Cape Town Olympics will be a key factor in the IOC's decision in 1997. Independent polls showing support by 80% upwards will probably be necessary. Even assuming a groundswell in favour, the bid company will want to avoid vociferous protests from organisations, whether representative or not, which could stymie the bid.

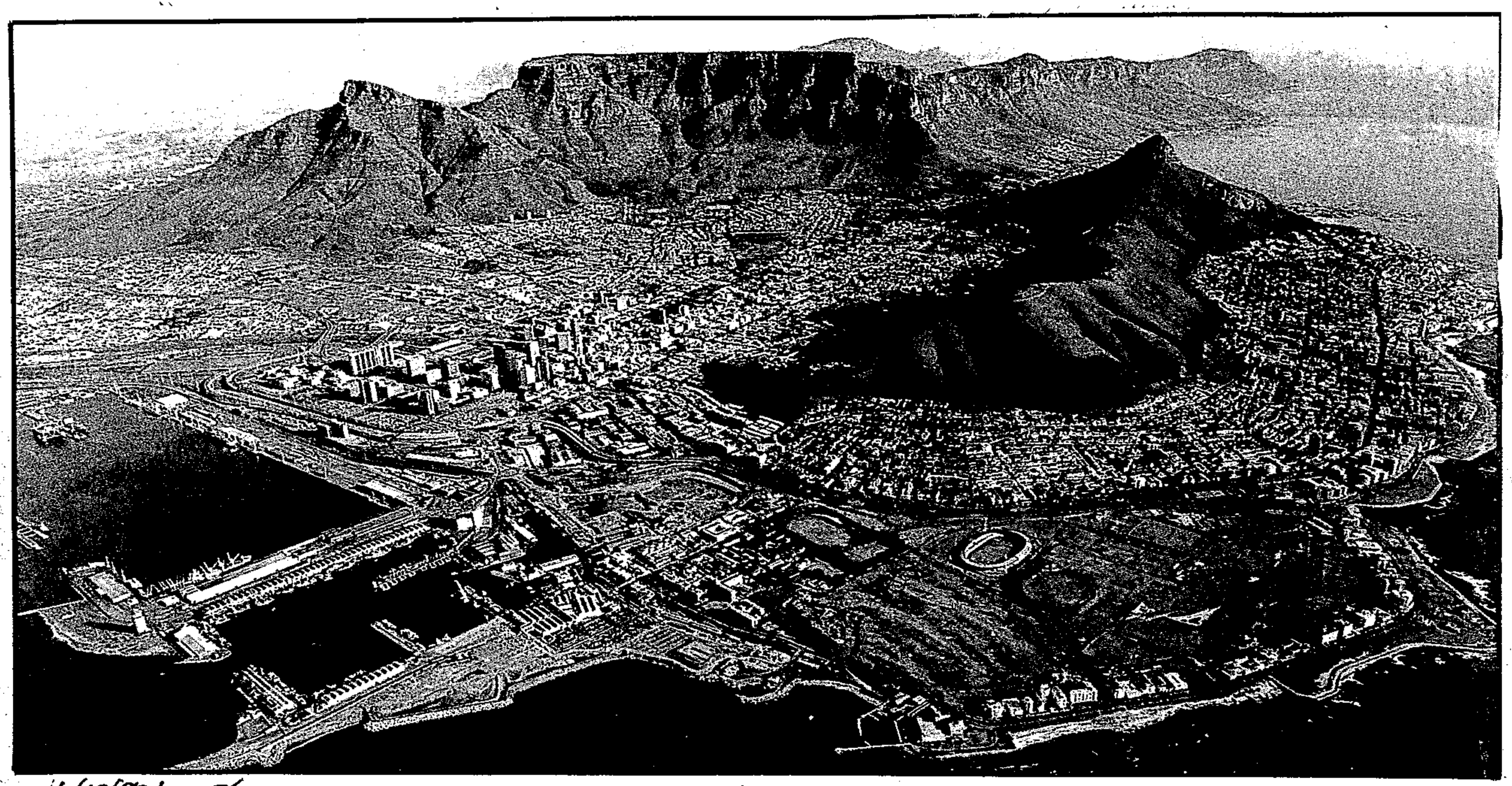
Ball will have to be seen to take objections seriously, however immature or illfounded they may seem. He will have to be sensitive to the fact that even if national benefits are clear, people in Pietersburg or Bloemfontein may be less than happy about resource flows to the relatively well endowed Western Cape.

Cape Town is not Stockholm, which has the infrastructure in place, nor is it Seoul or Mexico City, whose then governments had a habit of quashing any dissent. That presents those bidding with a unique set of problems.

Within moments of a victory at the IOC in 1997, government would have to sign guarantees that Cape Town would deliver what the "bid book" said it would. Bidco and Cabinet have time to take a long hard look at what that may involve.

788 BID 16/10/95

CAPE Town is losing out on millions of rands because it lacks the facilities to cope with the "tidal wave" of tourists. Captour chief executive Gordon Oliver says Cape Town must respond to the dramatic increase in foreign tourism and "pick the fruit which could create a substantial number of jobs". ANNELIES SMIT reports.



THE FAIREST CAPE: But can it cope with the massive influx of tourists?

16/10/95/286

THE growth of Cape Town's tourist industry is being stunted by its lack of facilities for visitors, according to hotel owners and tour operators who say the city cannot cope — nor take advantage — of the tourism boom.

Tourist facilities here are stretched to the maximum with flights into the city fully booked until next February and 100 percent occupancy of hotel beds for the coming high season.

Local tour operators say they have trouble providing accommodation for their clients and that efforts to find airline seats are taking up more and more of their time.

But regardless of these frustrations, tourists keep queueing for Cape Town, which has become South Africa's biggest attraction with the Kruger National Park.

The South African Tourist Board (Satour) has forecast a 25 percent increase in foreign visitors this year, which includes mostly upmarket and backpack visitors. More than 50 percent — or 400 000 visitors — will come to Cape Town, together with another 600 000 domestic tourists.

Satour's Pieter Rossouw said Cape Town was very popular at an international conference of tour operators he attended recently.

He explained: "Australian, New Zealand and Benelux tour operators told me they only market Cape Town as a destination. The interest in Cape Town in these countries is unreal and up to the ceiling, they told me. And they can't find enough staff to cater for the Cape Town trips."

Captour expects the 25 percent growth to continue every year if Cape Town can live up to the expectations. But is the city and its industry ready for it?

A lot has to be done, say hotel owners, tour operators and promoters.

"We have to provide a suitable infrastructure and a safe climate to attract both tourists and investors to enable the influx to continue," said Captour chief executive Gordon Oliver.

"The shortage of facilities is obvious. But nobody had forecast a growth this size. From last October, South Africa and Cape Town have become the flavour of the month, due to the political changes and the downfall of the apartheid regime. We have seen an overnight change in the city if you consider that during the last decades Cape Town and South Africa had to put in every effort to attract tourists."

Mr Oliver named a conference centre as the most urgent requirement for the city.

"The business market has enormous potential. The conference industry generates R42 million a year in South Africa but Cape Town does not have a conference centre. If Cape Town wants to be a city of international standard, it should provide facilities for business visitors. And if you know that a business client spends five times more than an ordinary tourist, the absolute need to build this centre quickly is obvious. If we don't, we will miss out on a very lucrative market."

This had to go hand in hand with expansion of hotel beds and other tourist facilities, Mr Oliver said.

"Cape Town has 2 500 beds, the Peninsula 16 000. We need to triple this number, especially with our Olympic Bid for 2004. If we host the Games, the Cape Town area will have to cope with four to five million visitors.

"Airline seat numbers need to increase. Public transport such as the Metro train service and the Golden Arrow buses need to be up-

graded and extended. Top attractions such as Kirstenbosch and Cape Point can only be reached by private transport.

"But investors have a strong 'wait and see' attitude. Developers are very cautious about investing in hotels and infrastructure because they want to make sure political stability is here to stay. They also wait to make sure that Cape Town as a destination is not just hype."

Another important reason for large hotel chains to wait before they build new hotels is the pending casino licences.

"Until there is clarity on who gets the licences and how this will affect the capacity in town, Holiday Inn and Intercontinental will wait," said Helder Pereira, chief operating executive of the Southern Sun group.

"All hotel chains wait. This implies that for at least the next two years Cape Town has a problem, and all bedroom facilities will be under very high pressure."

Mr Oliver said government incentives could help close the gap.

"The private sector should get tax-free periods when they decide to built here. It is important to convince them to invest as they can contribute in a substantial manner to our local economy.

"Conservative figures of the Olympic Committee show that every eight to 10 additional tourists provides one full-time job. If the 25 percent tourism growth proves to be permanent, this could mean a substantial growth in local job opportunities."

16/10/95/288

Lobby expects cabinet to back city Olympic bid

(288)

ANTHONY JOHNSON
POLITICAL CORRESPONDENT

THE pro-Olympic lobby in the government was confident last night that the cabinet, with President Nelson Mandela's backing, would give the green light on Wednesday to Cape Town's bid to host the 2004 Games.

In a major boost to the Cape Town bid, Norway — which recently staged the highly successful Lillihamer Winter Olympics — offered to provide technical expertise and advice to help South Africa clinch the bid.

The gesture was welcomed by the South African government as "a most exciting development". Norway's commitment to staging a people and environment-friendly Winter Olympics could serve as a model for this country.

However, government endorsement for the bid faces a significant hurdle in the cabinet this week. Opposition is expected from a number of heavyweight ministers, including Mr Chris Liebenberg (Finance), Mr Jay Naidoo (RDP) and Mr Mac Maharaj (Transport).

A strong supporter of the bid, Water Affairs Minister Mr Kader Asmal, said last night that apprehension about the cost of hosting the Olympics was legitimate.

"There are genuine questions to be raised, but I believe they will be resolved," he said.



'CONFIDENT': Minister of Water Affairs Mr Kader Asmal

CT 16/10/95

After the Cape Town bid company's chief executive officer Mr Chris Ball gave a presentation to the cabinet last month, a cabinet sub-committee was established to look into some ministers' misgivings.

A number of ministers have since said privately that those who had questions about Cape Town's hosting of the Games should have been allowed to raise these while Mr Ball was present.

Sports Minister Mr Steve Tshwete — another strong supporter of the bid — said the sub-committee would report to the cabinet this week.

Visiting Norwegian Deputy Minister of Development Co-operation Mr Asbjorn Mathisen said at the weekend that Norway would be happy to share the knowledge and experience it had gained in hosting the Winter Olympics.

"I think the success of the Lillihamer Games was due to our working closely with the community ... it worked efficiently without being over-commercial or harming the environment."

Structures built for the Winter Games were being used by the community.

Mr Mathisen emphasised that it was difficult to quantify the financial benefits and costs of hosting an Olympics as many of the gains — such as tourism — would occur over several years.

Diplomats said the African bloc on the International Olympic Committee, with the exception of Egypt, was firmly behind SA's bid to become the first African nation to host the Olympics.

Most European countries are also anxious to back SA, provided the Cape Town bid committee can put together a viable package and uphold the Olympic tradition of excellence.

It is understood that the powerful US lobby is also keen to see Cape Town host the Olympics rather than its closest rival, Beijing.

● See Page 6

New hotels for Durban, Cape Town and Sandton

CT (BR) 16/10/95 (288)

By Maggie Rowley

PROPERTY EDITOR

A new sectional title hotel chain aimed at individual and corporate investors is to be launched in South Africa by Durban-based developers Mark II Projects.

The chain, to be known as Elan Park Hotels, plans to start with three hotels in the major centres, to be developed at a total cost of R320 million. Construction of all three will begin in mid-1996.

These include a 450-room hotel in Sea Point, Cape Town, a 250-room hotel in Sandton and a 250-room hotel in Athlone, Durban.

Developer Mark Taylor said the group had secured the Athlone hotel site, and were close to finalising the Johannesburg Country Club site in Sandton. He said negotiations were well under way for a prime site in Sea Point, which they hope to secure by the end of this month.

"Failing this, we have a back-up, waterfront site lined up for Cape Town, where we hope to start construction early in the new year, coming on stream in December 1996," he said.

The hotels will be marketed at the corporate and individual business community, with bedrooms and suites being being sold by sectional title for a minimum investment of R210 000.

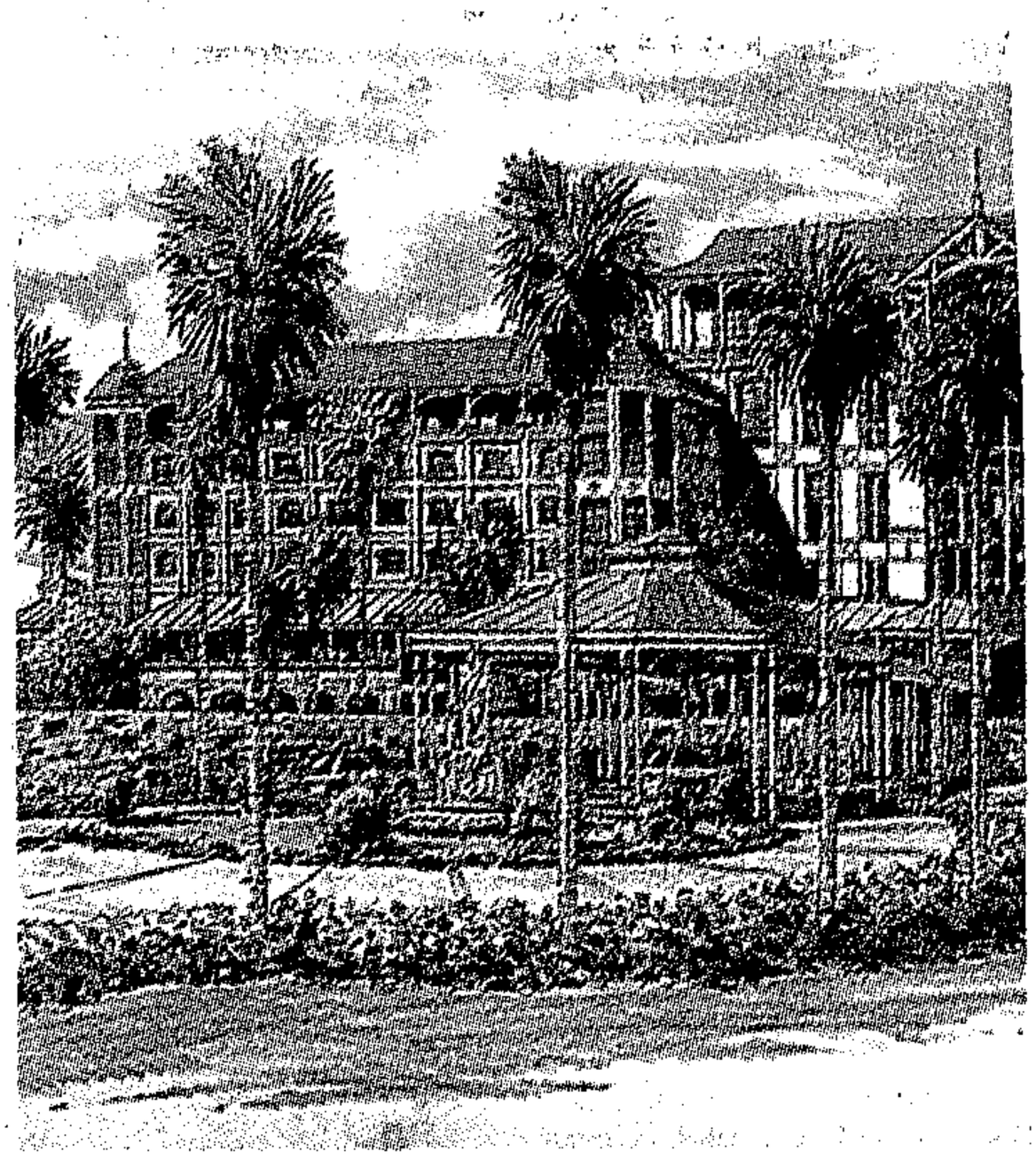
The investment will entitle the investor to 30 days free accommodation a year, with units falling into the hotel rental pool for the rest of the year.

"Working on a 65 percent occupancy level this should see units paid off within six years, giving an annual income of around R60 000 from year seven."

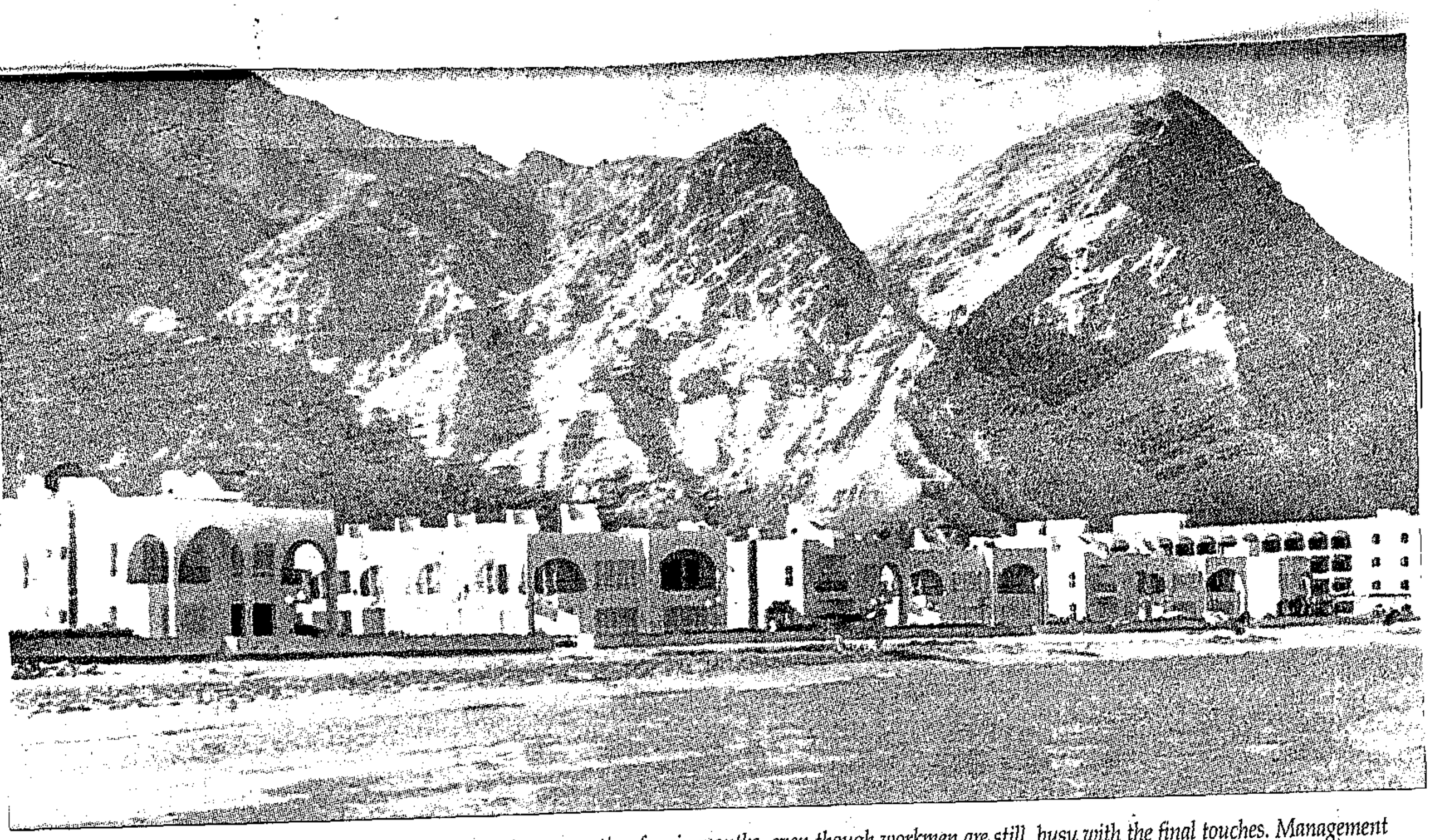
Taylor said negotiations had begun with a South African hotel group to manage the chain, but overseas interest had also been expressed.

Negotiations are under way with a few large investors and some construction companies have expressed a willingness to take an equity stake to secure the construction contracts.

LAP OF LUXURY



Sun International's newest luxury hotel, to be built at the Victoria & Alfre of R250 million, is due to open in April 1997. The group's latest venture w site alone. Once it opens, the total revenue generated from the hotel is expe year, rising to R145 million a year after nine years. Applying the leisure in gives rise to a benefit of R180 million in the first year — rising to a sustain International estimates that 60 percent of guests will be foreign visitors



CAPE TO CAIRO *The Red Sea resort of Ain Sokhne has been operating for six months, even though workmen are still busy with the final touches. Management says the hotel has already become a popular spot for holiday-makers, including those who are just out to have a good time. Since its opening, the hotel has enjoyed full* [illegible] *ends.*

SA and Egypt in joint tourism venture

CT(BR) 16/10/95 (288)

BY PEYMAN PEJMAN

INDEPENDENT FOREIGN SERVICE.

Cairo — South African hotel group Protea has for the first time spread its tentacles from Cape to Cairo and the sweet smell of success is in the air at the Red Sea resort of Ain Sokhne.

The Egyptians and the South Africans in the venture say the success of the project will depend on how South African businesses respond to a long-standing Egyptian wish that this country becomes more involved in the Egyptian tourism business.

But Jurgen Hautmann, the general manager of the Ain Sokhne hotel, said Protea was already talking to other hotels in Egypt for similar contracts and was optimistic about success.

Although he would not name the other hotels, he said negotiations with some were quite close to being finalised.

"The Egyptian government has been after South African businesses for some time, to come and invest in the Egyptian tourism industry," said an Egyptian businessman who has trade links with South Africa.

"But so far, the South Africans have been less confident about getting too involved in tourism. This is the first project of its kind," he said.

Finally it was the Egyptians who initiated the venture and approached South Africa with a specific business proposal.

The seed for the idea began to germinate when the Suez Company for Building and Tourism Development decided in 1990 to build a resort hotel and private villas along the Red Sea beach of Ain Sokhne, 200km outside Cairo.

But the company, acknowledging it did not know how to manage the finished product, approached Protea Hotels in Cape Town.

Although the resort has been open for business for the past six months, workmen are still busy with the finishing touches.

The 57-room hotel, in which furniture, decor and construction are superior to those in Egyptian hotels of the same standard, is fully booked most weekends.

The 160 privately owned villas next to the hotel, serviced by the hotel staff, have also become a favourite attraction for many Egyptians. Ain Sokhne is the closest beach to Cairo.

"On weekends this place is the who's who of the Cairo social scene," said one hotel staff member.

But there have been teething problems. The hotel was supposed to have its official opening in March, but the ceremony has been delayed three times.

This was due to lack of experience, said Mokhtar Kenawy, the public relations manager. "The owners just cannot finish the work, which makes them seem somewhat unprofessional."

Still to be constructed is a beach bar, beach restaurants and a marina with half a dozen water sports which will be an added attraction for the already popular resort.

Fouad Shinawy, the chairman of the hotel's owning company, said the marina would be ready by January.

Hautmann hopes once the hotel is fully operational, it will help Protea in Cape Town to organise tours of its own to Ain Sokhne and convince more tourists in Egypt to leave crowded sites along the Red Sea and come to the quiet hotel and beach.

"The potential here is great," says Hautmann. "It is just what is needed to attract world tourism. This hotel could be the start of a good business relationship for both Egypt and South Africa."

16/10/95/288

Tourism the target in continuing feud

BD 17/10/95 (288)

Theo Rawana

THE feud between the SA National Civic Association (Sanco) and the Congress of Traditional Leaders of SA (Contralesa) has moved from local government and RDP projects to tourism.

Contralesa president Patekile Holomisa wrote to Environmental Affairs and Tourism Minister Dawie de Villiers yesterday reacting to Sanco's reported assertion that traditional leaders were not relevant in the tourism planning machinery and should not be included in proposed workshops and training programmes.

Siyaka Tourism Training consultancy director Manelisi Ndibongo also sent a memorandum warning that "without the co-operation of the traditional leaders, palace and armchair policies regarding the tourism industry will have an uphill battle".

Ndibongo said Sanco spokesman George Dor had suggested to the tourism department that traditional leaders should not be represented in tourism structures and programmes because they were not represented in such bodies as Nedlac.

Holomisa said in his letter to De Villiers: "We would advise you that as an organisation and as traditional leaders we will not countenance a situation where programmes will be implemented involving our ancestral land without our full participation.

"Accordingly we urge you to pay serious attention to the proposals submitted to you by Mr Ndibongo and implement them," Holomisa said.

In his memorandum Ndibongo warned that the co-operation of the traditional leaders was essential if policies from whatever source were to succeed. "Tourism security depends on protection by the people, the majority of whom are still under traditional leadership, and our traditional leaders are the custodians of our cultural heritage and values," he said.

Sanco leaders could not be reached for comment yesterday.

Solid 'No' to Olympic Games bid

ARG 17/10/95 (28)

Staff Reporter

READERS of The Argus have recorded a solid "No" to Cape Town's bid to host the 2004 Olympic Games — and bid company chief executive Chris Ball's campaign to popularise the bid appears to have made little impact on public opinion.

Callers from all over the Western Cape swamped The Argus phone-in line yesterday to make their opinions known ahead of tomorrow's cabinet meeting, where the bid will be discussed.

Of the 460 callers who got through, 273 — or 59 percent — voted against holding the 2004 Olympics in Cape Town, mainly on the grounds that ratepayers would end up footing the bill.

A total of 187 callers — 41 percent — voted in favour of the bid, saying the Olympics offered unparallelled opportunities for economic growth, job creation and nation-building.

The Argus does not claim the poll to be scientific. Calls were made spontaneously by readers who wanted to give their views.

In The Argus phone-in poll conducted in March this year — after Raymond Ackerman had stepped down as head of the Olympic bid committee but before Chris Ball's appointment — 57 percent of callers voted to reject the bid.

Since then Mr Ball has assembled a crack team of high-profile personalities and embarked on a drive to win greater public support for the bid — but to no avail, yesterday's poll appears to indicate.



No-voters were adamant that Cape Town did not have the infrastructure or financial capacity to manage the Olympic Games, and that holding the Games here would lead to huge inconvenience and costs for ratepayers.

There was also considerable dissatisfaction with Mr Ball and National Olympic Committee chief Sam Ramsamy, and several readers called for Mr Ackerman to be reinstated at the head of the bid.

Vernon Adams of Sea Point said: "We do not have the infrastructure — there is no working transport service, we don't have customer service and there is inadequate security. We can't cope with it — we are a third world country".

An anonymous caller from Constantia did not believe the Games would make a profit.

"I don't think South Africa can organise something of this magnitude," he said. "It's unacceptable — we will be left with a white elephant."

Andrew Kenny of Constantia said he believed money would be poured into the pockets of politicians, and rates would go up.

A Mrs Mullen of Sea Point said: "The money would be better spent on housing and on fixing the pavements in Sea Point."

Peter Visser of Pinelands said as a ratepayer he was "petrified of the costs this town will incur after the Olympics".

Bob Rittmann of Plumstead said he was not in favour — "it will cost an awful lot of money. There will have to be huge facilities built, which will not be used after the events".

Shaheed Gamildien of Athlone said: "My great-grandchildren will still be paying for it."

Enid Hartuuig of Camps Bay echoed the worries of many callers when she complained that the bid team was dominated by Johannesburgers.

"Mr Ackerman was a Capetonian, but Mr Ball and Mr Ramsamy are from Johannesburg. We're being suckered into being used — Johannesburg will just keep the profits."

However, yes-voters countered the opposition to the bid with arguments that the bid would generate major benefits for Cape Town and South Africa.

Michael O'Reilly of Mowbray said: "Capetonians must stop being so negative."

Jonathan Hulley of Constantia said a successful bid would lead to vastly increased tourism, even before the Games.

"In Atlanta there has been a 78 percent rise in tourism since they were awarded the 1996 Olympics," he said.

Barrie Harris of Hout Bay said the Olympics would be good for the country — "it will bring us together and it will be good to run Africa's first Olympics here".

Doreen Jonkers of Cape Town commented: "If we have it here it will create jobs for the unemployed. It will be good for Cape Town."

David Kessler, from Bellville, said: "We will never have this opportunity again for another hundred years. It will unite South Africa more than the Rugby World Cup did."

F W conditionally supports Olympic bid

(288)
ARG 19/10/95

PRETORIA. — Deputy President F W de Klerk has offered conditional support for South Africa's bid to host the 2004 Olympic Games in Cape Town.

With the cabinet expected to decide this week on whether to back the bid, Mr De Klerk said he was impressed so far.

"My attitude has always been if we can get the Olympics on a basis which we can afford ... then I'm for it," Mr De Klerk said. "From a management point of view, I think we could handle it."

Bid organisers told the cabinet last month that South Africa would make millions of rands by hosting the Olympics. Much-needed sports facilities and hotels would be built, and roads and other infrastructure would be improved in the process, they said.

Mr De Klerk said one of his main concerns was that some of the construction would involve "white elephants" — buildings and stadiums that would never be used again.

If chosen by the International Olympic Committee, which was to decide in 1997, Cape Town would be the first African city to host the Olympics. It is considered the favourite, especially after South Africa successfully hosted the 16-nation Rugby World Cup earlier this year. — Sapa-AP

SAA hampering tourism, says top transport official

ARG 17/10/95 (284) (288)

ANNELIES SMIT
Staff Reporter

SOUTH African Airways is retarding tourism by blocking foreign competitors from increasing their seating capacity, a top Department of Transport official has claimed.

SAA was attempting to preserve its virtual monopoly, said Johan Bierman, assistant-director of international affairs in the department.

He said requests by the German and Dutch companies Lufthansa and KLM for more flights to South Africa had not been granted because of opposition from SAA.

Captour chief executive Gordon Oliver said SAA's protective attitude hampered the expansionof tourism, one of the fastest-growing industries and one with the most potential.

But SAA denied having any influence over applications.

"The final decision lies with the government," said spokeswoman Janie van Vuuren.

Mr Bierman, who said he had attended 90 percent of all negotiations, claimed the Ministry of Transport allowed SAA enormous influence when making decisions on landing rights.

"They try to maintain their monopoly and, as the ministry has interests in protecting South Africa's biggest civil aviation company, they have gained enormous influence in decision-making.

"But the tourist industry is desperate for extra capacity," said Mr Bierman.

Roma Leff, KLM's South African sales and marketing manager, confirmed extension requests had been blocked.

"We have applied in vain for daily flights for a long time.

"If we had daily flights we could fill them."

Mr Bierman added: "Germany, from which Lufthansa flies the majority of passengers, asked for a dramatic increase last year.

"I know because I attended the negotiations — but SAA said they wanted to increase their return flights to Germany because they hadn't reached their ceiling."

Lufthansa's general manager in South Africa, Andreas Habel, confirmed this.

"We had to wait until SAA flew the same number of flights to Germany as we had into South Africa, and this hampered our growth.

"But as we are re-negotiating increases this week I foresee new possibilities for an increase."

Albert Schuitmaker, deputy director of the Cape Chamber of Commerce and Industry, said bilateral agreements needed to be reconsidered.

"It's in our national interest to adjust the capacity. Not only benefits to the aviation industry should carry weight but rather benefits to the whole tourist industry."

R2,3bn for Olympic TV

ET 17/10/95 (288)

PETER DENNEHY

THE most detailed figures yet released on the Olympic Bid budget show that TV rights for the 2004 Games have been estimated at nearly R2,3 billion.

This estimate is 20% higher than estimated for Atlanta, site of next year's Games, but 6% lower than the forecast for Sydney in 2000.

Auditors Price Waterhouse — commissioned by the government to review the bid company's figures — note in their report that the IOC said recently it might raise its share of TV revenues.

This has the potential of reducing TV revenues by R377m. The budget does have a R554m "contingency fund" which amounts to 19% of operating expenditure.

The auditors said "the preliminary operating and capital budgets are soundly based and reasonably compiled on the basis of the assumptions used".

According to the report, income from local sponsors will be R576m.

Smaller market

"This is 40% below Sydney's forecast, in view of the smaller South African market."

The underlying assumption used by the bid company is that of a low-budget Games. Minimum requirements of the IOC have been followed wherever possible.

For example, Cape Town's media village will accommodate 6 000 people in 3 500 units, mostly four-storey walk-up flats. And the main athletics stadium will only be a 60 000-seater.

Budgeted capital expenditure of R918m for sporting facilities has been based on the assumption of no land acquisition costs, because possible sites are publicly owned.

Provision will be made in the capital budget for a media centre, expected to generate R50m.

Ticket prices have been set at two thirds those of Atlanta. The sales are expected to raise R480m, or 11% of total revenue.

One category of expenditure in which Cape Town figures are higher than Sydney's is security, Cape Town's budget being R230m "in view of overseas perceptions of the current insecurity in the country".

Tourists deserting Kenya's safari parks in favour of SA

(288) CT(BR) 17/10/95

FROM SAPA-AFP

Nairobi — Western tourists are deserting Kenya's reputedly dangerous safari parks in growing numbers and turning instead to South Africa where prices are lower and horizons new, a report here said yesterday.

The East African Weekly magazine said this year could be one of the worst years on record for Kenyan tourism, which depends heavily on the trade for foreign exchange.

"A catastrophic drop in European tourists is threatening the industry and signs are that the downward trend will continue.

"The main reasons are bad publicity and stiff new competition from South Africa," the magazine said, quoting Joe Nguru, the chief executive of the Kenyan Association of Tour Operators.

Hotels along the Indian Ocean seaboard all reported a fall in foreign bookings.

Nguru said this year was expected to show a fall of 70 percent in the number of tourists from Italy, 30 percent in the number of Germans and 20 percent in the number of British.

At Malindi, the main destination for Italians, bookings in July and August were down 40 percent.

The Nation newspaper reported yesterday that more than 2 000 people had lost their jobs after the closure of 10 hotels in Malindi.

Competition from South Africa on top of competition from resorts in the the Caribbean and Florida, has been felt particularly badly.

The end of apartheid opened the way for thousands of tourists to visit the country, the paper said. South Africa offers visitors the same attractions as Kenya, namely sunshine, fine beaches and wildlife parks, but often at lower cost.

Safety fears are another reason why tourists have turned their backs on Kenya, the East African said.

Attacks on tourists have multiplied in recent months with bandits even ambushing whole minibus convoys. Tribal clashes have also contributed to tarnishing the country's image.

Fear of the ebola virus is another factor, after a much-publicised epidemic of the fever in Zaire earlier this year.

At the time, some publications claimed the virus originally came from Kenya.

Finally, the East African said tourists were put off by the run-down state of key infrastructures, notably the poor state of roads, frequent power cuts and water rationing.

Germans shy away from SA

(288)

Linda Ensor

BD 18/10/95

LONDON — The SA embassy in Bonn has been inundated with inquiries from prospective tourists, emigrants and investors who are worried about the violent crime in the country.

Many said they had abandoned their travel plans in the light of the disturbing reports. For instance, an article in the Süddeutsche Zeitung described SA, as the "crime capital of the world". It accused government of being unable to maintain law and order and of being too tolerant towards criminals.

The article and others like it, which have told of the fortresses South Africans live in — protected by high walls, infrared monitors and steel mesh wire — have had a major negative influence on the German public. More than 100 concerned letters have been received by the SA embassy this month.

The article said: "For the majority of its citizens, the old SA was a country with 1 000 laws, but not a single right. Today there are 1 000 rights, but hardly any laws — at least, hardly any are enforced. The beneficiaries of the new SA are not the impoverished masses but the criminal class."

Germans have been informed that in SA there is a burglary every three minutes, an armed robbery every five minutes, a rape every 16 minutes and a murder every 29 minutes. The effect of these statistics has been profound.

Political comment in this issue by A Fine; newsbills by C Pickard-Cambridge; headlines by V Strauss; all of 11 Diagonal Street, Johannesburg.

Northwest tourism move

Theo Rawana 288

NORTHWEST had completed the groundwork for a new tourism institutional framework after months of consultative meetings and workshops, and was now in the process of setting up a provincial tourism board, tourism spokesman Liam Egan said yesterday.

The Northwest Tourism Council had begun advertising for "appropriately qualified and suitable people" to serve on a new, democratic board of directors for the tourism industry in the province, Egan said.

The passing of the Northwest tourism Act on September 9 cleared the way for the establishment of the board, which was a statutory body. Representation on the board would be according to sectors within the industry, including hotels, bed and breakfast establishments, transport, restaurants, tour guides, tourist training institutions, organised business and community groups.

BD 18/10/95

SA crime scares off Germans

(288) CT 18/10/95

OWN CORRESPONDENT

LONDON: The South African embassy in Bonn has been inundated with inquiries from prospective tourists, emigrants and investors who are worried about the violent crime in the country.

Many said they had abandoned their travel plans in the light of the disturbing reports of crime published widely in German newspapers since the public spat between President Nelson Mandela and Deputy President F W de Klerk.

An article in the Suddeutsche Zeitung described South Africa as the "crime capital of the world" and, excluding war-torn nations, "the most violent country on earth". It accused the government of being unable to maintain law and order and of being too tolerant towards criminals to make up for apartheid's intolerant past.

This report and others have had a major negative influence on the German public. More than 100 concerned letters have been received by the SA embassy this month alone.

The German foreign affairs department has advised tourists to be careful and to avoid "no-go areas" such as the Eastern Cape.

'UNANIMOUS VOTE OF CONFIDENCE'

Cabinet boost for city Olympic bid

THE cabinet has given the go-ahead to Cape Town's Olympic bid — but will only decide whether to commit itself to financial backing next April. **ANTHONY JOHNSON** reports.

CAPE TOWN's prospects of becoming an Olympic city crossed another hurdle last night when the cabinet gave a green light to the initial stage of the bid to host the 2004 Games.

But ministers decided after a marathon cabinet session to give an amber light to financial backing from the central government — effectively delaying that decision until April next year.

After initial ambivalence about the bid process, ministers decided that the government would both support and take part in the preparations.

Process

"The process is under way," cabinet secretary Dr Jakes Gerwel told reporters after the meeting.

National, provincial and local governments would work together with the Olympic Bid Company. A liaison group with business would also be formed.

"The cabinet is confident that if this process is carefully adhered to, SA will have an excellent chance of submitting a successful bid," Dr Gerwel said.

Although backing the initial stage of the bid, the government would take stock of progress made in the preparatory process next year.

The bid would be reassessed in April to decide if government funds should be committed.

An amount of R260 million from the central government will have to be spent on infrastructure for the Olympics by September 1997, when the International Olympic Committee will decide which city will host the 2004 summer Olympics.

Total state spending required for the Olympics is estimated at R979 million.

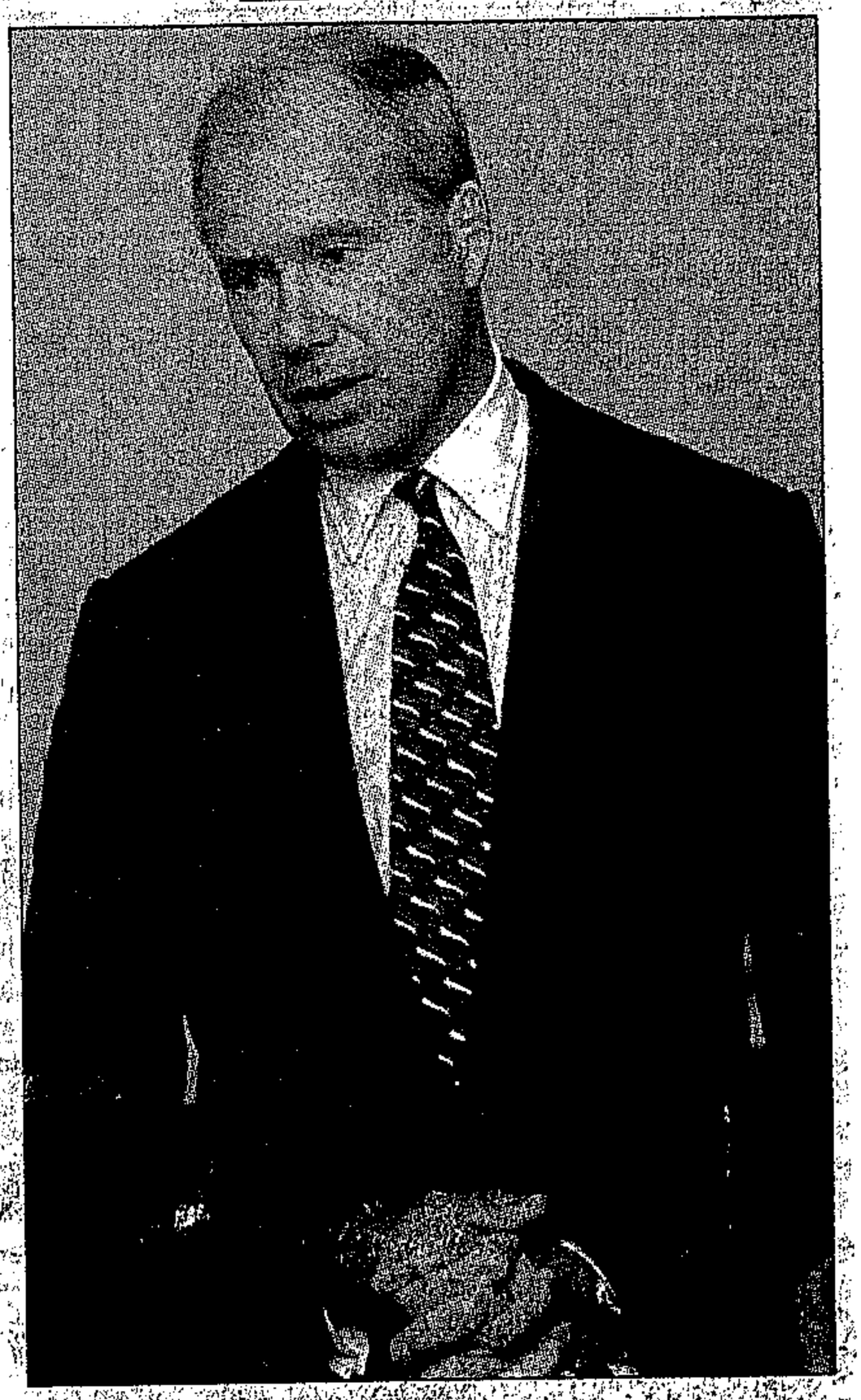
Last night's decision came after ministers received a report from a special cabinet sub-committee set up to probe the pros and cons of the bid after "reservations" were expressed by certain ministers and sections of the business community.

Some ministers have privately voiced concerns about risking hundreds of millions of rands on a venture that may not take off.

But an independent economic impact study commissioned by the government this month predicted that the Olympic Games could add R23 billion to SA's gross domestic product over the next 15 years.

The study, conducted by chartered accountants KPMG and NN Gobodo and Co, who have done similar analyses in Atlanta and Sydney, also forecast the creation of more than 30 000 jobs in the Western Cape and 140 000 nationally.

According to the analysis, the overall benefit to the Western Cape was estimated to be between R342 million and R555 million a year until 2010.



DELIGHTED: Olympic Bid Company chief executive Mr Chris Ball tells a media conference of the cabinet's decision to support the bid for the 2004 Olympics. *PICTURE: BERNARD PEREZ*

DALE GRANGER reports that Olympic Bid Company chief executive Mr Chris Ball last night celebrated what he described as a "unanimous" vote of confidence from the cabinet. It was now "up to the country to "do it as a nation, team SA".

He said the cabinet's decision was a message to the rest of the world that "SA's bid is on track with the full support of government and business ...We and the government are partners (in the Olympic bid) for the first time".

"From what I understand from (Minister of Sport Mr) Steve Tshwete this is a strong statement of support from the government calling on all (government) departments to make their best resources available to us. It is a positive response," he said.

Mr Ball will now meet weekly with Minister of Finance Mr Chris Liebenberg to discuss progress. The provincial government has also appointed a financial officer to work closely with the bid company.

The cabinet fell short yesterday of making R260m immediately available for the effort to establish infrastructure before the International Olympic Committee decision in August 1997.

Mr Ball said, however, the budget which had been presented was a preliminary one. They had asked the cabinet for R34m for infrastructure planning and R5m for a sports plan until April next year, when the budget would be finalised. The cabinet would then decide whether to advance the full R270m.

"You don't ask people to sign the cheques until everything is agreed," he said, and there was still an "immense amount of work to be done".

CT 19/10/95 (288)

Experts to form Team SA in boost for Olympic bid

(288)

ARLT 19/10/95

ANDREA WEISS
Municipal Reporter

TOP government experts are to be seconded to Cape Town's Olympic bid to make up a group called Team South Africa, which will take forward the bid for the 2004 Games.

This emerged as the cabinet confirmed its support for the bid — and other potential Olympic cities showed a keen interest in the outcome of yesterday's cabinet meeting.

Commenting on the crucial meeting, Sports Minister Steve Tshwete said in an interview: "There was not one dissenting voice in the cabinet."

He added that the cabinet had made some strong points in giving its stamp of approval to the bid.

Chief among these was that it should not be an extravagant bid, and that it should be firmly linked to socio-economic development.

Mr Tshwete said the bid could not be isolated from South Africa's development.

"This bid is different from Atlanta or any other country," he said. "South Africa is involved in a transformation process."

He said the cabinet also felt the bid should not be seen as exclusively Cape Town's responsibility, even though it would be the host city.

"In essence, it will be a South African bid." For this reason, the cabinet had decided to be directly involved.

A cabinet sub-committee consisting of himself, Environmental Affairs and Tourism Minister Dawie de Villiers, Deputy Finance Minister Alec Erwin, Land Affairs Minister Derek Hanekom, Trade and Industry Minister Trevor Manuel and Transport Minister Mac Maharaj would take the issue forward.

At a meeting with the cabinet sub-committee, the business sector, led by Marinus Daling of Sanlam, had also pledged support and was setting up its own sub-committee, Mr Tshwete said.

Funding details would be considered soon.

At a press briefing last night, Olympic bid chief executive Chris Ball welcomed the cabinet decision as a "message to the world that South Africa's bid is proceeding" and that it had the full support of the cabinet and national business.

He said the budgets still had to be finalised, but the green light had been given.

"What we have achieved for the first time is a proper interface. We and the government are now partners," he said.

India 'could become a major market for South Africa'

Star 19/10/95 (288)

■ BY AUDREY D'ANGELO

Tourism from India had grown from a zero base two years ago to 14 000 people in the first 10 months of this year, Miso Markovina, a director of Protea Hotels,said yesterday.

He said it had the potential to become a major market for South Africa, particularly in May, June and October, which were not popular months for visitors from Europe.

Markovina had just returned from taking part in a "road show" in India organised by the SA Tourism Organisation (Satour) and South African Airways (SAA), in which, he said, they were enthusiastically received by Indian travel agents and tour operators.

He said he thought the Indian market had an even better potential for South Africa, and for his group in particular, than the Japanese market. "The Japanese stay exclusively in five-star hotels and favour those near golf courses.

Invest

"The Indian tourism market started with business trips. Indian businessmen brought their wives, stayed in five-star hotels for a few days while they were doing business and then moved into three-star hotels for a holiday. Many returned later, bringing their families for a holiday.

"India has a vast population of 900 million. More than 300 million of them are middle-class two-income families, who go away on holiday.

"They get 30 days holiday in May or June, another 15 in October and 10 in December. Europe is still their first choice as a holiday destination and America second. East Africa and Mauritius are in third place, but we could easily become fourth — or even move up into third.

"And India has between 700 and 800 millionaires — the biggest concentration in the world. I think some of them will invest in hotels or other tourism-related business in South Africa.

"There has already been at least one Indian investment, in Mabula Lodge.

"And the Sterling group, one of the biggest time-share companies in the world, is coming here to look for possible investments soon."

Cape winelands left off 1995 tourist guide

ET(BE) 19/10/95 (288)

BY JOHN FRASER
THE INDEPENDENT FOREIGN SERVICE

Brussels — A new publication from the South African Foundation sings praises to South African tourism — while ignoring one of the Cape's biggest attractions — its winelands.

The South Africa 1995 guide is being distributed to VIPs in Brussels this week.

Its section on tourism claims that the industry "is expected to replace gold as the country's major earner of foreign exchange in the not-too-distant future".

However, while the brochure gives details of national parks and resorts, there is not a word about the wine routes — which are fast becoming the country's most popular tourist attraction.

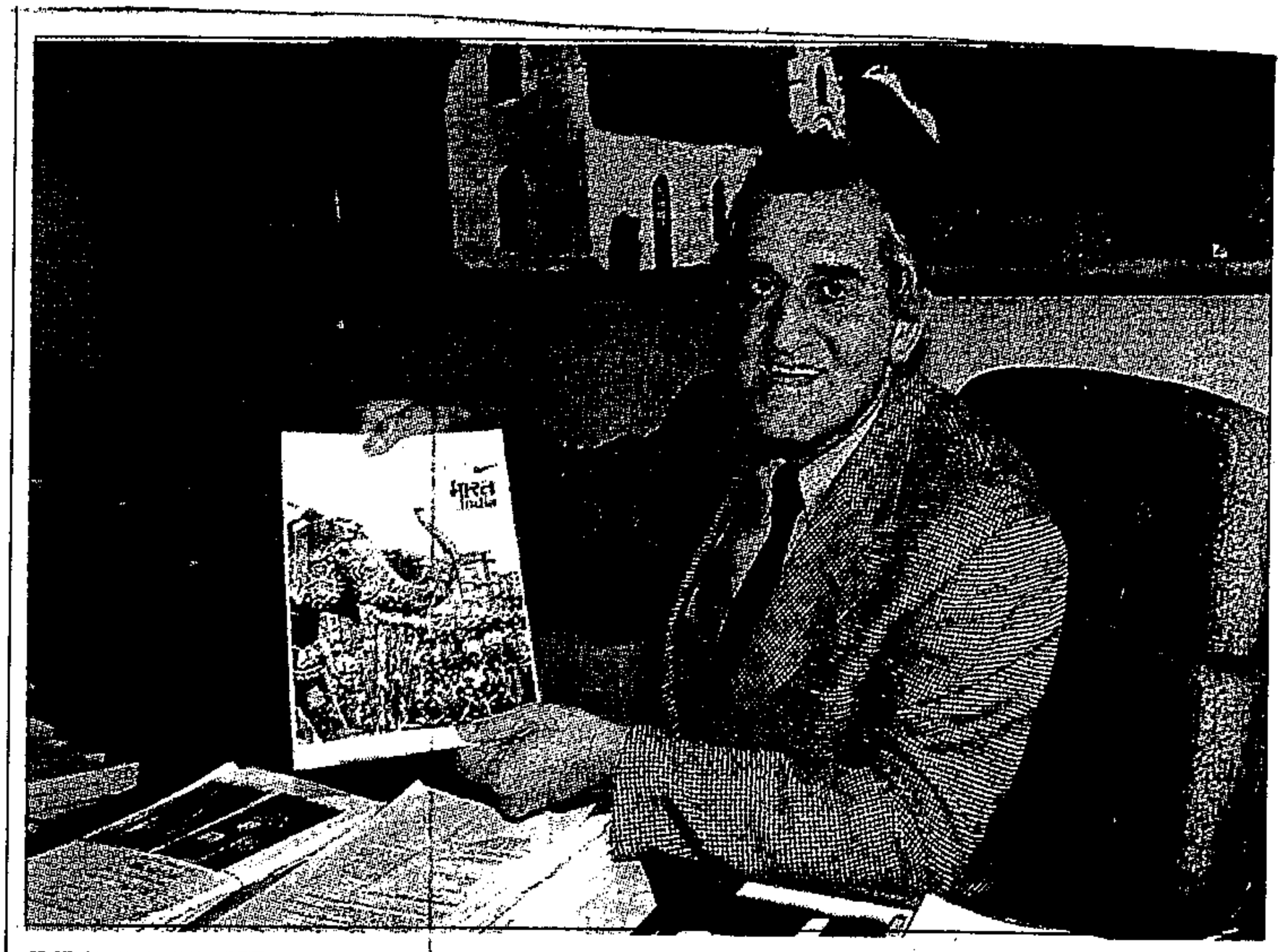
There is also a glaring inconsistency about numbers of foreign tourists.

The text of the brochure says that the UK, Germany and the US "together account for half of all South Africa's overseas tourists".

However, a pie chart of 'Number of Foreign Tourists' suggests that 80,5 percent of visitors to South Africa come from Africa.

The report also has a section on agriculture, in which wine gets one mention.

In the section, it mentions fruit being a principal crop, "including grapes, which support an expanding wine industry".



INDIAN SUMMER *South Africa has the potential to become the third-most-favoured tourist destination among travellers from India, says Miso Markovina, a director of Protea Hotels*

India could become SA's next major tourist market

288. CT(BR) 19/10/95

BY AUDREY D'ANGELO

CAPE BUSINESS EDITOR

Tourism from India had grown from a zero base two years ago to 14 000 people in the first 10 months of this year, Miso Markovina, a director of Protea Hotels, said yesterday.

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"They get 30 days holiday in May or June, another 15 in October and 10 in December. Europe is still their first choice as a holiday destination and America second. East Africa and Mauritius are in third place, but we could easily become fourth — or even move up into third.

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"There has already been at least one Indian investment; in Mabula Lodge.

"And the Sterling group, one of the biggest time-share companies in the world, is coming here to look for possible investments soon."

Markovina said hoteliers hoping to attract Indian guests must prepare to cater for strict vegetarians and offer more Indian dishes.

He said travellers from India currently had a choice of airlines. Air India had just increased the capacity on its two weekly flights to Bombay by using a larger plane and SAA had two direct flights a week.

"A direct flight takes only eight hours and the time difference is only three hours. It is not expensive for Indians to come here. The standard fare is about R2 500."

Leon Els, SAA's senior public relations manager, said the airline was monitoring the situation and would supply an extra flight if demand was sufficient, capacity available and traffic rights could be obtained.

MAIL & GUARDIAN
October 20 to 26 1995

Will Cape Town Olympic bid cover costs?

(288) MG 20-26/10/95

Questions are being asked about the viability of the Cape Town Olympic Bid Company's budget, presented to Cabinet this week, reports **Rehana Rossouw**

THE green light for South Africa's Olympic dream shone faintly this week when Cabinet decided to support the preparations for the 2004 Games, but warning lights flashed over the possible cost to taxpayers.

The Cabinet's decision came in the same week as the organising committee for the 1996 Games in Atlanta — the home of mega-corporations like Coca-Cola and CNN — admitted that its prospects for making a profit are virtually non-existent.

A budget presented to Cabinet by the Cape Town Olympic Bid Company in preparation for the Cabinet decision required central government to spend R979-million over the next 10 years, but promised a separate surplus of R94-million.

The government will now assist the Bid Company to fine-tune its budget and will provide expertise to examine preparations and report back to Cabinet for its final decision in April next year.

Bid chief executive Chris Ball welcomed the Cabinet's decision and said national and provincial finance and transport experts would now join his staff to form "Team South Africa" to prepare for the bid process.

A bullish Ball said the message to the world now was that the South African bid was proceeding — it had the full support of the Cabinet and national business.

But serious reservations about the budget presented to Cabinet were raised this week by a chartered accountant, who analysed it on behalf of the *Mail & Guardian*. He said a major question left unanswered was how it could be assumed that South Africa could make a profit out of the Games while other more sophisticated countries failed to do so.

The Cape Town Olympic Bid Company predicts a total revenue of R4.2-billion, an expenditure of R2.9-billion, a gross surplus of R1.3-billion and, after expenditure on sports facilities, housing subsidies and a contingency fund, a net surplus of R94-million. The private sector is required to provide R279-million.

"Cape Town's budget is generally optimistic, even though it is difficult to predict the situation in nine years' time," the accountant said. "We don't know what the state of the South African economy will be in 2004 and what exchange rates will be.

"The problem this creates is that the budget is a bit of a thumbsuck as this is a once-in-a-lifetime affair and there are no annual budgets to compare it to.

"The accelerated capital budget makes no provision for interest on loans the government would have to raise if they bring that expenditure forward. There is a risk that those additional costs will be passed on to taxpayers."

Another serious problem identified by the accountant was that the budget predicts that Cape Town requires an additional 70 000 hotel beds for the Games, a staggering amount for the private sector to meet and continue to fill after the Olympics.

Although the budget allows for a R150-million subsidy on Olympic housing, which could be sold to low-income earners after the Games, he believed not enough thought had gone into the upgrading and development required outside the site, which he believed the IOC would require and the new owners might not be able to afford to support.

He doubted whether the number of tickets sold would come close to that of the Barcelona Games, which were little more than a train ride away from Britain and other European countries. Tickets would probably be relatively expensive for South Africans.

The accountant said he was also concerned that South African business would not be able to afford to sponsor the Games. Although the budget predicts sponsorship at 40 percent below Sydney's projection, South Africa's market was much smaller.

Ball responded by saying he was condifent South Africa would receive sufficient corporate sponsorship. He admitted that ticket prices would probably be beyond "Soweto's" reach and that issue would need to be examined.

"The big difference between our bid and Atlanta's is that Atlanta received zilch from central and state government. Every cent had to be raised by their committee," he said.

Catra comes out of the dark

MG (BM) 20-26/10/95

(288)

Rowan Callaghan

THE membership of the Catering, Restaurant and Tearoom Association (Catra) may have changed over the last 76 years but the organisation still plays an integral part in issues facing members.

The employee organisation was formed in the "good old days" when the genteel citizens of Johannesburg frequented tea-rooms and the more risque could be found in bioscope cafés.

Today the industry is quite an important one and members make around R90 000 a month. After a relatively low key existence, the organisation has felt that it is time to introduce themselves to the public. "We were all involved in our own business and we were not full time with the association," Catra chairman Jimmy Michaelides explains. He has only been with association as a full-time chairman for the past year.

Catra still offers protection to the family-operated grocer, cafe owner and Fish 'n Chip shop but today its 5 000 members are drawn from many business areas. The fast food take-away, the ice-cream and pizza parlours, roadhouses and steakhouses are included in Catra.

Many of the family-operated grocers and corner cafes seem to be under threat from the increase in garage shops and supermarket chains but the association chairman dismisses this as not being a threat. "I don't think that it has the impact in that we have a bigger variety of products."

The association has been active in assisting members with benefits, labour relations and tenants' rights. They help members organise benefits like Medical Aid, UIF and others for their employees.

Another area where they have been strongly involved is tenants' rights. "Many individuals and organisations in our industry have, for a long time, complained about the clauses imposed by landlords on leases entered into with members of our industry," Michaelides says. He pointed out that the return achieved by landlords often far exceeds the building costs of leased premises.

Catra's work has led to discussions between the Business Practices Committee and the South African Property Owners Association during which possible unfair terms of leases will be discussed.

Hygiene is also an important issue to the industry and Catra will be mainly involved in educating and training those people who work directly with food through a number of workshops.

Michaelides is confident that his organisation will grow in the future. He maintains that at the moment their members make up 60 to 70 percent of the Gauteng region's catering industry. They also plan to become more of a national association.

Tourist muggings sky-rocket

CT 20/10/95 (288)

STAFF REPORTERS

ATTACKS on tourists in the city have sky-rocketed, leading police to identify the worst crime hot spots in the Central Business District.

At least 96 tourists have been robbed or pickpocketed in the city since the beginning of the year — almost four times as many as during the same period last year, according to police statistics released yesterday.

More than 930 people have been robbed or pickpocketed since the beginning of the year in the city, compared with 772 last year.

Crime hot spots in the city include St George's Mall, Green Market Square, entrances to the Golden Acre shopping complex, the station deck, the Grand Parade and Strand Street.

Police, alarmed at the increase in attacks on tourists and crime's "negative influence" on tourism and trade, have set up a task force with members of the business community to try to reduce the city's crime rate.

"We are looking into the possibility of having a policeman on just about every street corner. Police members on duty will also be encouraged to pay regular courtesy calls to get to know shop personnel and improve co-operation," police spokesman Lieutenant André Traut said.

Special attention would be given to identifying escape routes out of the city and to criminals who regularly targeted tourists, he said.

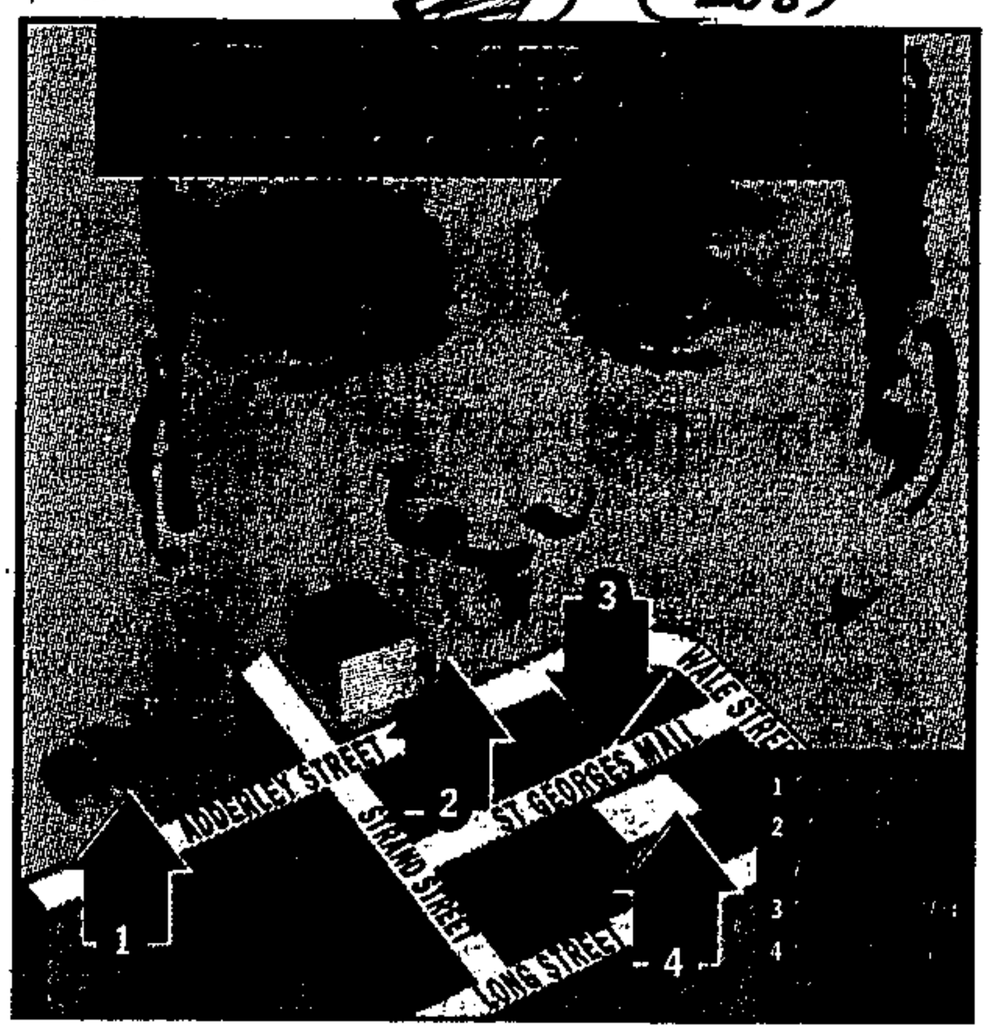
"The efforts of police in the city will be monitored closely and crime prevention planning will be done more comprehensively with the help of the community."

Lieut Traut said the task group would approach the Department of Justice to secure an agreement that court cases be held while tourists are still in the country.

He appealed to people to report all crimes in the city, regardless of the value of the goods stolen, as this would assist police in identifying trends.

Meanwhile it appears that tourists wander the streets of Cape Town with little warning about danger areas.

Mr Helmut Osterberg and Ms Dorothea Duwe-Osterberg of Germany told the Cape Times they had received no warnings at all in Cape Town.



"In Johannesburg we were told not to visit Berea and Hillbrow in the evening and in Durban we were escorted to our hotel at six one evening by a security guard at the insistence of a shop owner."

Mr Herman von Hulzer from Holland — touring with a group of 45 Europeans, one of whom had a gold necklace ripped from her neck while walking through the CBD on Sunday — said they had not been warned about crime spots.

A British couple said their hotel had issued no warnings at all, but that a hawker on the station deck had warned them against going down a dark flight of stairs and had escorted them back to the street by an alternative route.

A group of four Belgian tourists said they had been warned against walking in the city at night and carrying valuables but had not been told which areas might be hazardous and had felt "uncomfortable" while shopping on the station deck.

● See Page 8

Rail, Sun form African leisure group

CT(BR) 20/10/95 (288)

BY CHARLOTTE MATHEWS
INVESTMENT EDITOR

A consortium of businesses, including Sun International, Khulani Holdings, Thebe Investments, Real Africa Investments (Rail), Vela International, Women Investment Portfolio and Gestilac, has formed African Sun International with the objective of building it into a dominant player in the local gaming industry.

The consortium was launched in Johannesburg last night.

Sun International had recognised the Lotteries and Gambling Board's recommendation that the empowerment of previously disadvantaged groups should be a prerequisite for the granting of new gaming licences, said Peter Bacon, the managing director of Sun International.

Khulani Holdings' catering expertise would contribute towards the resorts and hotels planned for the future while Rail would offer its management and financial skills.

Moss Mashishi, the managing director of Moribo Investments, a subsidiary of Thebe Investments, said the group's participation in the consortium would enhance its role in the leisure industry.



Wendy Luhabe-Shilowa



Moss Mashishi

The chairman of African Sun International will be Wendy Luhabe-Shilowa, the founder and president of Women Investment Portfolio.

Wine farm aims at tourists

CT(BR) 20/10/95 (288)

BY MAGGIE ROWLEY
PROPERTY EDITOR

A 120-room hotel and a state-of-the-art conference centre with seating for 400 are to form part of a R125 million redevelopment and extension programme aimed at putting the Spier wine farm near Stellenbosch firmly on the corporate and international tourism map.

The 300-year old Spier farm, which has the country's oldest wine cellar, was bought two years ago by Dick Enthoven, a local businessman and former MP.

He has since purchased and incorporated an adjoining farm to form a 650ha estate.

The first phase of the development, including the conference centre, is to come on stream over the next few months with work on the hotel starting next year and completion scheduled for the end of 1997.

More than 150 jobs, with the workforce drawn mostly from the local area, are being created during the five-year construction plan, while a total of 400 permanent jobs will be created.

The development will include an open-air opera amphitheatre, capable of seating 1 200 people (where it is planned to stage an annual international opera festival and other cultural events), an equestrian centre, a wine retail centre, restaurants and bars.

● See Top of the Times

Call to halt Cape Town Olympic bid

RONALD MORRIS
and PETER DENNEHY

(288) CT 20/10/95

A group of prominent Cape Town people have called for a halt to the Olympic Games bid.

"We need more houses than we need the Games," said Mrs Eulalie Stott, a member of the group, who retired recently after 34 years as a city councillor.

The call was made in a statement sent to the Cape Times last night. Asked for comment, Mrs Stott warned that unless more houses were built, the city would not have a stable community.

She said she did not think the sporting facilities necessary to stage the Olympics should now be allowed to be the priority for spending commitments in the future.

"I'm against doing it until the country settles down and more basic needs are fulfilled."

Mr Arthur Wienburg, Mr David Erleigh and Mr Peter Hodder also appeared on the list.

The four other names on the list are: the Rev H Syre, Mr Rufus Papenfus, Professor Elizabeth Boyd and Mrs M Munro.

Protea to build hotel as tourism flowers

(288) ARG 21/10/95

MAUREEN MARUD
Business Staff

AMID a flurry of announcements about new hotels planned for Cape Town, Protea Hotels has quietly signed a deal that will produce the city's first major new hotel for years.

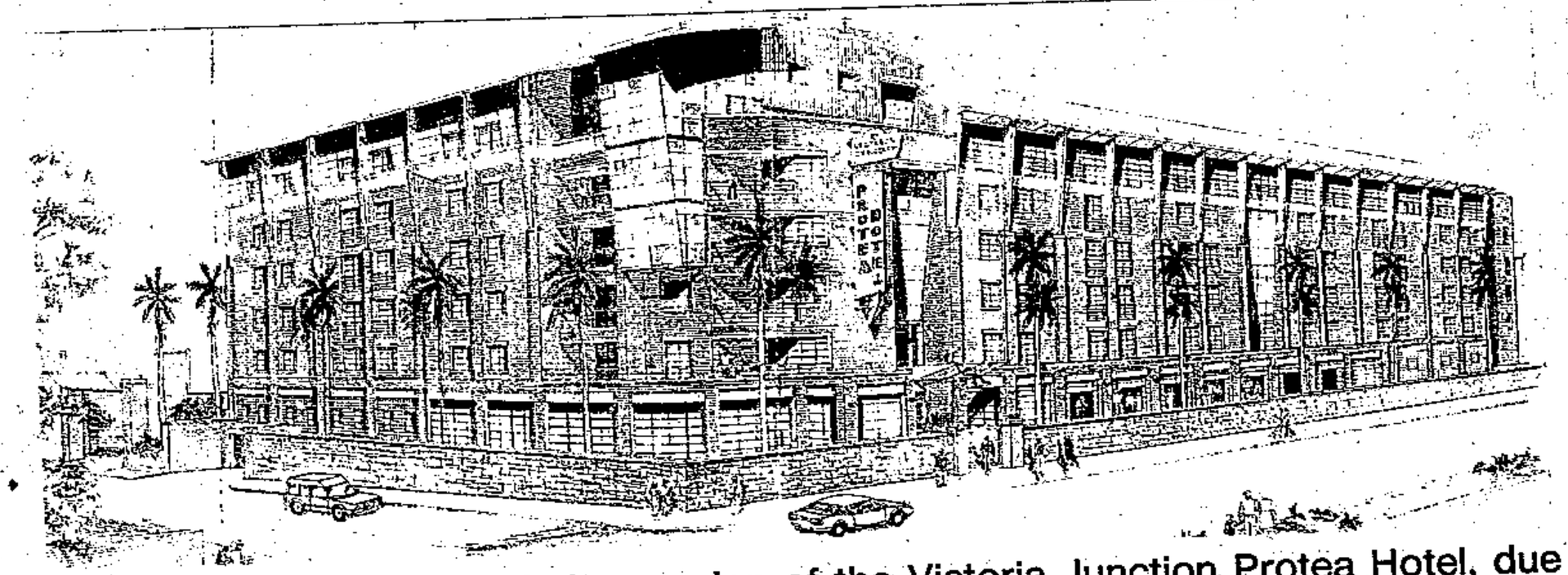
Cape Town-based Protea, Africa's largest hotel group, said it secured a R40 million deal in the face of fierce local and international competition.

"We have signed a lease on the hotel with the developer, Newport Property Group. They are the owners of the land," said Protea's managing director Arthur Gillis in an interview.

Newport Property director Ian Fyfe declined to name the other competitors. He would only say they were totally different kinds of operations.

"The Protea operation suited us the best, for a number of reasons, the main one being that it is very individual."

Various companies have recently announced plans for hotels in Cape Town. These include the Sun International at the Waterfront, scheduled for completion in April 1997, possibly a Hilton and a Sheraton on the Foreshore, and a 450-room hotel in Sea Point.



■ **NEW HOTEL:** An artist's impression of the Victoria Junction Protea Hotel, due to open in November next year.

Cape Town City Council plans to sell the old power station site on the Foreshore for R24 million to a French company that wants to build a R700 million complex, including a Hilton and possibly a Sheraton Hotel.

Developer Mark Taylor, of Durban-based Mark II Projects, plans to build in Sea Point.

But the first to be built will be the Victoria Junction Protea Hotel, announced for the first time on Thursday. Protea currently operates 85 hotels in 11 African and Indian Ocean island countries.

Located next to the Gallows Hill traffic department in Somerset Road, it will be a five-minute walk from Victoria Wharf at the Waterfront.

"The new hotel will provide a major boost to that area of Green Point," Mr Gillis said.

"The Victoria Junction development itself has already started to make a big impact on what I think will become a very trendy part of Cape Town."

The four-star hotel is due to open in November 1996. It will be Cape Town's first "loft style" hotel, with 148 rooms and 22 lofts serving as suites.

"Our investment should be seen as a commitment to tourism and the future of hotels in Cape Town," said Mr Gillis.

Sales director Danny Bryer said another indication of the group's confidence in Cape Town was the complete refurbishment of Protea's hotel, the Capetonian. That programme was almost complete, he said.

The refurbishment would help meet the demands of a continuing growth in the number of foreign tourists visiting Cape Town.

"Occupancies are extremely high within the whole Cape Peninsula area. The main influx has been the international market," said Mr Bryer.

The growing numbers of visitors made it imperative that the standard of service be improved — "and everybody's working on that," he said.

Cape Town should attempt to have international tourism to the city spread over 12 months, instead of four months, "because our weather for 12 months is conducive to all international guests."

Captour chief executive Gordon Oliver recently bemoaned the shortage of tourist facilities in Cape Town.

He said: "Cape Town has 2 500 beds, the Peninsula 16 000. We need to triple this number, especially with our Olympic Bid for 2004."

Ball slates 'niggling' Cape Town

COLIN DOUGLAS (288)
Staff Reporter

ARG 21/10/95

CHRIS Ball, head of Cape Town's bid to host the Olympic Games in 2004, has hit out at ratepayers concerned about having to foot the bill for the bid, saying many Capetonians are niggling by nature.

"If Johanneburg was doing this (the bid), none of this would be taking place — people would say 'Go for it'.

"Cape Town traditionally has citizens who want to contest everything — they like issues."

He said residents' opposition took up "a lot of energy", which was unproductive.

In an Argus phone-in poll this week, 59 percent of callers rejected the bid, many of them expressing concern that it would result in rates increases.

But Mr Ball was adamant that it would have no adverse effect on ratepayers.

"We're being extremely conservative about infrastructure, and we're not suggesting anyone should borrow anything."

He also disputed press reports that the cabinet was hesitant to give financial backing to the bid — after Finance Minister Chris Liebenberg's reported statement that the government had not committed a single cent to the bid.

He explained: "We simply made a cautious request of the cabinet to support the bid, which they agreed to.

"Of course the cabinet hasn't signed cheques yet. The state only has to sign the guarantees for the bid in the middle of next year."

Sites plan for Games villages

(288) ST (M) 22/10/93

By KEN VERNON

CULEMBORG, near Cape Town docks, and the Wingfield military base have been proposed as sites for the three main Olympic villages if the city wins the bid to stage the 2004 Olympic Games.

The Olympic Bid company has announced that the villages for athletes, officals and media — which are the three largest housing complexes for the proposed Games — the media and broadcast centres and possibly the 2,3 km rowing course, would be constructed at the two sites.

Other sites identified as venues for competition and practice include Philippi East, Nolungile Station, Khayelitsha Town Centre, Blue Downs, Athlone Golf Course, the UWC/Pentech/Belhar area and Delft.

Announcing details at a Press conference on Friday, Olympic Bid company head Chris Ball said the sites represented a "semi-dispersed" approach to the provision of games facilities.

The general aim was to balance the requirements of the International Olympic Committee, entrusted with running the games, with the future growth requirements of greater Cape Town.

Peter de Tolly, fresh from a whistle-stop tour of other Olympic contender cities, said the reasoning behind the selection of the chosen sites was that the Games should provide a "kick-start" for urban development in Cape Town.

Research by the bid company had been undertaken in conjunction with the Cape Metropolitan Council, Mr De Tolly said.

"Cape Town is an apartheid-designed city and the Olympic Games must assist in changing that," he said.

Sun International tells Mhlungu to sell stake

BD 23/10/95 (288)

Amanda Vermeulen

GAMING legislation in KwaZulu-Natal falls under the remit of finance MEC Johnny Mhlungu, whose company, Khulani Holdings, emerged last week as part of Sun International's black empowerment gaming consortium.

Sun International moved quickly at the weekend to play down any potential conflict of interest, saying Mhlungu had to sell his stake in Khulani to comply with future gambling legislation.

Mhlungu was not available to comment this weekend as he was in Las Vegas at the World Gaming Conference.

His spokesman, Shaun Emslie, said the department would be responsible for establishing KwaZulu-Natal's gaming board, which would issue gambling licences.

There was no gambling legislation in the province, but the department hoped to promulgate its gambling Bill by next month.

Emslie said Mhlungu had resigned as Khulani's MD earlier this year. However, the company's lawyers were investigating whether a potential conflict of interest still existed.

The new consortium — African Sun International — is to bid for at least five new mega casino licences, including at least one in KwaZulu-Natal.

Under recommendations put forward by General Services Minister Chris Fismer, neither government nor its officials may hold stakes in casino ventures.

Sun International MD Peter Bacon said the group had entered a partnership with Khulani, not Mhlungu.

African Sun International's partners include Real Africa Holdings and Thebe Investments.

IFP leader Mangosuthu Buthelezi's son is Khulani's executive director.

Satour aims to double tourism

(288) ARG 23/10/95

CAIRO. — South Africa aims to double its number of tourists in the next five years, says a South African Tourism Board (Satour) spokesman.

This would create more than 330 000 jobs, generating R70 billion in foreign exchange.

"Tourism is South Africa's fourth largest source of foreign currency and is targeted to play an important role in the government's reconstruction and development programme," said Satour deputy executive director Ernie Heath.

He was speaking after South Africa had been elected to the World Tourism Organisation's (WTO) executive council and environmental committee at a conference which ended in Cairo yesterday.

South Africa, selected as one of eight countries to represent Africa on the council, would help promote the continent as a tourist destination.

The meeting was attended by 1 000 delegates from 121 WTO countries. — Sapa.

'SA aim is to double tourism'

(288) CT 23/10/95

CAIRO: South Africa was aiming to attract more than double the number of tourists within the next five years, a Satour spokesman said yesterday.

This would create more than 330 000 jobs and generate $22 billion (about R79,2bn) in foreign exchange earnings.

"Tourism is SA's fourth-largest source of foreign currency and is targeted to play an important role in the RDP," said Satour deputy executive director Dr Ernie Heath.

He was speaking after SA's election to the World Tourism Organisation's (WTO) executive council and environmental committee at a conference here.

"The election will enable SA to help the continent address tourism challenges such as protecting the environment, ensuring quality services and breaking down barriers to travel."

SA's participation was the first in a full assembly of the 121-member WTO. — Sapa

Satour to present awards in more categories next year

Theo Rawana
(288)

BD 24/10/95

THE SA Tourism Board had increased the number of categories from nine to 12 for its 1996 Satour Tourism Awards, "to broaden recognition of excellence in hospitality and service in SA's most important growth industry", Satour said at the weekend.

Satour standards director Greg McManus said the board, in association with Getaway magazine, had launched the nomination process.

As tourism service providers in SA mushroomed to meet spiralling international and domestic demands, it was imperative that service and hospitality standards matched the best the world had to offer, he said.

"Our re-entry into the world economy has meant a much sharper focus on meeting higher consumer demands, and the Satour Tourism Awards provide an opportunity for consumers to have their say," said McManus.

The consumer categories include Hotel of the Year, Host of the Year, Guest House of the Year, Self-catering Establishment of the Year and Newcomer of the Year. In addition, three new categories had been added, namely B&B Establishment of the Year, The Visitor Attraction of the Year and Private Reserve Accommodation of the Year.

Export assistance for tourism likely

BD 24/10/95 (288)

Amanda Vermeulen

TRADE and Industry Minister Trevor Manuel has given tourism the green light, allowing it to qualify for export marketing assistance following proposals put forward by Environmental Affairs and Tourism Minister Dawie de Villiers last month.

Hendrik Steyn, director of tourism in the department of environmental affairs and tourism, said yesterday that Manuel had cleared the plans but the decision would have to be ratified by the National Economic, Development and Labour Council (Nedlac).

If Nedlac gave the go-ahead, operators who exhibited at approved trade shows abroad could apply for support. As the export marketing approval scheme proposal was still in its infancy, no decision had been taken about a rand ceiling on the available assistance.

But Steyn said the scheme's contribution to tourism operators would be insignificant, and a much greater role could be played by government in promoting tourism. Other incentives such as a further reduction in import tariffs, and possibly tax breaks, should be considered.

Steyn said that Manuel would welcome any "well motivated" proposals from the tourism industry for further allowances.

Meanwhile, some tour operators are calling on government to step up its assistance, saying growth in the industry was being hindered by a lack of infrastructural development.

Grosvenor Tours divisional manager Renee Wagner said the local tourism industry was "bursting at the seams", and the pressure to increase infrastructure development was forcing prices up.

But until government came to the party by supporting development, the growth promised by the increase in demand would be retarded, he said.

Satour recently released figures showing tourist development worth about R10bn was in progress.

Kessel Feinstein Consulting CE Delano Caras said yesterday that prices of hotels and other tourism-linked facilities had increased between 15% and 20% over last year. Demand for hotel accommodation, flights and coaches was at an unprecedented high, but Caras said the increase in demand could lead to complacency and a potential deterioration in already poor service levels.

He said the tourism industry would also have to step up its focus and investment in training if it wanted to maintain or improve service standards.

Pace of tourism boom leaves SA unprepared for onslaught

(288) ARG 24/10/95

LONDON. — Passport control at Johannesburg International Airport is overstretched, the new terminals under construction can hardly keep pace, but nobody is complaining.

South Africa's tourism boom is in full swing, and with it the opportunity for enormous economic growth.

But South Africa is unprepared for the onslaught. Hotels are packed, the game reserves are booked up months in advance, and there are not enough flights to meet demand. By the end of June, the number of visitors was already up 52 percent on the whole of last year, although this rise is expected to tail off by the year-end. For the full year a million foreign visitors are expected, compared with 700 000 in 1994.

And therein lies the new government's dilemma: If the potential of tourism is to be realised and momentum maintained, large-scale investment is vital. This year, tourism's contribution to gross domestic product is set to reach 3,6 percent, against two-percent in 1994.

Walter Msimang, director of Satour, said: 'Government rhetoric is positive; everybody agrees that expanding capacity must be a priority. Our tourism industry is under-achieving; we have enormous opportunities, some of the most beautiful scenery in the world, supported by an infrastructure of first world standards. But under the government's Reconstruction and Development Programme (RDP), health and education, rightly, take priority. So we have to encourage private-sector involvement.

He said there had been talk of tax incentives to encourage private-sector interest, but with an already overstretched budget, the government could not afford to be too generous.

International and local hotel groups are stepping into the breach. Inter-Continental has linked up with Southern Sun to run jointly three five-star hotels in Johannesburg, Cape Town and Durban; Hilton is planning a R200 million hotel in Sandton, Johannesburg, and the Hyatt hotel, also in Sandton, is virtually complete. The Sunday Times, London.

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("Unispin")

Results of minority offer

New apartment hotel for Cape

(288) CT(BR)24/10/95

BY MAGGIE ROWLEY
PROPERTY EDITOR

A 41-unit apartment hotel is to be built at a cost of R15,7 million on a site adjoining the old President Hotel on the border of Sea Point and Bantry Bay.

The development is being marketed to investors as a sectional title with all but two of the 41 units, comprising bachelor and one-bedroom suites ranging in size from 39m² to 79m², having been snapped up since marketing began a week ago, according to Thomas Altmann of marketing agents Devmark. To be known as The Bantry Bay, the project is being developed jointly by Faircape and Devprop, with all apartments self-catering and developed to five-star standards. The hotel will be operated by Relais Hotels of the Cape which manages, among others, The Beach House in Sandown Bay, Alphen in Constantia and The Dorpshuis in Stellenbosch.

Occupancy

Contractors have moved on site and completion is scheduled for mid-1996. Units are being sold on a sectional title basis from between R219 000 to R489 000.

Altmann said that at a projected occupancy of 50 percent, the return of investment in the first year would be 14 perc rising with occupancies over the first year period.

OPINION·MUST BE TESTED, SAY FORMER EXCO CHIEFS

Call for poll on Games bid

FORMER EXCO chairmen Mr Arthur Wienburg and Mr Clive Keegan believe the city should not pursue its Olympic bid before support has been tested. **DALE GRANGER** reports.

TWO former Exco chairmen, Mr Clive Keegan and Mr Arthur Wienburg, have joined forces in calling for a referendum to see if Capetonians want the city to host the Olympic Games in 2004.

They have also criticised Olympic Bid Company chief executive Mr Chris Ball for his comment at the weekend that Capetonians are "niggly by nature".

Mr Keegan and the Olympic Bid Company were in agreement yesterday that without the support of citizens, the bid had no chance of succeeding. The International Olympic Committee requires documented proof that polls have been held, as well as an assurance that a host city has the demonstrated support of most of its inhabitants.

The bidding city also has to give details of groups opposed to the bid.

"We know Cape Town is against the bid and it is an absolute cheek that nominated councillors voted in favour without the backing of the ratepayers," Mr Wienburg said.

"People are appalled ... as the money can be put to better use."

Mr Keegan said means should be found to combine the referendum with the municipal elections in March. The bid company would be expected to pay for the referendum.

Survey plan

"The bid will not be taken seriously until there is a demonstration of community support," Mr Keegan said.

Mr Ronnie Kingwill, director of the bid process, agreed public support should be tested.

He ruled out a referendum, however, saying it would not be cost-effective and that the bid company did not have the administrative resources to manage it. It was working on a plan that involved a survey of Capetonians as well as South Africans.

The survey would be launched before the end of the year.

A workshop would be held on November 4 and would be followed by presentations and discussions with communities.

Mr John Neels, president of the SA National Civics Organisation, said: "We don't need a referendum. What we need is to activate people, and guaranteed support for the Olympics will follow.

"People are becoming doubtful as those on the Olympic board are required to make decisions ... we have been fighting to be involved ... no one except the communities can decide what their needs are."

Forex pours in as conferences boom

(288) BD 26/10/95

Theo Rawana

THE SA conference industry was worth R2,6bn and, with an annual increase of R900m, was projected to grow to R3,5bn by the year 2000, tourism analysts said yesterday.

Gillian Saunders, director of consultants Kessel Feinstein, said foreign exchange generated by the industry amounted to R42m and that the annual increment of R158m should help it reach R200m by the end of the century.

The industry was currently paying R250m in taxes, with annual increases of R90m set to bring this to R340m by the year 2000. The industry created 60 000 jobs, with an annual increment of 20 000, and should employ 80 000 by the end of the century, Saunders said, quoting extracts from a paper she presented at a recent conference.

The conference, convened by the SA Tourism Board, concluded that an SA association for the conference industry should be established and, with an initial budget of R8m, should be operative by March next year.

Saunders said: "The conference industry is a noted generator of significant economic benefits for the cities, regions and countries which host conferences. A major factor driving the high impact of conferences is the high average spend of conference delegates in relation to other tourists."

About 80 000 conferences worth about 7,4-million delegate days were held in SA every year — and between 40 and 60 of these conferences were international, bringing R42m in foreign exchange.

"In total the industry is worth an estimated R2,6bn to the country and employs almost 60 000. Its growth rate is thought to be about 5% per annum," Saunders said.

She said Satour had a conference promotion division of five dedicated staff, with a manager who had two other portfolios. "Its total 1994/95 budget, including overseas office costs incurred on conference marketing was R1,9m, of which R878 000 was spent on promotions and other activities.

"However, only R200 000 was the direct allocation to the conference division for marketing and promotion activity," she said.

Durban Unlimited Convention Bureau director Clive Booth told another recent conference that internationally the convention industry was worth about R320bn. SA's share of the world market was a paltry 0,87%.

He said, however, that the SA conference industry employed about 60 000 and fed between 250 000 and 300 000 people.

SA had barely touched the surface of one of the fastest growing industries in the world, he said.

Task group focuses on nurses' training needs

(288) BD 26/10/95

Kathryn Strachan

WITH all the consternation over the salaries and working conditions of nurses, the focus has also fallen on their training, which is increasingly being recognised as totally inadequate.

The higher education commission, headed by Jairam Reddy, is currently looking at restructuring nurses' training.

Commission health sciences task group chairman David Sanders says a proposal for reorganising training should be ready before the end of the year.

The main call coming from nurses is to move training away from the health sector into the arena of education.

By bringing nursing training closer to that sphere, nurses would be brought into the medical personnel network.

The task group is also looking at ways of making the content of courses more appropriate, making training more accessible, particularly in outlying areas, and at the integration of primary health care into all health programmes.

SRG 26/10/95

SA on world tourism body

(288)

Staff Reporter

SOUTH Africa has secured a seat on the executive committee of the World Tourism Organisation at a conference in Cairo.

South Africa is one of eight African countries which will represent the continent.

Ernie Heath, deputy executive director for the SA Tourism Board, said Satour's goal was to double the number of visitors to South Africa over the next five years.

Black business wants 40% of Olympics

(288)

CAROL CAMPBELL

CT 27/10/95

SOUTH African blacks had to have at least a 40% business interest in Cape Town's 2004 Olympic Games bid so their communities could feel the financial benefits of hosting the Games, a group of local black businessmen said yesterday.

Mr Brian Ebden, a spokesman for the Incorporation of Black Business Structures (an umbrella body for seven black business forums) said the organisation had thrown its full weight behind the Olympic bid and Mr Chris Ball, chief executive of the Olympic committee had voiced his eagerness for black business involvement.

Mr Ball had sent a letter to the businessmen, agreeing to a draft policy document outlining black participation, he said.

"We don't want a repeat of the Rugby World Cup when black communities were asked to cheer for the Bokke but did not benefit from the business which was generated," Mr Ebden said.

ECOTOURISM

In for the kill

The National Parks Board has embarked on a two-year programme to obtain about R30m in offshore donor funding. The money will be used to expand land areas of existing national parks or to create new parks.

If successful, the programme will be continued after two years, giving a major boost to the labour-intensive ecotourism industry. Wildlife is SA's single biggest international tourism drawcard.

Rozanne Savory, newly appointed fundraising co-ordinator for the board, says source funding from overseas has been decided on, as local funds should be prioritised for the socio-economic needs of government's RDP. "Initial responses from the UK and the US have been enthusiastic. And, with one job created by each 10 new tourists coming to SA, the programme should have far wider benefits than merely relocating elephants."

Driving the board's land expansion programme is the need to relocate surplus elephants from the Kruger National Park. The park is embroiled in an international controversy over its need to cull elephants from overpopulated areas.

The 40 000 ha Marakele Park in the Transvaal Waterberg and the 22 000 ha Vaalbos Park at Barkley West near Kimberley have already been targeted by the board for initial expansion. Another area that might benefit at a later stage is the new 25 000 ha Dongola Park on the Botswana-Zimbabwe border, which adjoins the Mashatu Game Reserve in Botswana.

Also under consideration for elephant repopulation is the eastern shores section of the St Lucia nature reserve in KwaZulu-Natal. "But this would depend on the Natal Parks Board," says director Anthony Hall-Martin.

Similarly, the 40 km tribal trust area in Zimbabwe, separating the northern Kruger Park from Zimbabwe's Gona-re-Zhou game reserve could eventually be managed as a wildlife tourism area, while the Mozambican authorities still have to decide on the creation of a cross-border park adjoining Kruger.

"Our target is to bring in about R10m in the first year, followed by R20m the next. We will also investigate getting some funds from the Far East," says Hall-Martin.

If successful, the programme will be a major boost for labour-intensive ecotourism, now seen as SA's major long-term forex earning industry. Based on renewable resources, SA's future as a global ecotourism destination seems secure.

Apart from tourists, trophy hunting is also growing as a forex earner, says Di Pieterse of the Professional Hunters' Association.

"We are busy with a survey updating our statistics, but estimated forex value of trophy hunting in SA is about R325m a year. The US (with about 67%) and German-speaking European nations (20%) provide the lion's share of the revenue and about 7 500 foreign hunters visit SA each year. SA is the primary trophy hunting destination in Africa."

Pieterse says with foreign hunters prepared to pay about R65 000 to shoot an elephant, the board should also consider allowing hunting in culling areas.

But, says Hall-Martin, this is not allowed under board legislation. "To change this one would have to change the founding Act — but we are considering allowing controlled hunting of spillover game in private areas (co-managed by the board) on the borders of a park like the Kruger. Inside the park, our duty is to provide a sanctuary for game — and we believe that this is what most South Africans would support." ■

OLYMPIC GAMES (288)

Summing up

FM 27/10/95

On paper, Cape Town's 2004 Olympic bid stands to make a R1,3bn gross profit. But Cabinet is not convinced of this. Nor are many taxpayers and Cape Town ratepayers.

Los Angeles is the only Games to have made a profit without State support since the modern Olympics began in 1896. Barcelona had to raise loans to cover its costs, Montreal was still saddled with debt 15 years after the 1976 Games and Moscow lost millions of roubles.

Why then should SA — which Archbishop Desmond Tutu contends "has never been over-smart" — fare any better?

Being a banker, Bid Committee CEO Chris Ball understands the need for caution, but he is exasperated by what he calls the "same old, unfounded claims" that the Games in SA will inevitably run up a massive debt. He says the figures speak for themselves. However, for the purpose of his arithmetical exercise, he does not include infrastructure expenditure.

The cost of running the Games will be vastly outweighed by expected revenue from television rights (R2,2bn), marketing (R1,5bn) and ticket sales (R480m). The preliminary operating budget forecasts revenue at R4,2bn and operating expenditure at R2,9bn — hence a surplus of R1,3bn.

An allocation to refining the sports facilities, a housing reserve and a general contingency leaves a net operating surplus of R94m. International accounting firm KPMG says the committee's budgets are "soundly based and reasonably compiled" but reserves opinion on the likelihood of their being achieved.

By 2004, there will be considerable changes in technology, exchange rates, interest rates and inflation which may affect the financial outcome and are outside the committee's control.

To complicate matters, the largest revenue items — TV rights and international marketing, which together account for 54% of total revenue — will be negotiated with the International Olympic Committee. This committee, it has been reported, might increase its share of TV revenues from 40% to 50%, which will mean a loss to the Bid Committee of R377m.

But TV revenue has been conservatively forecast at 6% below Sydney's estimates and could well exceed expectations.

On the capital side, the State is being asked to provide R978m by 2004 in return for about R7bn more tax revenue by 2010. Games supporters say the State will simply accelerate expenditure on roads, rail, rolling stock and the airport that would otherwise have occurred by 2010. This should be subtracted from the cost of staging the Games.

On this basis, almost every Games since 1968 has made a profit.

But this interpretation ignores the fact that much of the Games infrastructure is inappropriate in a developing country. It is hard to see how improved airport facilities, sport stadiums and a sophisticated drug testing facility will help people in need of housing and basic services.

If the bid fails in September 1997, the State will already have spent almost R300m on Games infrastructure.

Cabinet acknowledged this political dilemma last week when it endorsed the bid on the condition it is firmly linked to socio-economic development. It has released R39m to cover the six-month planning phase to April 1996, when it will review the updated budget and consider making more funds available.

Ball says the Games will conform to minimum required standards and be a "leading example for developing nations."

Where possible, sporting venues are being designed for easy conversion into multi-purpose community centres, conference halls, industrial hives and business premises. In some cases, private investors will be included in the design phase, ensuring they will be ready to take transfer of assets later.

Community organisations, development forums and sporting bodies are being extensively canvassed to co-ordinate their requirements with those of the Games. Some facilities, such as the Olympic swimming pool, may become the permanent national home venues of certain sports.

The Olympic villages will accommodate 21 000 people in four-storey, walk-up flats and will be built by the private sector for less than R1,04bn. The Bid Committee will use R150m of the operating surplus to subsidise the selling price so the units can be sold as low-cost housing after the Games.

Financial director Michael Fuller says: "We are not consuming capital resources; we're creating them."

KPMG, in association with N N Gobodo & Associates, predicts that, by 2010, the Games could add R23bn to GDP, R7bn to tax revenue, R12bn to foreign exchange inflows and create an annual average of 112 000 jobs. And 65% of the GDP and 75% of the jobs created would be outside the Western Cape. (These are the median figures lying between the high and low scenarios verified by Price Waterhouse.)

A tourism boom is guaranteed. Tourism rises by about 40% after the Games and is usually sustained.

Ball says: "The Games represent the single greatest economic opportunity for SA. Nothing we can do, other than possibly remove exchange controls, will have the same impact."

Of the R1,7bn total capex budget, R278m will be needed from business to build sporting facilities. Large sectors of business already back the bid, including the SA Chamber of Business and the Incorporation of Black Business Structures which represents seven major black business organisations, including the National African Federated Chamber of Commerce.

The Bid Committee has given a written undertaking that at least 40% of all transactions will involve black business.

If the committee is doing everything by the book, why is Cape Town not yet convinced? The International Olympic Committee requires 80% of the host city's population to support the Games. So Cape Town is the biggest obstacle to the bid.

The city is divided between those who believe in the promised benefits and those who believe they will spend a lifetime footing the bill.

Ball will have to explain repeatedly why the bid is financially sound. Only when this has broad acceptance can SA be expected to throw its heart and soul into the race. ■

Gambling Bill worries Sun International investors (288)

■ BY STAFF REPORTER

Share prices in the Sun International stable of companies have varied from stodgy to volatile as the incorporation of the former homelands into South Africa, along with sweeping changes in the gambling industry, caused concern among investors.

A large degree of unease in the market stems from the realisation on the part of some large shareholders that they will be forced to sell their holdings completely.

The National Gambling Bill stipulates that provincial governments and development corporations which inherited Sun International shares from the former homelands must sell their holdings within a two-year period.

Peter Bacon, the Sun International managing director, said the deadline was bound to cause an overhang in the market.

The stakes involved consist of about 37 percent of the various subsidiaries issued share capital, worth about R1,3 billion.

Bacon said Sun International had made representations to general affairs minister, Chris Fismer, to extend the deadline to five years.

Chairman Buddy Hawton said the money realised could be used for provincial development and a low share price would have a negative effect on the RDP.

The group is to be restructured with an offer to shareholders in Suncisk, Transun and the unlisted Venda Sun by Sunbop, which will then change its name to Sun International.

Sunbop is languishing at R21,50 compared with its eight-year high of R50 in May last year.

But the axe is looming over Sun International in another form.

The group is bound to lose some of its licences under the new gaming dispensation, and the realisation is breeding unhappiness and uncertainty in the market.

While most analysts have adopted a wait-and-see attitude, some believe that the group may be offering good value.

Star 27/10/95

Olympic bid gets an affirmative action policy

ARG 27/10/95 (288)

COLIN DOUGLAS, Staff Reporter

CHRIS Ball, chief executive of Cape Town's Olympic bid, is to implement a sweeping affirmative action policy that will impose stringent black participation requirements on every firm that does business with the bid.

The new policy, which is still in draft form, will require each of the bid's contractors to sell 40 percent of its shares to black business people, and give black managers 40 percent representation among its senior staff.

Alternatively, contracted firms should establish new, bid-specific companies that were at least 40 percent black-controlled.

The policy was unveiled at a press conference yesterday by attorney Christine Qunta on behalf of a grouping of black business groupings, including the Black Business Initiative and the National African Federated Chamber of Commerce.

Mr Ball has endorsed the policy, which also requires that 40 percent of the bid company's managers, and all its secretaries, will be black.

Mr Ball has agreed to the immediate establishment of a "black economic empowerment task team" made up of Ms Qunta and four others.

The team will have the power to enforce compliance with the new black participation policy, and will have access to all of the bid company's contracts.

While the black business organisations registered their support for Cape Town's bid they were adamant that their members should not be expected to donate money to the bid.

"The large companies have been advantaged because of our disadvantage — they should make the financial contribution," Ms Qunta said.

The document says there is a need for "a rigid empowerment policy".

Sweeping steps mooted to boost affirmative action in Cape Town's Olympic bid

(288) Star 28/10/95

By COLIN DOUGLAS

Cape Town – Chris Ball, chief executive of Cape Town's Olympic bid, is to implement a sweeping affirmative action policy that will impose stringent black participation requirements on every firm that does business with the bid company.

The new policy, which is still in draft form, will require each of the bid's contractors to sell 40% of its shares to black business people, and give black managers 40% representation among its senior staff.

Alternatively, contracted firms will be required to establish new, bid-specific companies that are at least 40% black-controlled.

The policy was unveiled at a press conference this week by attorney Christine Qunta on behalf of a grouping of black business groupings, including the Black Business Initiative and the National African Federated Chamber of Commerce.

Ball has endorsed the policy, which also requires that 40% of the bid company's managers, and all its secretaries, will be black. He has agreed to the immediate establishment of a "black economic empowerment task team" made up of Qunta and four others. The team will have the power to enforce compliance with the new black participation policy, and will have access to all the bid company's contracts and records.

Companies failing to comply with the policy stand to forfeit 12% of the value of their contracts with the bid company and to be barred from further dealings with it.

While the black business organisations registered their support for Cape Town's bid to host the Olympic Games in 2004, they were adamant that their members should not be expected to donate money to the bid.

"The large companies have been advantaged because of our disadvantage – they should make the financial contribution," Qunta said. "We have spent hours away from our work drafting this document; we consider that an adequate contribution."

The policy document hits out at established corporations, accusing them of neglecting black empowerment.

"Subsequent to the new political dispensation, the South African economic society has displayed extreme resistance and lack of commitment with regard to black economic empowerment at all levels," it reads.

"Black business needs to play an equitable and significant role in core business activities and on the centre stage of our economy.

This is not occurring due to the aforementioned reluctance by white corporate South Africa, save for certain dubious attempts by individual corporates to enrich a minute number of black faces."

The document says there is a need for "a rigid empowerment policy which would carry injunctions for tokenistic use of black faces as shopfronts and failure to involve black business at every conceivable level".

Failure to comply with the policy would constitute "a violation not only of the International Olympic Committee charter but also a flagrant disrespect of the RDP".

'Nigglers' of the southern suburbs

ARG 28/10/95 (288)

WILLEM STEENKAMP
Staff Reporter

■ Southern suburbs ratepayers are the most anti-Olympic as the Cape Town Olympic Bid Company fights an uphill battle to convince Cape Town that it should host the 2004 Olympics.

THE ratepayers of Cape Town's southern suburbs are the most virulently anti-Olympic in the city, while Cape Flats residents are all for the Games.

The Cape Town Olympic Bid Company has been stung by the flood of criticism against the company's plans to win the bid for the 2004 Olympic Games for the Mother City.

Last week Chris Ball, chief executive of the Bid Company, lashed out at ratepayers concerned about having to foot the bill for the bid, saying many Capetonians were "niggling by nature".

Mr Ball said: "If Johannesburg was doing this... people would say: 'Go for it'."

This week Peter de Tolley, planning director of the bid company went one step further — he identified the "nigglers"

"It is interesting to note that the most criticism comes from the southern suburbs. The letters of criticism and the calls we have received were nearly without exception from that area."

Mr De Tolley said said while this was the case with the southern suburbs, the people on the Cape Flats were highly supportive of the bid.

"Everyone we have spoken to and negotiated with in the townships and on the Cape Flats supports the bid. We do not receive criticism from black and coloured people. They support the bid."

Mr De Tolley said it was important to realise that hosting the Olympic Games in Cape Town would kick-start the economy while the RDP programme was aimed at redistribution.

"If we can contain the cost of the Games, we would have the best of both worlds."

Mr De Tolley said it was important not to underestimate the fears certain people had and that problems such as the non-payment of rates, the high crime rate and the question of safety and security all had to be addressed.

Referring to calls by some ratepayers that the Games be spread throughout South Africa, Mr De Tolley said the International Olympic Committee preferred the Games to be hosted by one city and that the National Olympic Committee of SA had put Cape Town forward as the host city.

"The IOC sees the Olympic Games as an experience as a whole. It is not simply a collection of sport events strung together over a wide area," he said.

The IOC believes the Games should take place in one city, with most events no further away than an hour from the main stadium."

Service with a smile — Cape's strongest asset

GLYNNIS UNDERHILL
Staff Reporter (288) TAL 28/10/95

THE newly elected chairman of the Western Cape Tourism Board, Ernst Uken, believes that when it comes to the service industry in the region, there is good reason to smile.

A specialist from overseas had said that what the province lacked in training, it made up with broad smiles.

"While this might be criticism, at least we are still friendly. This is one of our strongest assets," says Professor Uken.

Although service in the Western Cape could improve, the starting point was that people were friendly, he said.

The Western Cape Tourism Board, an interim body, will be looking at service in the area and developing programmes, said Professor Uken.

Professor Uken admits the transport system could be improved.

The real problem for tourists begins when they arrive in Cape Town after taking a taxi into the city.

Changing from one mode of transport to another is not easy for a foreigner and it is necessary to compete with the international market, he says.

Another issue which needs tackling is the growing crime levels, which are threatening the tourist industry, says Professor Uken.

"I am surprised it hasn't acted as a larger deterrent. We still have a very good record of tourism in the Western Cape and in the country as a whole. I am worried our luck is beginning to run out. No-one wants to risk his life to come to a country," he said.

South Africa was not known internationally as being inexpensive, said Professor Uken.

The director of research development at the Cape Technikon, Professor Uken has masters degrees in radiochemistry, transport energy and tourism.

His new position will be another challenge, he believes.

"I would like to make sure that the Western Cape continues to be *the* destination of the country," he said.

Hilton hotel signs up for Durban

(288) ST (BT) 29|10|95

By MARCIA KLEIN

MALAYSIA's Renong Group and Hilton International have signed an agreement to build a R210-million Hilton hotel in Durban.

David Wilson, Renong's managing director, said this, together with a proposed Point Road development, could see his company make further investments of hundreds of millions of rand in the area within a few years.

The deal, for a 340-room five-star Hilton hotel adjacent to the International Conference Centre, was signed on Thursday and brokered by Mzi Khumalo's Capital Alliance.

Mr Wilson said the agreement involved an 84%-16% joint venture between Faber Group, Renong's hotel arm, and Hilton International respectively. Faber would invest R100-million, Hilton R20-million and the balance had been raised by Capital Alliance from financial institutions.

Mr Wilson said he expected this to be one of many investments in South Africa, particularly Durban. "Our special interest is in the city of Durban and other projects in the area, like the Point Road development."

In August Renong signed an agreement of intent to buy 33ha from Transnet — a deal not yet resolved. Mr Wilson said: "It is our undertaking to invest an amount equal to R200-million for the land and the implementation of infrastructure even before there is any kind of development. We then expect to begin to be able to phase in each of the areas for development." He could not estimate the final cost as a development plan was still being outlined.

Mr Khumalo said Capital Alliance had packaged and sold the project to the investors and had secured local financing for the deal. Capital had also concluded discussions with Hilton for a major hotel development in Cape Town together with French company Compagnie Générale de Batiment et Construction. Hilton would also open a Sandton hotel in 1997.

Hilton's executive vice-president: finance, development and real estate, whose name is also David Wilson, said his group had "tremendous business confidence in South Africa and wish to play a part in the further development of the SA economy and tourism industry."

Renong's Mr Wilson said construction on the Durban hotel would start on November 1 and it would be operational by August 1997.

Tourism forum investigation still in progress

Theo Rawana

(288)

THE investigation into alleged misappropriation of funds at the now defunct National Tourism Forum has not been completed, with NTF former chairman Peter Mokaba and an overseas donor being outstanding witnesses.

The Office for Serious Economic Offences was investigating whether any of the money which was donated to the forum — between R3m and R4m — had been misappropriated.

BD 31/10/95

Oseo director Jan Swanepoel said yesterday Mokaba, who is an ANC MP and chairman of the select committee for environmental affairs and tourism, did not arrive to give evidence on October 19 "because his advocate was busy elsewhere".

Swanepoel said his office had set November 17 as the new date on which Mokaba would testify.

He declined to name the overseas witness, but said the investigation should be over by the end of the year.

SA's tourist industry poised for explosion, says Satour

(288) CT (PTR) 31/10/95

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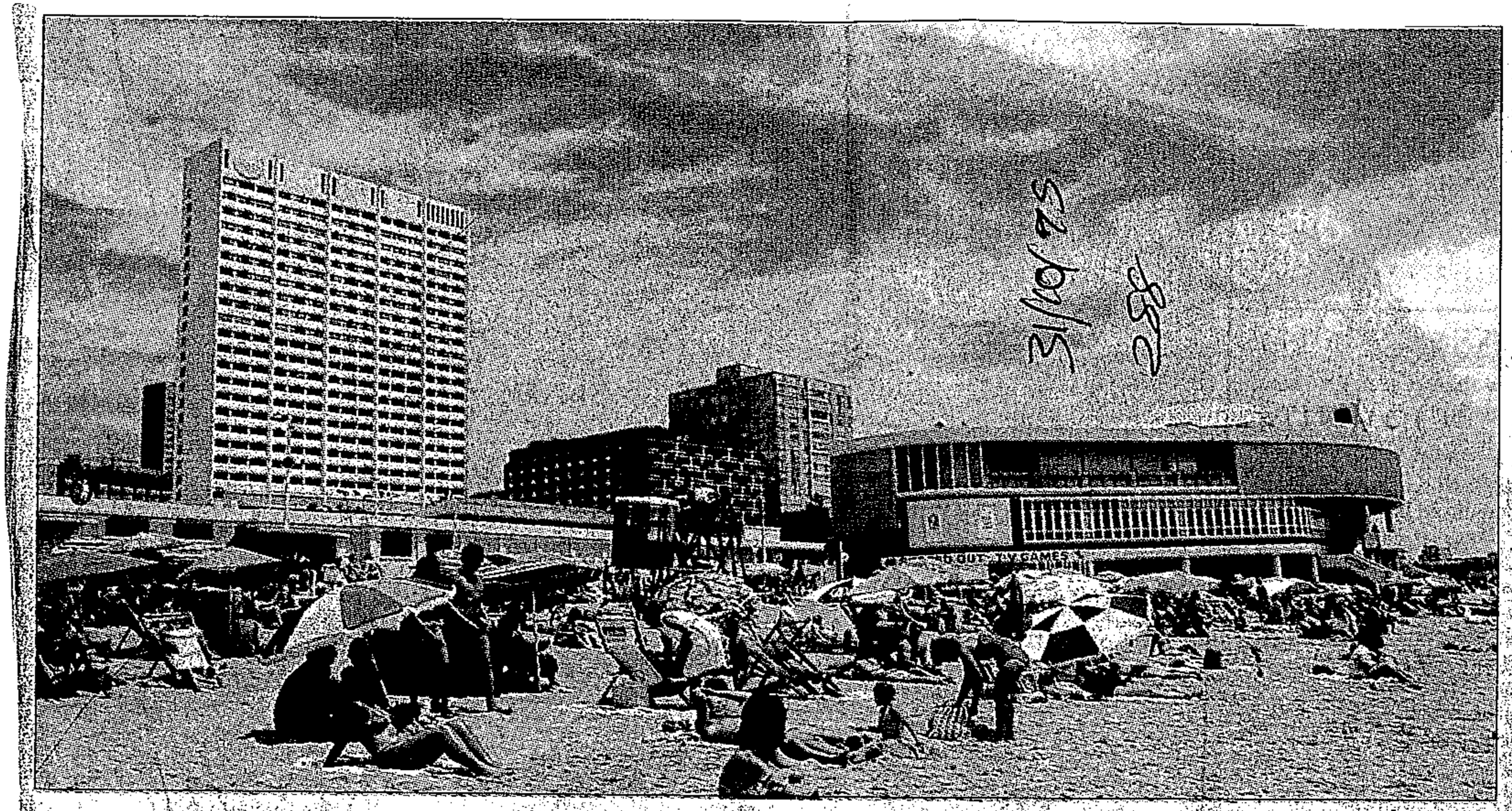

SURF, SEA AND SUN *Local and foreign tourists soak up the sun on one of Durban's many beaches*

classified as the wealthy tourists or businessmen, are worth R4 billion.

These projections for tourism look pretty rosy, but Martin van Niekerk, a spokesman for Satour, strikes a cautionary note.

"Even though this is a positive trend, tourism is a very fragile industry. At the moment, South Africa has top-of-mind awareness, but this can change. The biggest problem facing the tourist industry is the safety factor. If a tourist does not feel secure, he will go somewhere else," he says.

"The growth of our tourist industry must be controlled to prevent damage to the environment, and the standards of service must be improved and then maintained."

Ernie Heath, the deputy executive director of Satour, says: "The role of government in tourism is to create a climate in which tourism can flourish and grow, to facilitate the provision of appropriate infrastructure and services, and to ensure that the policy framework provides for the tourism industry to develop in a balanced manner. The key challenge is not to over-regulate and impose unnecessary restrictions on the industry."

Kian Barker, a hospitality consultant, says: "The government should only be there to create opportunities and to maintain standards. The private sector should be allowed to take the lead."

He has outlined a few proposals for immediate growth in the tourist industry:

☐ The government should provide soft loans for tourist entrepreneurs subject to laid-down standards, with possible tax exemption for the first three years;

☐ All tourism developments should be union-free zones, subject to standard labour legislation;

☐ Satour and the provincial tourist authority should provide a free marketing service.

He believes that freeing up the private sector would be the best incentive for tourism development — a simple question of supply and demand.

Planning

However, Dawie de Villiers, the tourism minister, says the government has a role to play. "Planning is essential to prevent irresponsible development, to make tourism all-inclusive and to encourage community involvement. A lack of planning would lead to seasonal overcrowding, environmental degradation, benefits leaking out to other countries, an uneven distribution of wealth, exploitation of cultures and communities which has led to negative perception of tourism, and moral degradation like prostitution. The government's number-one priority is to view tourism as a means of job creation."

A green paper, or discussion document, has been formulated to lead public participation. It has made a number of suggestions.

☐ Education and training in tourism must be offered to the unemployed and included in school curricula;

☐ Standards must be set according to the South African Qualifications Framework and must include knowledge of South African cultural and social history;

☐ The state should pass legislation to ensure the maintenance of standards and enforce legislation to protect environmental and cultural resources;

☐ Local governments must provide recreational facilities for communities and tourists. They must ensure proper planning, control the use of land, distribute information and maintain historical buildings;

☐ Satour will remain as the organisation to market South Africa abroad. Satour also controls the grading system for hotels. This grading system is a source of controversy, as it grades a hotel according to physical characteristics only, like television sets, air-conditioning and amenities. There is no foolproof grading system for service standards, although Satour does offer a Burgundy, Bronze and Silver Service plaque for establishments that deserve them. There is a different grading system for game lodges and country houses;

☐ Marketing to the domestic tourist market is the task of the provincial government — another controversial system. It has been argued that some impoverished areas, like the Northern Province, will not have the funds to co-ordinate an effective marketing campaign.

This legislation is subject to change and the minister has invited the public to become involved. Workshops to discuss the green paper begin today in major centres throughout the country. To make submissions, contact the Tourism Policy Co-ordinator, Private Bag X447, Pretoria, 0001 or phone Janet Mackay on (012) 310-3552.

☐ *Moore is a freelance writer*

31/10/95

288

By Niki Moore

Johannesburg — The world's top tourist destination is France, with 60 million foreigners visiting the country every year. On the other end of the scale is Liberia, which has declared tourism illegal.

As tourist Meccas go, South Africa trails towards the bottom of the log, with 3,6 million visitors. But according to Satour, this figure is set to grow in leaps and bounds.

For everyone who regards tourism as the economy's Holy Grail, the time has never been better to invest in the travel business.

According to an Executive Summary of Foreign Arrival Statistics issued by Satour, the number of foreign visitors to South Africa has increased about 15 percent a year since 1990. In that year, we had 1,5 million visitors. That figure had more than doubled by last year and looks as if it will increase 17 percent this year. By 2000, we should be preparing to cope with 7,7 million visitors.

However, not all of these are Americans brandishing fistfulls of dollars — more than 75 percent are from other countries in Africa, who arrive overland. By tourist standards they spend very little — on average only R600 a visit — and they are not only here for the sightseeing. Their purpose is to study, shop, visit the doctor and use the South African infrastructure to conduct business.

As a business centre, South Africa is the most sought-after in Africa. While standard tourism increases about 9 percent a year, business interest is shooting up 30 percent a year — mostly from our traditional markets of the United Kingdom, the United States and Germany. However, the greatest growth in business interest has come from the Middle East, particularly Israel.

The remaining visitors can be divided broadly into sightseers and family and friends. Most of the sightseeing category is from Europe, although visitors from South America have shown the biggest increase, while most friend-and-family visitors come from Australia.

Scenery

The top South African drawcard is the scenic beauty, followed by the interest generated by recent political change — many people visit the country because it is now politically correct to do so.

This interest comes largely from counties that previously had sanctions against South Africa, like the Scandinavian countries.

Most of the visitors had been prompted to come to South Africa through personal recommendation, while more than 50 percent had been here before.

Economically, the hordes from overseas are the ones to attract. Against the R600 a visit spent by overland African visitors, overseas tourists and air arrivals from Africa spend about R6 300 a visit. Last year's half a million European, American and Asian visitors brought in more than twice the foreign exchange of the 3 million African visitors. However, the fly-in visitors from Africa, who could be

SA elected to world tour body

PRETORIA: South Africa has been elected one of eight countries to represent Africa in the World Tourism Organisation executive council, the Department of Environmental Affairs said yesterday.

Through the WTO, developmental aid, technical co-operation, education and information could be channelled to the local tourism industry, the department said.

CT 31/10/95 (288

SERVICES SECTOR — ACCOM. LIQUOR &
CATERING ← GENERAL

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Potential to be a world leader, conference told

SA most promising tourist destination in Africa – expert

(288) Star 1/11/93

■ BY LARA SMITH

South Africa has been identified by the World Tourist Organisation as the most promising tourist destination on the African continent, Dr Auliana Poon, international authority on global tourism trends, told delegates at a consultative workshop on tourism policy in Johannesburg yesterday.

At present the country was third only to Morocco and Tunisia as a tourist destination and accounted for 21% of tourist arrivals on the continent. With visitor figures doubling every year for the past two years, the number of arrivals had already surpassed estimates envisioned for the year 2000, she said.

"Whether you like it or not, tourism in South Africa is a growing industry."

However, to become a world leader in the industry South Africa would have to develop a new breed of tourism catering for the new breed of tourist.

Poon said global trends showed that tourism was moving away from pre-packaged tours aimed at mass markets to individual experiences.

Where the consumers of the past were inexperienced first-time travellers wanting to see as many countries as possible, stay in the same hotels as everyone else, buy the same souvenirs and share the same experiences, today's tourists were mature, well travelled and enticed by the unusual.

To get them to return to a destination they would have to be offered "something slightly different", she said.

In addition, the modern traveller wanted more active holidays – not just sun-tanning in an exotic destination – and was also environmentally aware and willing to pay more for "green" holidays.

As examples Poon cited the move away from the Club Med "sea, sun and sex" holidays to hotels such as the Caribbean Sandals chain which offers all-inclusive getaways for couples.

She also mentioned a German campaign allowing visitors to the Maldives to take their rubbish back home for recycling.

Another major trend was the move towards cruise holidays which in the past had been restricted to the older, wealthier tourist. Today the majority of passengers on an ocean liner were between 25 and 40.

As a tourist destination South Africa had the resources to cater for this new market, but needed to break the rules if it wanted to become the key destination of the future, Poon said.

She pointed out that when formulating new policies and strategies for tourism in South Africa, attention would have to be paid to the service industry.

People working in this industry needed the flexibility to satisfy all the needs of the customer, not just those for which they had been trained.

The one-day workshop was attended by various role-players in the local tourism industry, both at national and provincial level, with the aim of formulating a white paper on tourism. The white paper is expected to be submitted to Parliament early next year.

Crime eroding local tourism

(28 f) (35)

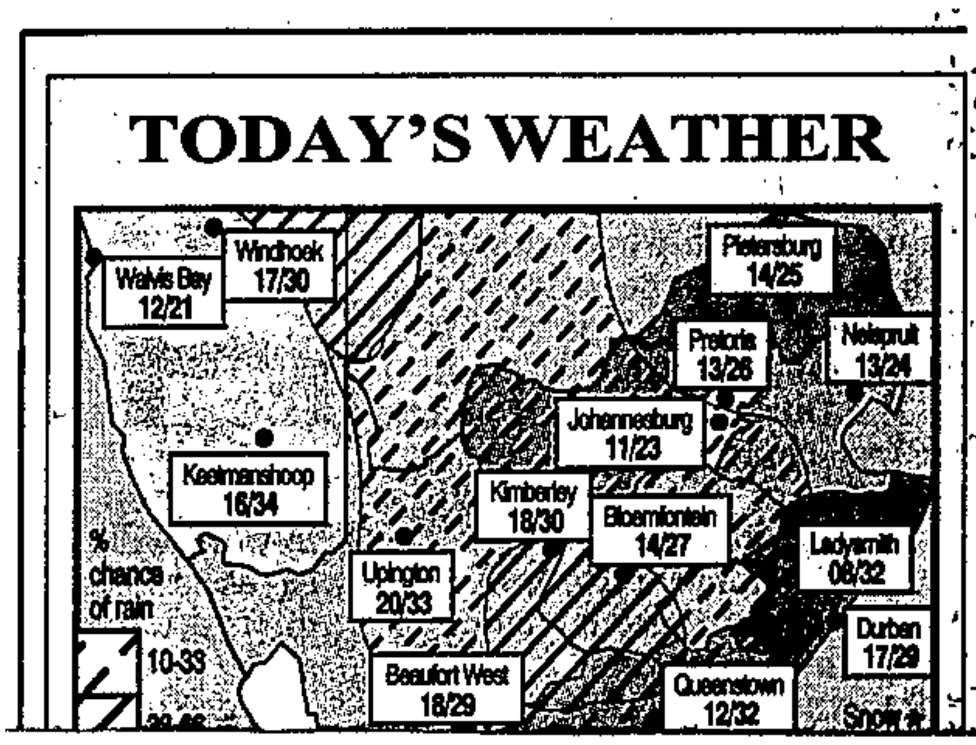
Theo Rawana

BD 1/11/95

DOMESTIC tourism was as vulnerable to violent crime as was foreign tourism, and the passing of the National Gambling Act was to further expose this sector to such practices, Gauteng economic affairs chief director Stanley Matsebula said yesterday.

Opening a consultative workshop on the National Tourism Green Paper in Johannesburg, he said it was the responsibility of all stakeholders to work to eliminate crime in the industry. The focus had been on the effect crime had on foreign tourism, disregarding the fact that domestic tourism also suffered, with a negative effect on the growth of the industry.

The workshop was held to enable tourism stakeholders to consolidate their views on tourism policy pertaining to the Tourism Green Paper.



'Cape Town can run Olympics'

□ *Chris Ball on briefing visit to Australia*

(288)

MAG 1/11/96

The Argus Foreign Service and Reuter

MELBOURNE. — Cape Town can convince the International Olympic Committee that it has the managerial and technical ability to run the 2004 Games — even though it will have to build many facilities from scratch — says bid leader Chris Ball.

He is in Australia to inspect Sydney's progress towards the 2000 Olympics.

Mr Ball said that if Cape Town was successful the government would accelerate its capital spending on infrastructure, budgeted at R1 billion.

He predicted that the impact on the economy would be far greater, in relative terms, than just about anywhere else.

"We are coming from a period of isolation, and one of the consequences is that we have virtually no tourists — about only one million a year.

"The percentage of GDP involved in tourism is 0,8 percent, while the world average is 2,5 percent," he said.

Mr Ball and members of his bid team are being briefed by the Sydney Organising Committee and the Australian Olympic Committee on issues including budgets and technical specifications for facilities.

● The Italian national Olympic Committee has voted to back Rome's bid to host the 2004 Olympics, ignoring the rival claims of Milan.

The move brought immediate criticism from the snubbed northern city, with one angry northern senator calling for committee president Mario Pescante's resignation.

The committee said in a statement that it received a letter yesterday from Milan mayor Marco Formentini asking it to put off the vote to allow Milan more time to formalise its bid.

But the request was rejected and they voted to back Rome, in a move which effectively guarantees it's candidature.

The government, which set up a commission to study the feasibility of a Rome bid, is expected to announce its approval before IOC president Juan Antonio Samaranch visits Rome on November 9 to attend a meeting of the Summer Olympic Sport Federations.

Northern senator Massimo Wilde called for Mr Pescante's resignation, saying he had not given Milan a fair chance to present its bid.

Other cities which have expressed an interest are — apart from Cape Town — Buenos Aires, Brussels, Istanbul, Lyon, Rio de Janeiro, San Juan, Seville, Stockholm and St Petersburg.

The deadline for bids to be submitted is January 10 next year, with final selection in Lausanne in September, 1997.

● Stockholm will bid for the 2004 Olympics pending a formal fund guarantee from the state, city officials said.

Stockholm City Council voted 72 to 27 in favour of the bid.

The IOC opened bidding for the 2004 Games in June.

R43 MILLION PROMISED

Council exco quizzes Ball on Olympic Games bid

(288)

CT 3/11/95

SOME MAJOR COMPANIES are committed to spending millions of rand on Cape Town's Olympic bid, says bid chief Mr Chris Ball. **PETER DENNEHY** reports.

CAPE TOWN Olympic Bid chief executive Mr Chris Ball was summoned before the City Council's executive committee yesterday and quizzed on the government's conditional commitment to the bid — and progress with sponsorship.

Mr Ball told exco that eight private sector sponsors have now committed themselves to spending a total of R43 million on promoting the bid. Another two companies are interested, which could push the figure up to R58 million.

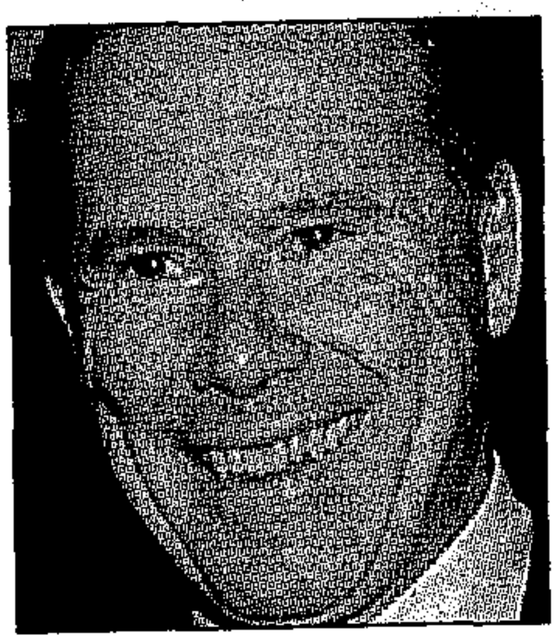
Some major companies had committed themselves fully to spending millions of rand each, he said, but he did not want to announce their names.

He would leave the announcements up to them.

Mr Ball said his committee would go ahead with finalising the budget, in conjunction with the state. Minister of Transport Mr Mac Maharaj — who is said to have a lot of reservations about the bid — will be drawn in to serve on an Olympic sub-committee set up by the state.

Mr Leon Markovitz, co-chairman of the council's economic development committee, asked whether the R58 million would be in the bid company's bank account within a month, or whether it was still conditional.

Mr Ball replied that there is a schedule according to which the money will be drawn and spent. The schedule has been designed to draw simultaneously on the various sponsoring companies in accordance with their differing commitments.



BID CHIEF: Mr Chris Ball

Mr Markovitz asked whether the R1,25 million in bridging finance that the city had lent to the bid company would be paid back within the next few months.

Mr Ball said it would be paid back as soon as possible, within the limits of the budget. He was unable to give a date. The drawing schedule had to be followed, he said.

Asked whether a referendum would be held on whether or not Capetonians wanted the Olympics, Mr Ball said constitutional issues like that were beyond the bid company's area of decision-making.

He understood there would be practical problems in holding a referendum, but on the other hand "we must satisfy ourselves and the International Olympic Committee that the people are supportive".

Some sort of professional poll would have to be conducted, he said.

● Councillor Mr Dawood Khan, from Kensington, said people in his area had given a standing ovation to anti-Olympics sentiments on more than one occasion. But Mr Riedewaan Isaacs of Mitchells Plain said in his area people were crying out for Olympics-related development to start.

● An Olympics workshop is to be held this weekend at Rhodes High School in Mowbray.

SA's conference industry 'lagging'

BD 3/11/95 (288)

By Theo Rawana

SA WAS so blind to the earning potential of the conference industry that the word "conference" did not even appear in the new Green Paper on Tourism, Global Conferences MD Brian McDonald said yesterday.

McDonald said internationally the conference industry was said to be worth more than R300bn, and in SA it was conservatively estimated at R2,5bn — which meant that the country was well behind in its competition with international players.

The most exciting growth area in this "tourism gold" was that of attracting international events to SA.

Global Conferences is a company specialising in handling international conferences. Clients include the World Bank, World Health Organisation, World Energy Council, SADC, USAID and many large international associations. McDonald also sits on the board of Captour and is a member of the National Convention Bureau steering committee.

He said many international donor associations, international associations and special interest groups were keen on bringing their events to the African continent for the first time, and SA with its First World infrastructure, newfound democracy and outstanding tourist attractions made it the flavour of the month.

"It is not generally appreciated that a conference delegate's expenses are five times greater than a holiday/leisure visitor's, and that an overseas delegate spends an average of R1 500 on personal shopping.

"These are high-spending foreign exchange earners, and equally important is the fact that they are influential people who — if they have a good experience in SA — will return home as advocates spreading positive comments about our country, and often returning as tourists."

McDonald said the industry was growing internationally at 8% to 10% annually, and there was no reason why SA should not grow at twice that rate.

"There are many examples of foreign governments really getting behind the conference industry in growing this business. It is estimated that SA hosted between 40 and 50 international conferences last year. Australia, with 14 international conference centres, hosted more than 200 and Holland hosted 377 in 1992.

"SA lags far behind, with the tourism industry generally not being fully exploited, and the conference industry being the real poor relation — the word "conference" is not mentioned once in the new Green Paper on Tourism," said McDonald.

The national, provincial and local governments needed to understand the contribution that international conferences could make to the economy and, while many were planned years in advance, there were many ways to kick-start short-term action.

"Next April's UN Conference on Trade and Development is an excellent example of a marvellous, prestigious and financially rewarding conference attracting around 3 000 delegates from 189 countries with 30 ministers of finance or trade and industry, and an inestimable number of top businesspeople and industrialists.

"We need to convince those in power to invest money in physical structures and infrastructures to attract and handle these types of events — we will not be the flavour of the month forever, and now is the time to exploit our tourism gold," McDonald said.

Stream of tourists (288) tapers off

Staff Reporter

THE number of foreign visitors to South Africa, which has soared steadily since the April 1994 elections, appears to be tapering off.

"Although the number of overseas visitors increased by 42 percent during July 1995 compared with July 1994, it appears that the influx of tourists is beginning to level off," Central Statistical Services said today. ARG 3/11/95

About 82 000 foreigners landed in South Africa in July, down from a high of more than 100 000 arrivals in May. Nearly 60 percent of tourists arriving in July were Europeans.

And the net loss of persons in professional, semi-professional and technical occupations was 69 persons during July 1995 compared with 29 for the same month of 1994.

Meanwhile South Africans still appear to be going on overseas trips in droves.

The number of residents who went abroad during July 1995 increased by 38,2 percent compared with July 1994.

More than 261 000 South Africans arrived back in the country in July 1995, nearly 70 000 more than arrived back in July 1994.

Referendum urged on the Olympic Games bid

(288) ARG 3/11/95

ANDREA WEISS
Municipal Reporter

CAPE Town's citizens should be asked in a referendum whether they want the Olympics.

This was the view of city councillors Arthur Wienburg, Clive Keegan and Leon Markovitz at a public debate before the Cape Town Press Club.

The three councillors all answered "yes" to the question from the floor on whether they viewed a referendum as being necessary.

Mr Keegan said the International Olympic Committee needed "empirical" proof that the city was behind the bid.

"That is a non-negotiable requirement of the IOC," he said.

Earlier, at an executive committee of the Cape Town City Council, Olympic bid chief Chris Ball said he did not believe a referendum was feasible in the South African context.

However, once people were more fully informed about the plans for the bid, the intention was to conduct professional polls to test public feeling.

"The time is not right yet," he added.

Also at the Cape Town Press Club lunch, the three councillors expressed their doubts about the cabinet's recent backing for the bid.

Mr Keegan said the cabinet had not allocated any money to the bid, and there was no indication that it would be forthcoming.

'Officials should apply anew for jobs'

(289) ARG 3/11/95

Municipal Reporter

SENIOR council officials should be made to reapply for their jobs after the election to ensure accountability to the people they serve.

This was the unanimous position of three senior city councillors at a debate before the Cape Town Press Club.

Councillors Clive Keegan and Arthur Wienburg all supported the view that senior officials should re-apply for their jobs, an idea first put forward by Leon Markovitz.

Mr Keegan said it was "virtually impossible to get rid of senior officials short of them being caught performing lewd acts in public".

Keegan resigns from ANC and joins new city grouping

(290) ARG 3/11/95

Municipal Reporter

A NEW urban grouping is taking shape to fight Cape Town's local election next year.

This was revealed by Clive Keegan, a current member of the Cape Town City Council, in announcing that he had resigned from the African National Congress at the end of October.

Mr Keegan was speaking in a debate at a meeting of the Cape Town Press Club.

"I shall be fighting the election as part of a new group in Cape Town with firm action policies to take us into a new century," he said.

Mr Keegan was elected to the Cape Town City Council in 1978, has served as mayor and is a former chairman of the executive committee. He is currently a co-chairman of the council's economic development committee.

Mr Keegan said he believed that party politics had done a great deal of damage to city government in the past few months since a transitional council was formed.

However, he said he still supported the ANC as a national political party, and it could still count on his vote.

Mr Keegan said local government has been "a ghost at the election banquet" in the last three months and parties had said absolutely nothing about a vision for the future management of cities.

He believed a vast number of voters were crying out for an opportunity to cast their vote for candidates fighting the election on the strength of an urban agenda.

He believed it was vital for there to be an independent and non-party political voice on councils.

City councillors argue the toss over 2004

CT 3/11/95 (288)

MUNICIPAL REPORTER

ONE for, one against, and one sceptically undecided — that was the panel of councillors debating whether Cape Town should bid for the 2004 Olympic Games yesterday.

The panel was speaking at a Cape Town Press Club lunch.

Councillor Mr Arthur Wienburg came out unequivocally against the 2004 Olympic bid.

The other two participants in the debate were former mayors Mr Clive Keegan and Mr Leon Markovitz.

Mr Wienburg said the Games would not be cost-effective. He said about R75 million was due to be spent on the bid process alone. This was enough money, he said, to build 1 500 houses, which could provide accommodation for 7 500 people who might otherwise have to sleep outside.

"These are greater priorities," he said. He said cities that hosted the Games were seldom able to contain their costs or stick to their budgets.

Mr Keegan said there was "too much concentration on the grubby pocket-book among many of us".

"I find it very sad that we can't conjure up the vision we need if we are to become a global player," he said.



DEBATING: Mr Clive Keegan, Mr Leon Markowitz and Mr Arthur Wienburg toss the Olympic ball around.

Mr Markovitz said if he had a magic wand which he could wave to bring the Olympic Games to Cape Town he would do so. But he was interested in the situation "in the 20 years after the two-week period of the Games", when the capital costs of building facilities would have to be paid off.

The real cost of new facilities was the cost of maintaining them, including paying to service the debt on them, he said.

Mr Keegan, who is deputy chairman of the bid, said the cabinet had indicated it would revisit the question of funding the bid in April next year. In the meanwhile, there was no commitment of central government money.

Mr Keegan said the International Olympic Committee had made it quite clear that public support in the bidding city was essential. This would have to be demonstrated by empirical polls, regardless of how city councillors felt about it.

Press club official Mr Nigel Murphy was prevailed upon to call a "straw vote" from the audience of journalists and public relations officers to indicate whether they wanted the Games or not. The result was a fairly even split.

Mr Barry Heymann, an architect and frequent visitor to Games all over the world, asked why so many cities were keen to bid, if every one lost money.

Pollination delay keeping the 2004 bid at starting blocks

■ The postponement of the Cape metropolitan elections may seriously jeopardise Cape Town's chances of hosting the 2004 Olympic Games.

WILLEM STEENKAMP
Staff Reporter

CAPE Town's bid for the 2004 Olympic Games is facing a new threat which may stall it in the starting blocks.

The postponement of local elections in the Cape metropolitan area could severely jeopardise the city's chances of bidding successfully for the Games.

Under the rules of the International Olympic Committee (IOC), a completed bid book must be handed in by August 15 next year.

In this book the candidate city must clearly answer questions about its plans if it were awarded the bid.

There are probing questions about the stability of local government which the Cape Town Olympic company may have great difficulty answering.

Howard Firth, legal advisor to the city council, admitted the postponement of the local elections could have a detrimental effect on the city's chances of winning the Games bid.

It is planned to hold elections in the Cape metropolitan area on May 22 next year. Under current local authority legislation, this means the transitional city council will have to be disbanded by the end of March next year.

The running of the city will be placed in the hands of a city administrator — probably the town clerk.

But any decision that the city administrator may take could come under severe scrutiny once a representative city council is in place after the election.

The Cape Town Olympic Bid may find important decisions about planning, transport and other amenities, which will have to be taken before the bid book is handed in, could be deferred until a new council is in place.

This could effectively take the Cape Town bid out of contention. The IOC rules do not allow any postponement of the August 15 deadline.

Mr Firth said there was a section in the bid book which focused directly on the stability of local government. Probing questions about the candidate city's local government were asked in this section.

"The IOC cannot afford a failure of an Olympic Games. It puts great emphasis on a stable local authority."

City councillor Clive Keegan said the delayed election date was an unqualified disaster. He said the delay was leaving the city "hypnotised and paralysed".

(288) ARG 4/11/95

Argus, November 4/5 1995

SA's commitment to tourism lifts sub-Saharan region

(288) Star 6/11/95

STAFF WRITER

Johannesburg — South Africa's commitment to tourism has given a boost to the sub-Saharan region, according to Deloitte & Touche in the latest issue of Africa Opportunities.

It said Africa had attained a high profile as a tourist destination in recent months. Marketing of the east and southern African regions as tourist destinations had stepped up a gear with calls for greater regional co-operation in co-ordinating international campaigns and a desire to capture a greater share of the world tourism market.

Africa's share still remained small in proportion to the size of the continent and the attractions it had to offer.

In southern Africa, discussions were now at an advanced stage for a southern African regional tourism organisation to be launched shortly, in which an exchange of expertise from all sides was expected.

Recently, Kenya hosted the 20th anniversary congress for the American-based Africa Travel Association, which coincided with the Kenya International Tourism Exhibition.

South Africa hosted the World Tourism Organisation's commission meeting for Africa in May, drawing more than 30 African tourism ministers.

Debate

The Rugby World Cup tournament in South Africa also helped focus international attention on the continent.

Meanwhile, in Kenya a heated debate has erupted over the government's proposed beach levy on tourists.

According to Africa Opportunities, the debate revolves around the "indiscriminate nature" of the half-dollar levy for every bed night in marine parks. The Kenyan government has taken a firm stance in its beach management programme to provide security, curb marine pollution and eliminate the harassment of tourists by beach boys.

Minister, police in planning for safer tourism

(288) Star 6/11/95

STAFF REPORTER

A planning session on the safety of tourists in South Africa is being held today between representatives of the Department of Environmental Affairs and Tourism, the SA Police Service and Satour.

The meeting at Satour's head office in Pretoria will also be attended by Environment Minister Dawie de Villiers and Deputy Minister of Safety and Security Joe Matthews.

In addition, the meeting will be joined by experts in specific business-related fields in tourism.

Probe sought of tourism funds application

Theo Rawana

THE Gauteng Tourism and Marketing Organisation's vice-chairman has called for an investigation into the organisation's application this year for funds from the SA Tourism Board, which he claims was a replica of a subregion's 1994 business plan.

Tshepo Lebona also claimed the plan, which he said was Mid Transvaal Tourism's business plan from last year, was submitted in place of one drawn up by the province. He alleged the province's original plan was never discussed by the marketing organisation's management committee and executive council.

Lebona called on the provincial and national governments to freeze funds in his organisation, suspend officials and set up an independent commission of inquiry into the financial position of the provincial authority. Audits of the five subregional authorities should be held immediately, he said.

Lebona alleged the marketing organisation received R813 000 from Satour after submitting Mid Transvaal Tourism's business plan with Mid Transvaal's name replaced with Gauteng Tourism and Marketing Organisation in the document.

He claimed the document's date had been changed from November 1994 to August 1995, with amounts required for each tourism activity written in.

Lebona also claimed that there were no comprehensive reports on how the money was used. Asked to comment on the allegations yesterday, the organisation's chairman Peet du Preez asked for questions to be faxed to his home. He had not responded at the time of going to press.

Satour deputy executive director Ernie Heath confirmed that a tourism grading levy was normally granted to provinces based on a business plan. But he could not comment on the document submitted by the organisation.

Tourist dollars benefit all

ARG 6/11/95 (288)

JEAN-JACQUES CORNISH
reports from PRETORIA

FACE it, those private game reserves in the Sabi Sand are priced beyond the reach of all the but the wealthiest South Africans. Most of these organisations that join the lower part of the inverted "L" formed by the Kruger National Park quote their prices in dollars.

The tourists are happy to pay the rates because in the space of three days a visitor is virtually guaranteed to see more than they would in a good fortnight at Kruger.

Specialist guides, rangers and go-anywhere open vehicles in radio contact make this possible. And the removal of the fences between the private and national reserves had brought new game into the area.

The *cordon bleu* cuisine and luxury accommodation gives them a pretty nice edge too.

I have been lucky enough to visit most of these big names. Never have I failed to see at least four of the Big Five — lion, leopard, elephant, rhino and buffalo — in two days.

These private reserves are not there simply to haul in the big tourist bucks although that makes a huge contribution to our hospitality industry.

They have learned over the years that preserving the environment is preserving their livelihood. Furthermore, they know that unless they make the local people stakeholders in their success, they face a grim future.

Michael Rattray, who owns Mala Mala, has played a leading role in raising environmental consciousness starting in Mpumalanga and spreading nationwide.

His latest project, as he puts it, places his money where his mouth is.

Last week David Mkhwanazi, the minister for environment from the province where the sun rises, officially opened an environmental education centre at Marthley camp in the northern section of Mala Mala.

The centre is a joint venture between the private reserve, which provided the land, and the province, which provided built the structures.

"It is our dream that eventually everyone in the province will be empowered with the levels of ecological literacy that are appropriate to their needs and life styles," Mr Mkhwanazi said.

The minister is spearheading an effort by his year-old department to make Mpumalanga the national leader in "Afro-tourism".

Already it has identified a group of head prefects from the province's schools to use the new centre which has rustic huts and a communal dining and lecture area.

Mr Mkhwanazi said, "The programme will enable students from different backgrounds to learn about environmental issues."

As ever, Mr Rattray pulled a surprise from his bush hat. Mala Mala will in future sponsor a specially selected environmentally-aware student to take a degree in the natural sciences from a South African university.

He wanted the education project to be "that catalyst for many young people who have previously been unexposed to nature in a relatively pristine form to experience game reserves personally."



A TOURIST'S DREAM: Scenes like this lion and cub are far more likely to be seen in the expensive private reserves than in the Kruger National Park.

Housing 'not Games bid's chief aim'

(288) CT 6/11/95

STAFF REPORTER

CAPETONIANS should not have unrealistic expectations about the Olympic Bid Company building houses as the company's purpose is to win the Olympic bid for Cape Town, its newly appointed director of community relations, Ms Saaliegah Zardad, says.

"Our principal agenda is not to build houses, although we could act as a catalyst for the erection of houses and sporting facilities," she said yesterday.

She was commenting on concerns raised at a two-day conference called to encourage community participation in the bid to host the 2004 Olympics.

Four task groups were established to liaise with the company and ensure public concerns were addressed.

SA's commitment to tourism lifts sub-Saharan region

STAFF WRITER CT(BR) 6/11/95 (288)

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SUMMIT TO DEVELOP ACTION PLAN

Crime 'torpedoing tourism'

TOURISM COULD BE South Africa's largest foreign exchange earner if crime could be controlled, says tourism Minister Dr Dawie de Villiers. **ANTHONY JOHNSON** reports.

THE government has convened a top-level planning conference today to find ways of preventing rampant crime torpedoing the country's lucrative and burgeoning tourist industry.

Tourism Minister Dr Dawie de Villiers said in an interview yesterday that tourism safety conference was designed to protect what was set to become the nation's largest industry and foreign exchange earner.

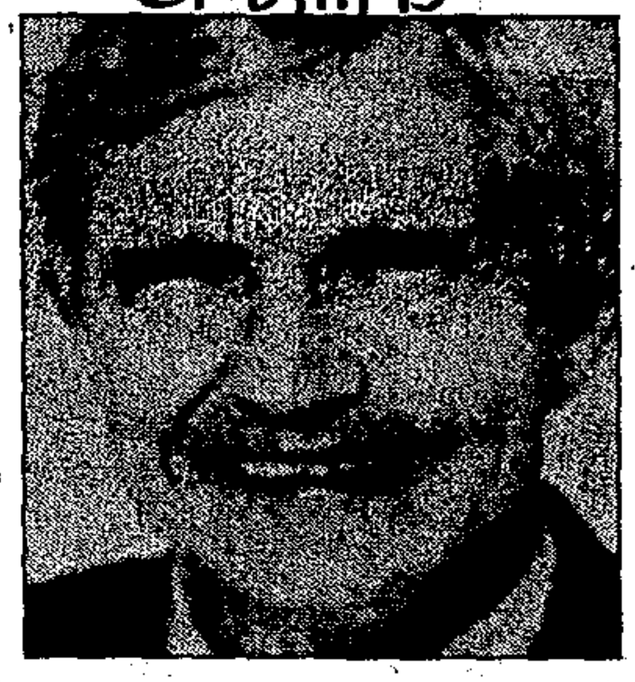
The summit, which will take place at Satour's headquarters in Pretoria, will be attended a number of South Africa's senior police officers, key players in the tourism industry and politicians.

Dr De Villiers said the meeting, jointly convened with Safety and Security Minister Mr Sydney Mufamadi, would attempt to formulate a range of strategies to beef up policing and improve communication to tourists about security risks.

"If we can come up with a plan to curb the scourge of crime, tourism can without any doubt become the No 1 industry in South Africa," he said.

Earlier, Dr De Villiers said at the relaunch of the Fancourt resort that there had been a dramatic increase in the arrival figures for overseas visitors this year. Arrivals from the main overseas markets had risen by 74% in the first six months of 1995 and the government was confident of a steady annual growth in tourism of between 30-40% by the year 2000.

However, it was essential for South Africa to deal more resolutely with the problem of lawlessness and turn the tide on crime to protect this growing national resource.



CONCERNED ABOUT CRIME: Dr Dawie de Villiers

"We need greater public awareness and co-operation. We need to develop more effective communication networks," he said.

"Tourism in South Africa has the potential to create more new jobs, generate more income, empower more people, contribute more to economic growth and the objectives of the RDP than any other activity in our country," Dr De Villiers said.

The executive director of Satour, Mr Walter Msimang, said in an interview that it was important to acknowledge that South Africa did have signficant problems when it came to ensuring the safety of tourists.

However, the problem was not unique to South Africa.

"We are exchanging information on how to handle these issues with a number of countries."

Mr Msimang said the one lesson that international experience had shown was that tourism safety could not simply be left to the police. Creative solutions also relied on the co-operation of the business community, hotels and the public.

Tourism body accused of 'poaching' business plan

(288) BO 7/11/95

Theo Rawana

THE executive of the Gauteng Tourism and Marketing Organisation is to seek legal advice on claims by its vice-chairman, Tshepo Lebona, that the organisation used irregular methods to acquire R813 000 from SA's Tourism Board.

Lebona has called on government to freeze funds to the organisation, suspend officials and set up an independent commission of inquiry to look into the financial position of the provincial authority, because, he said, the executive had used a subregion's business plan in the application for funds, rather than its own.

Organisation chairman Peet du Preez said yesterday Lebona had first made the claims at a meeting, but had made a written undertaking not to repeat accusations of irregularities after it was proved that everything was above board.

Du Preez said there was nothing irregular about using the Mid Transvaal Tourism's business plan, because it reflected needs at that time. The provincial document was still to be circulated to all the stakeholders.

Lebona said he welcomed the executive's decision to seek legal advice on the issue because he "did not make anything up".

The Gauteng tourism authority launched a new logo, Gauteng — the Gateway to SA, yesterday. It announced it was officially changing its corporate identity and image "with a significant shift from a regional to a provincial approach" in preparation for the World Travel Market, which begins in London on November 12.

With the launch came two tourism publications — the Sizzle brochure and a quick reference guide — which respectively provide an overview of the province and serve as a guide to tourist selling points.

The two major Gauteng cities of Johannesburg and Pretoria would be represented for the first time at the World Travel Market.

"The central location of Gauteng province and its major cities — Johannesburg and Pretoria — makes it a potential shopping mecca for citizens of the African continent," said treasurer Keith Brebner.



Safety and Security Deputy Minister Joe Mathews, left, addresses a Safety in Tourism workshop in Pretoria yesterday while environmental affairs and tourism deputy director-general Francois Hanekom and Minister Dawie de Villiers listen.

Pictures: NICKY DE BLOIS

Tourism task group on cards

288

Theo Rawana

BD 7/11/95

A TOURISM security task group is to be established to look at policy on tourists in SA, and attempts will be made to put the safety of tourists on the permanent agenda of the Cabinet's crime prevention committee.

This was said yesterday by Tourism Minister Dawie de Villiers after a planning session in Pretoria on the safety of tourists between his department, the SA Police Service and the SA Tourism Board.

Satour executive director Ernie Heath said earlier surveys had shown that about 1% of overseas and African air arrivals visiting SA last year had become victims of crime.

"This implies that at least 7 000 overseas overseas tourists were victims of crime in 1994."

De Villiers said the task group would develop a strategic framework for security measures and provide guidelines regarding security structures on provincial and local levels.

Implementation of security measures would be the responsibility of these structures.

The task force would be liaising closely with the Business Initiative Against Crime.

It was agreed in principle that the tourism industry would contribute to expanding the SAPS's capacity to deal with the safety of tourists.

Tourism influx warning

(288) ARG 7/11/95

Staff Reporter

LOCAL authorities have been warned they will have to sink money into the Western Cape tourism industry if the province is to cope with the expected influx of visitors.

With the peak holiday season yet to come, a record 350 000 tourists have visited cash-strapped Captour's information centres this year, according to Captour chief executive Gordon Oliver.

At Captour's annual meeting last night, Mr Oliver said local authorities would have to be convinced to improve their investment in the tourism industry "if we are to cope with the enormous growth we are presently experiencing".

He said 1995 had proved a most difficult year for Captour because of the "huge and unexpected" budget cut by the Cape Town City Council, forcing job retrenchments and the closure of two branches.

"The result is a far leaner and tightly focused organisation and we will be far more commercially driven from now on."

Captour estimated conservatively that it generated about R20 million a year for the Western Cape economy.

The Golden Oldies World Rugby Festival which has been secured by Captour at a cost of R81 000, would generate more than R14 million for the region when 5 000 supporters spent an average of R240 a day for 12 days in May, the annual meeting heard.

Another major project hoped to produce significant yields was the new Cape Town Trade Kit, aimed at 1 000 key trade bodies in cities in Europe, the United States and the Far East.

In the past financial year, Captour sold nearly 21 000 bed nights through its emergency accommodation booking service, injecting more than R1.7 million into the economy.

The organisation also generated R596 000 through tour reservations.

Mr Oliver said private sector support totalled R1,6 million during the past year, 60 percent more than the money allocated by local government for the same period.

"The risk of not meeting trade and tourist demands is at the top of our mind but we are confident that future lobbying with the Cape Town City Council and other authorities will be fruitful once the revenue from this tourist season is realised," he said.

Tourism security plans

PRETORIA. — The cabinet will be asked to put tourism safety on the permanent agenda of its national crime prevention committee, Environmental Affairs and Tourism Minister Dawie de Villiers has said. (288)

He told reporters in Pretoria it had been decided at a meeting between his ministry, the SA Police Service and SA Tourism Board earlier in the day that tourism safety required special care as the sector was a big job provider.

It was agreed to set up a tourism security task group to develop a framework for security measures and provide guidelines to similar bodies at provincial and local levels.

Dr De Villiers emphasised the importance of the public becoming involved in securing their areas. He said this could be done by involvement in community policing forums and providing funds for better police mobilisation.

The tourism industry had agreed to contribute to expanding the capacity of police to deal with crime against tourists.

This would include the distribution of information on danger areas and crisis contact numbers.

Community Safety Plan coordinator Lieutenant-General Andre Pruis said border policing would have to be improved. — Sapa. ARG 7/11/95

TUESDAY
★ NOVEMBER 7, 1995

Police to warn tourists about local dangers

(288)

CRIME REPORTER

CT 7/11/95

POLICE have started a major information campaign aimed at reducing the number of attacks on tourists, regional commissioner of police Lieutenant-General André Beukes announced yesterday.

Gen Beukes said pamphlets would be distributed at ports of entry and hotels giving safety hints and police emergency numbers.

The pamphlets would identify crime hot spots and include warnings that pick-pocketing is rife at Peninsula flea markets and that certain Cape Flats areas, which are gang-infested, should be avoided at certain times.

The pamphlet will not refer to "no go" areas, he said.

Gen Beukes said: "We are appealing to tourists to be cautious at all times. Criminals will attack soft targets."

The campaign is being conducted in conjunction with the business community.

Tourism Minister gets new helper

FORMER Captour director Mr John Robert has been appointed special assistant to Western Cape Tourism Minister Mr Lampie Fick on a contract basis.

Mr Robert will help set up a new regional tourism structure, but his first responsibility will be to compile tourism legislation.

Mr Fick said the new tourism structure was in its final planning stages and he intended to keep government involvement in tourism management as low key as possible.

"Tourism is a private sector industry and should be managed by investors and operators and those who take the risks," Mr Fick said.

● Meanwhile in Pretoria Environmental Affairs and Tourism Minister Dr Dawie de Villiers said yesterday the cabinet would be asked to put tourism safety on the permanent agenda of its national crime prevention committee.

He said the police and SA Tourism Board had agreed to set up a tourism security task group. — Staff Reporter, Sapa

ET 7/11/95

Attacks on tourists could scupper Cape Town's Olympic bid – Ball

Star 8/11/95 (288)

Cape Town – If attacks on tourists continue in South Africa, Cape Town will have no chance of hosting the Olympics in 2004, Olympic Bid Company chief executive Chris Ball said last night.

Ball, guest speaker at the annual general meeting of Captour at the Baxter Theatre, warned that there was a tendency to "tread too lightly" against crime and violence in South Africa.

He believed tough measures should be taken "or we should not bid" for the Olympics.

He said Cape Town was a city with a "glorious past" but it had been static for a period of time. Although it was "nice to think it could stay that way, if it did there would be very little economic development".

Greater Cape Town had swelled by a million people over the past ten years to a population of 3,1-million which had not been matched by the necessary economic activity to support the increase.

Although Cape Town was believed by many people to be a city orientated towards manufacturing it did not have a big enough market to fulfil this perception and should be using and utilising its natural resources as an attraction and a place for people to visit.

He said he had just returned from Sydney, host of the 2000 Games, and the focus of the world was on that city, where people were flocking and hotels were being built and rebuilt with a "galvanising of energy".

"The Olympics is an opportunity for Cape Town to take control of its future. Its impact would enable Cape Town to be a focal point of tourism in the world."

For every 100 tourists who visited Cape Town annually, 150 jobs would be created.

Sol's son to steer deal

(288)

Amanda Vermeulen

BD 8/11/95

THE management company at Sun International's new resort on the Mohegan reservation in Connecticut, US, will receive up to 40% of the scheme's net income.

Trading Cove Associates (TCA), in which SI founder and chairman Sol Kerzner's son Butch Kerzner is an equal partner, will handle the construction, marketing and operation of the Mohegan Sun.

Kerzner played a key role in raising financing for the $250m resort.

Construction began this week, partly financed by the international bond market. TCA has a seven-year management contract with the Mohegan tribe.

A spokesman for the joint venture partners, Lloyd Kaplan of New York-based Rubenstein Associates, said the payout to TCA would hinge on certain income levels being attained.

Olympic sites go under spotlight

Environmental probe of possible venues for village, stadium, arena

ARG 8/11/95 (288)

ANDREA WEISS
Municipal Reporter

THE Olympic bid company is set to launch a preliminary environmental investigation into the main sites proposed for Olympic developments.

Also, consulting engineers Hill Kaplan Scott, who were commissioned to study soil conditions at the Culemborg site where industrial contamination is a possibility, are expected to report their findings to the Cape Town City Council within a week.

The environmental investigation is the next leg in Olympic planning and is being handled by Mary-Jane Morris, seconded by Caltex to the bid.

Ms Morris told the council's urban planning committee that the bid company was about to start an "environmental scan of the preferred sites to ensure that there aren't some environmental concerns which will preclude our using them".

A multi-disciplinary team, including experts in a range of fields, was being assembled.

The top 10 sites identified by the Olympic bid company are Culemborg, Wingfield, Nolungile, the Athlone Golf Course, UWC-Pentech-Modderdam, Philippi, Guguletu, Du Noon, Kraaifontein and Blue Downs.

Indications are now that Wingfield and Culemborg are likely to share between them the three Olympic villages, the main stadium, main indoor arena and international broadcast centre.

Ms Morris said Olympic planning would have to involve sustainable development, resource conservation, holistic environmental management, renewable resources, and recycling and sustainable technology.

Environmental projects would also have to be linked to economic opportunities.

Among the areas that would have to be looked at would be water and energy conservation and continuing environmental management throughout the build-up to the Olympics, including monitoring of contractors.

Ms Morris said her job was also to ensure that environmental criteria were built into all Olympic planning.

The company was also setting up an environmental monitoring committee which would consist of professionals and non-governmental organisations to act as a watchdog to the process.

The council is also expecting a report from engineering consultants Hill Kaplan Scott who have been testing the soil at the Culemborg site.

City council engineer Mike Marsden said the study had been aimed at discovering whether parts of the site were contaminated through its industrial use, as well as the founding conditions which had implications for the kinds of buildings that could be erected.

This study would be used to inform planning for the Culemborg site.

In areas where the founding conditions were poor, low-cost housing would not be a possibility, but commercial or other Olympic-related developments could take place.

The discovery of contaminants such as hydrocarbons might also mean that "remediation" would have to take place.

Mr Marsden said the study was what any "responsible local authority" would commission before making plans for the 300 hectare site.

While there was evidence that parts of the site were affected, the bulk of the area was "fine", he said.

'Tourism to create 100 000 jobs'

(288) CT (BR) 8/11/95

BY DAVID CANNING

Durban — Even by fairly conservative estimates, 100 000 new jobs are likely to be created by rising numbers of overseas tourists — expected to average 1,9 million a year within five years.

Despite this exciting potential, tourism is still being accorded a low priority in terms of policies, strategies and budget allocations, tourism expert Gillian Saunders said at The Mercury/Kessel Feinstein Business Buzz breakfast in Durban yesterday.

Saunders, of Kessel Feinstein, said overseas visitors' arrivals for the five months to June 1995 were up 56 percent.

Overseas tourism growth should be between 20 percent and 30 percent this year, and continue at 15 percent to 20 percent compound to the year 2 000.

By then, tourism should be contributing 5,2 percent of South Africa's GDP, compared with 3,3 percent last year. By 2 000, the value of foreign tourism, in 1994 rands, will be R16 billion (compared with R6,1 billion last year).

Total tourism, including domestic holidays and business trips, will be worth R25,3 billion, said Saunders, adding that 0,5 million more domestic holidays trips could be expected by the year 2 000.

"Overseas tourism has the greatest growth potential for South Africa and major players report heightened interest in it as a destination," she said.



TOURISM EXPERT *Gillian Saunders at The Mercury/Kessel Feinstein Business Buzz breakfast in Durban yesterday*

Saunders said that although tourism was the world's biggest industry, it was one of the last ministerial portfolios to be awarded by the government.

Even then, she said, it was added on to another department — implying it was a portfolio of low importance that had been "horse-traded" between the parties.

Saunders said the most preferred holiday destination for domestic tourists was KwaZulu Natal, followed by Gauteng, the Western Cape and Northwest. KwaZulu Natal and the Western Cape, she said, were the most successful areas in attracting high-spend domestic tourists.

Saunders said the Cape Peninsula had the highest average hotel room occupancies (73 percent), adding that Durban and Umhlanga were at 65 percent and Johannesburg 53 percent.

"Cape Peninsula hotels have been able to push their average room rate up most sharply over the past year. They now charge R208 (R166 last year). The average was R165 (R130) in Durban and R152 (R180) in Johannesburg.

Hotel industry faces lack of trained staff

(288) CT (BR) 3/11/95

BY FRANÇOISE BOTHA

Cape Town — South Africa's tourism boom is providing unprecedented support for the hospitality industry, but Western Cape hoteliers said the industry was approaching a training crisis.

Angus Dodds, the director of the Cape Technikon's Hotel and Catering School, said blacks and coloureds had shown very little interest in being trained and this had made it very difficult to employ a staff that was representative of the structure of the population.

"The hotel industry has been predominantly white and the only way that we can change this is at grassroots level, through training. We are looking for people who can be trained as general managers.

"The hotel school has put aside 20 percent of places for students from disadvantaged communities but the interest has been scant, to say the least," said Dodds.

Hoteliers said they doubted whether the hotel school's enrolment prerequisite of a year's practical experience was a major stumbling block. However, the requirement of having passed matric appeared to be creating problems.

"We are not seeing enough applicants from coloured and black communities that have matric," hoteliers said.

Airlines lay on extra flights for holiday tourist boom

CT 8/11/96 (288)

CAROL CAMPBELL

AIRLINES are laying on extra flights to South Africa over the festive season to cope with a tourism boom — and most visitors are heading for Cape Town.

Satour's general manager for Europe, Mr Dale Pretorius, said yesterday that all flights to SA by the main carriers over the festive season were "chock-a-block" — especially the UK flights.

'Unprecedented'

"An individual might be lucky to get a cancellation, but families or big groups can forget it," he said.

British Airways marketing manager Ms Sandi Lee said the airline was laying on four extra flights over the festive period to cope with an "unprecedented" demand for tickets.

Three of the flights will stop in Johannesburg and continue to Cape Town and the fourth will fly directly to Cape Town. BA currently has 13 flights a week, and will have 14 from February next year. SAA has 14 a week to London.

"The airline made the move in response to peak-season customer demand which had considerably outstripped capacity," Ms Lee said.

Mr Pretorius said: "The major carriers like SAA, British Airways, KLM, Alitalia and Air France are all increasing their number of weekly flights to SA with Cape Town increasing in popularity as a destination."

Tourism to SA from countries around the world rose 74,9% this year and by Christmas over one million tourists would have visited the country.

Satour expects this number to increase steadily, reaching 2,3 million in five years. This means 110 000 "direct" new jobs and R79 billion in accumulated foreign exchange.

To help cope with the load, British charter company Caledonian Air has been granted a licence to bring in tourists from London to Johannesburg and Cape Town, twice a week between November and May next year.

In October next year Britannia Airways will also be offering charter packages from London to ease the load on major carriers over the 1996 Christmas period.

Guesthouses

Mr Pretorius said hotels were coping well with the demand for world-class accommodation.

In a survey of tourists after the Rugby World Cup restaurants fared worst in tourists ratings.

When hotels were full guesthouses catering to the top end of the market were a popular alternative, with Cape Town taking the lead in this area of accommodation.

● See Page 18

Cape Town has 'long way to go' – IOC

(288)

By Alan Baldwin

Reuters

Star 9/11/95

Rome – IOC president Juan Antonio Samaranch said yesterday that while Rome's bid to host the 2004 Summer Olympics was "one of the most important" to date, Cape Town needed to do "a lot of work" to stage the Games.

"Rome's great strength is its unity. There is agreement between the government, the city and the people," he told a news conference after a council meeting of the Association of Summer Olympic International Federations (ASOIF).

"Rome can consider itself one of the most important candidacies among the 10 the IOC has so far received."

"Cape Town's bid is very suggestive. Africa has never organised an Olympics before. But Cape Town needs to do a lot of work to hold the Games," Samaranch said, answering a question about a city many see as a symbolic favourite.

He did not give any further details beyond adding: "I don't think there is any racial problem with their bid."

Samaranch said that Beijing, narrowly beaten by Sydney in the race to hold the 2000 Games, was unlikely to bid for 2004.

Rome, host of the 1960 Olympics, has yet to formally present its bid but Italian Olympic Committee president Mario Pescante said it would be made at the IOC headquarters in Lausanne on November 27.

Other cities to express an interest in staging the 2004 Games are Buenos Aires, Brussels, Istanbul, Lille, Rio de Janeiro, San Juan, Seville, Stockholm and St Petersburg.

The deadline for bids to be submitted is January 10 next year. The International Olympic Committee will make the final selection in September 1997.

Tourists to Cape Town 'rocketing'

288

ARG

Staff Reporter

IF PRESENT tourism trends continue, Cape Town can expect to welcome up to 145 000 foreign visitors a month by the year 2000, says the Cape Chamber of Commerce and Industry.

Quoting "influential studies", the chamber projects that the combined total of business trippers and domestic and foreign tourists to Cape Town could reach approximately 3,4 million by 2000.

It said in its latest Business Bulletin: "The main reason for looking ahead is to ensure that the planning function is properly addressed."

"We need to consider what our requirements will be in the year 2000 for five-star hotels, taxis, airport facilities, bed-and-breakfast establishments, one- to four-star bedroom numbers, tourist guides, restaurants, luxury coach fleets, hire cars ...

The Mother City's tourist facilities were already stretched to capacity, the chamber said.

● Canadians visiting South Africa should hide their cameras and any other paraphernalia marking them as tourists or risk attracting muggers, suggests an item in the Toronto-based Globe and Mail.

Sapa reports that, according to the item, last week alone 12 tourists were reported to have been robbed in Cape Town streets.

Kerzner's departure may smooth way for Sun International

AMANDA VERMEULEN (288)

BD 9/11/95

AS THE sun sets on the old gambling dispensation, SA's undoubted casino boss, "sun king" Sol Kerzner, is poised to sever most of his remaining ties with the local arm of Sun International (SI).

Next Monday, at the company's AGM, he will resign as chairman of Sun Bophuthatswana, ending a chapter in a sometimes controversial career spanning three decades.

SI chairman Buddy Hawton says Kerzner will focus on the group's international operations and will advise on its SA hotel and gaming developments. Essentially, Kerzner will relinquish his executive role and will act more as a consultant.

Kerzner says his decision to resign the SunBop chairmanship has nothing to do with his admitted R2m bribe to Transkei's George Matanzima back in 1986. Few chairmen have, as Kerzner has, admitted to bribery. Nor have they been as ready as he to put into the Press his often candid comments.

SI is positioning itself to become a major force in the new gambling industry, and some prospective competitors are sniping that Kerzner's withdrawal is designed to give SI a squeaky clean image. Few of these snipers will go public, such is the respect Kerzner commands.

Kerzner formed SI in 1983, but his involvement in the hotel industry goes back much further. Speaking yesterday from London, where he has lived since 1987, Kerzner says he has been discussing his resignation with Hawton, who is also chairman of SI's parent Kersaf Investments. As he wants to spend more time on new project development — both in SA and abroad — Kerzner says he is unable to devote to SunBop the time required of the chairman of a listed company.

Demands on SunBop's chairman are set to balloon as the group's restructuring comes into force. The strategy is to bring all SI local operations together under SunBop as holding company, which would be renamed SI SA. Had Kerzner remained SunBop chairman, he would have had managerial responsibility for a greatly enlarged operation.



Sol Kerzner — a sometimes controversial career spanning three decades.

An arrest warrant covering the Matanzima bribe is legally still valid. But justice department officials respond to queries about the delay in an arrest and prosecution by citing more pressing issues such as political changes in SA, the drafting of a new constitution incorporating the former TBVC states, and the disbanding of the original investigation team as the main reasons.

There again, SI sources acknowledge Kerzner's remarkable relationship with SA's new political leadership — an incredible achievement, given his close ties with the former NP government whose homeland system presented SI with a legal loophole in SA's own stringent restrictions on casino gambling.

Kerzner has sought and earned favour with government by pointing to the contribution SI's 17 casino resorts have made to SA's tourism industry and job creation. At the time Kerzner admitted to the Matanzima bribe, The Sunday Times said anyone could make mistakes, and compared the alleged crime to stealing a pen from office stationery.

If it seems that Kerzner has been forgiven in SA, the same cannot be said overseas, where SI is now looking to flourish.

Late last year a UK magazine, Business Age, alleged that Kerzner had used financial incentives to secure casino licences for SI's Bahamas resort, Paradise Island, and its hotel in Mauritius. SI denied the allegations and let the matter drop.

Apparently plans for a Greek resort may also be under threat — industry sources said recently the Greek gaming authority had got wind of the Transkei bribery issue and decided to delay allocating a licence to SI.

Kerzner's propensity for going off like a loose cannon can be a nightmare for SI's public relations spokesmen. They winced in January this year when Kerzner disclosed that SI had earlier donated money to ANC MP Peter Mokaba's National Tourism Forum. It collapsed in January and Mokaba is currently under investigation by the Office for Serious Economic Offences regarding alleged fraud and other financial irregularities involving the forum.

External problems are not the only public relations difficulties the group has faced.

Several key directors have left, including Kersaf chairman Dick Goss and MD Ian Heron, SI MD Ken Rosevear and marketing director Ernie Joubert.

The industry was abuzz in the late 1980s with speculation that the departures of Heron and Goss were linked to clashes with Kerzner over his attempt to form a closer alliance with former Bophuthatswana leader Lucas Mangope — another politician under investigation for alleged fraud.

Former employees have been reluctant to go on the record with their charges. It is clear, however, from discussions with former executives, that there is no love lost between many of them and Kerzner.

In what seems to have been an attempt to burnish SI's reputation, the group employed in January Deputy President FW de Klerk's former media liaison man, Richard Carter, to handle the public relations portfolio.

Since then the group has managed to tone down its hostility towards sometimes tough media probing. Kerzner, who rarely appreciated being given a rough ride in the Press, once told a journalist that she was "horrifyingly stupid" for questioning the price of a Miss World pageant ticket.

Kerzner's move could leave the group he founded with a far easier passage in the new gambling order. With SI competing for new casino licences from the future SA Lotteries and Gambling Board, the group's rivals are now deprived of their easiest target for attack.

Draft legislation sets down strict guidelines to ensure that recipients of licenses are beyond reproach.

Kerzner steps aside for new SunBop chief

BD 9/11/95

Amanda Vermeulen

(288)

SUN International founder Sol Kerzner is to resign as chairman of Sun Bophuthatswana (SunBop), effectively ending his executive role with the SA arm of the leisure group.

Sun International and parent Kersaf chairman Buddy Hawton will take over from Kerzner at SunBop's AGM on Monday.

Speaking from London yesterday, Kerzner said he was increasingly devoting his time to non-SA operations: "I feel I cannot devote the time required by the chairman of a listed company."

He would remain a consultant to the group's casino and resort development programme which would invest up to R2,5bn in new developments in the coming years.

Sun International MD Peter Bacon said the group was sorry to lose Kerzner's input, but the "time had come" for him to move on.

Kerzner will relinquish his executive role in the company, with no influence on board strategy or policy. He has no stake in Sun International, although he has a 10% shareholding in Sun International Management Ltd — the company that manages the resorts. Sun International financial director Alan van Biljon would not divulge the value of this stake.

Kerzner said it was too early to say whether his son Howard would eventually head Sun International. He had been involved in raising finance for the group's new resort in the US, Mohegan Sun, which opens next October.

Kerzner founded Sun International in 1983, and in 12 years created a casino empire with 17 resorts in SA and 11 outside the country in France, the Bahamas, the US and Mauritius.

See Page 16

Olympic bid set to get government funds boost

ARG 9/11/95 (288)

Municipal Reporter

CAPE TOWN'S Olympic bid is set to get a financial shot in the arm from national government which is in the process of releasing funds for the planning phase.

This was revealed today by Michael Fuller, director of finance and control with the Cape Town 2004 Olympic bid company.

Mr Fuller would not put a figure to the amount of money that the government was likely to pay out, but said it would be enough to cover planning costs between now and March next year.

The Olympic bid company previously asked the government for R34 million to cover planning in the first year.

The money will be used to plan facilities and transport needs for the city's bid.

Mr Fuller said a principle document also had been agreed on by all levels of government, business represented by the South African Foundation and the National Olympics Committee of South Africa.

This document would be signed next week.

Reacting to remarks made in Rome by Olympic chief Juan Samaranch, Mr Fuller said the bid company was not in a position to react to personal comments made by Mr Samaranch.

Mr Samaranch was quoted after a meeting of the Association of Summer Olympics International Federations as saying Cape Town needed to do a lot of work to hold the Games.

He also said that Rome's great strength was its unity and it could consider itself one of the most important candidacies received by the International Olympics Committee to date.

POLICE BROCHURE LISTS DANGER SPOTS

Tourists warned on crime

CT 9/11/95 (288)

POLICE have issued a brochure for tourists listing the mugging danger areas of Cape Town and suggesting ways to avoid becoming a victim. **JACKIE CAMERON** reports.

AS at least another 12 tourists have become victims of crime in the city this month, police ,in a brochure launched yesterday, are urging visitors to conceal their cameras and not to wear expensive jewellery.

Criminals have netted at least R45 000 in cash and goods after swooping on tourists, mostly from Germany and Switzerland, in the last 10 days, say police.

Street gangs have not been the only culprits: A video camera was stolen out of a locked hotel room and a lap-top computer stolen at the civic centre.

While most muggings occurred in St George's Mall and Adderley street, Government Avenue and Signal Hill are also proving to be danger zones.

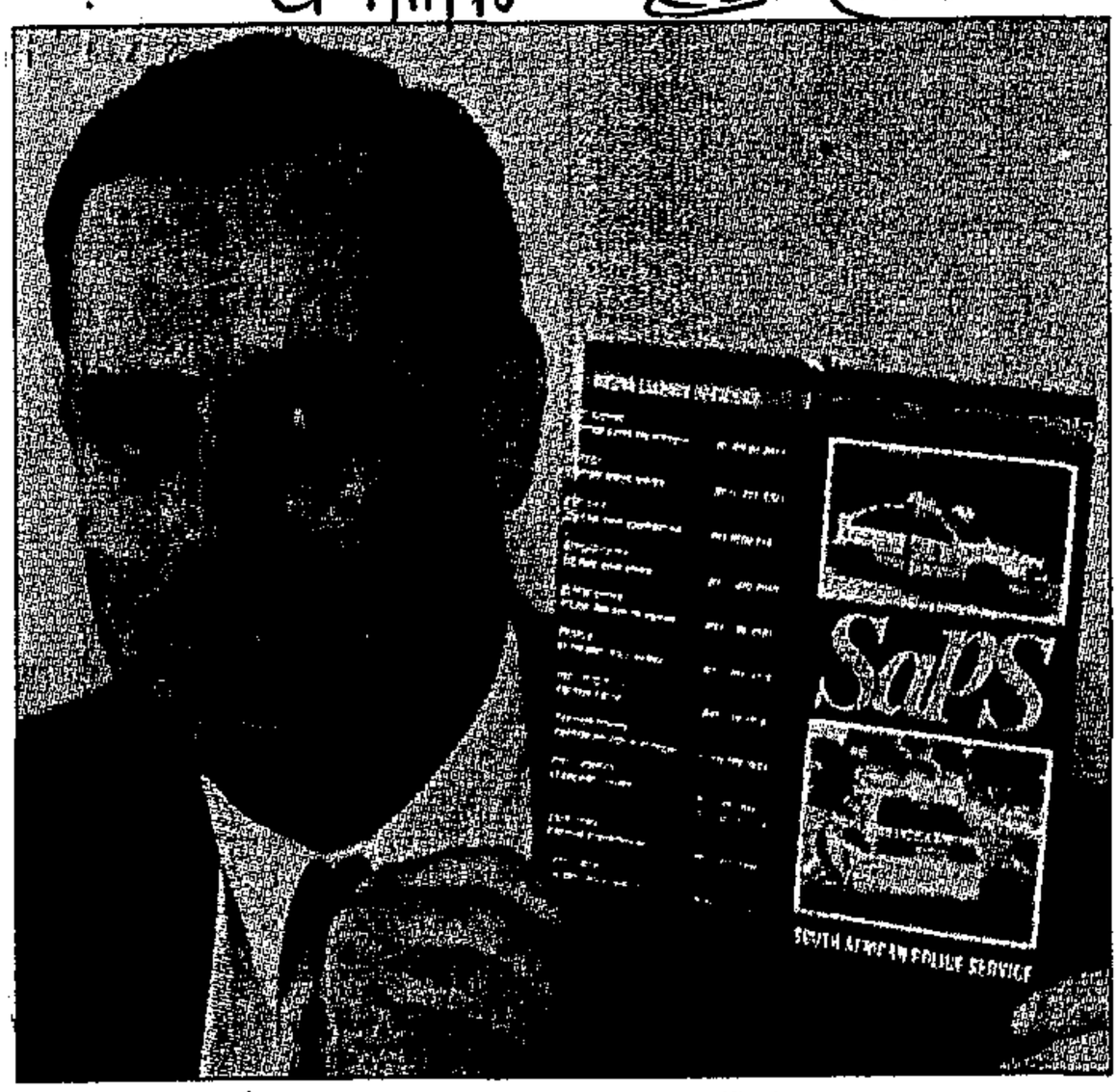
In the new brochure, police advise tourists that: "South Africa does indeed experience high crime tendencies in certain areas. But this problem is no worse than that currently experienced in other major tourist destinations in the world."

Tips to reduce the possibility of becoming a crime victim include storing valuables in hotel safes and not opening hotel doors without checking the identity of a caller.

Wary

Police also advise tourists to carry cameras in large shoulder bags, to avoid walking in unlit places, to travel in groups and to be constantly wary of bag-snatchers and pickpockets.

Contact numbers for the police Tourist Assistance Unit and Flying Squad are included in the brochure.



INFORMATION CAMPAIGN: Police public relations chief Colonel Raymond Dowd shows a draft copy of the new brochure, aimed at reducing crimes against tourists, yesterday. ***PICTURE: CLIVE SMITH***

Olympics: Ball wins critics over

CT 9/11/95 (288)

DALE GRANGER

OLYMPIC bid company chief executive Mr Chris Ball last night squared up to his fiercest critics — the "niggly" Southern Suburbs ratepayers — and won them over.

Speaking before an initially sceptical audience that included arch-critic and councillor Mr Arthur Wienburg, Mr Ball said greater Cape Town would have a population of 4,5 million by the year 2004 — one million more than at present — but did not have the economic growth needed to support an increasing population.

"Some are saying people have to have houses but you cannot have houses without jobs. The Olympics will create new nodes of activity in the Western Cape and for Cape Town it is a unique opportunity to take charge of its future.

"Twelve cities are bidding for the Olympics in 2004 and they are not bidding to make a loss but because they know the impact."

Mr Ball said funds would not come from rates, but from the national budget. To build an acceptable infrastructure for the Games in Cape Town, more funds were not being asked for from the government, but only "accelerated spending" of what was already planned for.

This would not drain resources from housing, education or health.

He stressed that the Games would have to be drastically mismanaged not to make a profit, saying myths had arisen about the sporting spectacle with uninformed people saying that previous cities had made substantial losses.

In the cases of Barcelona and Montreal, which were often quoted as examples, the Games on their own had shown substantial profits, but politicians had made the decision to launch huge rebuilding programmes in both cities to coincide with the Games.

"Now we have won the bid people are sitting back and saying they're not sure," he said.

"Even if we lose (the bid to host the Games), Cape Town wins," he said to warm applause.

● In Rome, Reuter reports that International Olympic Committee president Mr Juan Antonio Samaranch said yesterday that Rome's bid to host the 2004 Summer Olympics was "one of the most important" to date — and Cape Town needed to do "a lot of work".

Kriel rules out poll on Games

(288)

CHRIS BATEMAN

CT 9/11/95

WESTERN CAPE Premier Mr Hernus Kriel and Local Government Minister Mr Peter Marais yesterday jointly ruled out an election day referendum on Cape Town hosting the 2004 Olympic Games.

Calling it "impractical and misguided", they were responding to suggestions that the Cape metropole and rural district election day next year be used as an opportunity to test public opinion on whether the city should hold the Games.

Mr Kriel said that bid manager Mr Chris Ball had said the benefit to the province was 25% and to the rest of SA 75%. "If that is so we can't exclude the others." Mr Marais said only President Nelson Mandela could call a referendum.

SUN INTERNATIONAL

The old order changeth

(288) FM 10/11/95

The resignation of founder-chairman Sol Kerzner and new legislation pose big challenges

The old order passes and makes way for the new, this time in the leisure industry. The National Gambling Bill will legalise gambling — and contenders for the 40 proposed licences are gathering.

The new dispensation has brought Sun International (SI), doyen of SA's gambling and resort world, to a watershed. After more than two decades as the only legal gaming operator — a legacy of homeland development policies — SI faces the loss of some gambling licences plus competition.

The sea change is symbolised by the resignation of flamboyant founder and chairman Sol Kerzner after the November 13 AGM. Though he has been involved mainly in offshore operations since 1987, the Palace of the Lost City was his brainchild. He is also "a key consultant" on the Victoria & Alfred Waterfront project in Cape Town; so he will not vanish. Kersaf/Safren chairman Buddy Hawton will take over the SI chair.

Investors and competitors are agog to see how SI will cope with the new circumstances. Says MD Peter Bacon: "We will need good strategies to get through this difficult period."

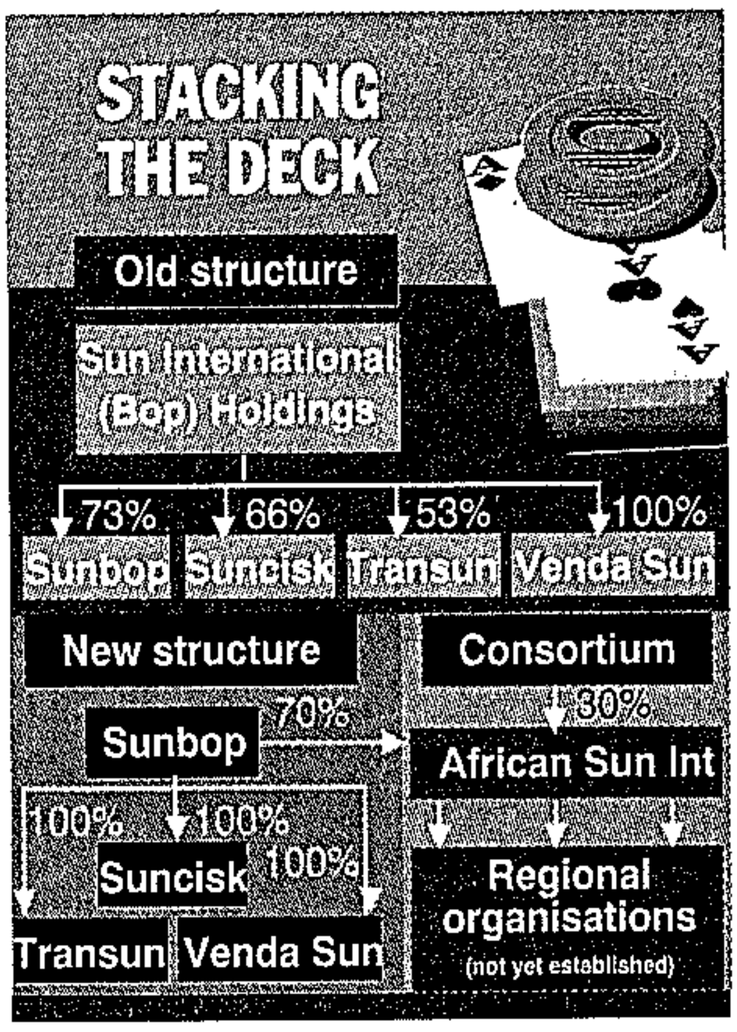
But management has not been sitting on its thumbs. Its first step has been to plan a merger, in which Sunbop will acquire Suncisk, Transun and unlisted Venda Sun. Benefits include rationalised costs and reduced shareholder risk over a wider area. It may also boost Sunbop's flagging share price.

SI and the old homeland development corporations (now part of the provincial governments), which collectively hold an effective 67% in Suncisk, 82% in Transun and 83% in Venda Sun, have agreed to the scheme and will take Sunbop shares (worth R571m) for their holdings.

Suncisk investors will get 12,5 Sunbop or R262,50 per 100 shares; Transun investors 16,7 Sunbop or R350 per 100; Venda's R6 per share or 28,57 Sunbop per 100.

Sunbop now stands at R23, but for this transaction its shares are valued at R21, giving Suncisk, Transun and Venda Sun shareholders a premium. Up to 35m new Sunbop shares, worth R734m, could be issued, raising equity by 29% to 154,3m; if minorities opt for cash, a possible R163m could be paid out.

The net effect of the share swaps — calculated on "normalised" effective tax rates of 35% for the three groups being subsumed and 20% for Sunbop — is expected to increase the EPS of Sunbop by 14% but lower net tangible asset value by 6% to R11,29. For the other three, earnings would drop by varying amounts, but net tangible asset value would rise, as would market value for the two listed groups. Finally, Sunbop will become Sun International (SA) (Sisa). The scheme should be complete by early December.



The Bill, expected to become law next year, stipulates that all governments must sell holdings in gambling ventures within two years of enactment, which poses a problem for SI and its provincial shareholders. Total government holdings in its operations are estimated at about 37% — worth around R1,3bn — says Hawton.

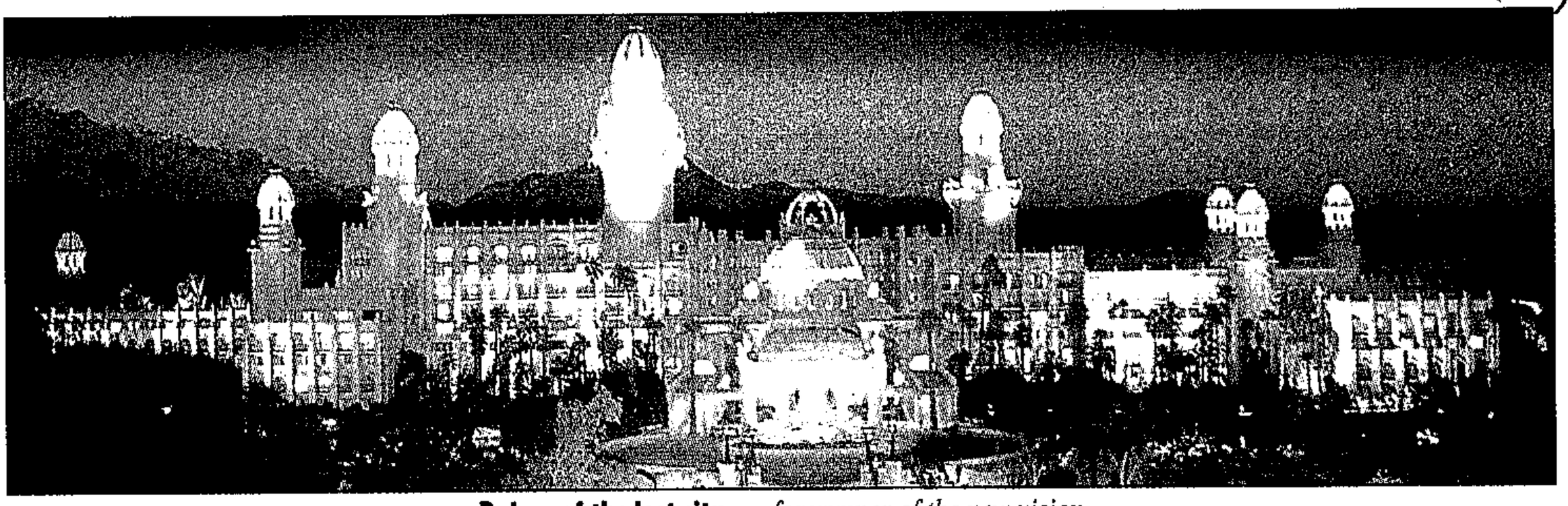
SI is unhappy about the short "sunset period" and intends to lobby for a five-year period. Forced sales could cause a steep drop in the share price and hence loss of revenue to the provinces.

A proposed five-for-one Sisa share split after the merger would raise issued equity to 771,3m shares of 3c each, at a price of about 460c on current showing, to improve tradeability — important if shares are sold to small investors — and minimise odd lots.

A crucial change is the effect on earnings as the companies come under SA tax. For financial 1995, homeland and SA rates were averaged; from 1996, the full rate will apply. Sunbop (by then, Sisa) will, however, be able to hold its tax rate to around 20% for the next four years through the use of tax losses and tax equalisation reserves.

Nonetheless, it will have to produce earnings growth considerably in excess of this year's 5% to satisfy its critics, some of whom consider that both Sunbop and major shareholder Kersaf have gone "ex-growth."

But SI has a number of aces up its sleeve. The territorial challenge works both ways as it moves into the large metropolitan areas and poses a threat to established hotel groups. The expiry two years ago of a restraint agreement with Southern Sun, which kept SI in the old homelands and left SA



Palace of the lost city . . . *forerunner of the new vision*

proper to Southern Sun, means no holds are barred — and SI has made its first move with a five-star hotel at the V&A Waterfront. A coup for SI in that its design beat those of Hyatt, the Ritz Carlton group and Intercontinental. SI's still unnamed 330-room hotel, designed along Victorian lines, is scheduled to open on Quay Six in April 1997. It will cost R250m, of which R190m will be provided by partner Transnet Pension Fund.

Bacon says that, though it's a "traditional house" (with no gaming), catering facilities "will be kept simple, in view of the wide variety of restaurants nearby." The hotel is also a foothold from which SI can tap into the vibrant Western Cape tourist industry. "It is superbly situated for business and leisure — and particularly international visitors."



Bacon



Luhabe



Hawton

Other key provisions in the draft gambling Bill include limits on the number of licences any single operator may own and the nature of operations. No operator may have more than two licences per province, for a total of 16 overall, and developments must promote tourism, provide jobs and contribute to black empowerment.

With an eye to applying for licences in the Western Cape, Gauteng, Mpumalanga and KwaZulu-Natal, SI last week announced the formation of African Sun International (ASI), a consortium in which it holds 70%. Chaired by Wendy Luhabe — founder of one of ASI's members, Women Investment Portfolio, and wife of Sam Shilowa — other members are several black groups and Gestilac, a French tourism/casino company.

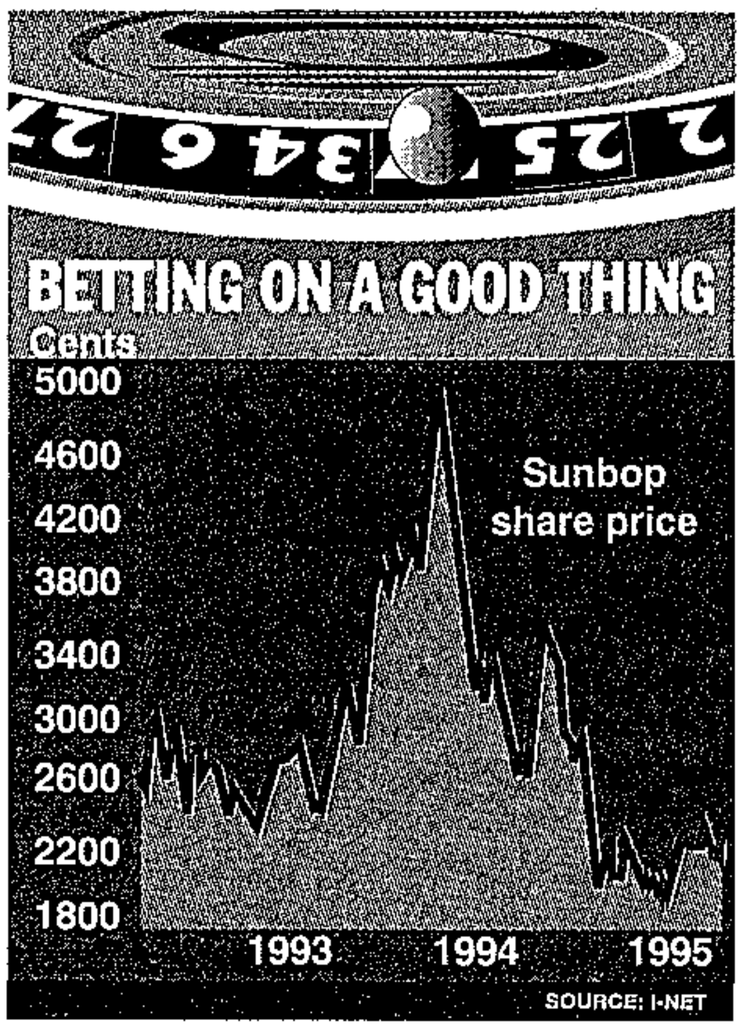
The consortium will operate at national level and negotiate agreements with regional organisations, such as KwaZulu-Natal's Free Africa investment group, to operate casinos in the provinces. SI will be "investor, conceptualiser and developer of projects, as well as managing the consortium's future projects," says PRO Richard Carter.

The granting of regional licences would appear to have at least as much to do with politics and personal connections as with competence or experience. SI already has strong connections in the Cape through ultimate shareholders Safren and Old Mutual. Competition takes the form of Christo Wiese, whose company Monex wants to build a casino at Century City in Milnerton.

If SI's application is successful, it will convert the recently purchased Goodwood Showgrounds into a casino and leisure resort. Bacon won't be drawn on details but promises "some revolutionary concepts."

Design teams have been at work for at least a year, putting the group well ahead of the game. Official requests for submissions are not expected until the first quarter of next year. Licences will probably be awarded in the second or third quarters.

One analyst considers SI's chances in Gauteng only average because groups such as Global Resorts have "an inside track with the premiership." SI passed up a Midrand site because it wants to preserve existing investments in the northern areas. If it gets a Gauteng licence, it would probably be used at its Riviera Hotel on the Vaal. Provincial limitations will force SI to cede some sites in North-West and Eastern Cape provinces, but Bacon intends to make "strong representation to raise the cap on licences in both, taking into consideration SI's vested interests." At least three licences would be sought for North-West province — for Sun City, the Carousel and Morula Sun. Possibilities for disposal are operations around Mmabatho.



Forced disposals are unlikely to be devastating. At most, SI would shed about 15% of total assets and if they can be sold together with their licences, the sales could realise a healthy profit.

Governments worldwide have seen gambling profits as an easy source of income when tax levels meet popular resistance and analysts point out that provincial governments would want to maximise their tax take. Therefore, they are likely to be cautious in their approach to SI, especially in the matter of asset disposal.

Though it faces competition, SI has built up immense advantages in the form of local experience, expertise, skills and — in North-West and Eastern Cape — infrastructure. Links with European casinos give it further access to skills. A big concern is retaining key staff. Hawton says: "We don't want to be a training ground for the opposition and will try to minimise losses."

Other unresolved issues include the size of the industry. It's currently estimated at between R2bn-R3bn a year, but the illegal portion is unknown, as is the limit of SA's appetite for gaming (profits from gambling at Sun City have dropped).

An analyst comments: "SI's gaming profits must stabilise, otherwise resort profits go to shoring up gambling operations. And resort profits are limited, being tied to inflation. At Sun City, which is averaging 85%-90% occupancy, so much money was invested they won't ever get high returns. Besides, they have a relatively high cost structure." Part of the problem is the disparate markets for which the complex caters. "Foreign visitors who come for the spectacle and the game reserve are not necessarily the ones who do the gambling."

Policing — both by closing down illegal gambling and controlling money laundering — is important. Bacon contends that "the industry will not attract substantial investors in projects linked to gaming unless government has the resolve to control it."

So what are the prospects for SI? One analyst believes that investors will be bullish "once SI has clarity and gaming legislation is finalised."

Others take a lacklustre view, seeing a reduction of earnings in the near future. "If you have shares, sit on them. But we wouldn't recommend them."

The market is no help, so it's back to gut feelings for the final analysis.

In the medium term, earnings may not be exciting as the restructuring is paid for, but, if SI can sell assets profitably and gets the new licences it wants, its operational skills and trained personnel should put it well ahead of the competition. At R23, Sunbop's share price has dropped 36% off its 12-month high of R36 and stands at 11 times earnings — in a sector which averages 28 times earnings.

As a long-term investment, the share could be a sweet bargain. *Margaret-Anne Halse*

■ CITY BOWL

Tourist safety plan a success say police

☐ *Same-day court appearances help*

(288) ARG 10/11/95

Southern Correspondent

AN innovative new Community Safety Plan aimed at protecting tourists and curbing crime in the city bowl is working well, according to police.

Major de Wet Breytenbach, commander of the Police Crime Prevention Unit said: "The plan provides for co-ordination between internal units like crime prevention and community policing and other role players like traffic police, city council officials and security firms."

He urged the public to make use of the police hotline 1 0111 to report incidents, as they had an important role to play in providing information.

"In this way we are able to pinpoint flash points and ensure greater police visibility in these areas," he said.

"The Community Safety Plan has been in operation for a week and yielded some worthwhile arrests," he added.

The safety plan includes giving talks on safety and places to avoid in the city to groups of tourists and the distribution of pamplets with safety tips at the airport.

The tourist unit is based in Tulbagh Square — ☎ 418-2882/3 — with satellite kiosks in the Golden Acre and St George's Mall.

Provision has been made to have court proceedings held on the day a tourist related offence takes place.

"Many tourists are reluctant to lay charges as the case is usually heard when they have left the country," said Major Breytenbach.

Olympics 'dry run' for Cape

(288) ARG 11/11/95

■ **WORLD SYMBOL:** This ingenious logo, showing the South African flag incorporating a runner, will be beamed to millions of viewers in 132 countries during the world cross-country championships in Stellenbosch next March.



DAVID BREIER
Staff Reporter

THE Cape will have an Olympic dry run next March to show the world we can host an international athletics event.

Organisers of the 1996 world cross-country championships, to be held in Stellenbosch on March 23, have announced that more than a thousand athletes from more than 70 countries, backed by thousands of fans, would arrive for the event.

It is expected to be watched by a TV audience of 185 milion in 132 countries, who will see the innovative championship logo depicting the South African flag incorporating a runner — published for the first time in Saturday Argus today.

It will be the first world athletics championships to be held in Africa south of the Sahara and the eyes of Olympic organisers will be on the Cape, which hopes to host the 2004 Olympic Games.

The world cross-country championships, at the Coetzenburg sports complex, will start and finish in the Danie Craven Stadium, giving thousands of people a birds-eye view in the spectacular setting surrounded by mountains, vineyards and oak trees.

Cape Town and Matieland can look forward to a colourful cosmopolitan invasion of visitors in robes and exotic headgear that will put this year's relatively dour Rugby World Cup to shame, organisers say.

Apart from the top countries such as Kenya, the United Kingdom and the United States, there was interest from countries as diverse as Nepal, Croatia, Cuba, Jordan and Lebanon, said local organising president Leonard Chuene.

"It is a vital event for South Africa. We've got to get it right. It's very important to build up a track record. The International Olympic Committee want to see if we can stage this sort of event. It will be a golden opportunity and a showcase. It's up to us to succeed," said former Cape Town mayor Sol Kreiner, vice president of the local organising committee.

Far from being a one-day wonder, the championships will have spin-offs beginning weeks before and lasting weeks after the big day.

Community cross-country races will be held in townships in the weeks before the big race and every runner who enters these build-ups will get free admission to watch the championships.

Ninety-percent of the surplus income, including sponsorship money, will go to development of cross-country running in South Africa.

Mr Kreiner said many overseas running enthusiasts not quite good enough to represent their countries at the championships would take part in other running events over the following weeks, including the Two Oceans Marathon.

There would also be a contest between Stellenbosch and Oxford and Cambridge universities.

Organisers have launched a Patrons Club whose members will get two VIP tickets, VIP hospitality, commemorative memorabilia and a chance to win a trip to next year's championships. The cost of joining the club is R1 996 to coincide with the year of the big event.

2004 Olympics bid being 'stolen' away

Four-fold increase in attacks on Cape town's tourists

(288) ARG 13/11/96

ROGER FRIEDMAN
Staff Reporter

OLYMPIC 2004 bid boss Chris Ball warns that if the criminal attacks on tourists don't stop, the Mother City can forget about hosting the games.

Captour head Gordon Oliver says he is growing increasingly concerned, but is trying not to be alarmist.

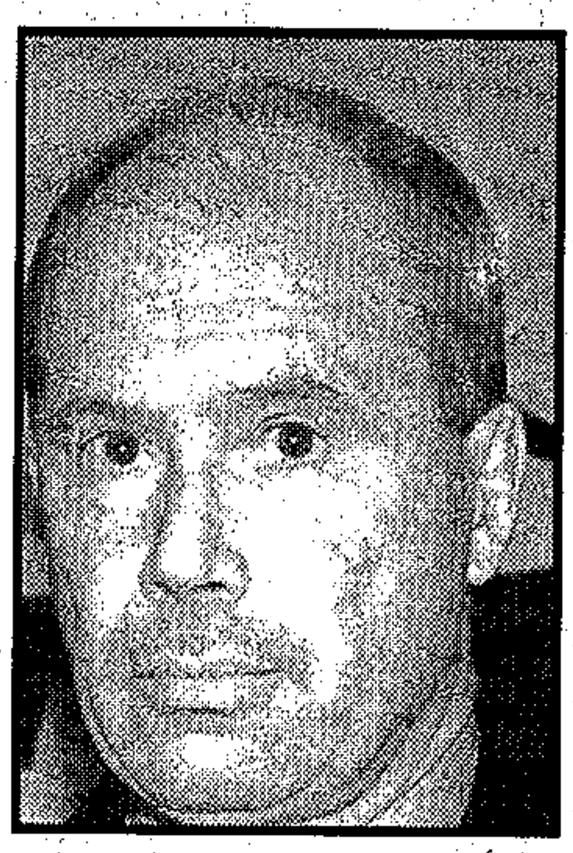
Chief police spokesman Raymond Dowd feels it is premature to describe attacks on tourists as a growing trend, although police statistics for the first 10 months of the year indicate a four-fold increase in reported attacks on tourists.

And Cape Attorney-General Frank Kahn has promised to expedite cases involving tourists wherever possible, in an attempt to bring the culprits to book before the tourists leave South African shores.

It is impossible to know how many of the tens of thousands of foreign tourists visiting Cape Town leave with the bitter memory of being held up by a knifeman or gunman, having their bag snatched or their camera ripped from their necks.

Almost 100 cases were reported to police between January and late October this year. Since then there have been several more — including the woman who was minding her own business next to the water fountain near the Heerengracht Building on the Foreshore when two men, armed with a knife, attacked her and stabbed her in the hand.

The police are the first to admit some tourists are reluctant to report crime due to the inconvenience of prolonging their stays.



□ Chris Ball

And in other cases where crimes have been reported, it is extremely difficult to secure convictions, as by the time the case is ready for court the tourist has probably gone home anyway.

Colonel Dowd said police had a special Tourist Assistance Unit in Cape Town with the primary task of tourist protection.

In addition, a task team comprising police and the business community had been established to deal with the issue. It had been decided to include Cape Town in the police Community Safety Plan, although it was not a so-called flash point.

Colonel Dowd said there was "definitely not a trend towards attacks on tourists", but conceded tourists could be perceived as relatively easy targets as they were often easily identifiable.

Like any big city, Cape Town had certain areas which were more dangerous than others. Pick-pocketing was rife at Peninsula fleamarkets and tourists would always be safer if they stuck to their tour group, Colonel Dowd advised.

Mr Ball told Captour's annual meeting the crime issue was fundamental to the success or failure of the Olympic bid.

The task team recently set up around the issue by the police and business had already been "categorically" informed that "we will fail in our bid if attacks on tourists continue".

Mr Ball said a "tendency to tread too lightly" with criminals had evolved... "if we don't take action, we should not even bother to bid".

Captour chief Gordon Oliver said the tourist authority was becoming "increasingly concerned".

"We are concerned we may be on a slippery slope towards the Johannesburg situation, where crime seems totally out of hand.

"There is some questioning beginning to take place. Our visitors are concerned and want to know where they can and cannot go.

"We try to be non-alarmist. At this stage we haven't started to delineate or pinpoint relatively unsafe areas.

"But we tell them that when visiting the Grand Parade and the Adderley Street flower-seller areas — among others — not that they shouldn't go there, but just to be careful," said Mr Oliver.

Mr Kahn said he was surprised that his office had not been invited to participate on the task team.

"The attacks on tourists concern this office greatly.

"As far as is reasonably possible we will try and accommodate these cases expeditiously within our judicial framework.

"But it really depends on how long the tourist stays in the Cape," Mr Kahn explained.

Two tourists mugged

Crime Reporter

TWO tourists, one from Holland and the other from Germany, have been mugged in separate incidents in Cape Town.

A police spokesman said that in the first attack, 52-year-old Hermien van Muiswinkel was surrounded by six men who grabbed her handbag and its contents, worth about R400.

Mrs Van Muiswinkel was not injured in the attack in Dock Road about 10pm.

Then, in a daylight attack, Garry Brumke, 61, from Germany, was mugged by two men in Longmarket Street.

They grabbed a bag containing personal belongings worth about R500.

uesday November 14 1995 THE NATION

R1-m reprieve for Captour likely: Loan to become grant

(288) ARG 14/11/95

Municipal Reporter

CAPTOUR is likely to be gi...
a reprieve by the Cape To...
City Council after a decision to
convert a R1 million loan to a
grant-in-aid.

The decision, passed by the
economic development com-
mittee, has yet to gobefore the
full council.

The committee decided the
loan should be converted to a
grant after a report by Captour
chief Gordon Oliver about
changes Captour has been
making to its organisation.

Mr Oliver also demonstrated
that Captour had made a con-
crete effort to raise funds from
other sectors.

He appealed to the commit-
tee to convert the loan because
the board of directors was un-
comfortable operating in a sit-
uation where they were draw-
ing from a loan which they
could not pay back.

The committee decided Cap-
tour had shown it was making
an effort to satisfy the council's
requirements and that it should
not be placed under any fur-
ther financial duress.

After the decision, Mr Oliver
said: "I am very heartened by
the very supportive and posi-
tive view on the part of the
committee towards the value
of tourism."

● In this year's council bud-
get, Captour's annual grant
was slashed from R2 million to
R1 million, with a further
R1 million offered in the form
of a 'bridging loan. The new de-
cision will effectively restore
its budget to its original level.

Kerzner steps down as chief of SunBop

(288) CT (BR) 14/11/95

FROM AP-DJ

Johannesburg — Sol Kerzner, the founder of casino resort group Sun International (Bophuthatswana) (SunBop), officially stepped down as executive chairman yesterday to concentrate, he said, on his burgeoning gambling interests in the US and the Caribbean.

Kerzner told shareholders at SunBop's annual general meeting he will become a consultant to holding company Sun International, advising on 'project concepts'.

Sun International, the parent company of SunBop, is the country's most high profile casino group with 15 properties across the country, including its flagship Sun City.

The group, founded by Kerzner in 1983 and controlled by JSE-listed leisure group Kersaf Investments, is currently involved in a R2 billion expansion programme — coming at a time when the South African government is progressively broadening the ownership and number of casinos in the country.

"It is a day of mixed emotions for me," Kerzner said.

"But, how can the executive chairman of SunBop also be the executive chairman of a Nasdaq-listed company?"

Waterfront crime spree feared

ET 14/11/95 (288)

JACKIE CAMERON
CRIME REPORTER

POLICE fear crime will increase at the V&A Waterfront over the festive season — after criminals swept through the area "like a hurricane" at the weekend.

More than 27 crimes were committed at the popular leisure area which is believed to be one of the safest places to visit in the Peninsula.

Dutch tourist Mrs Hermien van Muiswinkel was mugged by about six men who made off with her handbag containing about R400, in Dock Road on Friday night, police said.

At least nine shoplifters were arrested after stealing goods from Pick 'n Pay, two thieves were caught breaking into a car and a man was arrested after stealing two handbags at Cantina Tequila on Saturday night around 11.

Four cars were stolen from the Granger Bay parking area. Most of the stolen vehicles had been Toyotas.

Police are investigating the possibility that a car-theft syndicate is behind these incidents.

"Criminals hit the waterfront like a hurricane," one shocked policeman said.

"We receive reports of two cars being stolen there each week."

Police spokesman Colonel Raymond Dowd said: "Normally the waterfront's security staff are very good but obviously they cannot be everywhere. There is also a strong police presence in this area, which is classed as one of the safest venues in the Western Cape."

Captour spokesman Mr Gordon Oliver said: "This is awful. Crime is just getting out of hand. I believe there has to be much more of a concerted effort by business, as well as police, in finding a solution.

"We cannot allow the situation to deteriorate like it has in Johannesburg, where they're on a slippery slope and can never return to normality."

Mr Oliver said laws should be changed to enable police to pursue charges against muggers after tourists had left the country, and punishment should be more harsh.

City councillor Mr Chris Joubert warned that unless business made a concerted effort to participate in a community police officers (rent-a-cop) system in the city "we may as well just turn off the lights".

Attacks on tourists in the city have sky-rocketed since the beginning of the year.

Tour industry 'punch-drunk with optimism'

(288)

AUDREY D'ANGELO
BUSINESS EDITOR
CT 14/11/95

THE tourism industry in greater Cape Town "is almost punch-drunk with optimism", regional Minister for Economic Affairs Mr Chris Nissen said yesterday.

He told a conference organised by the Stellenbosch Bureau for Economic Research that the tourism industry "seems to be at the stage where the fear as to how we can handle these arriving numbers is far greater than our worries about how to sustain these high growth rates".

Output and incomes in the Western Cape could grow by between four percent and six percent over the next four to six years.

This was especially so "if we include RDP-linked as well as business-linked investments which are already on the cards. Just think of all those five-star hotels and casino projects", he said.

After more than a decade of stagnation, tourist arrivals over the past year "have reached almost frighteningly high levels, like the 74% increase in air traffic arrivals quoted recently. Occupancy rates in top hotels have reached 70%, that is 20% above a level which for years was quoted as satisfactory".

Each of the industrial sub-sectors in the region had some potential for expansion. "This makes us confident that the Western Cape's manufacturing sector will continue to play a major role and probably continue to hold its 23% share," Mr Nissen said.



Picture: ANDREW INGRAM, The Argus.

WORKING OUT: Lennox Mawu, 12, Lundi Tsotso, 10, Sandini Demani, 10, and Lusanda Nomageka, 12, try out one of the weights given to the Guguletu Indoor Sports Centre by Peninsula Beverages. Helping them out are, from left, Peter Childs of Peninsula Beverages, Minister of Sport Steve Tshwete and Ngconde Balfour of the Olympic bid company.

Embracing the sport challenge

□ *'Adapt the Olympics for our situation' — Tshwete*

Staff Reporter

SOUTH AFRICANS must stand together in the hope of hosting the 2004 Olympic Games, national Sports Minister Steve Tshwete has urged.

He said South Africa had the capacity to make a huge imprint on world sport.

It was his fervent desire to see the country close ranks, lock arms and move forward with the firm resolve that "we can make it better here than anywhere else in the world".

Mr Tshwete was speaking at the Guguletu Indoor Sports Centre, where Coca-Cola handed over a cheque for R236 813 for sports development.

"Let us adapt the challenge — for that is what hosting the Games is — to our own ideal situation and take it as an integral element of the entire reconstruction and development programme of our country.

"We must embrace it as an element in the transformation of the country and the sub-continent."

Mr Tshwete said the deracialisation and normalisation of sport could not have taken off without a visible development programme.

"All sporting federations in the country accepted the concept and are serious about taking sport to all the people."

He said the government was devoted to providing sports facilites "as we cannot talk about development in the absence of facilities."

He said that to date more than 90 facilities had been built across the country.

Many more were planned for the new year.

"Sport, besides bringing people together, also addresses other fundamental issues like making the country a better place and safer for all the people and the visitors.

"At one and the same time we shall also need to work out appropriate strategies to come to terms with the reality of the deprivation that still haunts the disadvantaged communities in the area of sports equipment.

"It is common knowledge that some clubs are struggling just to get a set of rugby jerseys or a soccer ball, and as a result many lose interest in sport and even gravitate in the direction of all kinds of anti-social activity like drugs and crime."

Plan to solve Games bid poser

(288) ARG 15/11/95

BARRY HOPWOOD
Racing Staff

CAPE TOWN has come up with a proposal to solve the equestrian problem facing its 2004 Olympic bid.

Africa has been declared off-limits for horses by Europe since 1960 because of African Horse Sickness (AHS), and unless clearance can be obtained from the European Union (as the horse society in Europe is generally known) for the transportation of horses to and from South Africa, South Africa's Olympic bid will be in serious trouble.

This was the sentiment expressed at an Import and Export Council meeting at Kenilworth last night.

The proposed solution is that part of the Cape Peninsula — from Table View south to Kenilworth racecourse, and including the Milnerton racecourse and the quarantine station in Montague Gardens — will become a "total-control" area for horses.

Any horse entering this demarcated area will have to have vet clearance.

Hardest hit will be racehorses and showjumpers, who generally travel through this area extensively. And controlling the movement of hawkers is also expected to prove a problem.

Horses coming from other centres to race in Cape Town will be subject to restrictions, one of which is that the horse must have been vaccinated within two months and 24 months of coming to the Cape, and once here will be subjected to the same conditions for moving in and out of the control area.

This method will hopefully satisfy the European Union that the area will be "clean", allowing the green light for the 200 horses expected to contest the Olympic equestrian events and therefore enter this country with minimal "red tape".

It is, perhaps, also fortunate that Cape Town was chosen as the South African bid city, as the Western Cape was the only area throughout the country proposed as a possible African Horse Sickness-control area by a European Union investigation team in 1993.

The European Union lays down the protocol for the movement of horses worldwide, and without their approval the total ban on movement of horses in Southern Africa is unlikely to be lifted — and South Africa's proposal must be with them by Monday.

■ HOUT BAY

Bid to boost beachfront's tourist appeal

□ R350 000 set for dune development

ARG 16/11/95 (288)

JILYAN PITMAN
Staff Reporter

TWO artificial "starter" dunes will be built in front of the western section of Beach Road at the beginning of next year and a new parking area for about 55 cars will be built next to the new ablution block at the east end of the beach.

According to principal Cape Metropolitan Council planner Jürgen Gandt, these developments will "further enhance the beauty of Hout Bay".

An amount of R350 000 has been earmarked from the CMC's budget for the project, which forms part of the overall beachfront improvements implemented over the past few years.

Once the beachfront proposals have been implemented, dunes will extend along the entire eastern beachfront.

Mr Gandt said in addition to funding from the CMC, a contribution might be needed from the Hout Bay transitional metropolitan substructure.

"The dunes, which will be built from available sand deposits, will serve as a windbreak and the sea will complement the project by depositing more sand on top of the artificial 'starter' dunes. This dynamic process eventually will make the area both attractive and natural," said Mr Gandt.

Chairman of the CMC Willie van Schoor said the policy of improvements to the area was in line with the CMC's policy of enhancing the natural environment of the Cape metropolitan area. He added that the project would bolster tourist appeal and enhance the natural beauty of Hout Bay.

Mr Gandt said contractors would tender for the project in the next few weeks.

Cape Town tourists get welcome with difference

ARLT 16/11/95 (288) (385)

☐ *Police greet visitors at airport with tips for safe stay*

JOSEPH ARANES
Staff Reporter

FOUR Italian tourists jetting into Cape Town were more than a little surprised to walk into an official police welcome — but it had nothing to do with anything they had done.

Regional police commissioner André Beukes and other members of the police force were at Cape Town international airport to welcome the tourists with plenty of tips for a safe stay in the city.

But the tourists were undeterred, saying Cape Town couldn't be any worse than "most big cities of the world".

The tourists were part of a group of Air Zimbabwe passengers welcomed by General Beukes and other policemen, and handed information pamphlets outlining the dangers of crime in the city, especially in the Sea Point and central business district (CBD) areas.

Tour group leader Laura Grippa said they came to South Africa, and to Cape Town in particular, to enjoy themselves and did not think the city's criminals posed much of a threat.

"How bad can it be ... I don't think it is any worse than is the case in most of the big cities of the world. We heard nothing about it in Italy before we left."

She said they were surprised but at the same time delighted to get such a rousing welcome, and appreciated the police's concern about their wellbeing and safety.

Other passengers on the plane looked just as surprised when confronted by the police and press contingent, but all accepted the pamphlets and thanked the police for their care.

General Beukes said he did not think that crime against tourists was out of control but felt it was a good idea to make them aware of the potential dangers and the sort of precautions they needed to take.

He said police would hold discussions with Captour and the Olympic Bid Company to put the issue into perspective as it was not as bad as it appeared.

"At the moment, crime against tourists constitutes about three percent of the overall crime picture, but with initiatives like these I am sure we will be able to lower that figure.

"By making potential victims aware of the situation and giving to them basic safety hints and valuable contact numbers the risk will be minimised and they will better enjoy their stay in the Cape of Good Hope."

He said the information drive was not something new but an extension of the police's success in the past.

"After the brutal attack on tourists in Transkei earlier this year, it is necessary to focus on the safety of tourists and this type of grassroots approach does a lot to address the concerns of the visitors."

Commissioner of police warns tourists of crime

ET 16/11/95 (285) (288)

STAFF REPORTER

AFTER the highly publicised mugging of German tourists in Cape Town on Monday, regional commissioner of police General André Beukes met foreign tourists at Cape Town International Airport yesterday to warn them against muggers. He said he wanted to make their visit here the highlight of their stay in South Africa.



TOURIST TIPS: Australians tourists, Ms Kim Hardware and Ms Rachelle Bassett, were welcomed to Cape Town by Police Commissioner General André Beukes. *PICTURE: ANNE LAING*

Gen Beukes and other police staff gave the tourists pamphlets with tips on precautions to take at their hotels, in the street, on car safety, and with contact telephone numbers should they need help.

Police already had plans to ensure the safety of tourists visiting Cape Town, the pamphlet said.

The tourists were visibly impressed and said they were grateful an effort had been made to make their stay safer.

Tourists were warned not to flaunt valuables in the street, to leave expensive jewellery in a safe place at the hotel, not to carry large amounts of cash and to avoid dark unlit places.

The pamphlet also advises tourists to travel in groups and to keep their baggage or handbag close at hand.

Police said South Africa did experience high crime in certain areas but the problem was no worse than in other major tourist destinations in the world.

● Another German tourist has been robbed in the city centre.

Mr Fritz Güttler, 50, was with a small group of tourists in the covered Strand Street bridge when a pickpocket stole his wallet containing about R600, on Tuesday afternoon.

Mr Güttler told police a man pushed a trolley alongside him for some time before seizing the opportunity to block his path.

An accomplice grabbed Mr Güttler's wallet out of his pocket, before fleeing with the man who had pushed the trolley.

Late yesterday, police were following strong leads on the identities of the culprits and were optimistic about making early arrests.

Major setback for Sun International in N West

Star 17/11/95 (288)

'Bid will be made to obtain licences for three biggest casinos'

By Priscilla Singh
Staff Reporter

Five of the seven Sun International casinos in North West province face closure in terms of gambling legislation passed last month, permitting a maximum of two licences for a single stakeholder in a province.

However, Sun International managing director Peter Bacon said the group would make a special effort in the province to retain three of its major gambling complexes, despite the legislation.

Bacon said the three biggest casinos in the province – The Carousel, Sun City and Morula Sun – would have to be "retained and a strong bid will be made to obtain licences".

"The unsuccessful casinos would have to be disposed of and we will apply for licences to set them up in provinces where the group has no present holdings," said Bacon, adding these were KwaZulu Natal, Mpumalanga, Northern Cape and Northern Province.

The doomed casinos are in Tlhabane (Rustenburg), Mmabatho, Molopo and Taung.

Earlier reports which stated Sun International and Southern Sun could be disqualified from obtaining gambling licences in Gauteng because of links with former public servants and government officials, were dismissed by Bacon.

"The matter has been resolved," he said, but would not give details.

In terms of the legislation passed in October by the Gauteng government, any company that had employed a government official in the year prior to applying for a licence would be ineligible.

Gauteng economic affairs standing committee chairman Andrew Feinstein said: "Some public servants ironically gave their input at the public hearings and a short while later joined forces with the big casino groups.

"They are acting in conflict with their evidence at the hearings and we would not buckle under pressure to grant licences to the big casino groups," he said.

He said Southern Sun would lose out as former Lotteries and Gambling member and personal adviser to General Affairs Minister Chris Fismer, Jan de Lange, had joined the group.

"Sun International will be disqualified for its links with KwaZulu Natal finance MEC Johnny Mhlungu, who has an interest in African Sun International, the black gaming consortium launched by Sun International last month," he said.

CITY LODGE HOTELS (288)

Bubbly performer

FM 17/11/95

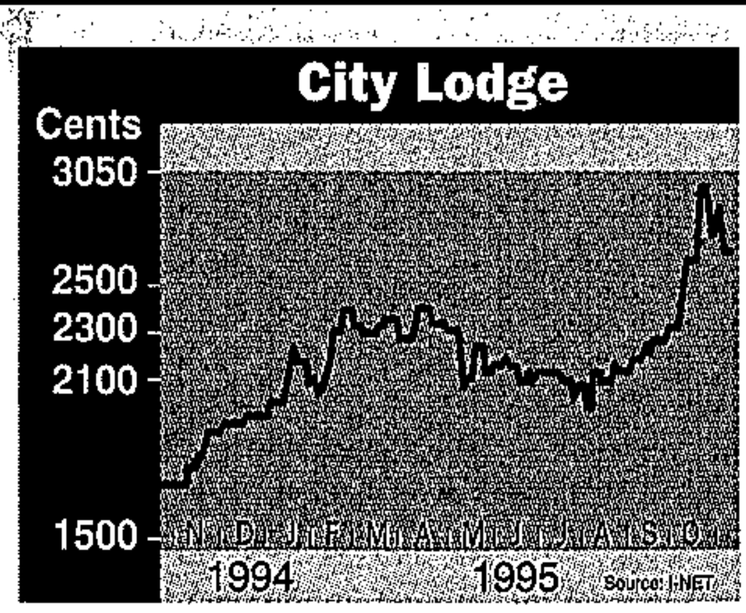
Activities: *Limited services hotel group operating in markets from luxury to budget.*
Control: *Joint control (Kersaf & Enderle).*
Chairman: *H Enderle. MD: C Ross.*
Capital structure: *25,2m ords. Market capitalisation: R655,2m.*
Share market: *Price: 2 600c. Yields: 1,5% on dividend; 3,7% on earnings; p:e ratio, 27,3; cover, 2,4. 12-month high, 3 000c; low, 1 700c. Trading volume last quarter, 277 665 shares.*

Year to June 30	'92	'93	*'94	'95
LT debt (Rm)	71,9	39,2	#33,5	#33,5
Debt:equity ratio	2,0	0,30	0,46	0,29
Shareholders' Interest	0,26	0,69	0,73	0,72
Int & leasing cover	3,3	3,1	3,2	4,2
Return on cap (%)	19,0	19,6	16,3	21,5
Turnover (Rm)	46,5	58,2	†72,2	92,5
Pre-int profit (Rm)	21,5	26,4	†33,1	45,2
Pre-int margin (%)	46,2	45,3	45,8	48,8
Earnings (c)	35,5	48,4	†63,9	95,3
Dividends (c)	21	27	†32	40
Tangible NAV (c)	54	74	254	601

* 11-month period. † Annualised. # Debentures redeemable in 2012.

When executive chairman Hans Enderle talks of a "champagne performance," he may be thinking of the cork-from-a-bottle trajectory of City Lodge's share price, which went from R5 at the listing in November 1992 to R30 in three years and is now R26.

Latest EPS improved 49% over 1994 and the dividend rose 27% — a good return by any standard. Impeccable cost control is demonstrated by the 51% jump in attributable earnings to R23,9m, with turnover rising 28% to R92,5m. Operating margin jumped to 48,8%. But it could be hard to sustain this margin, easily among the highest in the JSE industrial sector.



Enderle says the "improved economy and relative political stability provided the platform" for the growth. The Rugby World Cup in a traditionally slow season helped lift average occupancies for the year to 81% — among the highest in the industry.

There is no bank debt, though interest is paid on 20-year redeemable debentures worth R33,5m. Net interest paid was R10,8m (R9,5m). Cash in the bank stood at R11,1m at year-end.

In offering "quality selected services" to customers, City Lodge has tapped a rich vein. From upmarket Courtyards to the budget Road Lodges, it now caters for a wide range of travellers.

Development is heading beyond the borders. A joint venture with listed Zimbabwean industrial group TA Holdings, its subsidiary, Cresta Hospitality, and the Botswana Development Corp will see two Cresta Lodges, in Harare and Gaborone, become City Lodge hotels under Cresta management in January.

Says Enderle: "The Cresta Lodges were built about three years ago along the lines of City Lodge — even to the free-standing restaurant next door — because (Cresta MD) John Bull was attracted by the concept. From this beginning grew the idea of the joint venture."

Cresta Hospitality has links with international brands; it operates Best Western and Travel Inn hotels in Botswana and Zimbabwe. All the City Lodge hotels in the joint venture will have access to a shared on-line reservation system, giving both partners the advantage of southern Africa exposure.

More City and Town Lodges are planned for Harare and Bulawayo and the joint venture is contemplating further moves, possibly into Zambia and Mozambique.

The share price has almost doubled in the past year but the p:e of 27,3 is about average for the sector. City Lodge is rapidly becoming a blue chip in the booming beverages, hotels and leisure sector, based on its record and prospects. *Margaret-Anne Halse*

National sectional title chain on cards

New hotel plan for President site

ARG 18/11/95 (288)

CHARLENE CLAYTON
Property Reporter

A MULTI-MILLION rand development of a country-wide chain of hotels — based on a unique sectional title scheme — is being sold to the public and could see a new four-star hotel on the site of the old President Hotel in Sea Point.

Durban-based developers, Mark II Projects, have proposed luxury four-star éLan Park hotels in Cape Town on the old President site in Cape Town, the old Athlone Hotel in Durban North and on a site in a northern suburb of Johannesburg.

The project was launched to the public in Durban, Cape Town and Johannesburg, although the properties had not yet been signed over to the company.

This was brought to the attention of Weekend Argus by a reader, who attended the Cape Town launch and who did some checking up of his own.

He has questioned why the company was collecting money from the public when in fact not in possession of the title deeds to the sites on which the hotels were to be built.

Mark Taylor of Mark II Projects said this was a recognised procedure with large devlopers who sold projects off-plan.

An advertisement which appeared in The Argus recently associated the scheme with several large South African institutions including Stocks and Stocks, Protea Hotels and Seeff.

The scheme involves selling the fully-furnished apartments in the hotel group under sectional title for prices ranging from R240 000 to R1,3 million and give purchasers the right to use their units for 30 days a year.

When not in residence, their rooms would be rented out as normal hotel rooms.

The plan then is for "the net proceeds from the rental pool to be divided among the members and used to service the bond or in the case of a cash payment, an immediate return on investment," states the advertisment.

"So far 360 units have been reserved and sold and about 800 or 900 inquiries received," said Mr Taylor.

A 10 percent deposit is being collected from purchasers to secure a unit.

The old President site in Sea Point belongs to Sanlam with which Mark II Projects has been negotiating since August.

The managing director of Sanlam Properties Banus van der Walt, said an offer from Mark II Projects had been rejected.

"We are talking to a lot of people. Six or seven groups had expressed interest in the site in the past three or four months, but no negotiations were currently underway," he said.

Although they were not keen sellers, "each and every one of our properties are for sale depending on price," he said.

It is understood Sanlam is looking at a price tag of around R50 million for the land, which consists of three sites, one zoned for hotel purposes and two for apartments. The price includes the 28 units which remain unsold in the luxury 10-floor apartment block on the third site.

Apartments here sell for between R1 million to R2 million.

Mr Taylor said a deal in principle had been concluded with Sanlam.

He said the company would put in another bid for the site and if that failed it had an alternate in mind.

Discussions with the owner of this site had taken place.

Mr Taylor said the money of members of the public who had bought units, was put in an attorney's trust account and if for some reason the projects did not get off the ground, the money would be refunded fully, with interest.

He was confident that the project would get off the ground.

A director of Ovcon in Kwazulu/Natal, Mr Bernie Blomfield confirmed they had been negotiating with Mark II Projects regarding the possible construction of the hotels.

He said that the directors of Mark II Projects were well-known in Kwazulu/Natal and that the company had been responsible for several major residential and retail projects in the province.

He did not see anything untoward in selling off units on non-transferred land and described it as something which happened fairly regularly in the property industry.

"Ovcon, had a same scheme when we did the Odeon Towers development in the Strand.

Ovcon had put in an option on the site, and after selling of about 50 or 60 percent, took up the option and went ahead with the development.

Protea Hotels, a national hotel management group, also confirmed they had negotiations with Mark II projects and said that these would be concluded within the next week.

A director of Seeff Commercial Properties Errol Diamond, described the project as "brilliant" and said he was happy with the credentials of Mark II Projects.

Tourism trade awaits its bumper holiday

(288) ST 19/11/95 (BT)

By JEREMY WOODS

JUST over 18 months ago South Africa's tourism industry was on its knees.

The country was facing its first democratic election, and fear and uncertainty ruled the day for would-be travellers.

Foreign tourists gave South Africa a wide berth because of the high level of violence, actual and expected after the election, while even domestic business travellers stayed home.

The result was the near bankruptcy of the country's hotel industry as occupancy levels plunged, and stayed there.

Most five-star hotels operated at a loss and many of the best-known hotels in the Western Cape had only a handful of visitors each.

One of the best known did not have any guests for a week, while the running costs of staff and other overheads remained the same.

"It was a terrible time for tourism and the hotel industry in particular," says a spokesman for Satour.

"Many hotels were running at a loss and there were a lot up for sale."

That picture has changed rapidly. Tourism is now one of the country's fastest growing industries, offering huge potential as a foreign exchange earner and provider of jobs.

South Africa's first democratic election's success and the end of apartheid has brought tourists flooding back to the Cape's beaches and winelands, the game parks of Mpumalanga and the seaside resorts of KwaZulu-Natal.

A total of 3,8-million tourists visited the country last year, according to the Central Statistical Service.

That figure rose to 4,6-million in the first five months of this year alone, before the main tourist season even started.

Sites in Cape Town, Johannesburg and Durban are being snapped up for hotels that are being built almost too late to meet the expected demand.

Walter Msimang, Satour executive director, says that while foreign tourists are high-profile visitors, SA holidaymakers remain the backbone of the industry, driving up hotel occupancy rates and filling airline seats.

Figures released by the Tourism Board show that South Africans will spend R7-billion on domestic holidays and leisure this year.

Many hotel occupancy levels more than doubled over the past winter season from the previous year's post-election period, when business began picking up.

The number of tourists visiting South Africa has, based on the number of hotel-room nights sold, more than doubled since last year's election, according to figures released recently by the CSS.

Most tourists were from Europe, with the highest numbers from Britain and Germany.

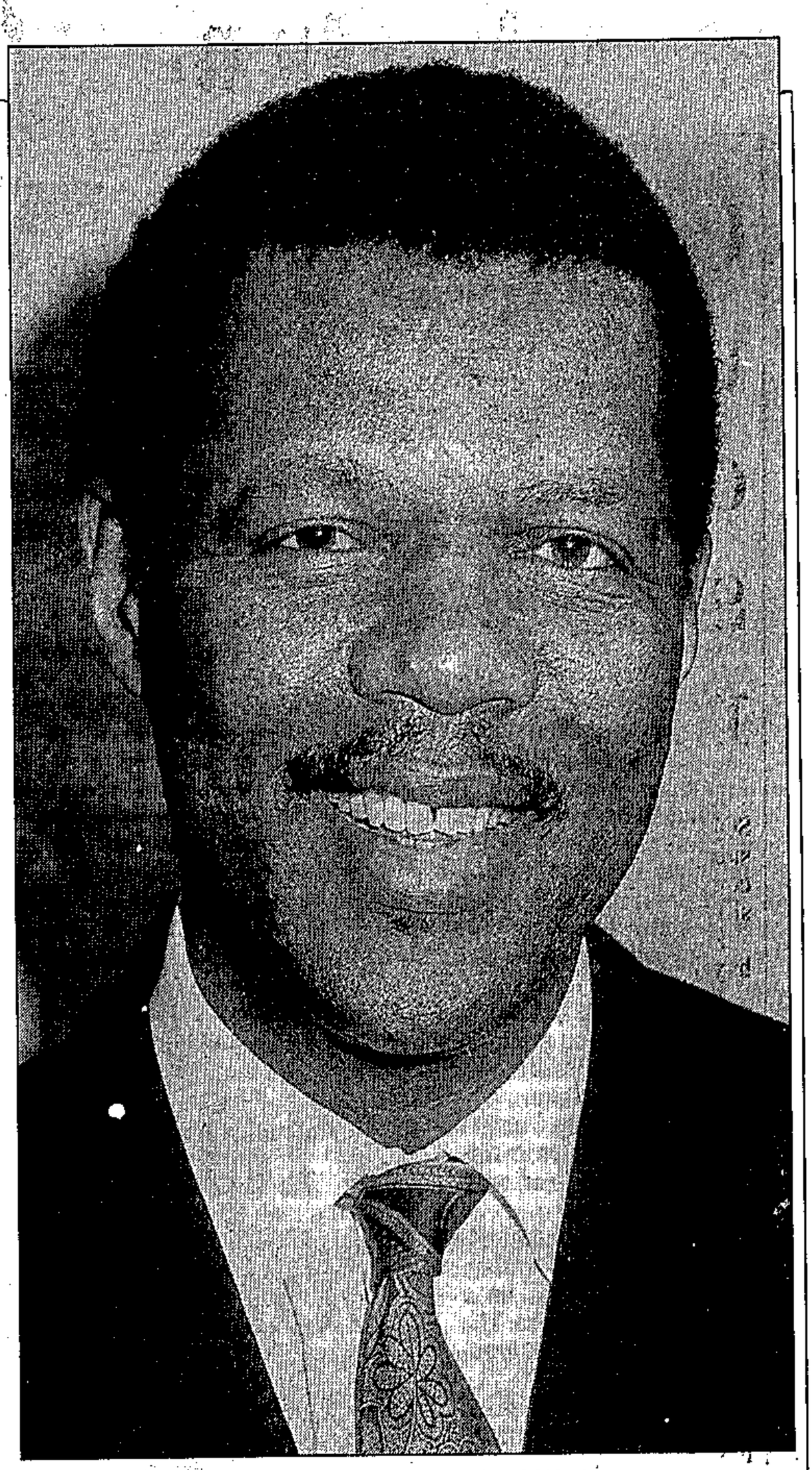
The most popular province was the Western Cape, with a market share of close to 40%.

The tourism industry faces its most testing season yet, starting this month, with the expected action centred on Cape Town and the Western Cape.

Tickets on all major airlines flying direct to Cape Town are sold out until next February. There are about 50 direct flights to the city a month.

Cape Town's three-, four-, and five-star hotels are booked out and have long waiting lists.

"It looks like being a bumper season," says Jeff Squire, sales and marketing director for Orient Express Hotels, which owns the Mount Nelson.



TRENDS WATCHER ... Satour chief Walter Msimang

"The Mount Nelson has been sold out over the Christmas period for months and we are turning away bookings daily.

"A combination of domestic tourists and a record number of foreign tourists should see the Western Cape the busiest it has been for many years."

Most of the leading hotel groups are scrambling for sites in and around Cape Town.

Sun International recently announced plans to build a R250-million hotel at the waterfront, while two new five-star hotels are in the pipeline for a site just behind the waterfront linking it with the city's central business district.

Meanwhile, the Mount Nelson is building 60 new suites.

The freehold of the Bay Hotel has been sold to a Malaysian consortium, while the Lady Hamilton hotel was recently bought and revamped by another Malaysian group.

"If our new suites were ready now we could have sold them twice over the holiday period," says Mr Squire.

Leading property agents say there is a shortage of hotel sites with many major international hotel groups still looking to get a toehold in the Mother City.

SA takes hotel knowhow north

Hoteliers are opening up Africa to visitors from the Cape to Cairo

By Winnie Graham

South Africa's biggest hotel groups are moving up Africa – and across the seas – in an all-out bid to capture business in countries where hotel facilities are limited and the potential largely untapped.

The move to establish new hotels across the continent – and on islands off the coast of Africa – coincides with the rapid growth of tourism in South Africa and comes at a time when increasing demands are being made for more accommodation in this country.

Existing hotels have nearly reached saturation point with occupancy rates at three-, four- and five-star hotels now running at 70%.

Local expansion, however, has not stopped major groups from looking north.

Sun International has invested "literally billions of rands" in hotels, and in casinos in Africa and in Indian Ocean island hotels, and is about to make its mark in the Caribbean, the United States and Europe.

The Protea group, 33rd largest hotel chain in the world, has spent "at least" R150-million during the past year on revamping and operating hotels in 11 African countries. Karos, too, now operates in several African countries and the City Lodge group has indicated that it plans to expand in Africa.

Interestingly, while five years ago investment in Africa would have been a definite no-no, black heads of states are now expressing their delight that South African entrepreneurs are keen to enter the hotel industry in their countries.

When Southern Sun recently opened its first Holiday Inn Garden Court in Zambia, President Frederick Chiluba paid tribute to the company for creating jobs. "In Zambia each job supports 30 people," he said.

Southern Sun and Inter-Continental are involved in a "joint-thrust" into Africa and are negotiating several new hotel contracts. The partnership is intent on securing management contracts for existing hotels as well as new projects. Negotiations are taking place in Kenya, the Seychelles, Ghana, Madagascar, Nigeria and Guinea.

"We have appointed someone to look exclusively at possibilities in sub-Saharan Africa and Indian Ocean islands," Southern Sun's chief operations executive, Helder Pereira, said. "Nothing has been finalised, but we hope to make an announcement within the next three or four months."

Sun International is responsible for perhaps the most spectacular developments abroad. Along with the proposed construction of a R250-million hotel on the Comores, adjacent to the popular La Galawa hotel (also to be expanded), two hotels are planned for Mauritius. One is a 339-room establishment being built on about 33ha at a cost of R120-million.

A golf course, soccer field, volley ball court, tennis court, 2km jogging trail, gym and the usual water sports are among the facilities being offered.

Bruce Hutchison of World Leisure Hotels said all-inclusive holidays at R3 600 per person per week (including air fare) will become available to South Africans when it opens in the middle of next year.

The second is a four-star upmarket hotel on Sugar Beach, Mauritius, which is expected to open next December. In addition, hotels and casinos are opening in the Bahamas, the USA and Europe.

Sun International's new leisure resort, Atlantis City on Paradise Island in the Bahamas, is already open. Coupled with this is the development of a casino on an Indian reservation in Connecticut, USA, as well as another in France.

Sun International already operates hotels in Swaziland, Botswana and Namibia, as well as a casino in Morocco.

Protea's main thrust is into Africa. It, too, is negotiating contracts in several more African countries. Group public relations manager Ray Smuts said his company now managed hotels from the Cape to Cairo.

In Egypt, Protea is managing a recently completed holiday resort on the Red Sea – the El Sokhnah Protea.

The five-star establishment, built as a tourist village, includes a 40m floating jetty.

In Kenya, Protea operates Pinewood Village where each villa has its own chef, and in Tanzania it runs four hotels. In Malawi the group operates seven hotels, including two in Lilongwe, one in Blantyre, one on the Zomba plateau and one on Lake Malawi. In addition, it runs hotels in Botswana, Tanzania, Uganda, Mauritius and Reunion.

The Conservation Corporation, which owns some of the top game reserves in South Africa (including Londolozi), has also moved north. Working in partnership with the Zimbabwe government, it plans to open two luxury lodges at the Matetsi private game reserve, 40km from the Victoria Falls, next July.

These multimillion-rand developments, accommodating just 70 guests, will cater for the top end of the market. The rate will be round R1 000 a day.

Conscor recently acquired properties in Tanzania. One is the Ngorongoro Crater Lodge now being refurbished. It reopens in the middle of next year. Two other luxury tented camps – Kichwa Tembo and Siana Springs – on the Masai Mara will be opened in July/August, in time for the annual migration of animals from the Serengeti.

Just one imponderable remains: an issue which could impact dramatically on the direction expansion could take. Which groups will be granted casino licences? Gambling rights could turn holiday venues into small gold mines.

Dutch group targets 20 hotels for SA

Theo Rawana

DUTCH hotel giant Golden Tulip International has entered the SA hospitality industry with a mission to boost local tourism and setting itself a target of developing and operating 20 hotels in two years, commercial director Anton Bakker says.

Golden Tulip, the world's 10th largest hotel consortium, franchising and licensing independent hotels in the four-to-five star category, has been awarded the licence to market the four-star Sanbonani Resort Hotel globally.

The hotel is located in the Hazyview district at the confluence of the Sabie and Sand rivers, close to the Kruger National Park.

Bakker says Tulip Inn accreditation is available to suitable three-star establishments and his company is planning new developments of its own in prime tourism areas.

The company, with 35 years' experience of providing for the needs of business and leisure travellers, has 225 hotels in 50 countries.

"After searching the market for some years, we believe the time is ripe for an injection of expertise into the SA hospitality sector," Bakker said.

Golden Tulip looks at management and development opportunities and is active in the field of franchising. All franchised hotels will be operated on a licence basis.

"Affiliation with Golden Tulip gives participating SA hotels access to international expertise and the global marketing and reservation system of Utell, with whom Golden Tulip Hotels is the largest independent contractor."

The result is a wider audience and a "punchier marketing presence worldwide" than they could afford on their own. At a later stage the service may extend to neighbouring countries such as Zimbabwe, Botswana and Mauritius, using SA as a regional springboard.

A primary objective is to recruit locally and create jobs. Local recruiting has already begun.

To maintain standards worldwide, Golden Tulip has its own training school.

Bakker says a balance between local and international business is central to the company's marketing philosophy.

"We believe in pitching tariffs at a rate within reach of local holidaymakers to promote domestic holidays. Not only is this fair to South Africans, but it makes good business sense. If foreign tourism falls off, hotels will still survive on the basis of local business," he says.

White maize market soon

Louise Cook

A FUTURES market for white maize was set for January, spurred by keen demand from producers and international traders, with markets for wool, poultry and dairy products likely to follow, Safex agricultural markets general manager John Wixley said.

He said talks with the Milk Board were in an advanced stage, but the priority was setting up the maize futures market, modelled on the Chicago Board of Trade's corn futures contract.

The maize futures contract would operate through a system of silo receipts from selected silos. Instead of actual delivery, the receipt would represent ownership, enabling grain to change hands without physically leaving the silos.

Wixley said the futures contract would create an effective spot market for white maize.

Up to now Safex had set up only forward contracts for trading maize and other grains.

Safex said in a news letter the contract was based on white maize because the price was more volatile than that of the yellow variety.

Dairy foundation GM Eddo Roux said SA dairy farmers would benefit from a futures market that showed future price levels, although in the case of fresh milk, delivery would be an obstacle to setting up the market.

Cape Town hotel sector under pressure

BD 20/11/95 288

Heather Parker

CAPE TOWN — The international travel boom, combined with increasing business opportunities, SA's novelty appeal and Cape Town's status as the country's favourite holiday destination, has saturated the city's hotel sector.

According to the SA Tourism Board, the number of overseas visitors to SA increased by 70% between January and July. International departures at Cape Town Airport, averaged just over 19 500 a month, compared with 13 700 for the same period last year. Domestic departures averaged 117 700 (84 900), to bring the overall annual increase in traffic at this airport to 39%.

Lauren de Wet of Captour , said the trade was "very, very busy".

Until February the normal holiday season kept the hotels full, and the three months thereafter were peak season for the increasing number of conferences which were being hosted in Cape Town, she said.

Satour said that hotels, which had been doing well all year, were running at an unequalled occupancy rate of more than 90%.

"Group bookings are becoming very difficult," a spokesman said.

While this may be good for hotels, the industry could end up killing the goose that lays the golden egg.

Organisers of an European Union conference scheduled to take place in the Parliament buildings in March are faced with a typical situation: of the about 200 senior bureaucrats and EU parliamentarians attending, about 80 delegates are without hotel accommodation. While the guest-house and B&B sector has the capacity to accommodate them, their dispersal across the suburbs creates logistical headaches. The city may end up alienating such conferences.

The central bookings manager of a city hotel said he was not surprised at the pressure the EU group was under.

"The season is extending indefinitely and bookings have gone crazy. We are virtually fully booked into April."

Nor would things be plain sailing later in the year. "Already, you can forget October and November, and then we are back into the traditionally high season until the end of February."

By 1997 the situation will have eased slightly.

Among new hotels which should have come on stream are Sun International's hotel at the Victoria & Alfred Waterfront, which will have 350 rooms; and a Hilton on the Foreshore, with 375 rooms. Three more new hotel constructions around Cape Town are confirmed offering an additional 235 rooms.

Satour said a number of international groups which had not yet dabbled in SA were starting to make inquiries.

"There is no doubt about it, Cape Town does need more hotels."

Seat shortage: Key tourism players meet

ARG 21/11/95 (288)

Desperate need for more flights to SA

Staff Reporter

A SHORT-term action plan has been drafted by roleplayers in the Western Cape tourism, film, hotel and travel industries to solve the acute shortage of airline seats for tourists coming to South Africa.

Representatives of the different industries met at an informal breakfast conference with Department of Transport officials to discuss a way out of the deadlock situation, in which industry growth is being hampered by the shortage of airline seats.

"It was a very productive meeting," Michael MacCarthy of the Cape Film and Video Foundation said. Mr MacCarthy warned that millions of rands were being lost as foreign film crews who chose the Western Cape as a location were forced to shoot their films elsewhere due to a lack of airline seats.

The Western Cape tourism industry has voiced similar concerns.

"We were very impressed at the determination of the Transport Department to solve the problem," said Mr MacCarthy.

"We got the impression the problem will be solved in the short term. The action plan will allow for a considerable extension of flights in and out of the country between now and April next year."

Albert Schuitmaker, deputy director of the Cape Chamber of Commerce and Industry, who also attended the meeting, said the solution lay in renegotiating the bilateral agreements in which the number of flights between South Africa and the partner was stipulated.

"The airline seats capacity is regulated at government level between two countries. The solution is renegotiation of the bilateral agreements."

He said the meeting, which he described as an initiative to express concern, had revealed there was a clear need to increase capacity from all sides of the industry.

Mr Schuitmaker said he would meet with SAA officials in the coming weeks as SAA was a partner in increasing international flights.

He was committed to resolve the problem as the Chamber of Commerce and Industry had always fought to open up the international air-carrier market.

Both Mr MacCarthy and Mr Schuitmaker said it was agreed further details of the plan would not be revealed because negotiations were still taking place.

Regional potential for cruise vacations

(288)
BD 22/11/95

Nicola Jenvey

DURBAN — Eastern and southern African countries had the potential to attract millions of tourists for regional cruises over the next few years, quadrupling its share of the world market, Portnet marketing manager Johan Carse said.

Carse, who is also Port Management Association of Eastern and Southern Africa cruise tourism chairman, said at the association's conference yesterday eastern and southern African tourists were expected to grow to 8-million 2000. This could be increased significantly by potential tourists from north America and Europe. International Council of Cruise Lines statistics showed 100-million Americans and Canadians had the means to take cruise vacations. The figure for the EU and Scandinavia was estimated at 50-million.

The region jointly should raise more than $200 000 next year to market the region and ensure the African market for regional cruise tourism doubled by 1997 and the world share quadrupled to 2%.

SA's pro rata contribution would be $32 131, with Sudan, Djibouti, Seychelles, Kenya, Tanzania, Mauritius, Reunion and Madagascar responsible for $16 065 each. Ethiopia, Mozambique, Zimbabwe, Malawi and Zambia would make up the difference.

The asssociation would promote the region for two years, after which tourism authorities and the private sector would assume control. Port authorities would maintain and improve facilities and services.

The standing committee had been formed at the association's conference in Tanzania last year. Initial budgetary requirements were presented yesterday.

Public Enterprises Minister Stella Sigcau said SA had seen an increase of 9,2-million tons of cargo pass through the ports between January and September this year than in the same period last year.

In the official opening speech — read by office of public enterprises head Sipho Shabalala — Sigcau said these figures indicated ports were "the lungs" of a country's foreign trade and "potential Achilles heel" in the economic system.

Portnet had raised its capital expenditure programme 80% to R400m in 1995/96, focusing on increased container capacities at Durban, Port Elizabeth and Cape Town, additional berths at Richards Bay and expansions at Saldanha.

Plans to develop cruise tourism

CT(BR) 22/11/95 (288)

BY SHIRLEY JONES

Durban — A plan to develop cruise tourism in eastern and southern Africa was announced this week at the 21st council meeting of the Port Management Association of Eastern and Southern Africa.

Portnet's Johan Carse, the chairman of the association's standing committee on cruise tourism, said it was possible to increase the region's berthing capacity market share from 26,5 percent to 50 percent by 1997 and world market share from about 0,5 percent this year to 1 percent next year and 2 percent by 1997.

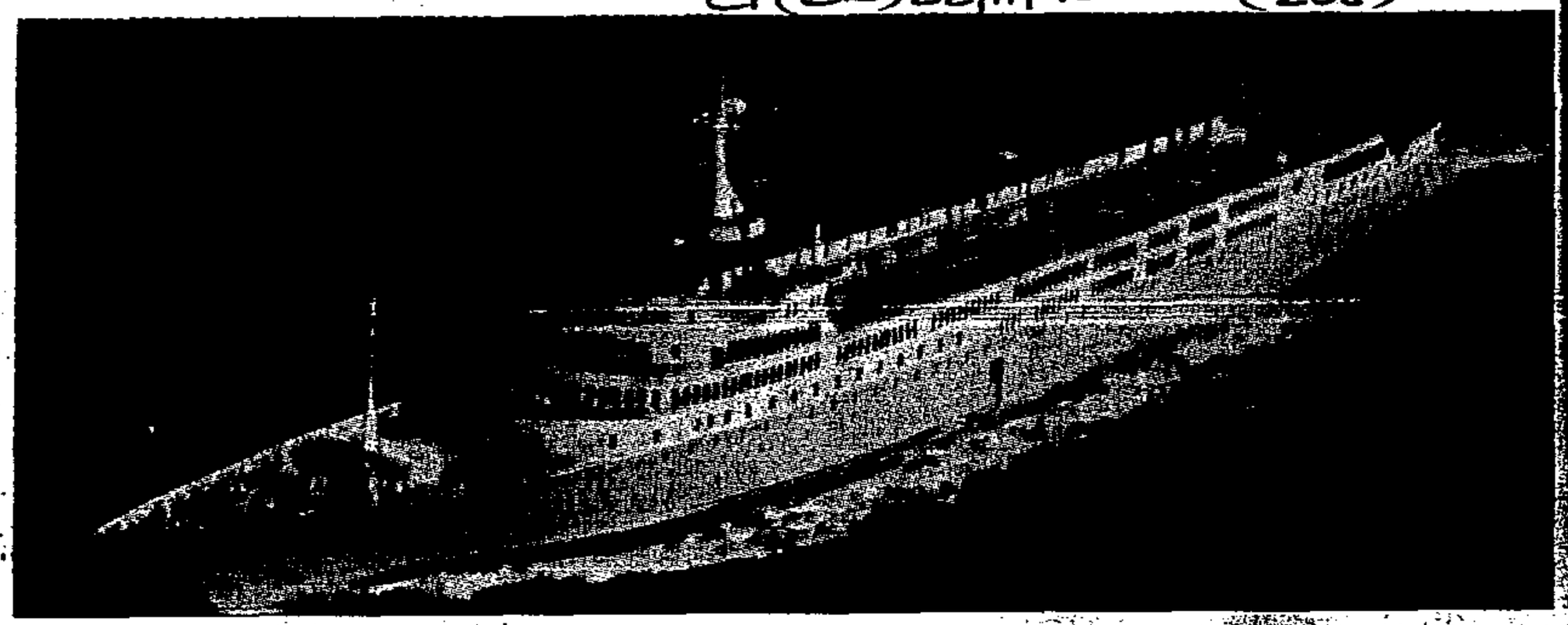
Carse said the regional marketing budget was $208 852 of which South Africa would bear the lion's share at $32 131.

"It is recommended that the association actively promote the region for two years, after which the prime beneficiaries — tourist authorities and the private sector, should take over with individual port authorities bearing the burden of maintaining and improving facilities and services," said Carse.

He said this was a viable project given the fact that the massive fly-cruise industry was in a growth phase. An analysis of the region showed that since 1970, when 500 000 passengers were recorded, the industry had grown to serve 5,5 million this year.

According to the Cruise Lines Industry Association, demand is expected to reach 8 million passengers by 2000.

Carse said there were at least 100 million people in America and Canada alone with the means to take a cruise vacation. New and planned ship building from last year to 1998 was valued at $8,45 billion, representing 27 vessels, each of which could accommodate an average of 2 000 passengers.



SET SAIL *Southern Africa could double its world market share of cruise vacations*

Carse said key success factors included the use of reputable, modern, larger vessels, quality onboard entertainment, good food combined with good service, high safety standards, affordable pricing combined with the availability of air/sea packages, politically safe and stable destinations, worthwhile attractions and adequate port infrastructure.

The region's strengths included 19 deepwater ports capable of handling the largest of cruise vessels, safe anchorages at others, superb scenery and climate, wildlife, cultural diversity, an international exchange rate favouring foreign tourists, competitive international air links, competitive channelling, bunker services, port tariffs and ship repair facilities.

He said the region's weakness were a lack of dedicated passenger terminal facilities, below-average personal safety, its distance from its market, unprotected cruise waters and insufficient local demand.

However, he said the region was unlikely to be able to support investment in facilities such as Singapore ($350 million), Vancouver ($650 million) and Miami ($240 million). He said passenger terminals under construction in Reunion and Mauritius would be commissioned next year and in 1998 respectively.

"South Africa has no firm plans to establish modern terminals and relies on converted cargo sheds to process base-port cruise vessels and round-the-world callers," Carse said.

Millions at risk in liquor licence delay

CT(BR) 22/11/95 (288)

By Ross Herbert

Johannesburg — Millions of rands in foreign investment are at risk and all sales of liquor-related properties are on hold because liquor licence applications are not being processed.

The problem is that no government agency in the country has the power to issue or transfer liquor licences.

With the enactment of legislation on October 3, the authority over liquor licences was removed from the national Liquor Board to transfer the power to the provinces. However, no provincial liquor boards have been set up yet.

Critics are saying the handling of the Liquor Board is a model of how not to transfer power to the provinces. The delay puts in jeopardy at least two major hotel deals, including one foreign investment of R25 million. The same action also effectively invalidates the licences of businesses in the former TBVC states.

"They took away the power and they gave it to no one. The deal cannot go forward because there is no one to transfer the licence to," said one source close to the hotel deal who asked not to be named for fear of alienating officials who were trying to help.

Transfer

South African Taverners Association spokesman Bafana Dhlamini said central government and the provinces had known for a year that liquor regulation would be transferred to the provinces.

"I don't understand the culture of government in which everything is slow.

"No plan was put in place: when we start, cut off dates, how provincial boards are to be set up, that was not made clear."

Shebeens in particular are feeling pressed and this week met to hold a high-level meeting with the police, who agreed to stop cracking down on tavern owners who could not obtain liquor licences.

Staff is one key issue that could also hamper the devolution of other powers to the provinces.

Alarm

When word got out that the national board was to be closed, key staff began leaving. And many others, who had been based in Pretoria for years, refused to relocate to any provinces other than Gauteng.

"This should alarm one. We cannot afford to lose foreign investment," said David Moshapalo, the secretary-general of the Taverners Association.

Moshapalo said he had been assured that the Liquor Board intended to "fast track" the creation of provincial boards.

The Liquor Board itself, which is not processing licences, still has a staff and a public relations office. However, it will not permit any of its employees to speak to the media.

"They all pass the buck and don't want to take responsibility," said one employee.

Siva Naidoo, a consultant to the KwaZulu Natal economic affairs ministry on the issue, yesterday held discussions with the national Liquor Board to establish some temporary authority for transferring licences to accommodate the overseas investors. He said the province hoped to have a functioning board by mid-January.

Cape Town in line for tourist explosion

(288) CT(BR)22/11/95

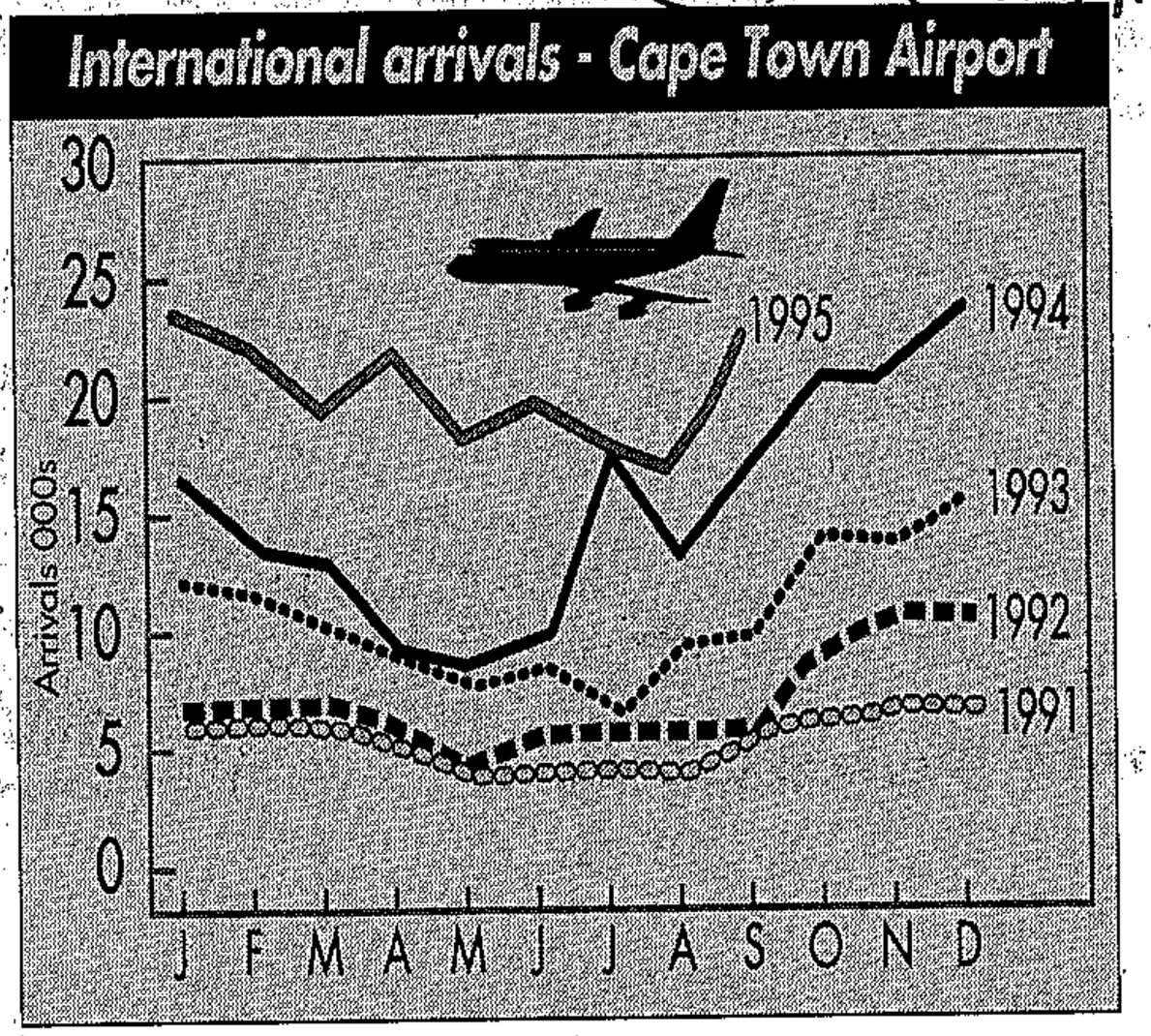
BY MAGGIE ROWLEY

Cape Town — If tourism to Cape Town continues to grow at its current pace, the city will have to provide accommodation for no less than 3,4 million visitors by the year 2000, and could face 9,3 million visitors by the year 2010.

The Cape Town Chamber of Commerce and Industry said that in the three years that Cape Town had been open to international flights, the number of overseas flights to Cape Town had grown to 54 touchdowns a month, with the number of overseas passengers exploding from 3 000 to 26 000 last January.

If these figures are projected, one can expect the probable monthly influx to reach a peak of about 145 000 in the year 2000 and 310 000 in the year 2005, with domestic tourists and business visitors making up the balance.

The chamber said the main reasons for these projections was to make sure that the infrastructure necessary to accommodate such large numbers of tourists would be properly planned.



"Few areas in the world have experienced such a tourism boom with the prospects of a far greater sustainable growth, as the Cape.

"Even the most optimistic planner would have difficulty in correctly pre-judging these developments and the challenge now is to plan boldly to accommodate the future," the chamber said.

It said the city's facilities were being stretched to capacity and it would have to plan comprehensively if it was to sustain growth in what was surely a major sector of the economy.

Safety of tourists 'up to industry'

BD 23/11/95 (288)

Theo Rawana

THE safety and security of tourists was not solely the responsibility of police but of the tourism industry as a whole, an EU consultant seconded to the SA tourism department said in Pretoria yesterday.

Auliana Poon is assisting the department in developing a White Paper on tourism for SA. She will facilitate the development of a programme that includes training and community participation in the tourism sector.

With the world looking to SA for leadership after its historic transition to democracy, the country was in a unique position to show what could be achieved by a collective effort in selling the tourism product that was the envy of many, she said.

"For instance, hotels had as much responsibility for the safety of tourists as the police — they should be able to give the visitor correct information regarding what to do and what to avoid," Poon said.

Tourism needed to be seen as one product which called for the attention of all involved in it. It was a symbiotic existence in which no single supply could give all that was needed.

The department said workshops held countrywide and all inputs obtained would result in the formulation of the White Paper on tourism, to be submitted to Parliament next year.

Poon invited people to contribute to the policy by sending suggestions to her at Private Bag X447, Pretoria, 0001, or fax (012) 322-9231, before December 8.



Picture: JACK LESTRADE.

FRUITFUL PROCESSION: Tractors with fruit and schoolchildren wind their way to the Cape Town Olympic Bid offices.

ARG 23/11/95

R6-m fruit boost for Games bid sponsorship

288

LINDSAY BARNES, Staff Reporter

THE 2004 Olympic bid has had a R6-million boost in sponsorship from the Cape fruit industry.

The sponsorship is the second from the private sector and was announced by the chairman of Unifruco, David Gant, at a ceremony at the bid headquarters in Cape Town today.

Mr Gant handed over a consignment of fruit — which was driven to the offices in a tractor parade involving inner-city children — to Olympic bid chief executive Chris Ball.

Mr Ball said the company's commitment was an indication of "growing business confidence in Cape Town's bid for the Olympic Games".

"I am absolutely confident that we can win the bid if we have the support of the people," he said.

Today's ceremony was the start of a six-month programme to publicise the bid.

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TOURISM (288) FM 24/11/95

Seasonal blur

The high and low seasons traditionally associated with the tourism industry have all but disappeared, say industry pundits.

The trend comes on the back of a resurgence of foreign visitors, especially in Cape Town and Durban.

Captour CE Gordon Oliver and Alan Gooderson, who chairs the Durba' 'ased Gooderson Leisure Corp and is e' air-man of the Federation of Hospitality Associations, say there are still high seasons but sustained demand for accommodation has virtually wiped out the valleys.

Gooderson says occupancies in most three-, four- and five-star Durban hotels are now around 70%, 10 percentage points up on the same time last year.

Oliver says Cape Town has become a year-round destination. A few years ago, the city's hoteliers had to be satisfied with occupancies of about 30% in winter. Last winter, they were between 55%-60%. Cape Town's high season is just starting and will end in March. Oliver predicts peak occupancies will average 85%.

Both cities attribute the good fortunes of their hospitality operations largely to the foreigners' return creating a balanced demand for accommodation. "Most of them want up-market and guest house accommodation. South Africans ask for self-catering and budget accommodation," says Oliver. "And many visitors from upcountry stay with friends and relatives."

He says Cape Town can cope with the influx. Existing hotels have enough capacity to cope this year and a number of new hotels are being built, including a Sun International development on the Victoria & Alfred Waterfront, which should be completed in December next year, a Protea operation that should also come on stream next year and a 375-room, top-class hotel which Hilton International says it will build on the foreshore. Central Statistical Service (CSS) figures also show the peaks and troughs are disappearing. A total of 155 015 bed nights were sold to overseas visitors in July, not much less than last year's highest figure, recorded in November (189 341).

The CSS says 21,5% of those bed nights were sold in greater Cape Town and only 5,2% in Durban.

"Many overseas visitors now want to go from Johannesburg International airport through Kruger National Park and Swaziland to Hluhluwe, then to Durban, where, after a few days, they fly to Port Elizabeth to drive along the Garden Route."

He says Durban will rely mainly on upcountry visitors for what should be a bumper Christmas period. A big increase in the number of black tourists is expected. ■

FRIDAY
NOVEMBER 24, 1995

MAJOR SPONSORSHIP

Olympics 2004 bid gets R6m injection

CT 24/11/95 (288)

CAPE TOWN's Olympic bid is in good shape, with news of a major sponsorship from agricultural exporter Unifruco ... and more to come. **DALE GRANGER** reports.

CAPE TOWN'S Olympic Bid Company coffers swelled yesterday when agricultural exporters, Unifruco, threw their support behind the campaign for the 2004 games with a R6million sponsorship.

Delighted company officials were in a buoyant mood yesterday, with the news they were confident of announcing another four major sponsors in December — a major bank, oil company, hotel group and airline — each injecting R10m.

The company's operating budget to spearhead the games bid effort is R76m — funded entirely from private sector sponsorships.

Finance director Mr Mike Fuller yesterday declined to name the four companies expected to be announced soon as sponsors.

Approved

He said the deal between the companies and the bid company had been approved and letters of intent had been received. Details had been referred to their legal departments for finalisation before going to the board of directors.

"We are very pleased with progress considering we only started the bid process at the end of July and it has only been six weeks since the cabinet gave its approval," Mr Fuller said.

He said the four additional sponsors mean the company had raised R56m of its R76m budget.

He said sponsorship bought exclusive rights. A car company's involvement would, for example, preclude other vehicle companies from joining the effort and using the Olympic logo for marketing.

The bid company believes the confidence companies are showing will inspire enthusiasm among the public.

Unifruco chairman Mr David Gant announced the sponsorship yesterday saying: "Our products, Cape fruit, wine and fruit juice, are inextricably linked to Cape Town and participation in the bid will therefore boost brand awareness and sales of our products around the world".

US hotel group plans major Southern African expansion

ARG 25/11/95 (288)

WILLEM STEENKAMP
Staff Reporter

IN A major investment boom for the Southern African tourist industry, the United States hotel group Days Inn has announced plans to open between 30 to 60 hotels in the region over the next six years — with two of these hotels being built in Cape Town by the end of next year.

The total investment in the Southern African hotel industry promises to be more than R1 billion, Days Inn spokesman Charles Holland told Saturday Argus this week.

"We do not own hotels or properties ourselves, but we supply training, management and other franchise benefits. We also recruit investors and we already have several international financiers who are keen to invest in the local hotel industry.

"We are also keen to involve local investors and funders who wish to enter the industry because we believe it should be made accessible to as broad a group of entrepeneurs as possible.

"Days Inn operate 1 600 hotels in the US and more than 1 700 hotels throughout the world.

"We have identified five prime sites in the Cape where we intend having Days Inn hotels. We are currently finalising negotiations with financiers on these sites and we hope to have two Days Inn hotels up and running in Cape Town before the end of next year."

Mr Holland said the company conservatively estimated to be running about 60 hotels in Southern Africa in about five to six years. It will be concentrating on three and four star hotels.

"We believe this is where the market lies in Southern Africa. We are talking about mass saturation of the local hotel industry. We believe that the American market, which already supports 1 600 Days Inn hotels, will be saturated when it reaches the 2 000 hotel figure.

"The holding company of Days Inn hotels — the Hospitality Franchise Systems Incorporated (HFS), decided to globalise its operations and is expanding world-wide."



A MAYOR'S DREAM . . . Fikile Majombozi wants to upgrade hotels

Picture: RICHARD SHOREY

ST 26/11/95

(288)

Town in paradise pleads for tourists

By ANDRE JURGENS

YEARS of financial neglect have created a ghost town tucked away in a nature lover's paradise.

Time has forgotten the mountains covered by thick forest and the sweeping unspoilt beaches of Port St Johns on the former Transkei coast.

It has also forgotten once-luxurious hotels which now lie in ruins near the town square and the beaches.

Port St Johns is surrounded by ocean and graced by the mighty Mzimvubu river, yet the supply of drinking water has almost collapsed.

The town council is desperately trying to put the region back on the tourism map, yet it owns only one vehicle to service the area — an old tractor.

The town boasts one of the few unspoilt coastlines in the country, but locals are stripping the ocean of undersized crayfish and squatters are tearing down the forests to build homes.

Driving through the town is hazardous, with children, cattle and goats roaming across roads, yet motorists can buy liquor from garages and cafes, any day of the week late into the night.

The newly appointed mayor, Fikile Majombozi, has spent his first three weeks in office getting to grips with what his cash-strapped council can do to give the town a facelift.

He needs millions of rands to realise his dream for the town: "I want to turn Port St Johns into a beautiful place for tourists to visit throughout the year," he said.

The town council already has a written proposal to ask government for R9-million.

The town clerk, Sitembele Tayi, said: "We need R9-million just to fix the most urgent problems like the water supply, resurfacing the gravel streets and establishing a fire fighting service.

"There cannot be development and housing schemes for the poor if there is no proper infrastructure."

He said the town's population had grown and the filtration plant could no longer cope.

"Brown water is coming out of the taps. Some of the town's water pipes are nearly 50 years old and are rusting inside.

"Having dirty water pour from taps is not going to encourage tourism here at all," he said.

The council owns two tractors and one tip truck. Councillors have to use their own vehicles for transport. Mr Tayi said two of the council's vehicles needed repairs, leaving one tractor to collect refuse and transport workers.

Mr Majombozi is determined to put Port St Johns back on the map. "My dream is to see many tourists in our town. It is a dream I know can become reality if we have enough investment here.

"We should be able to accommodate the tastes of tourists from around the world. Tourism is our life blood. We must upgrade accommodation for tourists. We have only one hotel.

"We are not looking for land grabbers who do not develop what they buy. We need development without destroying the natural beauty which has remained mostly unspoilt."

27/11/95/288

Murder at

Outrage after cashier shot dead in armed

OWN CORRESPONDENT
Cape Town

Warnings that South Africa could not hope to win its bid to stage the Olympic Games if sporting venues were not safe were issued last night after the outrage over the armed robbery attempt at a Cape Town boxing tournament in which a cashier was shot dead.

The attack was seen live on CCV's *Sports Arena* yesterday afternoon, when boxing fans and boxers dived for cover when they heard shots fired. The cashier killed at the boxing match in Guguletu was Wynand Cornelius Bothma (41) of Parow.

Cape Town's Olympic Bid Committee chief executive Chris Ball conceded this morning that the botched armed robbery had brought the issue of security at sports events under the spotlight. But, he said, the shooting should not not deter the commercial sector supporting the bid for the Olympic Games.

Ball said he could not comment on the level of policing required for an event like yesterday's tournament, but that his committee was working hand-in-hand with the police.

But Cape Attorney-General Frank Kahn, who saw the attack on TV and called it an "expression of the anarchy in the townships", warned if the Western Cape wanted to host the Olympics and the Government wanted the prestige of hosting the Games, then money was needed to equip police better.

Police Commissioner George Fivaz said last night it was too early to blame police for their absence, but has called for an urgent report.

The attack brought an abrupt end to the fight between SA middleweight champion Simon Maseko and English contender Warren Stowe in round seven.

Police spokesman Lt Andre Traut said that according to witness Daniel van der Berg, he and Bothma were counting ticket takings in the foyer of the centre about 10m from the ring when, at about 5.35pm, they saw "hands grabbing money and going for the small steel cashbox".

Bothma grabbed the box towards his chest and then two shots were fired, fatally wounding him in his side.

Traut said four suspects were then seen to leave the hall while at least eight more shots were fired. It was not known if the attackers made off with any money.

"I was ringside when everyone began running amok. People were confused and hiding under the ring. I was stupid enough to run out and I saw the man falling on his back. Then our doctor certified him dead," said Western Cape Boxing Commission (WCBC) chairman Cliff Dikeni.

"This has nothing to do with boxing – it is hooliganism and it has killed the boxing game. It's most definitely the end of boxing in the townships – we cannot put other people's lives at stake. I can't foresee people coming to any other event in the townships."

Tournament supervisor Enoch Guwa of the WCBC said he had gone to Guguletu police station yesterday morning and been promised police security, yet "I didn't see them".

However, station commander Col Andrew Langeveldt said there had not been sufficient time to arrange enough police personnel. He said a police patrol had just left the area when they heard of the shooting and immediately turned back.

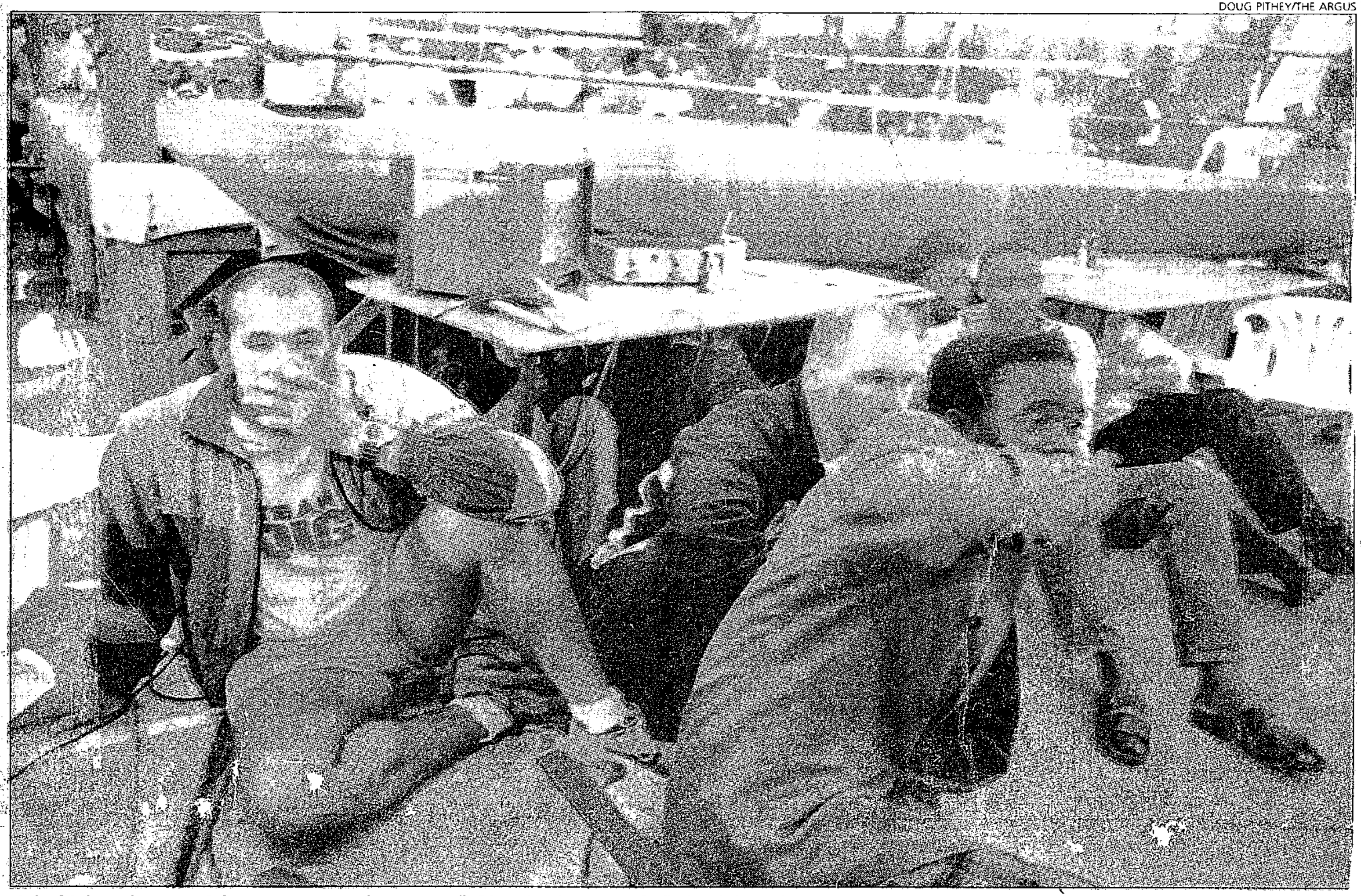
Police are offering a R50 000 reward for information leading to the arrest of the suspects.

boxing an Olympics setback

Star 27/11/95 (288)

d robbery during Guguletu, Cape Town tournament seen live on TV

DOUG PITHEY/THE ARGUS



Fight fright ... heavyweights Dwayne van der Merwe (left) and Mike Barnardo (behind the unknown man in front) were among stunned spectators who ran for cover when bullets started flying during a boxing match yesterday.

COMPANIES
CAPE NE

World's largest hotel franchisor coming to SA

ET(BR)27/11/95 (288)

STAFF WRITER

Johannesburg — Hospitality Franchise Systems, the world's largest franchisor of hotels and residential real estate brokerage offices, will enter the southern African market through its subsidiary, The Days Inn Hotel group.

The parent company, which acts as an umbrella for hotel chains such as Days Inns, Howard Johnson Hotels, Knights Inns, Park Inn International, Ramada Inns, Super 8 Motels and Villager Lodges has interests extending from the United States to Canada, Israel, Mexico, the Netherlands, the Philippines and Puerto Rico.

Its southern African subsidiary, Days Inns of Southern Africa, has the rights to develop, operate and franchise Days Inns hotels in South Africa, Lesotho, Swaziland, Zimbabwe and Namibia.

The company's license agreement allows for future countries north of South Africa. Days Inn is looking to establishing 25 hotels within the first five years and will provide both permanent and transitional management.

Days Inn's primary objective was not to own the hotels, but to grow franchises and hence emulate its American parent, which was listed on the New York stock exchange, said a company spokesman.

"Days Inns of Southern Africa is committed to the local communities and would encourage their involvement with the development and ownership of the hotels.

"All the staff for the hotels will be drawn from the local communities and trainers from the United States will provide training to local trainers. Days Inns of Southern Africa will assist in the empowerment of emerging entrepreneurs through franchise support," he said.

As part of its franchise development programme, Days Inns expected to provide development support and training in site selection, feasibility, construction and pre-opening assistance.

All hotels will have access to the company's worldwide reservation system.

Tourism 'may be up by 40%'

(288) ST 27/11/95

JOHANNESBURG: Tourism to South Africa could increase this year by 40% over 1994, but growth could slow if tourist security was not effectively addressed, the South African Tourism Board said yesterday.

By the end of December, more than a million foreign tourists may have entered South Africa this year.

More than 730 000 overseas tourists visited between January and September — well over the 704 000 visitors for 1994.

"The tourism industry is witnessing unprecedented growth," Satour deputy executive director Mr Ernie Heath said in a statement.

Tourism growth of 40% could be achieved if current growth patterns continued, Satour said.

But Mr Heath warned that research showed tourism growth would not be sustained if safety was not addressed.

"Still less than half of all overseas tourists in this country rate personal safety as good," he said.

Tourist arrivals from Europe grew by 67,8% this year, by 53,3% from North America, by 93,2% from Central and South America, by 94,3% from Australasia and by 56,3% from Asia.

Satour said its research indicated that recent political changes were the major drawcard for foreign tourists, followed by scenic beauty, wildlife and cultural diversity. — Sapa

MONDAY
NOVEMBER 27, 1995 ★

NE

WARNING OF BACKLASH FOLLOWS FATAL ACCIDENT

Tour agents may check buses

GERMAN consul-general Mr Friechrich-Carl Bruns says it is difficult to find reliable companies that offer buses which are in good condition. **LOREN KOLEVSOHN** reports.

ET 27/11/95 (288)

EUROPEAN tour operators could begin insisting on checking whether buses to be used for overseas visitors are reliable, the German consul-general, Mr Friechrich-Carl Bruns, says.

This follows the bus crash in which a German and six Swiss tourists died and 33 others were injured in Riversdale in wet weather on Thursday morning.

"The pressure of the flood of tourists coming here shouldn't prevent tour operators from getting back to using reliable tour bus services," Mr Bruns said from his Constantia home yesterday.

He said the bus tragedy "will have an effect on overseas tour operators who (will) want to see the transport buses" that were available for tourists travelling in South Africa.

"There is a shortage of good buses as we have been inundated with German delegates wanting to come out here, but it is difficult to find reliable companies that have good buses available," Mr Bruns said.

He said that members of a Swiss group who had seen the bus before it left Port Elizabeth last week to travel the Garden Route to Cape Town, had told him that "this bus was horrible".

The bus had 41 members of a Swiss and Austrian tour party and the tour guide on board.

It had overturned on a steep downhill approach into Riversdale, a police spokesman said.

The driver, Mr Jack Ricks, 52, retired from the ambulance service two years ago after a heart by-pass operation and is unemployed.

He said he had agreed to drive the bus to help out his friend, who owned the FNQ luxury bus service, as there was no driver available for the trip.

Mr Ricks is recovering from his injuries at his Port Elizabeth home.

He said he was having nightmares about the accident.

He was still not sure what had caused it as "it happened so fast".

Specialist

Those who died were Mrs Khethi Estuder, 65, Mrs Nelly Galli, 63, Mrs Irma Zoss-Fischer, 61, Mr Hans Nyffenegger, 69, Mr Max Giger, 76, and Mrs Elizabeth Naef, 70, all from Switzerland, and Mrs Lieselotte Fritzsch, 62, a German national living in Switzerland.

Their bodies are to be flown back to Switzerland this week.

A specialist, Dr M Greuter, and five of his colleagues were flown out from Switzerland at the weekend to attend to Mr Verna Tesch and his wife, Ruth, who are in the intensive care unit at the Lamprecht Clinic in George.

The couple's legs were crushed in the accident.

Two other injured tourists, Mr Richard Hans and Mr Willi Galli, are in the George Hospital.

Dr Greuter is to assist in flying the injured tourists back home this week.

A spokesman at the Arthur's Seat Hotel in Sea Point, where the rest of the tour party spent the weekend, said the group "looked very stressed".

Doctors, physiotherapists and a hairdresser were on hand when they checked in.

Mrs Hannalore Watrobe, a tour guide who spent yesterday at Miller's Point with the overseas visitors, said that they were physically and emotionally "battered and bruised".

"But they are a remarkable group of people who have been wonderful in supporting each other."

The group flew out of Cape Town International Airport last night.

Safety key to tourism future

288

Star 28/11/95

By Bobby Brown

Tourism has been experiencing a tremendous upward spiral over the past year, but the industry has to come to grips with the personal safety of their international guests for this boost to be sustained.

The deputy executive director of the SA Tourism Board (Satour), Dr Ernie Heath, said this fact had to be addressed urgently if the country was going to continue to enjoy the massive cash and jobs benefits of a tourist-friendly land.

He said more than 730 000 tourists entered the country between January and September this year, compared to the 704 630 for the same period last year, and added that more than one million may have visited by the end of the year.

This would mean a substantial and gratifying increase of about 40 % compared with 1994.

Heath said strategic guidelines for the safety of tourists had been formulated and that the Tourism Safety Task Group (TSTG) was formed to implement recommendations.

A spokesman for Satour, Martin van Niekerk, said the TSTG was formed in response to the attack on four tourists on a road near Lusikisiki in the former Transkei in September.

One of them, a young New Zealander, was raped.

Heath said the industry could no longer rely on the positive political changes in the country and the publicity that it received from the Rugby World Cup.

He said that tourism had to intensify other marketing efforts.

Australasia headed the surge in world tourism having increased by more than 94%, Central and South American arrivals increased by 93% and Europe, off an already high base, by 67% over 1994.

A survey by Satour found that Gauteng, KwaZulu Natal, the Western Cape and Mpumalanga were the most popular provinces among visitors, who rated their personal safety and service levels as "good" around the country.

Nature of cableway debate changes

BD 28/11/95 (288)

Heather Parker

A FULL two years have passed since the Cape Town City Council decided it was time to rethink the operation of the Table Mountain cableway. The council's successors — and the city's ratepayers — have had plenty of cause to regret that decision.

Specifically, they have regretted it to the tune of nearly R2m.

In terms of its lease with the Table Mountain Aerial Cableway Company (TMACC), the council has the right every 10 years to review the contract and expropriate the lease with a year's notice. It did so in October 1993.

This was not unexpected: the cableway buildings were shabby, the cableway itself was so inefficient that visitors could face queues of more than four hours, and the TMACC was making only a negligible contribution to the maintenance of the mountain.

However, the TMACC, which has operated the cableway since inception, and which owns the associated buildings, did not take the decision lying down. It rejected the initial compensation offer of R10m, and was no more mollified when the council increased it to R13m. While negotiations were still under way, the council made its crucial mistake: it awarded the cablecar lease to a different operator.

The TMACC took the matter to the Supreme Court, which ordered that the TMACC was entitled to stay in place until the dispute was settled. The disappointed new operators of the cableway became entitled to a compensation of around R1,4m. Legal fees were an estimated R500 000.

That was around nine months ago. The council has allocated the money that had been earmarked as compensation to other projects. The TMACC is still firmly in place on the mountain, and negotiations between it and the transitional metropolitan council have changed in nature. No longer is the debate over the extent of the compensation owing to the TMACC, it is about the way the TMACC will operate the cableway in the future.

But the exercise has not been wasted. Until the mid-1960s, the TMACC had been paying the city a token R1 a year for the commercial rights to the mountain. After that, it paid 2,5% of ticket sales: the figure now being bandied about is 10%. This will go into a special fund dedicated to mountain upkeep, called the Table Mountain Maintenance Trust Fund. Given that it costs the council around R3m a year to maintain and manage the Table Mountain chain, and that the TMACC contribution has recently totalled rather less than R100 000 a year, that will be a welcome change.



A Father Christmas figure on the Table Mountain cable car during a previous Christmas season.

It had been part of the council's thinking that the commercial rights to the mountain ought in far greater measure contribute to the costs of the mountain. On current sales, the ticket percentage alone will generate R600 000.

Another welcome development has been the decision by the TMACC to go ahead with extensive upgrading plans, and to involve environmental groups in its forward planning. A team of environmental consultants has been appointed to ensure a "proper integrated environmental management" process; and they have held a series of open meetings and workshops to provide a forum for concerns to be expressed.

At the end of last month, an open meeting was held to finalise what are considered to be the key environmental issues, and a document has been prepared to invite final comment. Responses are expected to be in by the end of March.

If all goes according to plan, the TMACC will close the cableway in July or August next year, and reopen by December with a new-look operation. Among the proposed improvements to the cableway are:

- ☐ a R45m facelift which will more than double capacity;
- ☐ the introduction of new cablecars with increased capacity;
- ☐ improvements to the upper station and lease area, both of which have changed little in decades;
- ☐ interior changes to the lower station, and
- ☐ improved traffic flow and parking.

But doubts have been cast on the process by the Khan Commission's recommendations that development on the mountain be frozen until the proposed new mountain management authority is in place. It has been proposed that this should come from the National Parks Board, but there is some dispute.

If it takes any length of time to decide on and set up a new management authority, and the upgrade is frozen for the duration, the inefficiency of the present cableway operation will continue to create a bad impression for Cape Town, argues the TMACC.

According to chairman Louis de Waal, the TMACC is addressing Western Cape leaders and ministers at national level to make a case for allowing the work to continue. De Waal reasons that since the work constitutes an upgrade of existing facilities rather than a new development, it should be exempt from the moratorium.

African visitors top SA hotel sector market

(288)

Edward West BD 28/11/95

CAPE TOWN — Business visitors and tourists from African countries represented the single fastest growing market for SA's hotel industry, Protea Hotels chairman Otto Stehlik said.

He told the tourism sector at a meeting of the Western Cape panel for economic and business development yesterday that over the past year there were about 186 000 business and tourist airport arrivals from other African countries, just under half of the 390 000 airport arrivals from Europe over the same period.

The growth in airport visits from Africa had come off a low base but was the single fastest market for SA's hotel industry. He said the Western Cape was getting less than its fair share of the African trade, a situation which was likely to improve when more African airlines scheduled flights to Cape Town.

Other markets which had grown rapidly from a low base was the 14 000 airport arrivals from the Middle East and the 83 000 from the US and Canada.

Stehlik said that until such time as US air routes were opened to competition, there could only be limited growth in tourism from that region. "SAA has only five or six flights a week to the US while to the Far East we have something like five or six a day," he commented.

He said the tourism potential from the US was enormous, provided there was greater accessibility to SA. Tourism from Latin America could be stimulated easily if flights were available.

Visitors to SA from the Far East currently represented the second fastest growing market for SA hotels, while European markets still held considerable potential, particularly in the light of the sheer volumes already visiting SA.

Stehlik described the lack of an international conference facility catering for more than 400 guests in Cape Town as "scandalous". He said such facilities were rarely profitable but instead represented a considerable asset for metropolitan and provincial authorities in terms of economic development.

Delegates at the meeting, which comprised senior Cape private and public sector representatives, pointed out that a casino license for the Cape metropolitan area was likely to include the construction of a conference facility as a condition of acceptance of the license.

R300m budgeted for security at Olympics

BD 28/11/95 288

Mark Smit

CAPE Town's Olympic bid company had budgeted R300m to deal with security at the games, Olympic bid committee CE Chris Ball said yesterday.

The company already had a task team working with the region's security forces to "learn the ropes" and to help formulate plans to deal with the protection of tourists in the city.

Ball was reacting to the outcry following the weekend murder of a cashier during a robbery attempt at an international boxing bout between Briton Warren Stowe and SA's Simon Maseko in Guguletu, Cape Town. "Obviously security is a vitally important part of the games and there are very elaborate provisions made for that area," he said.

"By the time the games take place, security will be extremely tight and it will be almost impossible for the wrong people to get in."

Describing the murder as a "terrible, isolated incident", Ball said it would not harm the city's ability to bid for the 2004 games.

National Olympic Committee of SA president Sam Ramsamy said it was unfair to link the murder to the 2004 games, which was still nine years away. "This act was not specifically sport-related. It was a robbery. There happened to be money there and the money was what attracted the thieves.

"Had it been specifically sport-related it would have been a different matter," he said.

However, Ramsamy stressed the crime rate was reaching national disaster proportions and he called on sports people to join in the fight against crime. "I also appeal to all our sports bodies to play their part in crime prevention by providing development programmes aimed at keeping the youth off the streets and instilling a sense of pride in self, community and nation," he said.

Tourism meeting flops

CT 28/11/95 (288)

BUSINESS EDITOR

A MEETING intended to involve Western Cape community leaders in formulating national tourism policy flopped dismally yesterday.

It was due to start at 8.30am, at the Monte Carlo conference centre in Cape Town. But by 10am only three people had turned up.

They were Mr Ali Khan of Otherside Tours, who takes foreign visitors into the townships, Mr Newton Adams, secretary of the SA National Civics Organisation (Sanco), and Ms Shereen Parker, vice-chairman of the Development Agency for Tourism Advancement.

Mr David Letsie, community constituency co-ordinator for the Department of Environmental Affairs and Tourism, which organised the meeting, said about 30 representatives of communities in outlying areas had been invited in addition to those living in Cape Town. Hotel accommodation had been arranged for those who had to stay overnight.

Mr Letsie said the SA Tourism Organisation (Satour) could not continue to exist because it was a hangover from the old apartheid regime and concentrated on marketing this country overseas. A new national organisation was needed that would also encourage domestic tourism and would involve all stake-holders.

Mr Adams said he had received only three days' notice of the meeting.

Tourism boom highlights serious bottlenecks

ET (BR) 28/11/95 (288)

BY AUDREY D'ANGELO

Cape Town — Decisive action would have to be taken immediately if the tourism boom, which had already started in the Western Cape, was to be sustained, delegates were told yesterday at a presentation organised by development agency Wesgro and the Cape of Good Hope Bank.

They were warned that the problem had shifted from attracting tourism to the overcoming of bottlenecks and the need to maintain high standards and reduce crime.

The Economic Monitor, published by the bank and Wesgro, said recent constraints in airline and hotel capacity had illustrated how rapidly bottlenecks could take the place of under-capacity.

"In essence we are now reaping the harvest of years of dampened expectations and the reluctance of investors to enter into multimillion rand investment contracts at a time when room occupancy rates barely exceeded 50 to 60 percent even during high season. While this seems to have changed, the gestation period for three- to five-star hotel projects is still from two to three years.

"These more obvious constraints are well documented and widely discussed. Less well-known are the many other bottlenecks linked to the transport sector, the handling of mail and freight, the advance booking of entertainment events, the handling of foreign exchange at bank branch level, the supply of world class tour buses and even capacity of restaurants.

"These bottlenecks may be manageable during the mass tourism season when everybody expects long queues and occasional mishaps. They are less excusable at international conferences or business-related tourist activities."

The monitor also warned that "increasing crime, decreasing safety and a drop in standards are quickly implanted in visitors' minds and are difficult to erase". The answer to these danger signals appeared easy but effective action was usually far more difficult, the monitor said.

Meanwhile, David Letsie, a community constituency co-ordinator for the environmental affairs department, said yesterday more facilities were needed for lower-income South Africans to go on holiday, with cheaper accommodation available.

He said Satour had valuable information and marketing expertise but it should not be allowed to set policies and should not continue in its present form because it was a relic of the apartheid regime. He said Satour had concentrated on marketing South Africa internationally and did not address local needs.

Olympic bid seeks community backing

(288)

ANEEZ SALIE

CAPE TOWN'S Olympic bid committee has appointed Ms Saaliegah Zardad as its director of community relations to help win the support of community groups for the 2004 Olympic bid.

Ms Zardad said yesterday there was concern about the lack of community involvement in the bid and support for it.

A gulf had developed that it was her task to narrow.

The committee had not given enough attention to the community aspect owing to a lack of funds and resources, but these were now available.

Hectic

"There was a top-down approach, which we are now changing to a bottom-up way of doing things, where the community is kept informed," she said.

For Ms Zardad, who has extensive organisational experience and was previously secretary of a Constitutional Assembly theme committee, it has been a hectic first month.

November started with a two-day consultative conference, attended by over 90 organisations and 130 individuals, to win support for the Olympic 2004 Concept Plan.

But it soon emerged that a lack of information precluded support, she said.

It was agreed that communities should not only to be informed, but also involved in decision-making.

The conference had elected a community involvement task team, headed by Mr Omar Badsha of the iKapa Arts Trust.

His immediate objective is to ensure that the team is made more representative of the broader community, and to secure its involvement in all aspects of the bid.

A number of sub-teams were formed to concentrate on various aspects, such as the youth, education and sport, community media, the environment and marketing.

On education and the youth, Ms Zardad said they had met Western Cape Education Minister Mrs Martha Olckers, who approved a major bid proposal that Olympic studies be included in school curricula, as a way of interesting young people in the bid.

Mrs Olckers' department had also agreed to second a teacher to the bid full-time.

Presentations had also been made to a broad range of target audiences by the bid's chief executive officer Mr Chris Ball, members of his staff and seconded officials.

Ms Zardad said experience had shown that the more information was made available and people were encouraged to join in, the easier it was to convince sceptics.

She has invited those organisations not yet represented on the community involvment task team to telephone the bid's offices at 419 2004.



COMMUNITY LINK: Ms Saaliegah Zardad, the Olympic bid's newly appointed director of community relations, whose task it is to help win community involvement in the bid to secure the 2004 Olympics for Cape Town.

CT 28/11/95 PICTURE: ANNE LAING

The art of renovating the Point

R10-m uprade of tourist facilities will include new restaurant and trails

(288) ARG 29/11/95

ANNELIES SMIT
Staff Reporter

THERE are no obvious signs of large-scale renovations when you enter the gates of the Good Hope Nature Reserve — and that is exactly the philosophy of the nature reserve's conservation officers.

"We don't want to spoil the park with buildings, parking lots and restaurants, but rather to concentrate on Cape Point," said chief nature conservation officer Howard Langley.

"Tourists all come to Cape Point, whether they stay in the park for one hour or a whole day. If you have to build facilities you might as well build them there and keep the rest of the nature reserve free. We keep the wilderness of the famous fynbos intact."

Yesterday, Cape Metropolitan councillors climbed onto a tour bus to view progress in the R10 million renovation of facilities there.

The extra parking space that is being built at Cape Point will be limited, said Mr Langley.

"If the Cape Point parking area is full, we will radio for tour buses to stay at the Homestead information centre. As soon as there is parking space available, we will radio them again and tell them they can come down."

The alterations at the famous point are obvious. An R8 million Two Oceans restaurant, keeping the mystery of the two oceans meeting at Cape Point alive, will open on December 11. It was built by private investors but the nature reserve will get an annual 10 percent of the profits.

The construction work on two railway tracks to replace the Flying Dutchman bus, used to transport tourists to the lighthouse, is well under way and will be open for use by the public around February.

But less conspicuous changes are also taking place in the rustic environment. A hiking trail with a small overnight hut, which sleeps eight, has been built to meet the growing demands of eco-tourism.

"Half of the tourists who visit our reserve just have one or two hours to spend before they go off on their organised tour to a different sight in the Peninsula," Mr Langley said.

"But the other half is growing more and more interested in back-pack travelling, hiking along quiet trails and sleeping in a simple hut. They can leave their cars at the entrance gate and hike all the way up to the hut, stay there to watch the sunset and hike back the following day."

The Homestead restaurant will close on December 10 to be transformed into an information centre with more detailed information and displays on the varied flora and fauna.

"When people first see the Cape of Good Hope Nature Reserve they say: 'What a boring nature reserve compared to the Kruger National Park.' But we have 1 200 plant species, which is more than the Kruger Park has. There is also an enormous variety of small and larger animals, but people have to look carefully to spot them.

"That's where more information can help people who are really interested in discovering the creatures living here."

To add to the Homestead information centre, the nature reserve has also set up the Skaife Education Centre at Olifantsbos which the public is excluded from.

The nature reserve took over the education centre from the University of Cape Town and restored the neglected building, which gets its electricity via solar panels.

"It is specially for schoolchildren, who can spend the weekend, and for university research," said Mr Langley.

Recently two unknown maps of the Olifantsbos area were discovered which might shed light on the whereabouts of three graves of Italian sailors from the Caterina Gobe which sank in 1711. The graves have never been found but recently Mr Langley got the two maps from the army and three graves are indicated near the Skaife Education Centre.

"It is very exciting and we are definitely going to look for the graves. We might turn it into a small tourist visiting point but that depends on what we find. We have to be careful to ensure the graves will not be vandalised."

The famous 1860 lighthouse, built on the highest point — without taking into account the notorious mist — is currently being restored to become a 24-hour watchtower to guide ships around Cape Point.

The 1860 lighthouse staff quarters are, with the approval of the National Monuments Council, being transformed into the funicular waiting room and a small kiosk. Just metres away, a new laboratory has appeared which will be used to research and analyse atmospheric changes.

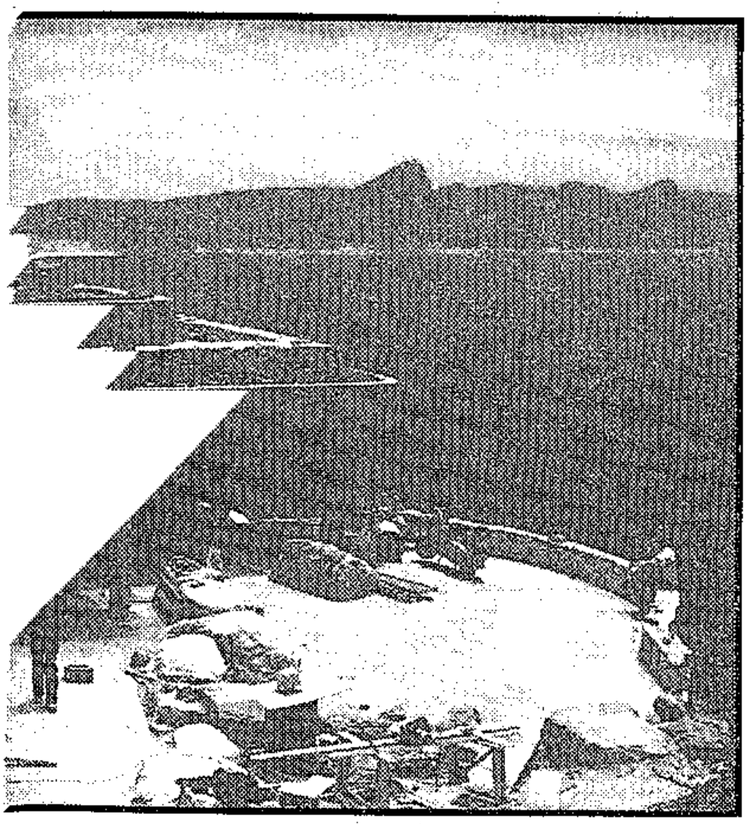
The road to the lower lighthouse, built in 1919 because the upper lighthouse was often concealed in mist and therefore useless, is now a rather unattractive route to take. But within a few months the route along the ridge that leads towards the end of the Point will be opened to the public, complete with safety bars and concrete steps. It will offer one of the most breathtaking views of the area.

Wheelchair facilities will also be provided, a tricky task for the construction workers.

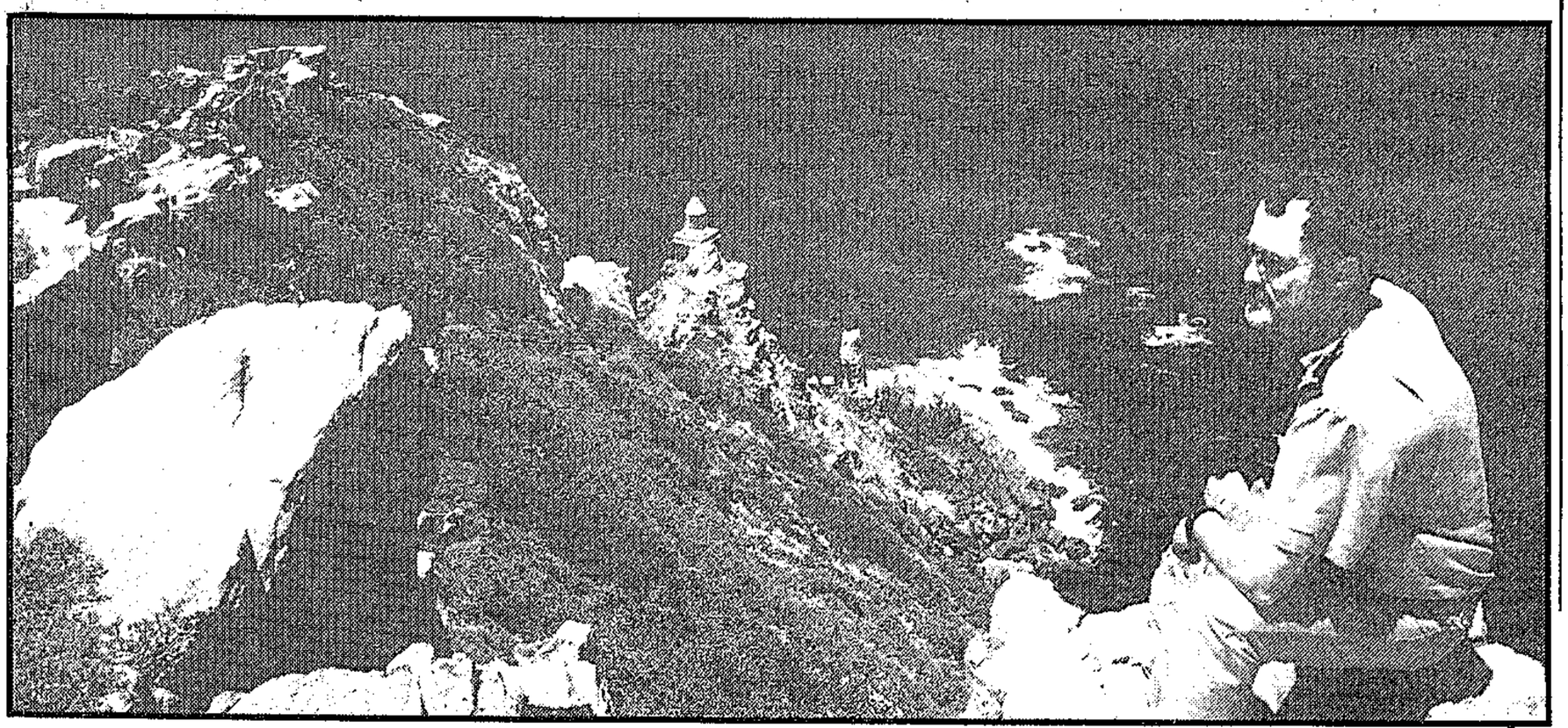
"Up until now it was very difficult for disabled people to reach look-out points at Cape Point. When the railway opens, there will be a special one-level trail which will lead to a viewpoint on the very edge of the rocks.

"We have to harness the workers and tie them to strong ropes because it is quite a tricky job to do," Mr Langley said.

"The extension of facilities is necessary to help protect the reserve," said Bill Baldwin, director of Cemetaries and Amenities of the Cape Metropolitan Council.



oceans at Cape Point is the new privately-owned and which will open its doors on December 11.



BREATHTAKING: Chief nature conservation officer Howard Langley looks out over the ocean from where the new wheelchair viewpoint will be constructed. The lower lighthouse roof is visible below.

Tourism businesses speak up

(288) BD 29/11/95

Theo Rawana

THE SA tourism business sector had finally found a single voice with the establishment of the Tourism Business Council of SA, and was now well placed to influence policy and advance the restructuring of the SA tourism industry, the council said yesterday.

Council steering committee chairman David Wigley said in Johannesburg that the council, supported by a broad spectrum of members in the tourism industry, would provide the first inclusive national structure through which the tourism business sector could be fully recognised and represented as a leading stakeholder in the development of tourism in SA.

Wigley said the primary purpose of the council would be to ensure that through comprehensive and united representation at national and provincial level, the appropriate macro strategies were adopted for developing and maintaining growth in tourism — especially in the business sector.

"SA's tourism resources have to date not been developed in a sustainable way, and there is vast scope for expansion in both domestic and foreign tourism.

"Although tourism is acknowledged as the world's largest earner of foreign currency, in SA it is only the fourth largest earner of foreign exchange. Enormous potential for growth in our untapped domestic tourist market also exists," Wigley said.

According to the council, community-based tourism was the key to developing a national tourism culture. A fundamental principle of the council was to ensure the inclusion of small and emerging businesses as equal stakeholders in the tourism industry.

Steering committee member Moss Ngwenya said that the council would, in conjunction with the Hospitality Industry Training Board, encourage and promote the development of small and emergent business through training and development of staff, especially in business skills.

The Tourism Liaison Council chairman and founder member of the business council, Rupert Lawlor, said: "One of the first major tasks of the council will be to make submissions on the tourism Green Paper which was released earlier this year.

"The council will address key business sector issues identified in the Green Paper to enable an appropriate White Paper to be presented to Parliament."

MENT

IICS



RESPONSIBLE TOURISM *Marie-Louise van den Broeke of the Open Africa Initiative networking organisation, Andree Du Plessis, tourism co-ordinator for the Overberg Tourism Association, Hendrik Steyn, director of tourism at the Department of Environmental Affairs and Tourism and Andre de Villiers, executive director of the Worcester Publicity Association, were at a workshop to discuss the Green Paper on Tourism in Cape Town yesterday.* PHOTO: ANDREW BROWN

SA tourism sector 'must adapt'

(288) CT(MR)29/11/95

BY AUDREY D'ANGELO

Cape Town — The international tourism industry is changing and South Africa must offer foreign visitors what they want, consultant Aurelia Poon of Caribbean Futures told representatives of Western Cape organisations yesterday.

Poon has been retained, at the expense of the European Union, to act as a consultant in preparing a new tourism policy for South Africa.

Poon said South Africa should offer a new type of tourism catering for contemporary tastes. Travellers today were more sophisticated, less easy to "rip off", conscious of the environment and no longer content to lie on a beach.

They were in search of new experiences and of genuine local colour.

Coastal cities such as Durban and Cape Town would benefit from the arrival of more cruise ships, but hotels might lose out as increasing numbers of foreign visitors stayed in floating accommodation.

Poon suggested that people in the tourism industry might involve local communities by inviting them to provide entertainment for guests or encouraging them to sell cold drinks at places of interest or train as guides. Hotels should make contact with taxi owners and other service providers to ensure that standards were high enough.

She emphasised the importance of "responsible tourism", which protected the environment and involved local communities, allowing them to share in the benefits.

On violence, she warned that nothing would kill off tourism more quickly than a dead tourist.

'Teach tourism in schools'

CT 29/11/95 (288)

BUSINESS EDITOR

TOURISM should be taught as a school subject from Std 6 if the industry is to reach its full potential in South Africa, Mr Egidio Cardoso of the Cumberland Hotel, Worcester, suggested at a workshop in Cape Town yesterday.

And ordinary people should be convinced that it is in their interests to be polite and helpful to tourists.

Mr Cardoso was taking part in a discussion on the Green Paper on tourism issued by the Department of the Environment and Tourism, at the Monte Carlo Conference Centre.

He said he had started involving his local community in tourism nearly 20 years ago. A choir formed at the nearby township of Zwelathemba sang regularly at the hotel, and this had led to helpful contacts for its members.

He was now encouraging the setting up of a tourism centre in the township where crafts would be sold and authentic African food served.

The Green Paper suggests that there should be more community involvement in tourism. Discussion meetings are being held all over the country, and suggestions will be incorporated into the government's new tourism policy.

Several people at yesterday's meeting suggested funds should be available for black entrepreneurs to set up tourist-related businesses.

Tourism industry founds national council

(288) BT (BE) 29/11/95

BY CHARLOTTE MATHEWS

Johannesburg — A range of tourism-related businesses, both large and small, have joined hands to form a national Tourism Business Council of South Africa (TBCSA) to voice their views on the development of the industry.

According to David Wigley of Fedics, who is chairman of the TBCSA's steering committee, there were three driving forces for the establishment of the council: large business, which wanted to ensure it had a voice on the future tourism structure in government's tourism green paper; a range of associations in the industry; and small and emerging businesses, spearheaded by the National Black Business Caucus (NBBC).

The roots of the TBCSA go back to the October 1994 workshop hosted by minister of tourism Dawie de Villiers, which made tourism-related businesses realise that if business was to make an appropriate contribution it had to speak with one voice on macro issues.

The founding members of the council, apart from the NBBC and Fedics, include the AA of SA, the Afrikaanse Handelsinstituut, the National African Federated Transport Organisation, Moribo Investments, Rennies Travel, Southern Sun Group and Sun International.

Wigley said South Africa's tourism resources had not yet been developed in a sustainable way and there was scope for expansion.

"I think the first key to developing resources in a sustainable way is to create a long-term strategy based on which regions and countries South African tourism will be directed at.

"At the moment, first-time tourists visit the major cities. We need to identify which parts of the country hold out good prospects for the second wave of visitors."

A fundamental principle of the TBCSA will be to ensure that small and emergent businesses are included as equal stakeholders.

Wigley said that, particularly in rural areas with the attraction of scenery and spaciousness, local communities could attract tourists with crafts centres, restaurants and tours to places of local interest.

Steering committee member Moses Ngwenya said disadvantaged people had been excluded from the tourist industry.

Tourism as an industry could promote well-being and pride and contribute to economic growth.

☐ See Page 18

Trade-off between Parliament and Olympics — claim

ET 30/11/95 (288)

ANTHONY JOHNSON
POLITICAL CORRESPONDENT

THE Citizens Alliance for Parliament claimed yesterday that pressure was being placed on Cape Town to drop opposition to moving Parliament to Pretoria in return for government funding for the transport infrastructure needed for the city's 2004 Olympic bid.

CAP spokesman Mr Kevin Kevany named Transport Minister Mr Mac Maharaj as the figure behind the proposed "trade-off", adding that the minister was "the known leader of the initiative to move Parliament to Pretoria".

Mr Maharaj, who heads a cabinet committee probing the costs of moving Parliament or retaining it in Cape Town, was not available for comment yesterday.

Transport director-general Mr Khetso Gordhan said it was "true that Mac Maharaj has proposed that Parliament be moved to Gauteng — either Pretoria or Midrand".

However, the minister's reason for favouring the move had to do with matters of "financial cost and efficiency gain" and was not related to the Olympic bid.

Mr Gordhan said the Department of Transport had been asking a number of "tough questions" about the R470 million which had been earmarked to upgrade Cape Town's roads in support of the bid.

These questions related to whether South Africa could afford the Olympic bid and whether it was a national priority, he said.

Mr Gordhan said he did not know when an independent auditor's report on the cost of keeping Parliament in Cape Town or moving the legislature to Gauteng would be completed.

A "rough and ready" study done by Mr Maharaj had concluded that it cost about R50 to R60 million to move government officials between Cape Town and Pretoria each year.

"The efficiency cost is more difficult to calculate," he said.

Deal

CAP said the allegations and rumours about the "trade-off" had been discussed by the board of the Olympic Bid Company.

Reports appearing in weekend newspapers claimed that "a deal" was being considered within the government whereby those who wanted Parliament moved to the north would give Cape Town the Olympic millions it needs on the understanding that Cape MPs don't block the initiative.

CAP said an unnamed senior Department of Transport source had recently stated: "They (Cape Town) cannot have it both ways. Cape Town must choose."

IOC confidence clause poser dogs Games bid

288

ARG 30/11/95

ANDREA WEISS
Municipal Reporter

A CONSTITUTIONAL question mark hangs over Cape Town's Olympic bid because of an International Olympics Committee (IOC) requirement that the final bid file be kept confidential until the IOC gives permission for its release.

This requirement might clash with a provision in the draft constitution which guarantees the right of access to "any information held by the state and by another natural or juristic person and that is required for the exercise or protection of any rights".

But Cape Town Olympic Bid Committee chief executive Chris Ball said he believed it was not an issue as all information about the bid was freely available.

In its bidding manual, the IOC stipulates that the candidature file, which contains the Olympic plan for the competing city, "may not be distributed or made public" until it has been submitted to the IOC and its written authorisation has been obtained.

The IOC also regards the file presented during the initial selection phase as "binding", and says modifications to the contents will only be permitted on an "exceptional basis".

Asked to comment, Mr Ball said today: "This 'isssue' is not an issue at all.

"Every piece of information (about the bid) has to be agreed by everyone involved, and that is all open. We just wouldn't distribute the book (candidature file)."

Fink Haysom, legal adviser to President Mandela, said the right of access to information was not unrestricted and there was a limitations clause which might cover the IOC's requirement.

However, where access to information was restricted, it would have to be consistent with a "free and democratic society" and would have to be justified.

Willie Hofmeyr, African National Congress MP and lawyer, said he believed that all the facts and figures around the Olympics bid should be made public, but this did not necessarily mean that the final document would have to be available for public scrutiny.

Mr Hofmeyr said the IOC's provision was probably aimed at preventing media competition between contending cities.

He said if an individual wished to see the document, they might have to approach the Constitutional Court for a ruling on the issue, but the court might be reluctant to make a finding which would rule out South Africa's ability to compete for the Olympics.

Ronnie Kingwill, director of Cape Town's bid process, said the constitutional issue was "very complex and would need to be looked at very carefully from both the IOC requirements and in terms of the legitimacy of our own bid".

He said the bid file was being compiled through task teams and work-shopping and "an enormous amount of information sharing" was occurring.

"In the context of that I believe that we would fulfill the expectations of the writers of the constitution, and therefore the public."

There were elements of confidentiality within the strategy of the bid company which would have to be dealt with on a "need-to-know basis".

He said the bid company intended taking legal advice on the question.

Bottlenecks may strangle Western Cape tourism

(288) MHG(BM) 1-7/12/95

Visitors to the Western Cape may be on the increase but is it equipped to cope with the rush? asks **Lynda Loxton**

THE Western Cape tourism sector has finally taken off — and run straight into a wall of infrastructural bottlenecks because of low investment that could be its undoing.

This was the warning from local development group Wesgro, and the Cape of Good Hope Bank in their latest *Western Cape Economic Monitor* published in time for the Wesgro annual general meeting.

"After years of speculation and unfulfilled expectations, the Western Cape tourism sector is now in its take-off phase," the monitor stated.

As highlighted by the growing inability of the airline and hotel industries to cope with the boom in tourism in the Western Cape, "we are now reaping the harvest" of years of under-investment in new hotel accommodation.

This can largely be blamed on the fact that hotel occupancies have been low, even at peak times, and only a few hoteliers had the foresight to invest in long-term plans for new hotels. It will take two to three years to build the kind of three- and five-star hotels needed to cope with demand.

Other bottlenecks that have developed include transport, the handling of mail and freight, advance booking for sports and entertainment, the handling of foreign exchange by bank branches, the supply of world-class tour buses and the capacity of restaurants.

"These bottlenecks may be manageable during the mass tourism season, when everyone expects long queues and occasional mishaps," the monitor reported.

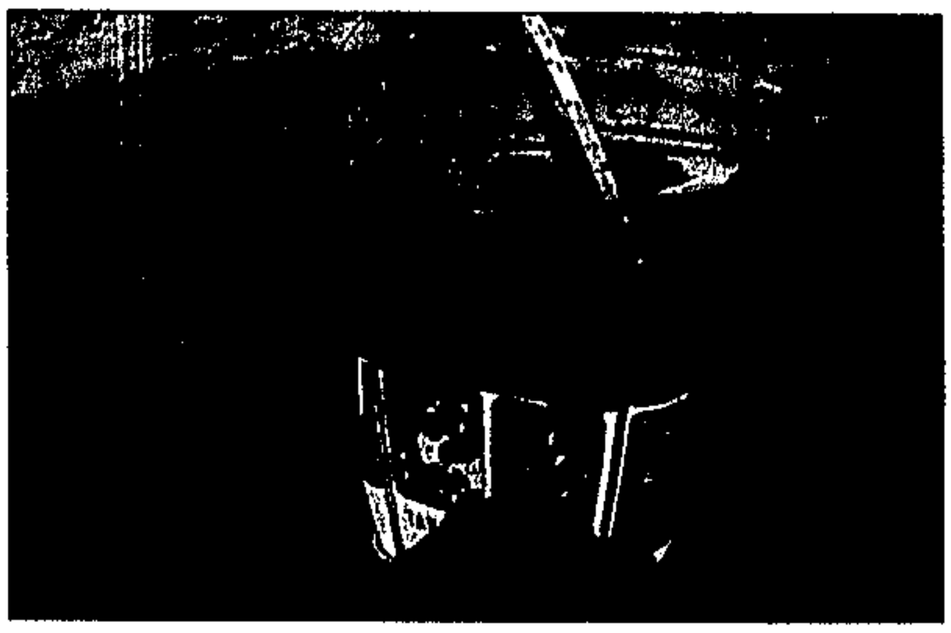
"They are less excusable when occurring at international conferences or business-related tourist activities."

Cape Town's Olympic bid could go a long way towards galvanising the tourism industry into dealing with these bottlenecks and the monitor said "this very side-effect of the bid process has in the past been the main motivation underlying the bid of some of the 'unsuccessful' countries."

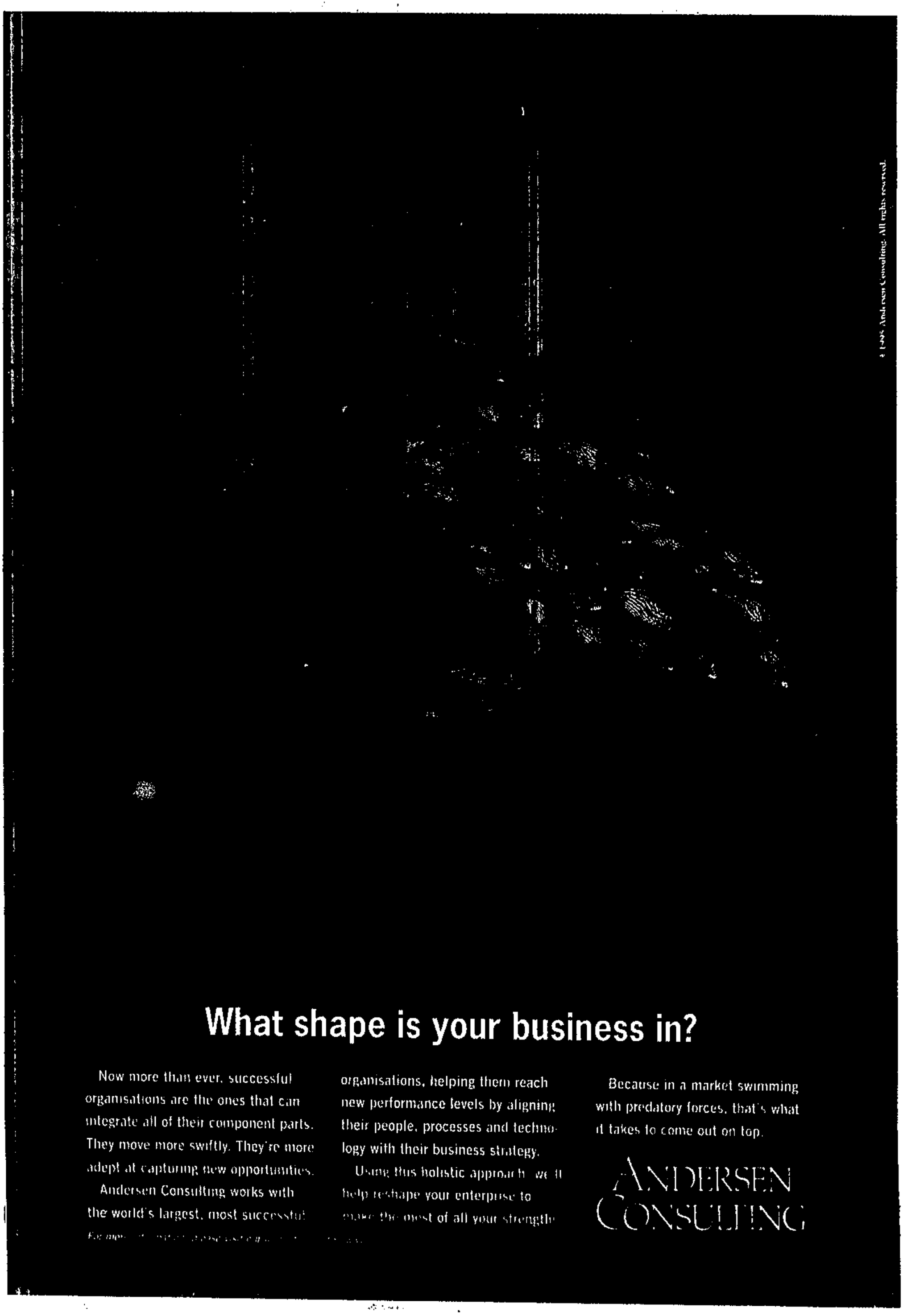
The whole process should, however, be accompanied by an equal attention to improving the quality, not just the quantity, of tourism services.

If not, the monitor warned, the Western Cape could end up serving the same shoddy, rip-off service offered by some countries in Latin America, Southern Europe, and North Africa.

"The answer ... may seem easy, but effective control is usually far more difficult. Private patrolling, more training, better quality control, more incisive management development, greater attention to comparative standards — we know what must be done, but are we taking sufficient action?"



Bird's-eye view of Cape Town: Is the Western Cape tourism sector up in the air or does it have a chance of success? PHOTOGRAPH: SATOUR



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Revenge of the rainbow nation

M+G (OA) 1-7/12/95 (288)



South Africa's political transition has created a new brand of travel — 'reco-tourism' — and it's booming, writes **Geert Creemers**

NEW statistics show that much of the travel boom South Africa is experiencing is being driven by a worldwide fascination with the "rainbow nation" — and the foreign tourism pot may rapidly pay back the R1-billion-odd it cost to make the new South Africa.

Whereas overseas tourist arrivals took nine years to grow from about 300 000 in 1986 to about 700 000 in 1994, the South African Tourism Board's (Satour) latest figures show that, for the first time ever, South Africa may experience more than a million overseas visitors in 1995.

This would mean a growth of more than 40 percent in one year, in contrast to the sluggish annual growth of six percent during the previous nine years. This is, in large part, because South Africa has been turned overnight from the pariah of the international community into the "darling country" of the world.

Linked to this political reaffiliation is the country's re-entry into the world economy. For many economic sectors, this will prove to be quite tough as they were previously protected from international competition. The tourism sector, however, is likely to experience a considerable growth as a result of these changes. At four percent, the sector's contribution to the economy is still well below the world average of 10 percent.

That international tourism remains a largely unexplored resource is further demonstrated by the fact that only 13 percent of hotel room-nights are sold to foreigners, whereas the worldwide average amounts to 50 percent.

But the economic benefits from this catch-up growth phase will be significant. For example, this year's increase of overseas arrivals by some 30 000 will bring in an extra R1,7-billion of foreign-exchange earnings. According to some data, this translates into 35 000 extra jobs nationwide.

At the basis of these rosy prospects lies the quality of South Africa's tourism product, marketed overseas as "a world in one country". It is usually thought that this tourism product consists of a diverse combination of unique scenic and wildlife attractions, sunny climatic conditions and a fascinating cultural mix.

However, recent surveys of overseas tourists by Satour have shown that the peaceful transition to democracy has turned into a further tourism attraction. About 25 percent of all foreign visitors mentioned "to see the country after *political change*" as a prime motivation for their visit.

This puts the much-debated costs of the transition process in terms of the multiparty talks and the general election — the latter alone swallowing R1,1-billion — into a new perspective.

As far as tourism is concerned, the transition process could be considered as the most costly and at the same time most successful marketing campaign the world has ever seen.

Satour's survey results suggest that this unintentional marketing campaign has created a new brand of travel: "reco-tourism". South Africa's peculiar political history, as well as the unique Reconstruction and Development Programme that has been designed to shape the country's future, seem to have become "unique selling features".

■ To PAGE 3

P. T.O.

Tourism boom takes toll on bush

BD 1/12/95 (288)

PAUL BETTS

THERE is a holiday atmosphere in the bush these days. Affluent tourists, honeymoon couples, adventurous backpackers on tight budgets are all pouring into the wilderness in such numbers that the face of southern Africa is beginning to change.

"Africa is going to end up being a game reserve without animals," said a Zimbabwe safari guide. As the tourist boom gathers momentum, over-development risks causing as much damage in the bush as the continuing illegal poaching. But for the countries of southern Africa, enjoying peace for the first time in 30 years, tourism is seen as the business of the future.

"Tourism is expected to become the most important industry in southern Africa by the early years of the next century," said Zimbabwe's Africa Travel News editor Trevor Grundy. Already the countries across the region are joining forces to package southern Africa as a single destination.

In some countries such as Botswana and Zimbabwe, tourism has become one of the main sources of badly needed foreign currency earnings. International organisations, including the European Union, are adding their financial support to encourage development.

All sorts of entrepreneurs are moving into the business. Once Hollywood film stars owned luxury safari camps. Now it is also the turn of Wall Street millionaires.

Paul Tudor Jones always wanted to own the best game ranch in Africa. By 40, he had made a fortune as a futures dealer on Wall Street. And last year he fulfilled his dream by buying for around $4m 100 000 acres of some of the best game land in southern Africa.

Jones set up the Malilangwe Conservation Trust on his new estate in south-eastern Zimbabwe. The private reserve is full of big cats that sometimes wander at night between the thatched cottages which form the nucleus of Induna Lodge.

From this smart, secluded enclave lavishly restored by Jones, with its own airstrip and lake, tourists paying $195 a night go out tracking some of Zimbabwe's only free-running horned rhinoceros, view one of the highest concentrations of birds of prey in Africa, and discover wonderful examples of 3 000-year-old bushman paintings.

Jones is part of what has become a multimillion-dollar safari business across southern and eastern Africa. Last year 950 000 tourists visited Zimbabwe, 30% more than in 1993. Well above 1-million are expected this year. Tourism is expected to earn more than $250m a year by the turn of the century.

It is tantamount to an old-fashioned gold rush.

Victoria Falls has become a frontier boom town. About two-thirds of all foreign tourists come to see "the smoke that thunders", as the largest wall of tumbling water in the world is known. All around, this once sleepy town risks turning itself into Disney in Africa.

Although you can still get lost in Zimbabwe, the authorities and conservationists are worried by the expansion of tourism, especially around Victoria Falls. Zimbabwe and Zambia have agreed to collaborate on a long-term master plan to ensure sustainable development of the falls area.

Development of new tourist facilities is putting the vegetation at risk, causing erosion in several places and intruding on wildlife corridors to the Zambezi River.

When easy access to the river is blocked, animals are forced to find new routes to the water. In the case of the already abundant elephant population, this can lead to the overcrowding of herds and even greater damage to the environment.

It has also increased the risk of serious incidents between man and beast because chance encounters become more frequent as the animals converge on alternative routes to the water.

"As this business booms, everybody wants a slice of the action," said a veteran guide. As the financial stakes rise, the Zimbabwe government is promoting an increasing policy of indigenisation, which many whites regard as a form of racism in reverse. "Blacks are being given preference over whites in the exams to qualify as game park guides, and the authorities are increasingly favouring granting concessions to black people to run camps on national parks," said another guide. "This makes you think twice about how much you are prepared to invest in a safari business."

The rhinoceros may after all have the last snort. — Financial Times.

Starved Captour is hoping for reprieve from city governors

(288)

Heather Parker

BD 1/12/95

CAPE TOWN — Cape Town's city governors seem set to reverse their much-criticised decision earlier this year to slash the tourism budget.

In this year's budget, the transitional metropolitan council dropped a bombshell in cutting tourist authority Captour's 1995 budget of R2,2m to R500 000. In the face of urgent representations from Captour and other interested bodies, the council partially relented and raised the grant to R1m; and offered a further R1m as a bridging loan.

Now, in the face of Captour's protestations that as a non-profit organisation it would be unable to repay such a loan, the full council is to consider recommendations by the executive committee that the loan be converted to a straight grant-in-aid.

Tourism is the oil lubricating the Western Cape economy. Nationally, it increased nearly 70% in the past six months compared with the same period a year before, according to the SA Tourism Board. And Cape Town remains the favoured destination for overseas visitors and SA holidaymakers.

According to Captour, 56% of all foreign tourists to SA have Cape Town on their itinerary.

Information bureaus around the city had record business this year, with nearly 350 000 visitors making use of them even before the peak season starts later this month.

Even if, as expected, the grant is approved, those in the tourist industry are critical. Although the Cape stands alongside the Kruger Park as the country's prime tourist destination, at R2m its budget is miserly compared with, say, Durban.

The tourist authority there, Durban Unlimited, got a budget from its council of R8,5m for 1995/96, up from R8m a year ago. Gauteng, although it was allocated only R1,5m this year, which is 10% up on last year, has applied for R4m. This application, said a spokesman, was being reviewed "very sympathetically" — and if it is passed, it will mean Gauteng has double Cape Town's budget.

A Port Elizabeth tourist authority spokesman said: "The situation in Cape Town is of great concern to us. Having taken on the responsibility of being an international gateway to SA, Cape Town must take on the responsibilities that entails. If tourists are not serviced well at their point of entry, it affects their entire experience in SA."

The Cape Chamber of Commerce and Industry has come out strongly in support of Captour. "Tourism is immensely important to the Western Cape. We believe it is one of the foremost growth industries; in the light of the general opening up of SA to the world, and also in view of the possibility — or the probability — of us getting the Olympics," said Charl Adams, human resources manager.

"It is a great multiplier in terms of job creation — for every 10 000 tourists, 1 500 jobs are created."

Money's worth

Captour, he said, had a major role to play. "We believe its activities should be sustained and even increased."

The council is unrepentant regarding its stance on funding Captour. It says it is one of several municipalities in greater Cape Town, and insists that the others pay their share.

The other municipalities demur, insisting that Captour basically promotes central Cape Town.

Yet Cape Town does have a point. The contribution to Captour made by Bellville, Cape Town PR Ted Doman said, did not even cover the rent of the Captour office in Tygerberg.

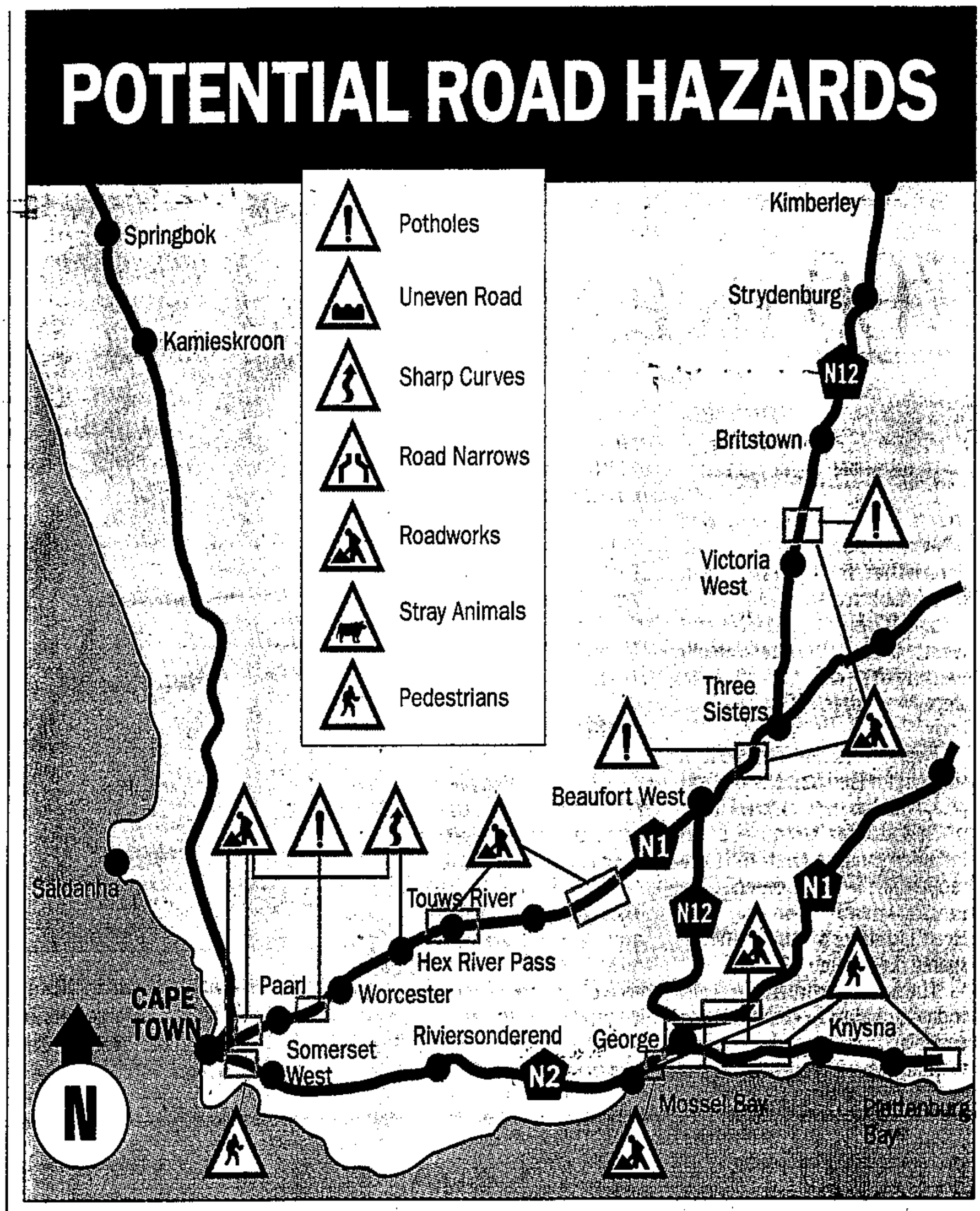
Another municipality, which Donan declined to name, withdrew its contribution because it claimed it was not getting its money's worth — at R300 a year.

The actual annual yield that Captour generates into the economy of the Western Cape is conservatively estimated at around R20m. At Captour's 17th annual general meeting, the tourist body said cutting its budget represented a dangerously false economy.

A Golden Oldies World Rugby Festival, for example, which was secured at a cost of R81 000, is expected to generate more than R14m for the region. A new trade kit aimed at 1 000 key trade organisations in Europe, the US and southeast Asia is another potentially lucrative initiative. "If only 1% of the targeted trade respond by sending only nine visitors on five occasions a year to the Cape, a R496 800 return on our initial investment of R83 130 will be achieved," said CE Gordon Oliver.

As well as its municipal grant, Captour takes a 10% commission from the booking services it offers, and in the past year it received private sector support totalling around R1,6m.

"Most tourist authorities around the world get less than 30% of their revenues from the private sector," said Oliver. "For this fiscal year, Captour derived 44% from the private sector." It was not realistic to expect this to continue.



300 000 tourists expected to holiday in Mother City

(288)

CT 4/12/95

LINDIZ VAN ZILLA

CAPE TOWN will be bursting at the seams with the influx of at least 300 000 visitors over the next few weeks as holiday travel and activity reaches fever pitch.

"South Africa is going to have one helluva season," said Satour spokesman Mr Martin van Niekerk. He said SA could expect a 40% increase in tourists this year.

"Last year we had 704 000 foreign tourists. By the end of September this year we had already surpassed that with 730 000," he said. "If the trend continues we are in for an excellent season."

Captour spokeswoman Ms Lauren de Wet said Cape Town remained the number one tourist destination in South Africa.

"Occupancy rates in hotels in Cape Town were already more than 80% booked up throughout December through to the end of February," she said, adding that 56% of all foreign tourists to visit South Africa came to Cape Town.

Infrastructure

Ms De Wet said indications were that about 650 000 people, including close to 480 000 foreign tourists would have visited Cape Town by the end of this year.

Despite the positive showing she called for an enlargement of the whole tourism infrastructure.

"Better safety and transport services, more accommodation and improved service levels are required to make Cape Town a truly major international tourist venue," she said.

She noted that Germans, Scandinavians, Austrians and Swiss made up the bulk of foreign tourist arrivals.

A South African Airways spokesman said SAA was encouraged by forward bookings and didn't foresee problems coping with the large influx of visitors, as "we are prepared to lay on additional flights if necessary".

Nocsa off to Switzerland to stake Olympic claim

288
CT 14-12195

JOHANNESBURG: The National Olympic Committee of South Africa (Nocsa) will travel to the headquarters of the International Olympic Committee (IOC) in Switzerland on Monday to present a formal confirmation of Cape Town's bid for the 2004 Olympics.

"The IOC is already in possession of a letter of intent to bid from us, this is merely a formal follow-up," Nocsa president Mr Sam Ramsamy said. "Delegations from Rome and Buenos Aires have already been to Lausanne and we expect the other competing cities to follow our example soon."

He said Seville, Rio de Janeiro, Istanbul and St Petersburg had also registered letters of intent with the IOC and that San Juan, Lille and Stockholm were expected to do so before the January 10 deadline.

A memorandum of understanding was signed at Nocsa's headquarters here yesterday by the government, the provincial government of the Western Cape, the Cape Metropolitan Council, the City of Cape Town and the Cape Town 2004 Olympic bid company.

Minister of Sport Mr Steve Tshwete said it was another important milestone in the progress of Cape Town's bid.

"The bid is clearly recorded as a national event and the necessary resources are being made available by all of the relevant parties."

Mr Chris Ball, the chief executive of the bid company, said full budget figures would be presented at the end of April. — Reuter

● See Page 4

call immediately

ARG 4/12/95

Liquor should be lifted immediately, says chamber of commerce

Sunday restrictions

JOE ARANES, Staff Reporter

LAWS restricting the sale of liquor on a Sunday should be lifted immediately, says the Cape Chamber of Commerce and Industry.

At present, only certain outlets — including Cape Town International Airport, some wine farms and private clubs — are allowed to sell wine on a Sunday, as the Liquor Act makes provision for special circumstances.

But the issue of selling liquor on a Sunday has been the focus of much attention recently, with Victoria & Alfred Waterfront wine shop owner Vaughan Johnson, who was arrested for trading on a Sunday, challenging the restrictions.

He has been supported by Trade and Industries Minister Trevor Manuel.

In a statement, the Cape Chamber of Commerce and Industry said it supported amending legislation to allow Sunday liquor sales.

This was in accordance with its policy of minimum restrictions on business enterprise and trading.

Last week, the National Liquor Board, which sat to hear Mr Johnson's plea to be allowed operate on a Sunday, said the issue should be discussed and decided at parliamentary level.

Head of the Liquor Board Dannie Botha said it would be appropriate for parliament to make a decision as the issue involved many interested parties and there were many people who opposed Sunday liquor trading for religious and moral reasons.

Deputy director of the chamber Colin Boyes said trading customs and patterns were changing in Cape Town with more retailers opening seven days a week to satisfy customer demand.

The region's wine industry was one of the greatest attractions for the city's expanding tourism industry, which also operated on a daily basis.

As the festive season approached, tourism bodies estimate that at least 300 000 foreign and local tourists were expected to spend the holiday season in the city.

And the number of hotel bednights sold to foreign tourists to South Africa during September nearly doubled compared with the previous year — to 203 472 from 109 939, according to figures released today.

Bednights sold to foreign tourists accounted for 17 percent of the total sold during September, the Central Statistical service said.

Although Gauteng still sold the largest amount of accommodation to foreign tourists, its market share dropped from 46 percent to 35 percent.

Half of the tourists staying in hotels came from Europe, with just above 16 percent from the rest of Africa and 15 percent from Asia.

"In the light of these trading conditions, it has become imperative that the ordinance restricting liquor sales on a Sunday be lifted as soon as possible," Mr Boyes said.

"A precedent already exists as wine sales are permitted on wine estates and we see no reason why this arrangement cannot be extended to other retail liquor stores, particular those frequented by tourists."

Mr Boyes said the country had entered a new era and that liquor sellers should be allowed to choose whether they want ed to trade on Sundays, rather than being restricted and prescribed by law.

300 000 VISITORS EXPECTED

City braces for tourist influx

288

CT 4/12/95

AN INTENSE traffic safety campaign and greater police presence are part of Cape Town's efforts to cope with a bumper tourist season. **MELANIE GOSLING** reports.

THE influx of an estimated 300 000 foreign and local tourists to the Cape Peninsula has started in earnest as the festive season reaches its peak, sharply testing Cape Town's police and security services, hotel accommodation and traffic control centres.

A massive national traffic safety campaign has been launched in a bid to reduce the annual carnage on the roads as hundreds of thousands of holiday-makers flock to resorts around the country.

Cape Town remains the number one tourist destination: "Occupancy rates in hotels are more than 80% booked up throughout December through to the end of February", said Captour spokesperson Ms Lauren de Wet.

The Department of Transport's directorate of traffic safety is coordinating the nationwide traffic safety campaign, the first to involve all the provinces.

A thousand people are expected to die in accidents this month. Last year a total of 9 731 people were killed on the nation's roads — 1 107 in December.

Police are stepping up operations in the city to cope with the tourist march on Cape Town. Police patrols and undercover operations will be intensified during the peak holiday season.

Provincial hospitals have stopped admitting scheduled patients for December as they gear up to cope with the increased patient load over the holiday season. Deputy director-general for Western Cape Hospital Services Dr Tom Sutcliffe, said yesterday arrangements had been made to ensure adequate stocks of blood and medicines were available.

"Each hospital has a contingency plan which they will bring into action given the circumstances. We have stopped admitting 'cold' patients so that we can re-arrange our resources to meet the needs of this period. It is a sad reality of the festive season that there is an increase in violence and road accidents," Dr Sutcliffe said.

The national traffic safety campaign will be marked by a high police visibility, random checks by traffic officials, a constant flow of vital traffic information to motorists and patrols by fixed-wing aircraft.

POTENTIAL ROAD HAZARDS GRAPHIC PAGE 3

The director of the Department of Transport's traffic safety directorate, Mr S P Parirenyatwa, said more than 22 organisations throughout the country were involved in planning and implementating the project, including the provincial traffic departments, the SAPS, the Institute of Traffic Officers, the AA, the weather bureau, taxi industry and emergency services.

Aircraft patrols will be conducted on the N1 in the Karoo and Free State and on the N2 in the Eastern Cape. Some aircraft will be used to monitor traffic offenders.

While the authorities say they are doing all they can to make travel over the holidays safe, they stress that the ultimate responsibility rests with road-users.

Nearly 70% of fatal collisions last year were the result of human error, Mr Parirenyatwa said. In the majority of collisions where human error was a cause, at least one traffic violation had been committed.

Last year road accidents cost the country R10,7 billion and the Western Cape R1,7 billion. A single fatal collision costs the country about R251 000.

● The *WP* Blood Transfusion Service has urged holiday-makers to visit a donor clinics and donate blood.

The service will need a unit of blood every 45 seconds to cope with increased demand over the Christmas period.

"The stark reality of a blood shortage is that people will die — people who might ordinarily have lived," a spokesman said.

Motorists can get up-to-date information on traffic volumes, road and weather conditions at the National Traffic Centre toll free number 0800111300 or at the local centre on (021) 946-1646.

● The new bus and taxi lane on the N2 will be unofficially open from today. Although buses and taxis have the exclusive use of this inbound lane between 6.30am and 9am, provincial traffic authorities have said law enforcement will not be operational for about a month to allow motorists to adapt to the new system.

Tourists give Cape Town a high rating

(288)

Survey proves city's potential

ARG 6/12/95

JOSEPH ARANES
Municipal Staff

CAPE Town is ready to compete with the world's best, and if the findings of an assessment survey of the Rugby World Cup tournament are used as a yardstick, the city should beat the pants off the competition in attracting tourists.

About 85 percent of the visitors who came to the city for the tournament said they were so impressed with the city's beauty, infrastructure and friendly service that they would like to return for a holiday and bring the rest of their families along too.

Prior to the RWC there was a great deal of concern about the wisdom of holding the event in South Africa, and a good deal of scepticism locally about the city's ability to cope with the increased number of visitors expected to attend the tournament.

Given this concern, the Cape Town City Council's city planner's department decided to assess how well the Mother City performed as a host city for the event.

The findings of the survey were presented to the council's economic development committee yesterday.

In the report's foreword, mayor William Bantom said it was the council's desire to make the city one of the great world tourism destinations.

"We certainly have the raw material with our spectacular scenic views, awesome mountains, beautiful beaches, wine farms, flora and gardens as well as our historic buildings.

"However, in order to make ourselves a world player we need to ensure that tourists leave the city with such a favourable impression that they will be determined to come back again.

"And all indications from this survey show that for the RWC we have managed to achieve this objective, and this bodes well for our chances to host the 2004 Olympic Games."

But Mr Bantom warned the city not to become complacent and to constantly monitor and improve its service levels.

According to the findings of the survey, the city was rated by visitors as being the most successful host for the RWC and that it was well prepared to host events on a large scale.

Many foreign tourists returned to the city a number of times and could be introduced to additional attractions currently underexposed, such as the False Bay and West Coast areas, local crafts, food and entertainment venues.

Partnerships among roleplayers should be encouraged to plan co-operatively for the firm establishment of a sustainable tourist industry which would promote employment and the development of the Cape's cultural and natural heritage.

The study targeted both foreign and domestic visitors to Cape Town and interviews were conducted at the domestic departure terminal hall at the city's airport. In addition, self-administered questionnaires were distributed to more than 100 places of accommodation.

The study found that most foreign visitors were from the bigger rugby playing nations who spent an average of 6,4 days in Cape Town, or about a third of their total stay in the country.

On average the visitors spent about R3 198 a day and 62,5 percent of them stayed in hotels — most in three-star accommodation.

A five-point Likert-type scale, which is generally accepted as a resonable scale for gauging opinion and which is largely more reliable than other scale types, was used to rate services and facilities.

It is therefore important to note that there is a significant difference of opinion in the rating of services as "good" and those rated below "good", and it is evident from the comments that services or facilities reted below good were perceived to be in definite need of improvement.

● **CAPE TOWN INTERNATIONAL AIRPORT:**

The overall average rating of 3,7 falls below good on the scale. There were many favourable comments but the significant percentage of visitors who rated the airport "average", felt that the shopping and other facilities were limited and not up to international standards, and that departure areas were overcrowded.

● **TRANSPORT:**

In general, transport services for the event were successful, with most respondents positive about their movement to and from matches as well as around the city. There were a number of critical comments regarding regular public transport such as buses and trains.

● **TRANSPORT FROM AIRPORT TO ACCOMMODATION:**

This was rated above "good" although ratings by foreigners were lower than those of domestic visitors. Favourable comments were made with regard to the friendly and efficient traffic control service, while unfavourable comments concerned high fees charged by sedan taxis and the poor condition of some tour buses.

● **TRANSPORT TO AND FROM GAMES:**

Was rated slightly below "good" again with foreign visitors giving somewhat lower ratings. Negative comments related to tour buses being overcrowded and the lack of modern vehicles.

● **TRANSPORT IN AND AROUND THE CITY:**

This was given a similar rating of slightly below "good" although a significant minority of foreign visitors rated this as "average". Favourable comments were made regarding tour companies and guides, and negative comments related to the high cost of hired cars and sedan taxis and the need for improvement in the public transport service.

● **ACCOMMODATION:**

Overall, accommodation was rated above "good". Hotels were rated good and got favourable comments for efficient service, good facilities and friendliness.

Guest houses were rated highest of all types of accommodation, tending towards "excellent" with comments relating to the friendly, hospitable service.

Private accommodation was also rated "good to excellent". This could be expected as most of these visitors were staying with relatives or friends.

● **NATURAL ENVIRONMENT:**

This category got the highest rating of all with the greatest proportion of respondents rating it "excellent". Many complimentary comments were made regarding the Cape's unique natural beauty. Unfavourable comments related to visible pollution, litter, smog and oil on the beaches.

● **HOSPITALITY:**

Most comments were favourable and most visitors described Cape Town as friendly, courteous and welcoming. The few unfavourable comments related to bad driving and the inconsistent standards of service.

● **RESTAURANTS/FOOD:**

Rated as above "good" with somewhat lower ratings by foreigners. Many favourable comments were made regarding the high quality of food, described as very good value for money. Complaints were made regarding the lack of variety and the need for more local fare.

On the whole, visitors' levels of satisfaction with services and facilities were generally very good. However, specific criticisms levelled at certain services must be taken seriously if the city wishes to build the tourism culture which holds great potential benefit for the city.

30 new h

ARG 6/12/95 (288)

Scramble to cash in on tourism boom

COLIN DOUGLAS, Staff Reporter

CAPE Town is becoming a major world tourist city with up to 30 new hotels costing R2 billion due to mushroom here over the next two years.

While many hoteliers have already acquired sites and are to start construction soon after the holiday season, others are scouring the Peninsula in search of suitable properties.

A huge 450-room luxury hotel on the old President Hotel site in Sea Point is a step closer with the signing by development companies Mark II and Anchor Trade Finance of a multi-million rand deal to buy the site from Sanlam.

Builders are expected on site as early as February.

In Milnerton, the racecourse is set to be transformed into a vast hotel and leisure resort alongside a new residential development.

Dave de Freitas, managing director the development company Stocks & Stocks which has an option on the racecourse, said he was "90 percent certain" that the project would go ahead.

Construction would begin towards the end of next year and "hundreds of millions of rands" would be invested in the development, Mr De Freitas said.

Hotel developments, by foreign and local companies, could add 6 000 new beds to the Peninsula's stock.

Sites already identified include:

● The 375-room Hilton on the old power station site, which is expected to be accompanied by a second five-star hotel run by another chain — possibly Sheraton;

● Spier wine estate near Stellenbosch, where the Enthoven family are investing R125 million in an arts and leisure resort that will include a hotel run by Holland's Golden Tulip group;

● Protea's 175-room Victoria Junction Hotel in Somerset Road, Green Point which is due to open late next year; and

● Sol Kerzner's R250 million, 330-room Waterfront "palace".

Other hoteliers are clamouring to stake their own claims to the Cape's tourism boom.

Robert Dawson, manager of Hyatt's newly opened five-star hotel in Johannesburg, said the international group viewed Cape Town as its "logical next step" and was trying to finalise the right site for a hotel here.

Locally based Fortes King is negotiating a site for a 200-room low-budget "Caboose" hotel in Cape Town's city bowl after the success of its concept in Knysna and plans to build hotels in five Garden Route towns, from Caledon to Plettenberg Bay.

Golden Tulip, which runs successful high and medium-budget chains across Europe, had opened an office in Cape Town and was looking for sites for five or six hotels in the Peninsula, said commercial director Anton Bakker.

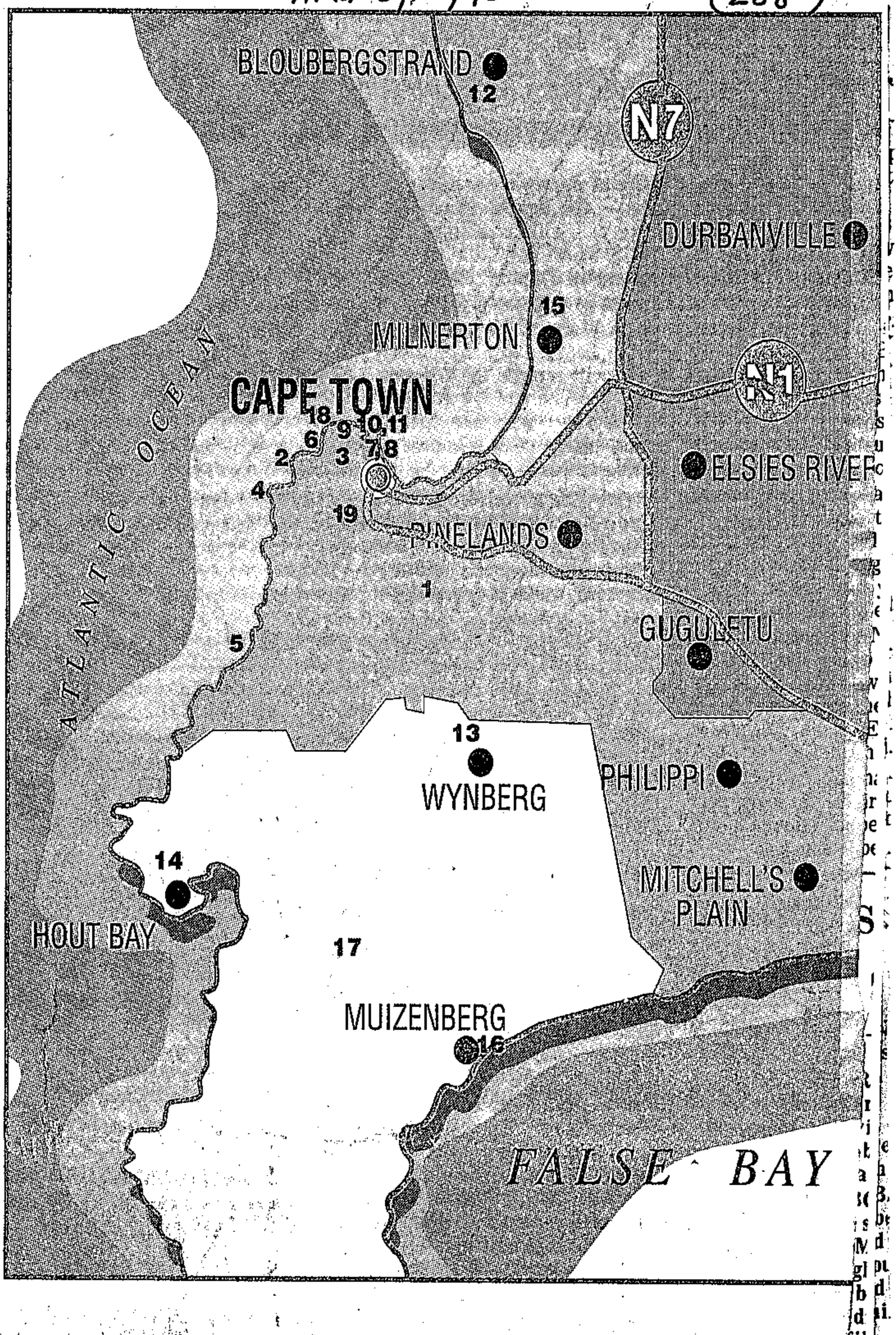
Southern Sun director Helder Pereira said the group planned at least one more Holiday Inn in Cape Town.

Even Strandfontein, well off traditional tourist routes, could cash in on the hotel boom. Cape Town City Council development co-ordinator Rod Young said he had 10 responses to a recent advertisement calling for leisure development proposals there.

Captour chief Gordon Oliver said the new hotel developments were "really good news and good for the Olympic bid as well".

But Wesgro director David Bridgman warned: "We've got a lot of work to do. We have to provide decent service, safe tour buses and restaurants that don't rip you off.

● **Tourists give Cape Town high rating, page 17.**



$$P = \frac{(R-d)(X-uS)}{R(u-d)} \qquad (1.17)$$

Equation (1.17) is the Binomial model's formula for the fair value of a one-period put option.[24]

1.2.2. The Application of the C… Theory in the Models of Valuation of Loan Guar…

In general, two basic types of valuation … (1) continuous-time models and (2) dis… based on an assumption that investors ar… in time and therefore to maintain a co… loans and loan guarantees are not traded … some very real cost, the assumption of c…

Discrete-time models relax the assumpt… preferences. Both types of models hav… the particular application one type of … Below, four different models are present…

1.2.2.1. Merton's Model of an Ar… Guarantees

As mentioned above, the first attemp… Government was that of Merton. His m… on the same assumptions as the Black-… constructed around a firm that--in orde… face value of B dollars at maturity … (a) Scenario 1, in which the firm will be … date; and (b) Scenario 2, in which the fi… at maturity.

At the maturity date in Scenario 1, the … promised payment on the bond issu…

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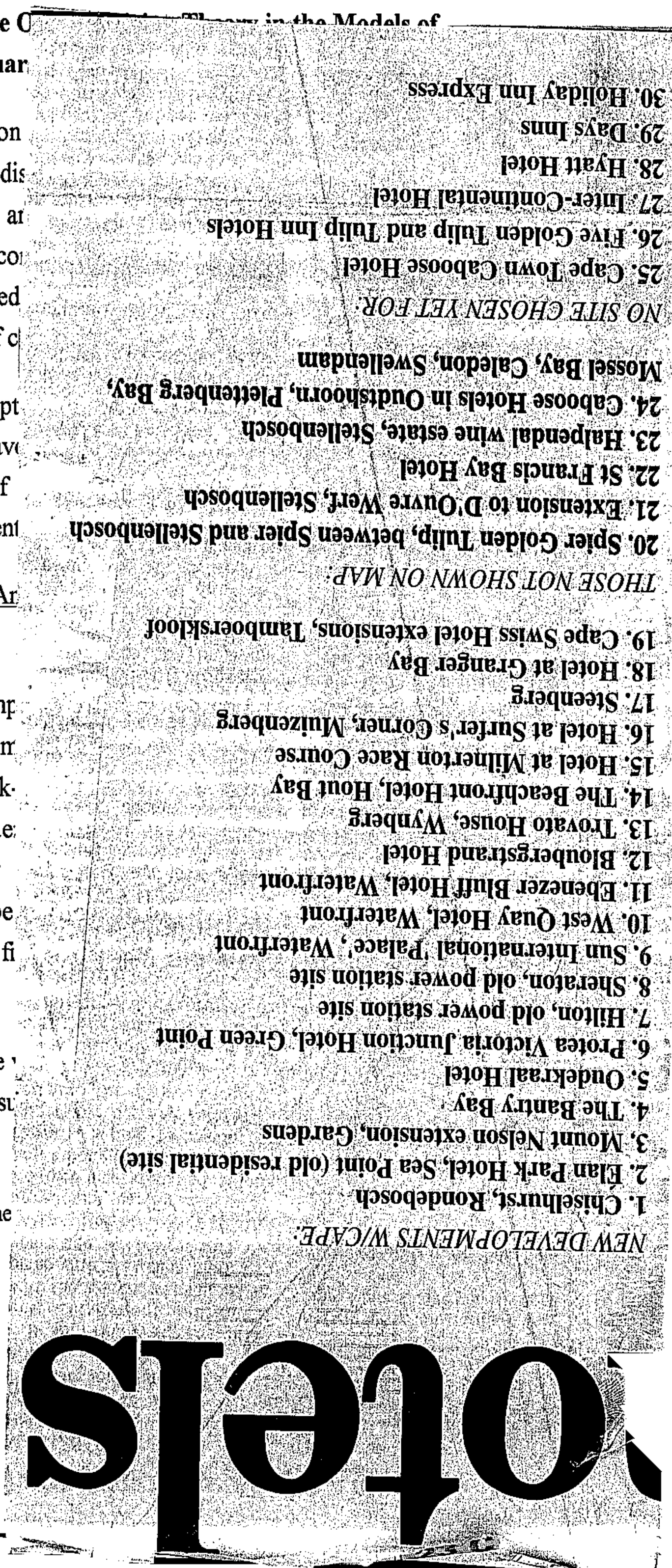
[24]The formula for the call option is almost the … the above formula there is (uS - X).



Retail proposals

(289)

Renee Grawitzky

BD 6/12/95

THE SA Commercial, Catering and Allied Workers' Union has demanded the establishment of a bargaining council for large national retail companies and a statutory council for large employers in the hospitality industry.

The union has proposed, in exchange for the establishment of a retail sector bargaining council, to enter into discussions on flexible work arrangements, to consider various wage increase options, and not to be bound by traditional across-the-board and percentage increases.

The Labour Relations Act provides for a bargaining council which is seen as a modified form of the current industrial council system where wages are negotiated at central level.

The new statutory councils provide for the negotiation of training, education and social-welfare funds at central level with wages negotiated centrally only with agreement from the relevant parties.

Union spokesman Leonard Gentle said flexibility could include extended trading hours which could affect turnover and job creation if combined with reduced work hours and the issue of upgrading of casuals to permanent positions.

Extension of trading hours could have a positive effect on the revitalisation of city centres.

THE CAPE

Wienburg kicked out

□ CMC chairman orders councillor to leave Olympics meeting

ARG 7/12/95 (288)

Municipal Reporter

ARTHUR Wienburg was kicked out of the monthly meeting of the Cape Metropolitan Council during a stormy debate on the Olympics.

Mr Wienburg was told to leave the meeting after CMC chairman Willie van Schoor had refused to take a point of order from him.

The incident took place during a heated debate over a memorandum of understanding on the Olympics due to be signed by all levels of government next week.

Mr Wienburg had proposed that an amendment be made to the agreement which would spread the liability to all the signatories.

Also, during the debate Llewellyn van Wyk took exception to remarks made by Mr Van Schoor which suggested that the Cape Town City Council was acting in bad faith by debating the issue after an earlier meeting between both councils during which agreement had been reached.

Deputy CMC chairman Roger Hulley said that rather than making all parties jointly and severally liable, he believed that the liabilities should be "limited and defined".

But this view was contested by Cape Town mayor William Bantom, Mr Van Wyk and Cape Town executive committee head Nomaindia Mfeketo, who felt that the liability should be spread.

Mr Van Wyk said the bid was for South Africa and that everyone should share in its benefits and liabilities.

"There is a downside to this exercise and each party has an undertaking to pick up that share of the underside."

Ms Mfeketo said that while she supported the amendment, she did not believe it needed to be inserted into the agreement.

She said the council should go to the meeting next week and fight for it to be included.

As the debate was drawing to a close, Mr Wienburg attempted to raise a point of order, but Mr Van Schoor refused to take it.

Mr Wienburg said: "Are you refusing to take a point of order?"

"I am going to ask you to remove yourself from this debate," Mr Van Schoor said. "I am not going to take the point of order."

When Mr Van Schoor for a second time told Mr Wienburg to leave the room, Mr Wienburg countered: "I do not wish to be in the same room as you."

At this, councillor Danile Landingwe said: "The chairman has been insulted right in front of you."

"He's been described, not insulted," said Mr Wienburg before packing his bag and leaving the room.

Protea warns hotels of pitfalls

Edward West 288 30 7/12/95

CAPE TOWN — Hotel management group Protea Hotels has warned against the pitfalls of unbridled hotel developments in the Cape as room occupancy rates had barely reached internationally accepted levels.

This followed reports yesterday that up to 30 new hotels, valued at R2bn, were on the drawing board for the Cape over the next two years, which could add 6 000 new beds to the Peninsula's stock.

Protea MD Arthur Gillis said although occupancy rates in November had been exceptionally high, with a similar trend expected in February and March, occupancy rate from now until December 22 was only about 55%.

"It takes careful planning to invest hundreds of millions of rands in a hotel where occupancy is highly seasonal, and your hotel will be full only two to three months in a year," he said.

Captour director Gordon Oliver said over the past 15 months the Cape had become an all-year tourist destination and a lack of hotel accommodation and airline travel bottlenecks had been experienced in peak periods.

□ Latest CSS statistics showed that the Cape Peninsula and wineland had an average occupancy rate of 64,4% in August compared with 63,39% for Gauteng and 66,2% for Durban.

National average room occupancy rates increased 11,2% to 55,7%.

New perlemoen war between divers, poachers

Uneasy calm after Hawston battles

ARG 7/12/95

Staff Reporter

THE Hawston perlemoen war between poachers and legal divers has erupted into pitched battles again, but an uneasy calm returned to the town today.

The main road through Hermanus was open early today after it was closed during the latest outbreak in the Hawston perlemoen war.

But traffic police warn the situation remains volatile and the road will be closed if violence flares again.

Yesterday, at least three cars were damaged as police and a group of so-called poachers (fishermen without permits) fought running battles with sticks, stones and rubber bullets.

The poachers erected burning barricades on the R43 (main road) and traffic was diverted around the war zone until late last night.

The trouble in Hawston revolves around the fact that some perlemoen divers are legally entitled to catch perlemoen, while others have no such rights.

Those without rights are demanding a quota to legalise their presently illegal activities.

According to one of the perlemoen war mediators, librarian Philip Nel, the illegal divers were incensed by television coverage of a demonstration by legal divers, some of whom carried placards calling for illegal divers to be put to death.

The situation was aggravated when police came across a bag of illegally harvested crayfish at Hawston harbour, and were prevented from confiscating it.

Mr Nel said the situation was brought under a measure of control last night after an ANC delegation stepped in to mediate between poachers and police.

A meeting was to be held at the library today to further defuse the tension.

A member of the legal diving fraternity, who asked to remain anonymous for his own protection, said there were two classes of poachers operating in Hawston: subsistence poachers who dived illegally to feed their families, and a criminal element.

It was feared that if poachers continued diving for breeding stock, perlemoen could disappear from the area entirely within four or five years.

Local tourism bodies likely

ESTELLE RANDALL, Staff Reporter ARG 7/12/95 (288)

THE cabinet has approved, in principle, a plan by Western Cape Tourism Minister Lampie Fick that provinces form their own tourism bodies by April 1 next year.

Parliament is likely to enact a law in February to make it possible.

Effectively, the proposal is that the existing South African tourism organisation, Satour, be incorporated into a new three-tier structure.

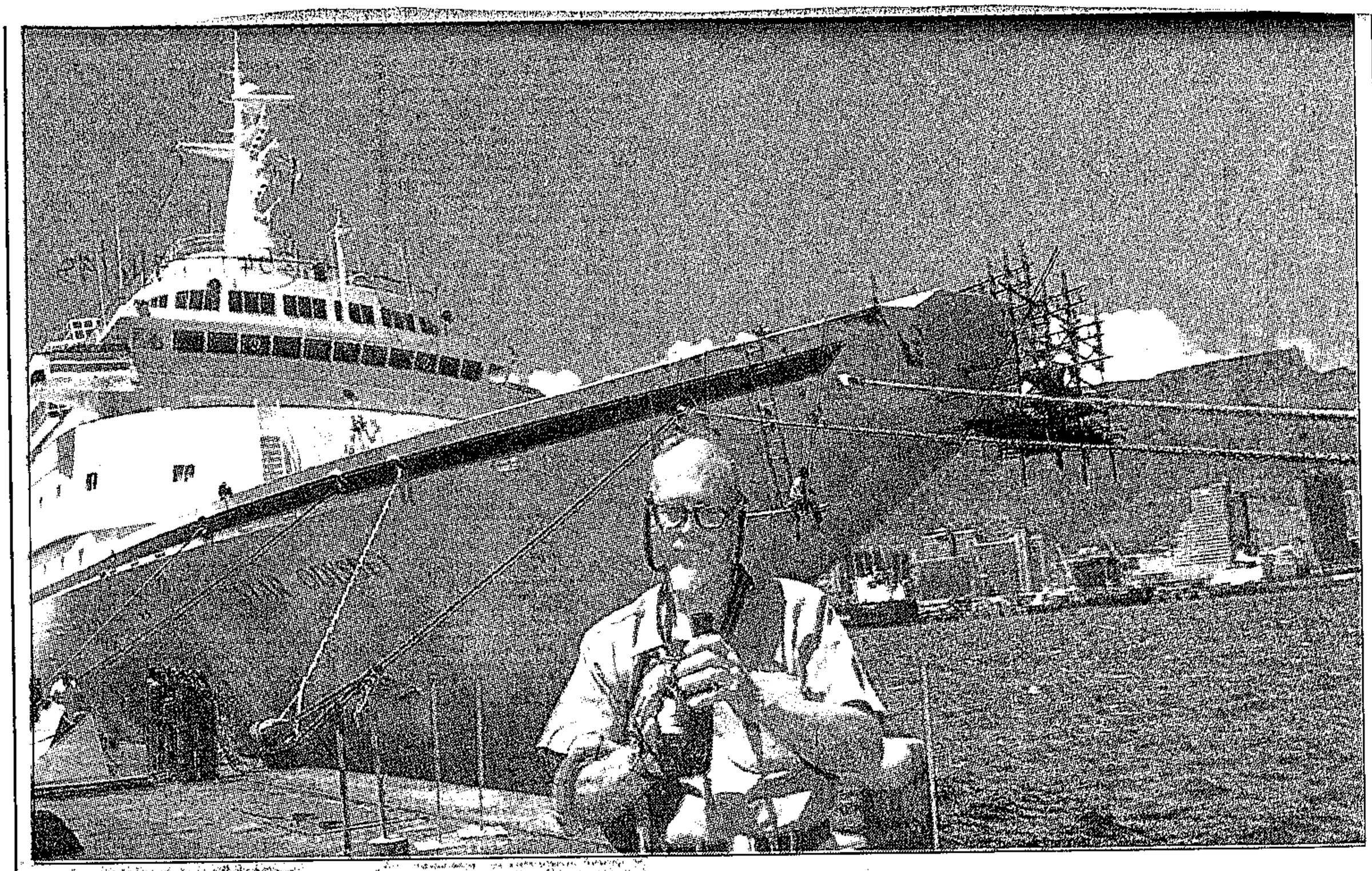
In the Western Cape, this will consist of a provincial tourism board, 10 regional tourism associations and local tourism boards.

The local tourism boards, based in specific towns, will encompass all local bodies, including local government.

They must be active tourism structures — not simply tourist information offices.

These bureaus will get funding from local authorities and from the community. They also will nominate people to serve on each regional tour association.

Regional tourism associations will include regional services councils and other relevant organisations, who will also fund them.



FAIREST CAPE: Cape Town is the place to visit, said passengers and crew of the luxury liner Star Odyssey, which spent three days in Cape Town. Retired US Army colonel Mr Robert Lamont of Virginia yesterday filmed workers repairing the bow of the ship, which was damaged last week by heavy seas between Mozambique and Durban. ***PICTURE: CLIVE SMITH***

Luxury liner passengers laud city — despite muggers

CT 7/12/95 (288)

LISA TEMPLETON

CAPE TOWN is tops for touring despite the muggers — according to the passengers and crew of a luxurious ocean liner that left Table Bay harbour last night after three days.

On their return from their outings yesterday, passengers and crew on board the Royal Cruise Line's Star Odyssey, said they had been greatly impressed during their sight-seeing.

American Mr Stan Kravitz raved about the city — despite being mugged outside Parliament earlier this week.

Mr Kravitz, of San Francisco, who was struck while struggling to prevent his assailants from stealing his possessions, said this type of crime could happen in any large city in the world.

He said Capetonians had been extremely helpful and he found the layout of the city exceptionally inviting with its wide streets and market stalls.

"The city of Cape Town incorporates everything a sightseer would want to do in a given time," he said.

A senior officer, Mr Malagoniaris Konstantinos, from Crete, said he had sailed the world and seen many towns, but Cape Town was one of the most beautiful and pristine.

Cleanliness

He said the service in restaurants and shops had been efficient and friendly and described his visit as a great experience.

His glamorous wife grinned when asked about Cape Town shops and rubbed her forefingers and thumb gleefully to show how much money she had spent.

A retired American colonel, Mr Robert Lamont of Virginia, who was dressed in khaki with a neat Smuts-type beard, said he found the historical castle and St George's Cathedral particularly interesting.

Mr Lamont, who spent 35 years in the United States army, largely in Europe, said he was impressed with the city's cleanliness — particularly when compared with Johannesburg.

Mrs Joan Poultney of Kent, England, said television travel programmes in England were "really pushing Cape Town" with its beauty and wide variety of things to do.

She predicted an influx of British tourists.

She was glad she had hired a car to explore the Peninsula and had found suburban gardens and flowers marvellous.

"I am definitely glad I came, I wouldn't have missed it for anything," she laughed.

The Star Odyssey set sail last night for Mossel Bay and from there will sail to Durban.

Tourism 'could outdo mining'

PRETORIA: Tourism had the potential to bring more income to South Africa than the country's declining gold mines, University of Pretoria chancellor Dr Anton Rupert said yesterday.

He cited the projected transfrontier national park between Zimbabwe, Mozambique and South Africa as one example of great economic potential.

He told the university's faculty of economic and management sciences it had an important role to play in promoting tourism. — Sapa

Maharaj in Olympic row

(288) M+G 8-14/12/95

The transport minister is embroiled in allegations that he has linked ministerial support of Cape Town's Olympic bid with moving Parliament to Pretoria, reports Rehana Rossouw

IN a remarkable war of words, leaders campaigning to keep Parliament in the Mother City this week repeated claims that Transport Minister Mac Maharaj wanted to link his department's support for Cape Town's Olympic bid with a move of Parliament to Gauteng.

The Citizens' Alliance for Parliament (CAP) this week refused to apologise for claiming that pressure had been placed on Cape Town to halt its campaign against moving Parliament to Gauteng in return for Department of Transport funding for transport infrastructure needed for the city's 2004 Olympic Games bid.

But Maharaj, who heads a cabinet committee probing the costs of moving Parliament to Gauteng, on Thursday denied linking the two, saying he "firmly believed" they were separate issues. "Each should be approached on this basis and with rigorous examination of the facts so that national and sustainable decisions are taken in each case."

Maharaj's department has pledged R470-million to bring Cape Town's transport infrastructure up to scratch in the run-up to the bid.

A senior CAP source charged this week the organisation had learnt that Maharaj had attempted to link the bid to the transport funding at a recent national working committee meeting of the African National Congress.

The organisation had also heard from a senior government adviser that discussions were taking place in the Department of Transport about linking the bid to the games. Rumours began circulating in Cape Town that parliament was being earmarked to become a conference centre, which was essential for the Olympic bid.

Maharaj hit back: "I understand those who invest rational discussion and debate with high emotion. Belief by one in one's cause is important, but we need to avoid overcharging the issues with emotion.

"To this end it is crucial that leaders at all levels avoid trading in rumours. In this regard, in the recent period, responsible community organisations have wittingly or unwittingly succumbed to this practice."

CAP working committee member councillor Clive Keegan said the organisation was concerned about the suggestion that Parliament be traded off in exchange for support for the games.

He said Maharaj's name was most frequently mentioned as the Cabinet member most actively involved in a "campaign" to move Parliament to Gauteng. Maharaj's director-general was on record as saying the minister favoured moving Parliament to Pretoria in the interests of efficiency.

"Since the day CAP was formed, we knew Maharaj was part of a faction in the Cabinet in favour of moving parliament," Keegan said. "We appreciate the fact that the minister has now said that there should be no connection between the bid and Parliament, but we will still be watching him closely and reserve the right to continue our campaign.

"Despite the abusive calls from Maharaj's office in the past few days, we will not apologise for suggesting he holds these viewpoints. He will have to live with the fact that he is seen as the prime mover to take Parliament from Cape Town ... Maharaj may think that we are publicising baseless rumours, but we are fighting a desperate battle, and we have got to take seriously and respond to any attack on our city"

Maharaj: "As a political figure I accept that I am fair game for any person or parties seeking to promote their own particular causes. But I will always conduct myself in a manner which minimises trading in rumours. I repudiate and reject allegations from whatever quarter based on such rumours and so-called 'inside information'."

ANC MP and CAP member Tony Yengeni said although the ANC had not yet discussed at a national level moving Parliament from Cape Town and Maharaj had the right to express whatever views he held, he had also been perturbed at reports that a linkage was being created between the Olympic bid and Parliament.

"The ANC and the South African Communist Party in the Western Cape both support retaining Parliament in Cape Town and we will campaign to our utmost to ensure that it does," he said.

"A decision to move Parliament to Pretoria will only be taken after a hard struggle on our part. Some people resident in Gauteng are being very arrogant about this, but we will not accept their positions."

Yengeni said the Olympics was a once-off event, not an institution which would benefit Cape Town for a long time. Gauteng already had the constitutional court, the Human Rights Commission and the headquarters of most of South Africa's largest businesses. It was unfair to suggest that it got Parliament too."

(288)

TOURISM FM 8/12/95

Soweto by night

The Gauteng Tourism and Marketing Organisation has embarked on an aggressive international campaign to market the province as a top tourist spot.

In the last few weeks it held workshops in Japan, Korea, and Chicago and took a 40 m² stand at the recent World Travel Market in London — regarded as the world's major tourism marketing exhibition.

Executive director of the Johannesburg Metropolitan Tourism Association Keith Brebnor says the 2 000 international tour operators who attended the Travel Market came away with a different impression of Gauteng. "It opened the eyes of many who thought SA's attractions consisted of only Cape Town and the Kruger National Park."

Brebnor says Gauteng was never a factor in the marketing efforts of the SA Tourism Board which, in enticing foreign tourists, concentrated on the country's exclusive game reserves and Cape Town's scenic trips. "It never targeted Soweto, which is becoming a major drawcard," he says.

According to the Central Statistical Service the Cape area accounted for 85 026 (39,9%) of the 213 100 bednights sold to foreign tourists in February, which is well in season, and the Gauteng area for 66 061 (31%). In July, which is out of season in the Cape, that area accounted for 40 145 (25,9%) of the 155 000 bednights sold to foreigners, and Gauteng for 65 720 (42,4%).

Crime aside, Andrew Young is upbeat on Olympic bid

(288) Star 9/12/95

By JOHN FLEMING

Andrew Young, the co-chairman of the committee organising the 1996 Olympics in Atlanta, this week had some encouraging words and advice for Cape Town in its bid for the 2004 Games.

Young, also the chairman of the Southern Africa Enterprise Development Fund and past US ambassador to the UN, made his comments while passing through South Africa with Vice-President Al Gore's delegation.

"If the people in Cape Town really want the Olympics, if they pull together and work for it, they'll get it," said Young.

Referring to Cape Town's growing crime problem, he said Atlanta had to struggle with many problems in its bid for the Games but crime was one of the most difficult.

"Certain cities get a reputation of being crime ridden and just can't shake it off," Young said. "But you have to ask yourself, is there any place that is crime free? To tell you the truth, the worst place I have ever been to for a convention was Paris. Half the people who were travelling with us were robbed or had some bad experience."

Young did say that Cape Town should find a way to put more police on the streets, especially in the centre of the city.

Atlanta, Young added, had beefed up its force for the upcoming Games.

Doug Gatlin, Young's executive assistant and a key organiser of the Games, also said more police on the beat should help Cape Town's image.

"Cape Town only has about 17 police in the central business district," said Gatlin. "Atlanta has hundreds. They have to hire more police down there, but I think things are pretty good in Cape Town, considering how few policemen they have."

Gatlin did acknowledge that the recent murder of a cashier that occurred during an internationally televised boxing match in Cape Town hurt the city's image. But he said it would not derail the city's chances of winning the bid.

"I think the International Olympic Committee will certainly realise that shootings do not occur every day inside boxing arenas in Cape Town," said Gatlin.

Both men agreed that hosting the Olympics provided not only a certain amount of prestige for a city but the possibility of an enormous amount of income.

"If Cape Town gets the Games, and they play their cards right, it can mean a whole lot of money for the city," said Young. "Atlanta's official line at the moment is that we will break even.

"My conservative estimate is that we will make $100-million (R364-million). But if certain projections are right, we'll make much more than that in profit."

Hotel bookings crash 10-m 'bed nights' barrier

Star 11/12/95 (288)

By Shirley Woodgate

The hotel industry is heading for boom times, with bookings for the first nine months of this year up from last year's 7,6-million to more than 10-million "bed nights" according to the latest figures from the Central Statistical Service (CSS).

Although the Federated Hotel Association of SA (Fedhasa) uses different criteria, either way local hotels are due to make history in 1995. The CSS trend indicates the number of bed nights sold is set to break all records, said Fedhasa chief Deon Viljoen.

In September alone, hotels accommodated almost double the number of overseas visitors compared with the same month last year – up from 109 939 to 203 472 this year.

More than half the foreigners who jetted in over the nine month period under review came from Europe, led by the United Kingdom and Germany, followed by Africa with 17% and the Far East with 15%.

Last year CSS recorded a total of 1,47-million tourists, but the figure was inflated as it included people coming in from the former TBVC states, a CSS spokesman said.

The upswing in the hotel industry has spilled over to the bed and breakfast sector which has grown into a significant player in the accommodation stakes since the launch of John Read's pilot Bed 'n Breakfast (Pty) in Johannesburg in 1984.

The general manager of the nationwide organisation, Silke Laubenheimer, said with the exception of the year when Chris Hani was assassinated – and there was international concern about political instability – bookings have increased consistently to the stage where they have about 350 permanent host homes on their books.

It is believed the boom in this sector of the industry now includes niche specialists like Jacana, which focuses on farms and Pretoria and Mpumalanga; Bundu Beds focusing on Mpumalanga; and Underberg Hideaways in the Natal Midlands.

This is the environment which encouraged the entry of Hyatt International into the country with the opening of the R180-million Park Hyatt, financed by the Iscor Pension Fund, in Rosebank, Johanesburg, this month.

Last month the Don Group launched a R35-million expansion

► ... To Page 2

Boom for local hotels – survey

From Page 1

Star 11/12/95

and upgrading drive which will increase the capacity of its executive apartment hotel chain by 60% over the next year.

In Sandton, where much of the Reef's burgeoning hotel industry is being located, construction has started on the Hilton International' group's R205-million, 324-roomed hotel and Stocks Hotels and Resorts plans to open its flagship, the R130-million 242-roomed Sandton Square Michael Angelo Hotel in May next year.

Elan Park Hotel developers Mark II projects have chalked up sales of R50-million in less than a month for the new four-star sectional title hotel chain boasting nearly 1 000 units being built in Durban, Cape Town and Johannesburg.

Golden Tulip International, the 10th-largest hotel group in the world, has formed a South African operation which plans to develop and operate 20 hotels in the next two years, kicking off with the signing of a management contract with the R125-million Spier hotel complex in the Western Cape, D'Ouwe Werf in Stellenbosch and Sanbonani in Mpumalanga.

Rand Merchant Bank has announced negotiations with local and overseas groups to build a hotel on part of its 8ha site in Sandton where it is believed 2 200 new hotel rooms will come on stream between 1993 and the end of next year alone.

Black director in Olympic Bid

(289 Sowetan 12/12/95)

***Sowetan* Correspondent**

A GROUPING of black business organisations, the Incorporation of Black Business Structures (IBBS), yesterday proposed that the Cape Town Olympic Bid Company appoint a director of black economic empowerment within the Bid Company's management team.

According to reports the IBBS, which consists of the Black Business Initiative (BBI), the Foundation for African Business and Consumer Services (Fabcos), the National Black Contractors and Allied Trade Forum (Nabcat), the National African Federation of Chambers of Commerce (Nafcoc), the SA National Business Unity (Sanbu) and the Western Cape Informal Business Forum (WCIBF), and the Bid Company earlier reached agreements that 40 percent of all business projects stemming from the Games would go to black business.

The IBBS yesterday met with the Western Cape Economic Affairs and RDP Ministry, and said it would ensure that the Bid Company took black economic empowerment "very seriously".

According to a joint statement released yesterday by MEC for economic affairs the Rev Chris Nissen and the IBBS, the IBBS had made a number of proposals, including the creation of an economic empowerment portfolio within the Bid Company and the creation of a director of economic empowerment within the Bid Company's management team.

The statement said Nissen had given his "full support" to the IBBS "in their collective quest for black economic empowerment".

Sunday liquor trade bid fails

(288) Star 12/12/95

Cape Town – Maverick liquor store owner Vaughan Johnson yesterday lost his three-year-long bid to be allowed to trade on Sundays when the Liquor Board turned down his application for a special licence.

The move was immediately condemned by Cape Chamber of Commerce and Industry deputy director Colin Boyes as not conducive to local tourism.

It ignored the fact that South Africa was a multicultural society and that not all considered Sunday to be the Sabbath, he said.

Johnson, who has tried for three years to be allowed to trade on Sundays at his Waterfront store, made headlines when he defied the law in June this year.

The law is expected to be changed to allow Sunday trading, and the Liquor Board is to be dissolved next year. Johnson said yesterday the ruling was in direct contravention of the wishes of the Trade and Industry Minister Trevor Manuel. – Own Correspondent.

As tourists flood in, businessmen battle to find room at the inn

ST(BR) 12/12/95 (288)

By Audrey d'Angelo

Cape Town — The tourism boom has had a downside for businessmen travelling between Johannesburg and Cape Town.

For the past few months, difficulties in booking aircraft seats at peak travelling times have often forced business travellers to stay overnight. But most hotels, particularly near Johannesburg International Airport and in Cape Town's Waterfront, are full.

Travel agents specialising in the corporate market are battling to find accommodation at short notice and sometimes have to get their clients wait-listed at hotels.

This means that clients delayed by late flights frequently find themselves without a room for the night.

William Puk, the chief executive of Sure Travel, a networking organisation of 121 independent travel agents, said if visitors arrived after 6pm they often found their rooms had been let.

"We simply do not have enough hotels in our major cities now that South Africa's relations with the rest of the world are back to normal," he said.

"It is true that new hotels are being built, but this takes time. And a lot of the new accommodation is at the top end of the market and very pricey."

Estelle Aggujaro, the managing director of ITC Travel in Cape Town, said: "We can always find an airline seat on a domestic flight at short notice, particularly for a client willing to fly business class, but often it is in the late morning or early afternoon as the early morning and late flights are full.

"It has also become difficult to find reasonably priced accommodation in Johannesburg, especially as people are reluctant to stay in the city centre because of its reputation for violence and crime."

Janet Rochford, of Johannesburg travel agency Michelle's, said: "We haven't battled too much to find accommodation in Johannesburg, except near the airport.

"But Cape Town is definitely a problem. The most popular places to stay are Stellenbosch, which is always full, and the Waterfront."

She said her agency was reluctant to send clients to bed and breakfast establishments "unless we know them and are sure they are all right".

However, Mike Kahn, the Cape manager of German airline Lufthansa, said it had recommended some bed and breakfast establishments to passengers who could not get into Cape Town hotels: "Some of them offer very good value — better than hotels."

Strandfontein. The weekend's gale-force winds covered large sections of the road in beach sand, forcing

Fury at board's decision on Sunday wine sales

ARG 12/12/95 (288)

TASLIMA VILJOEN
Staff Reporter

WATERFRONT wine dealer Vaughan Johnson has lost his epic battle to sell liquor on Sundays — for now.

The national Liquor Board has turned down an application by Cape Town's well-known V & A wine merchant for Sunday trading.

Mr Johnson's application was the last to be heard by the old national Liquor Board. All future applications on liquor sales in the province will be made to a new Western Cape Liquor Board, which could view his case more favourably.

Mr Johnson, who was arrested earlier this year for opening on Sundays, said he was furious at the board's decision. He said he was sent a fax stating that his application had been refused. No reasons were given.

Mr Johnson said: "The arch-conservative board lacks insight and is ridding out their days to retirement on a blaze of mediocrity."

He said the board's attitude was very disturbing to people involved in developing the liquor trade.

Mr Johnson said he would not take the decision lying down, but would take legal action. He said he would ask Minister of Trade and Industry Trevor Manuel to overturn the decision.

Mr Manuel was furious when Mr Johnson was arrested for trading on Sundays earlier this year. Mr Manuel said he was in favour of Sunday trading, but pointed out the 1989 Liquor Act had not yet been amended.

Trade and industry spokesman Ismail Lagardien said the Liquor Board was an independent statutory body and the minister could not overturn its decision.

He said the only way in which a board decision could be overturned was by lodging an application with the Supreme Court.

Mr Lagardien said Mr Johnson had been advised to lodge a fresh application with the newly constituted Western Cape Provincial Liquor Board.

He said in terms of the Liquor Amendment Bill, which was passed by parliament on October 4 1995, the Department Of Trade and Industry had demonstrated its commitment to bringing the administration of the Liquor Act closer to the community.

Chamber of Commerce spokesman Colin Boyes said: "We are surprised and disappointed at the board's decision. It appears that the board did not consider the changes taking place in the tourism industry."

Mr Boyes said South Africa had changed in every respect.

Captour chief executive Gordon Oliver said: "The decision taken by the board is bad news. The board is short-sighted and narrow-minded and has no idea how this will impact on tourism."

CONVENTION CENTRE NEEDED

'City losing out on tourism'

CT 12/12/95 (288)

CAPE TOWN SHOULD BUILD an international convention centre to boost tourism, Olympic Bid chief executive Mr Chris Ball told UCT graduates yesterday.

CAPE TOWN needs an international convention centre and is losing tourist trade because it does not have one, Mr Chris Ball, chief executive officer of the Olympic Bid Company, told a graduation ceremony of commerce students at the University of Cape Town last night.

The city would never be a major manufacturing centre but should rather capitalise on its potential for tourism which would create jobs, he said.

If the city did win the bid to host the Olympic Games it would gear itself up for a television audience and would not try to compete with the United States, which had already sold 11 million tickets for the 1996 Games in Atlanta.

The Games would generate tourism worth about R24,4 billion in the long-term, Mr Ball said.

Students in the faculties of medicine and music will be capped at an afternoon ceremony to be addressed by Professor Solly Benatar, head of the Department of Medicine today.

Later Emeritus Professor Roy Siegfried, outgoing director of the Percy Fitzpatrick Institute of African Ornithology, will speak at the evening ceremony where graduates from the faculty of science will be capped.

Tonight at the University of Stellenbosch students from the faculties of Arts and Military Science will receive their degrees at the D F Malan Memorial centre at Coetzenberg.

● Meanwhile, a group of black business organisations, the Incorporation of Black Business Structures (IBBS), yesterday proposed that the Cape Town Olympic Bid Company appoint a director of black economic empowerment within its management team.

According to reports the IBBS, which consists of the Black Business Initiative, the Foundation for African Business and Consumer Services, the National Black Contractors and Allied Trade Forum, the National African Federation of Chambers of Commerce, the SA National Business Unity and the Western Cape Informal Business Forum, and the Bid Company earlier agreed that 40% of all business projects stemming from the Games would go to black business.

The IBBS yesterday met with the Western Cape Economic Affairs and RDP Ministry, and said it would ensure that the Bid Company took black economic empowerment "very seriously".

According to a joint statement by Economic Affairs Minister Mr Chris Nissen and the IBBS, the IBBS had made proposals including the creation of an economic empowerment portfolio within the Bid Company and the employment of a director of economic empowerment.

The statement said Mr Nissen had given his "full support" to the IBBS "in their collective quest for black economic empowerment".

—Staff Reporters

Major SA airports crippled by strike

ARG 13/12/95

ROGER FRIEDMAN, Staff Reporter and Sapa

SOUTH African Airways flights in Johannesburg, Durban and Cape Town were crippled today in a wildcat strike by members of the South African Railways and Harbours Workers' Union (Sarhwu).

SAA spokesman Leon Els said all domestic flights were affected by striking unions members who were flight attendants.

Some flights were departing Johannesburg and a few from Cape Town as enough flight attendants reported for duty. No flights had departed Durban.

So far Port Elizabeth and East London were not affected.

Mr Els said SAA off-duty staff and staff on holiday were being recalled to assist in the crisis.

He alleged there was intimidation of staff wishing to work despite SAA having obtained a late-night court interdict to prevent striking workers from intimidating or interfering with those reporting for duty.

Ground staff union members were also on strike, although alternative labour had been obtained to load and off-load aircraft.

No overseas flights were affected.

The industrial action hit Cape Town's airport and harbour as trade union opposition to government proposals to restructure state assets stepped up a gear.

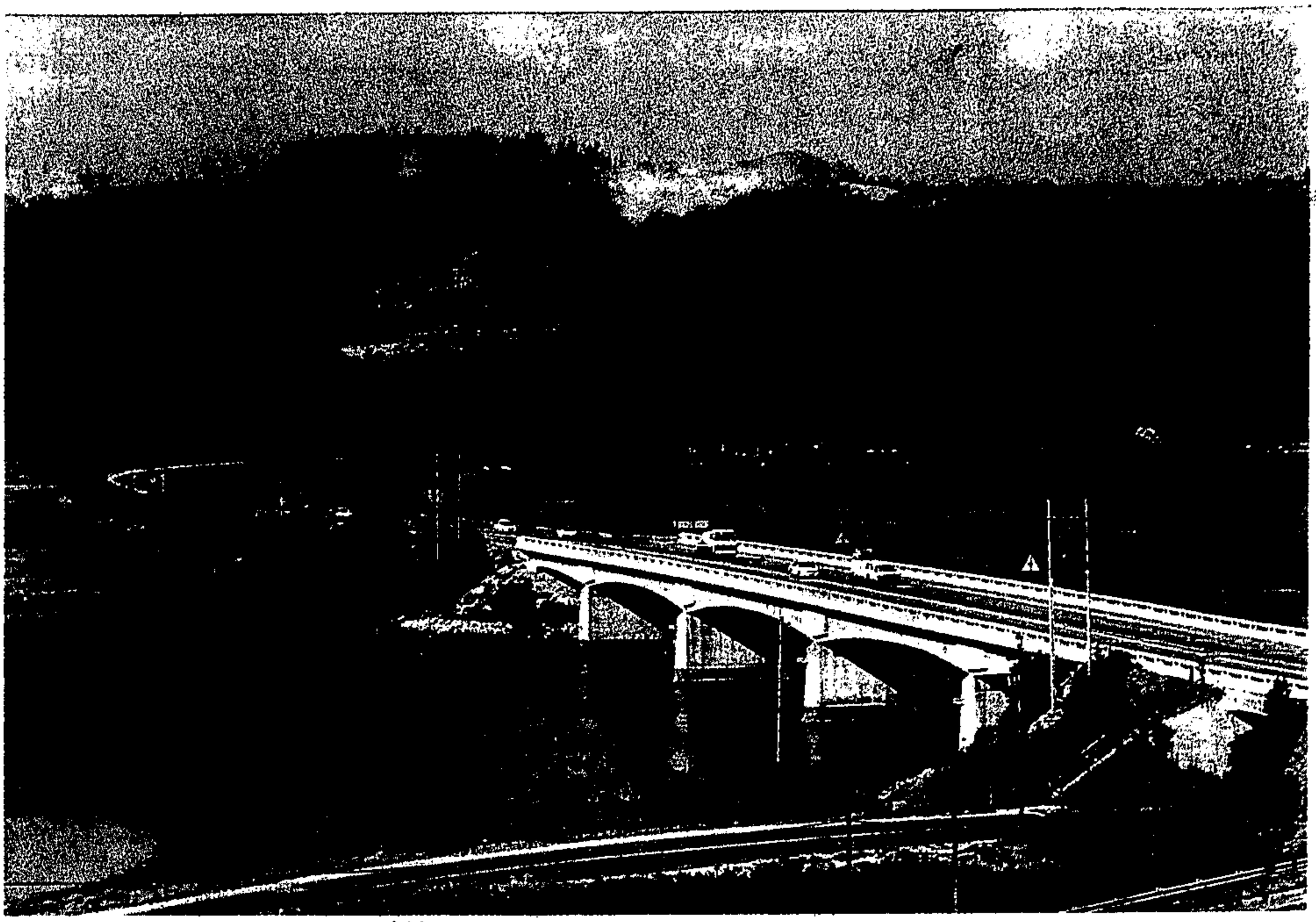
Several hundred Sahrwu members downed tools at the Cape Town International Airport, occupying the international departures hall and causing havoc with flight schedules, union administrator Nomvuyo Mtyekisane said.

Earlier, South African Airways' information desk at the airport said Durban flights were running more than half an hour late, but most others' were taking off on time.

Details of action at the harbour were sketchy. A spokesman for Portnet's human resources department confirmed work was affected.

Official spokesmen for South African Airways and the Airport Company were unavailable for comment.

● See page 5.



NATURAL BEAUTY: The southern entrance to Knysna, a town thriving on tourism. Picture: OBED ZILWA, The Argus.

Eco-tourism takes on

☐ *Knysna in the lead in encouraging its growth*

(288) ARG 13/12/95

LINDSAY BARNES
Staff Reporter

ECO-CONSCIOUS visitors are becoming sought-after in the bustling and beautiful coastal town of Knysna where a new attitude towards tourism is developing.

While most centres are hoping to attract busloads of visitors, a swing away from this trend may soon take hold in this idyllic haven for artists and holidaymakers.

According to Knysna Publicity Association's marketing manager Pat Slabbert this alternative tourism expounds the importance of the quality and not quantity of tourism, and constitutes a general, worldwide swing.

An extreme example of this has taken place on an island in the Philippines, where the number of tourists has been limited according to the area's capacity. Only 60 visitors are allowed in at any one time, which allows the residents to control the amount of environmental damage that may occur.

"The natural environment is usually the resource on which tourism survives and this restriction ensures that the tourists look after the environment," Ms Slabbert said.

In Knysna, an attempt is being made to marry the needs of visitors with the future of the community.

"We are getting all of the stakeholders involved in deciding what we want and there is so much to bear in mind with regard to tourism," she said.

"Development can be a death knell to tourism if it is not carried out in a manner sympathetic with the atmosphere of the town."

While development could not be halted, it needs to be done in such a way that tourism remains a sustainable resource.

"Many towns reach a peak in tourism and start to die because they killed that thing that attracted tourists to the area in the first place."

However, every group had a right to the environment — such as scuba divers, sailors, hikers and skiers — and a balance had to be struck in the use of land.

"Up until now I don't think municipalities have been in a position to understand the full consequences of this problem. At the same time they have to be careful not to cut their own throats."

In South Africa it would be difficult to limit the number of tourists, however, as the state of the economy and the level of unemployment was such that communities were screaming for resources and the revenue brought in by tourists.

A solution was to target the eco-conscious tourist, usually found in the upper-income bracket, and to market the town in an effort to attract them.

"It's an interesting marketing challenge and forms an integral part of the development of the whole town," Ms Slabbert said.

Loose discussions had been held on the concept of a vision — as well as an identity — for Knysna, and this would be raised at a public meeting early next year, said Neil Grange, chairman of the Knysna Environmental Forum.

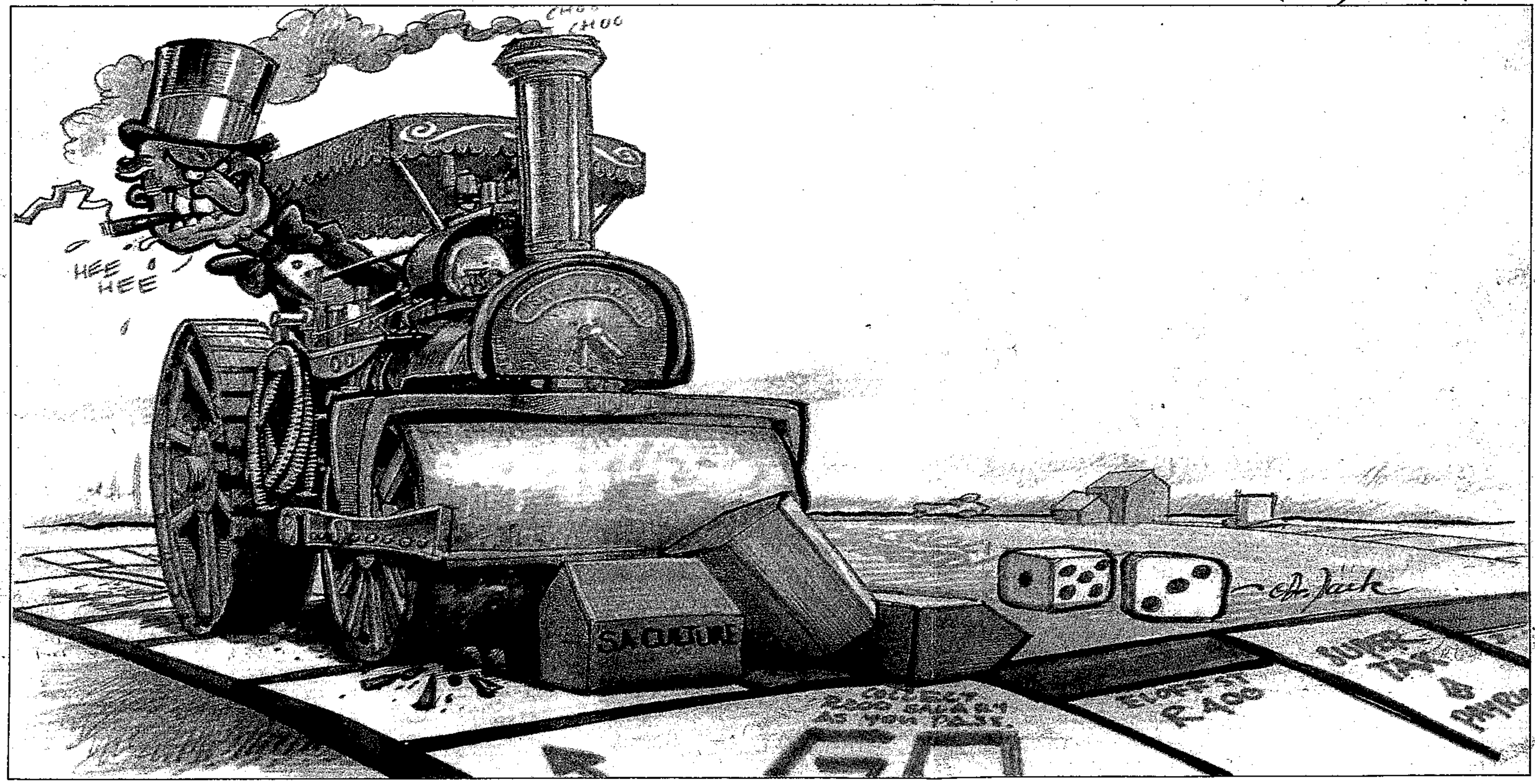
Knysna's identity lies with eco-tourism and the town will have to get an identity together, he believes.

Multinationals play Monopoly with S

M+G(OA) 1-7/12/95



Is the arrival of big hotel chains a sign that South Africa is poised to take a share of the world's biggest economic pie? Or does it herald a new imperialism? Hazel Friedman reports



ONCE upon a time, land was won through the barrel of a gun. Today it is claimed through the power of tourism.

But just when it seemed there was no land left to conquer, the new crusaders, powerful multinational hotels, discovered South Africa's rainbow land, with its golden sand, sunny skies, scenery worthy of sonnets and an exchange rate made in holiday heaven.

The Hyatt hotel has already opened its doors in Rosebank and plans to build a five-star hotel on Cape Town's Victoria and Alfred Waterfront. Joining the multinational Monopoly game is the Hilton which has bagged sites in Gauteng and Durban as well as Cape Town's old power station. And, in a joint venture with Southern Sun, Intercontinental —the world's largest five-star hotel chain — plans resorts around the country.

Also eager for a piece of the tourist *potjiekos*, Saudi Arabian and Malaysian companies, in conjunction with local finance giants, have earmarked millions to upgrade Durban's Edward Hotel and build three coastal resorts. The international Monex Development company has set its sights on developing 10 to 15 hotels and a Disney-style entertainment complex in Cape Town.

Local hotel groups have also expanded their bragging rights to the tourist industry. Gambling resorts and game lodges are budding with the speed of a rapid eye movement. New highways are being built, coach tours promoted, railways upgraded and airlines launched. In short, sunny South Africa is being transformed into a giant theme park, heralding a tourist revolution which — as the voice mail message of a major hotel chain exclaims — is "unmistakably South African", "uniquely intercontinental".

But the message is unmistakably mixed. For a country long regarded in tourist terms as a hermit kingdom, the international hotels and resorts sprouting like cracks in the sidewalk might signal the start of a new tourist renaissance. But they could just as easily signify the seeds of a new imperialism.

The fact that South Africa looks set to rival Atlantic City as a package deal, is undoubtedly good news, commercially speaking, that is.

Says Satour's Martin van Niekerk: "Since 1994 close on 950 000 visitors have entered South Africa, representing a growth of about 30 percent from the previous year and ranking the country as the 20th most popular tourist destination in the world, compared to 55th in 1985. And this year we want to exceed the million mark. There is no reason why tourism could not become South Africa's primary foreign exchange earner, like most countries in the world."

Sunny South Africa is being transformed into a giant theme park

But while the commercial benefits, especially to an emerging economy, cannot be shrugged off, neither can the costs in environmental and social terms. Even the realisation by stakeholders in the tourist industry that green is not merely the colour of money has not entirely mitigated the damage caused by hotel chains eager for quick capital gains and tourists looking for a foreign quick-fix.

Ecotourism, sustainable tourism and responsible tourism might be the buzz-words on everyone's lips, but as Dr Auliana Poon, a consultant for the European Union, points out, the principles all too often remain in the realm of lip-service.

"We have to ask ourselves what kind of tourism we are after," says Poon who recently conducted workshops in South Africa geared towards the formulation of a national tourism policy.

"It is easy to talk about responsible tourism, but what does it mean and what does it entail? South Africa needs to adopt a proactive policy in partnership with all the stakeholders involved. Standards must be defined, selective tourism practised and the principles of accountable ownership implemented. Ultimately, the extent to which a country benefits from tourism depends on its own capacity to benefit."

Although South Africa's White Paper on Tourism will only be released in 1996, Satour and the Department of Environmental Affairs and Tourism have released proposals for the implementation of a responsible ecotourism policy, in accordance with international guidelines.

These proposals encourage the use of indigenous guides and local products, advocate environmental education and propose economic incentives to local communities. In addition to an environmental impact survey, Satour offers a "voluntary", 85-point grading system for hotels, self-catering facilities, private game reserves, country lodges and bed-and-breakfast facilities, concerning the physical structure of proposed facilities and their relationship to the environment.

But, as a Satour spokesman pointed out, these are only suggestions and are not legally enforceable. In order to set up shop in South Africa, hotels simply have to be registered under South African company law.

In fact, the current flood of multinational hotels into South Africa cannot even be looked at as part of the investment swing to all things South

lay Monopoly with SA

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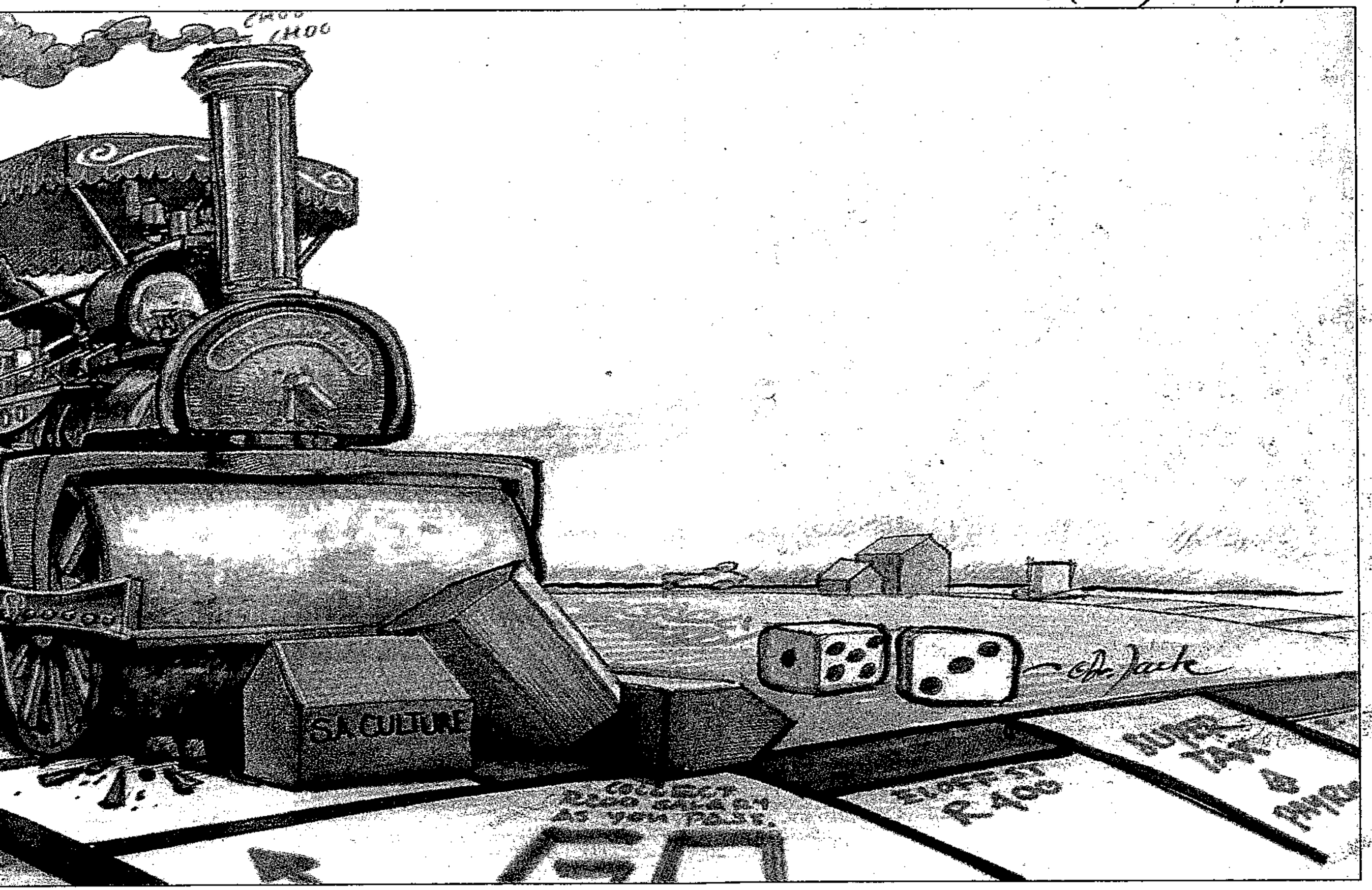

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In fact, the current flood of multinational hotels into South Africa cannot even be looked at as part of the investment swing to all things South African. According to a local developer, who approached the Hilton with an irresistible South African package deal, a Hilton spokesman stiffly informed him that "just as McDonald's is in the business of making hamburgers, hotels are involved in the business of hotelling, not investing".

Like foreign embassies, most multinational hotels simply have a contractual "presence" in the host country and are represented by management companies which rent properties from the local owners. Although hotels like the Hyatt have signed 20-year lease agreements with Iscor Properties, in principle they can close up shop whenever they choose.

"In principle, perhaps, but not in practice," says Amelia Grace, marketing manager of the Rosebank Hyatt.

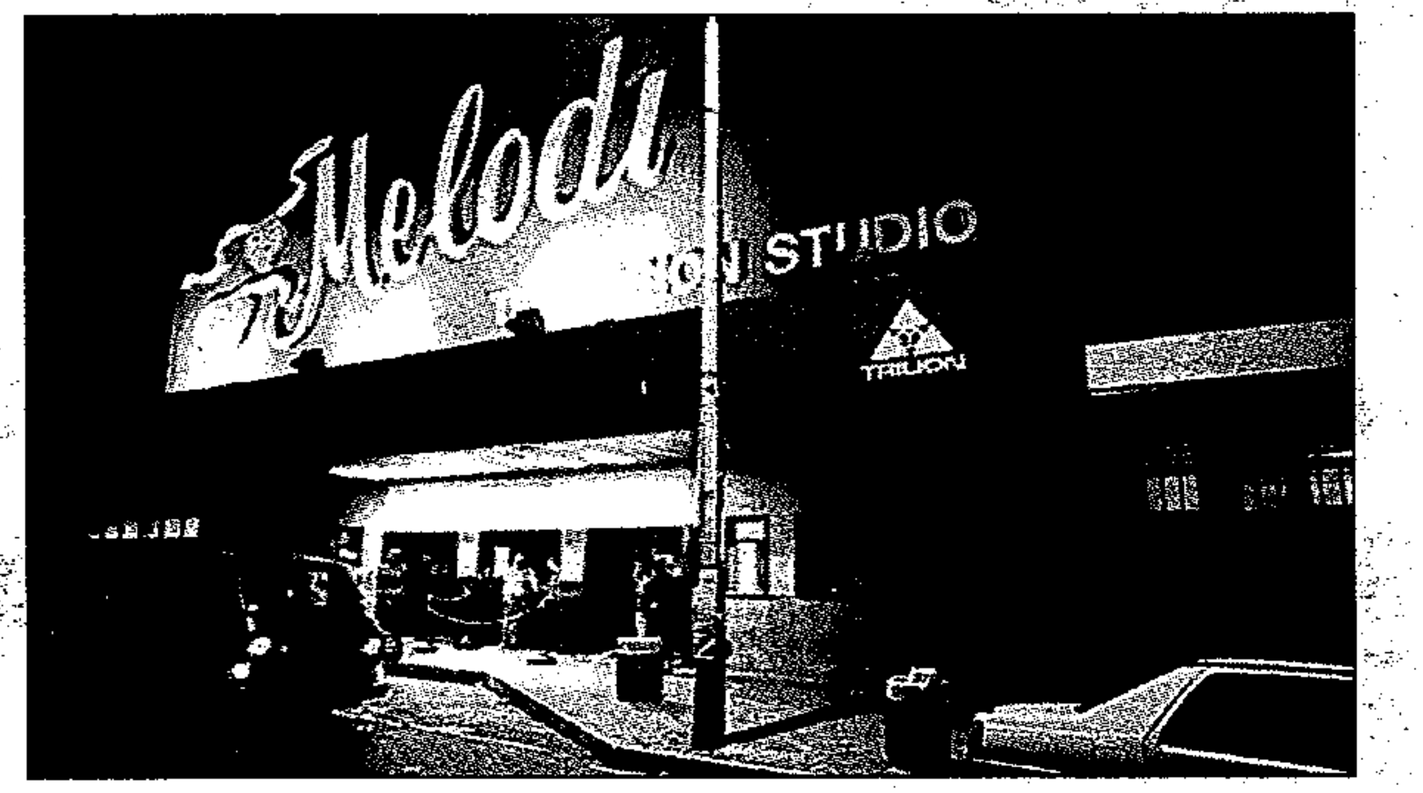
"We have made a commitment to being in South Africa in every way. The hotel interior is a chic Manhattan-style ethnic. Most of the staff is local, apart from the floor managers, and we offer training programmes for skills advancement. We also believe strongly in contributing to local community and cultural upliftment."

But since its completion the Hyatt has incurred the wrath of the local community. Rosebank residents describe the building as a windowless mausoleum which makes the Voortrekker Monument seem light and lively. But Erky Woods, an architect with the GAPPS firm, which designed the Hyatt, disagrees. "We are extremely happy with the design. Although we were assisted by an intercontinental cast of thousands, the final product is a truly authentic South African piece of architecture which stands out from all the neo-Rococco, neo-Renaissance, Neo-Classic and Neo-Gothic look-alikes cluttering the area".

He adds: "This hotel is a local investment and is entirely in touch with its surroundings. But multinational hotels inevitably change the address of the places where they are built and the surrounding areas should be upgraded accordingly."



In with the new: The Hyatt comes to Rosebank PHOTO: HENNER FRANKENFELD



Out with the old: The Rosebank Shebeen has to move PHOTO: RUTH MOTAU

Which might explain why the popular Rosebank Shebeen, which faces the Hyatt, has been forced to relocate to Orange Grove.

According to owner Paul Tilsey, landlord Old Mutual terminated the lease because the Hyatt management allegedly complained about the noise levels and unsavoury elements frequenting the shebeen.

He says: "I have it on good authority that the hotel's legal advisers went to the Rosebank police. This is the first time in our 18-month existence anyone has complained. The shebeen was a great rave for blacks and whites. Fifty percent of our customers were foreign. We had bus tours from the Carlton Hotel and we were in the process of arranging security escorts and discounts for Hyatt guests. So much for the Hyatt's sensitivity to local culture."

But Hyatt management denies it had anything to do with the forced closure of the shebeen. And Old Mutual — which rented the property to the shebeen on a monthly basis — insists that the lease was terminated because the building was falling apart and needed to be upgraded.

But, ironically, other music venues in the building — which are open most nights as opposed to the shebeen's weekend raves — are still doing business. And the space left vacant by the shebeen has already been filled by another tenant.

The greed behind 'green' touris

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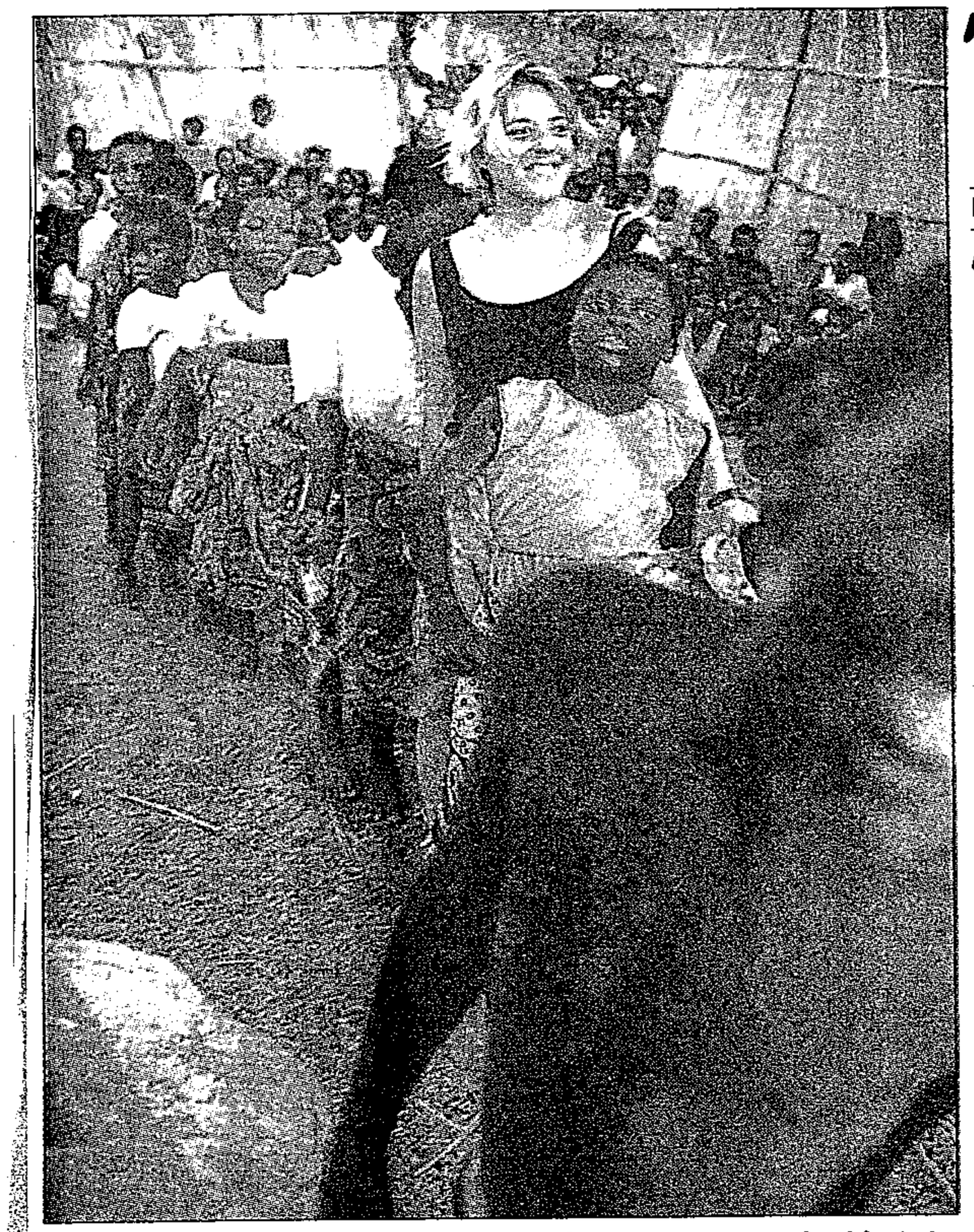


Playing with the locals: Local people are often treated as exotic objects to be enjoyed as part of the scenery PHOTOGRAPH: HENNER FRANKENFELD

Marco Jurco

THE common perception that tourism can bring peace and development to many parts of the world belies the many dangers that lurk behind the cash that travellers inject into the world economy.

Tourism is likely to be the largest global industry by the year 2000. In 1991, 450-million international tourist arrivals (compared with 60-million in 1960) generated receipts of $270-billion, according to the World Tourism Organisation.

A report prepared for American Express claims that travel and tourism account for nearly 5,5 percent of the world's total GNP and produce annual revenues of $2,5-trillion. An estimated 118-million people work in the industry, making it the world's largest employer.

Not surprisingly, the majority of the world's tourists are from the industrialised countries: 57 percent are from Europe and 16 percent from North America. Eighty percent of all international travellers are nationals of just 20 countries. Thus it is largely the tourist industries in the affluent tourist-generating countries that determine the nature and scale of tourism.

These tour operators are interested primarily in short-term benefits and in realising a return on capital and investments. The social, cultural, environmental and economic costs of tourism are paid by the less affluent, tourism-receiving countries.

There are many examples of tourism resulting in severe environmental degradation. The area around Mount Everest in Nepal is strewn with litter left by trekkers. Coastal erosion around beach resorts is a problem in Kenya and the Philippines.

Then there is the way host cultures are debased (for example, by the sex industry in Thailand). Local economies are dislodged and local people displaced. The creation of game parks in Kenya and Tanzania has excluded the Maasai from essential grazing lands. The fishing communities that once inhabited the coast of Penang, Malaysia, have been displaced by beach hotels.

Conflict and resentment abound in many parts of the world as a result of the intrusion of big hotel chains into rural areas. Over-consumption of water by hotels has resulted in conflicts over water distribution in Goa, India. The Mohawk uprising in Canada was triggered by plans to extend a golf course on to Mohawk burial grounds.

Much of the money generated by tourism is sent abroad. Sixty percent of Thailand's $4-billion-a-year tourism revenue leaves the country. Some critics of the tourist industry have called it the "new imperialism".

Mass tourism has been the target of the most criticism. Because it is so large-scale, it places an undue burden on local resources, skews the labour market and increases prices for goods and property in the area. This may create increased hardship for the local population and breed resentment.

In response to the more obvious negative effects of tourism, many tour operators have now proclaimed themselves to be "green" and jumped on the eco-tourism bandwagon.

Ecotourism hopes to change the unequal relationships of conventional tourism. It encourages the use of indigenous guides and local products. Ethical tours claim to combine environmental education with minimal travel comforts, help protect local flora and fauna, and provide local people with economic incentives to safeguard their environment.

Yet even small groups of people, or for that matter the lone traveller, no matter how sensitive, may have a disruptive effect on local culture. This is true especially if the host community has had little contact with "mainstream" society, as is still the case with some tribal people. The most obvious danger is that visitors may unwittingly introduce new diseases to which the tribal people have no immunity.

On the other hand, many tribal people have interacted with the world for generations and many actively encourage tourism and trade. Tourist interest can sometimes encourage a cultural revival, protecting people's historic and cultural heritage. Many North American Indians earn much needed income through tourism projects which they have set up and run themselves. Indigenous people, with their unique knowledge of their home area, play a key role as local guides.

While tourism usually promises to provide employment for local communities, the jobs are most often unskilled, menial and poorly paid. Very rarely do tribal peoples control the operation of tours in their own territories. More often than not, the needs and rights of indigenous peoples are ignored.

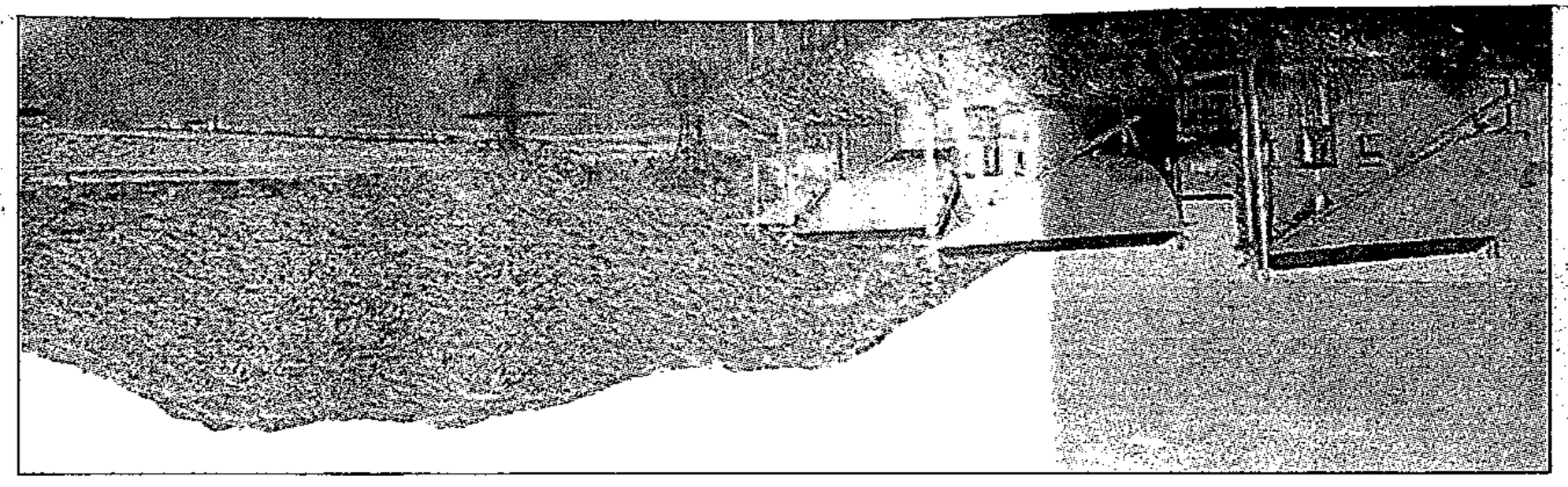
For example, in Kenya's Shaba reserve, scarce water is diverted from the spring once used by Samburu herdsmen to water their cattle, in order to fill the swimming pool of the Sarova Shaba Hotel. The Samburu grazing lands were taken over by the game reserve and the spring was the only reliable water source.

All too often tour operators treat tribal people as exotic objects to be enjoyed as part of the scenery. They are expected to perform tribal music and dances for tourists. Devoid of their original ceremonial content, these aspects of tribal culture are trivialised and devalued. Handicrafts, which were once produced for particular uses, are turned into tourist trinkets. Culture for many tourists becomes synonymous with song, dance, "native dress" and handicrafts, ignoring the values and belief systems of the people being visited. Indigenous culture is devalued and stereotypes are reinforced.

A code for responsible tourism

Tourism Concern, an organisation formed to monitor the impact of tourism on Third World countries and ensure responsible tourism, has published a charter for sustainable tourism. It says ecotourism should do the following:

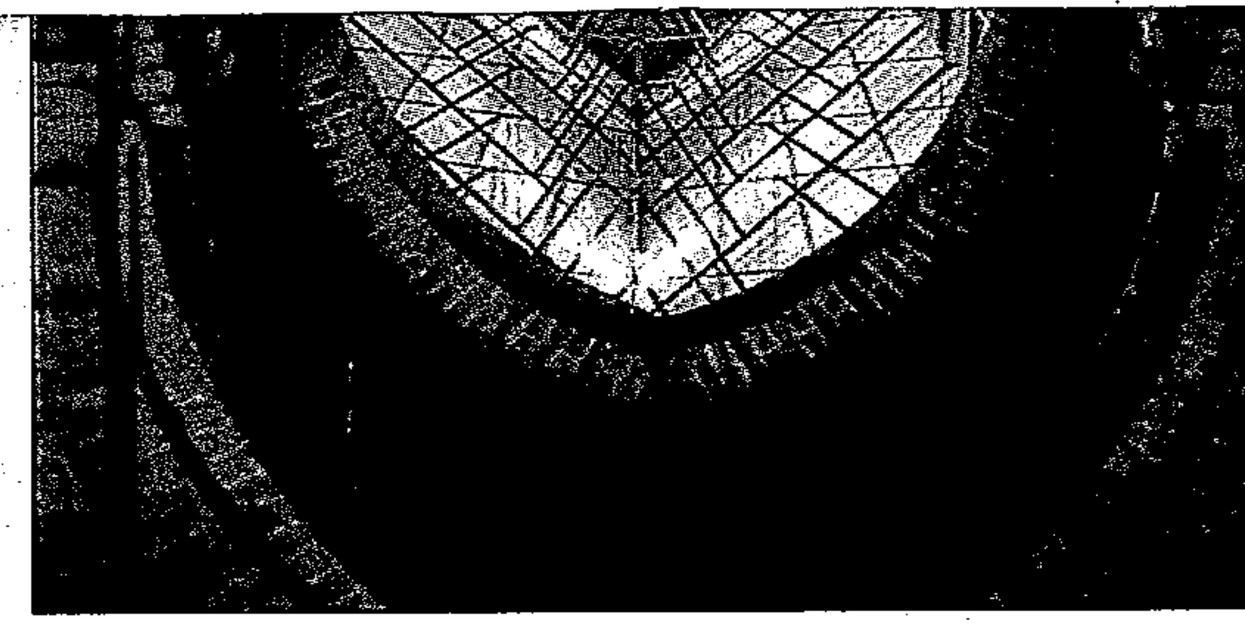
- Avoid waste and over-consumption
- Use local resources sustainably
- Maintain and encourage natural, economic, social and cultural diversity
- Be sensitive to the host culture
- Involve the local community in planning and decision-making
- Assess environmental, social and economic impact as a prerequisite to developing tourism
- Ensure that most of the benefits go to the local community and avoid over-dependency on tourism as the only industry
- Market tourism that is responsible, respecting local natural and cultural environments
- Monitor impacts of tourism and ensure open disclosure of information



The lion shares its African secrets

Caroline Wheal

TAU Game Lodge is tucked into the north-western corner of Madikwe Game Reserve in the [illegible] when local leaders were approached and asked to comment on the plans. The electric fence surrounding the property, which is patrolled every day, answered local farmers' con-



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(288) MTG(GA) 1-7/12/95

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Governments are also guilty of cynically exploiting indigenous culture to promote tourism, while at the same time destroying indigenous people's forests and taking their land. In Paraguay, tourism based on "getting close to indigenous culture" is aggressively promoted in official tourist board brochures. Yet officials responsible for promoting tourism have expressed racist attitudes toward the people they are happy to exploit as tourist attractions.

Ecotour operators are selling "rainforest tourism" to the environmentally interested traveller by promoting tribal people as "noble savages".

Rather than patronising tribal people in this manner, we need to see them on their own terms as dynamic and complex societies. As Rigoberta Menchu, a Guatemalan Quiche Indian and Nobel Peace Prize winner said: "What hurts Indians most is that our costumes are considered beautiful, but it's as if the person wearing them didn't exist."

The examples of exploitation of local people in the name of promoting tourism are familiar to most people who have travelled. The need to bring in foreign currency is used to justify this abuse of indigenous people's rights and denial of their dignity.

Tour operators and governments are often collaborators and perpetrators of this form of exploitation. This can only be stopped if local people are given control over the development of tourism in their communities.

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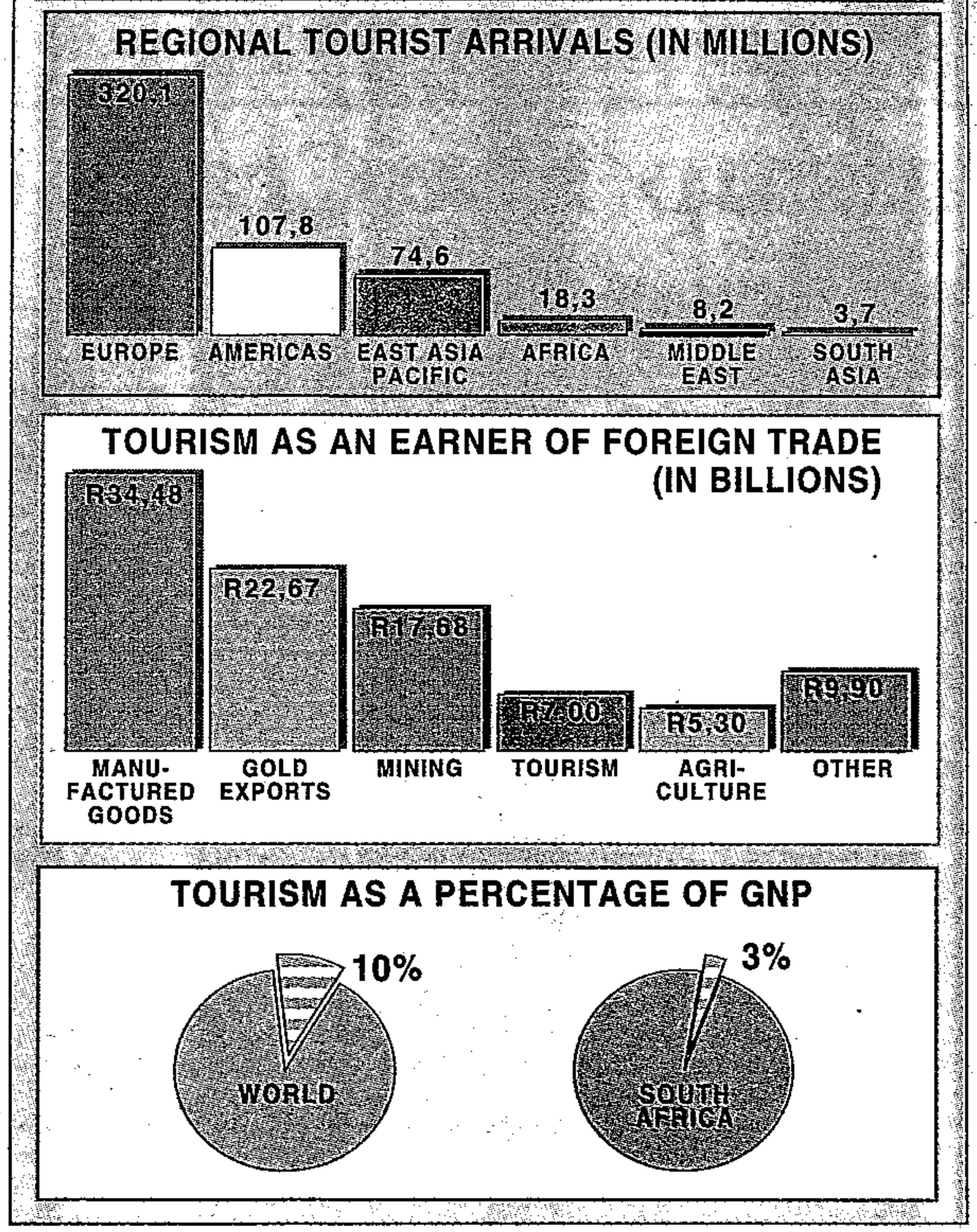
TOURISM: FACTS AND FIGURES



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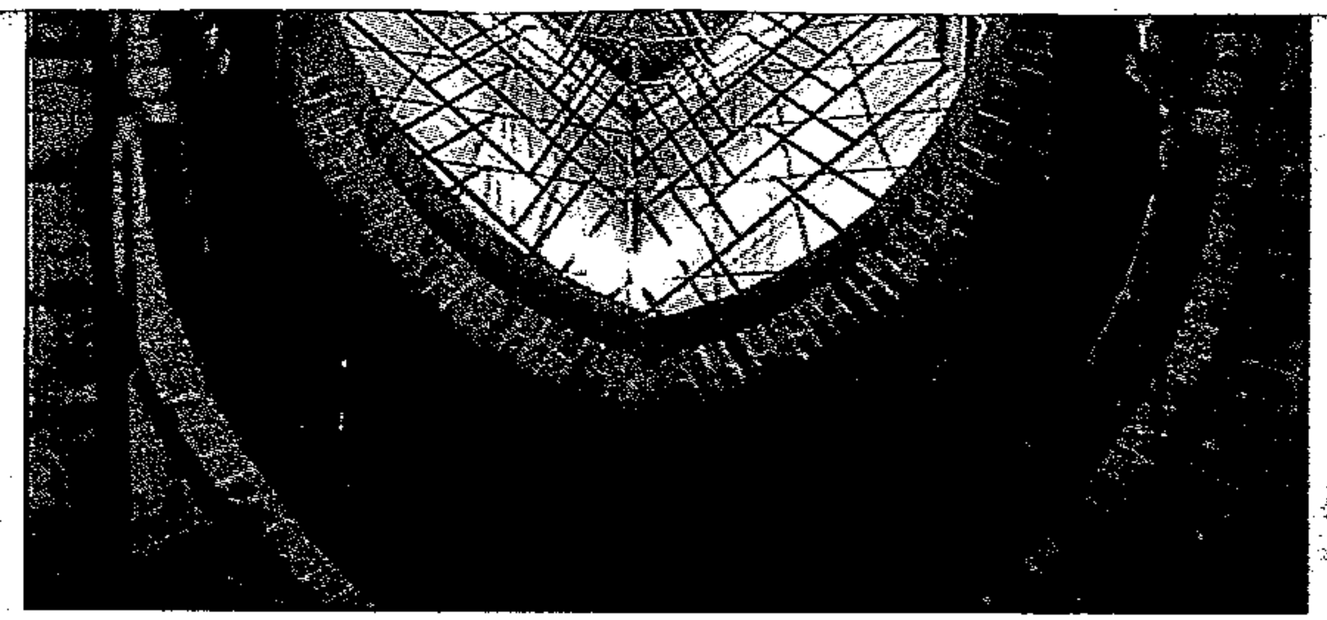

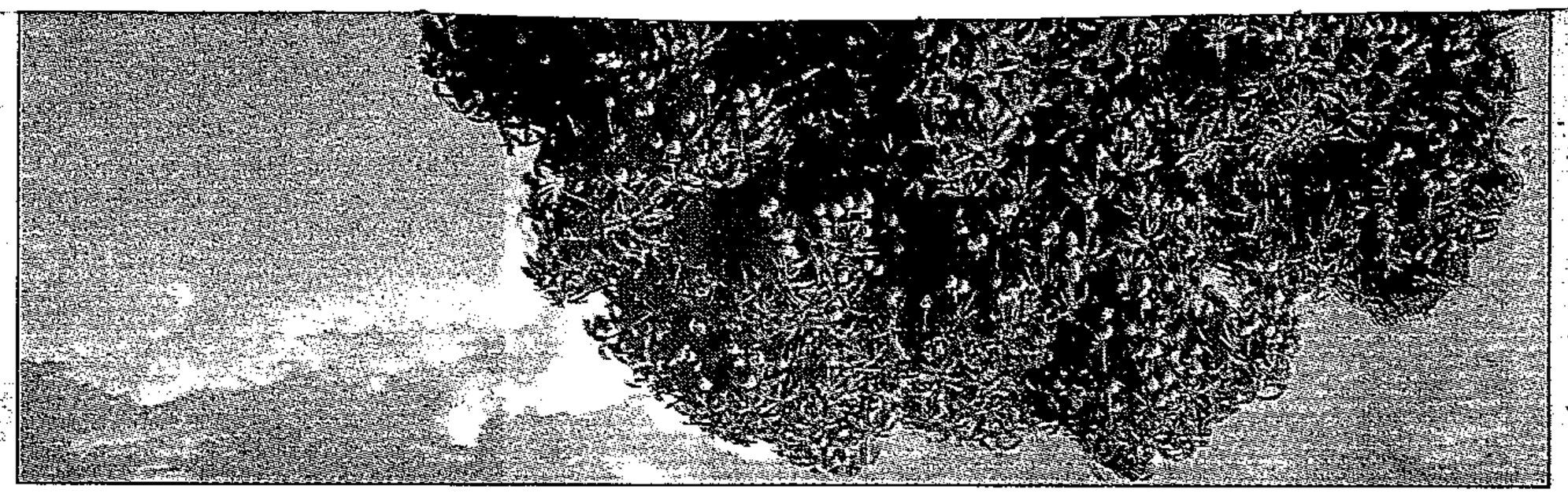

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Wine seller to petition minister to reverse special-licence ruling

ET(BR) 14/12/95 (288) ~~#98~~

BY FRANÇOISE BOTHA

Cape Town — Controversial Victoria & Alfred Waterfront wine merchant Vaughan Johnson, whose application for a special trading licence with extended hours has been refused, will petition Trevor Manuel, the trade and industry minister, in a bid to reverse the decision.

"The decision by the national liquor board, based in Pretoria, was in direct contravention to the wishes of the minister to whom they report," said Johnson.

Johnson said that he had written to the minister, stating that he was appalled at the decision.

He rejected the liquor board's decision as "irrational, ill-advised and probably unconstitutional" because several other businesses at the waterfront were allowed to trade on Sundays.

Colin Boyes, the deputy director of the Cape Chamber of Commerce and Industry, said: "The tourist industry is a seven-days-a-week industry ... for them (tourists) to discover that they cannot purchase the wines about which they have heard so much must be a shock. There are not many tourist destinations that have laws that are this archaic."

He said reasons for the decision could include the planned devolution of the board's powers to the nine provinces, which meant that they would probably not want to set a precedent or make any controversial decisions.

"The ostrich-like stance of the board on the eve of their retirement is clear evidence of their lack of vision and inability to meet the challenges of the 1990s," said Johnson.

Tourism

Extended trading hours have been granted to a number of wine farms and hotels, in keeping with their tourist-based trade.

"Apparently, Pretoria is not aware of the tourism that the waterfront is attracting.

"It takes 11 locals to spend the same as one foreigner," said Johnson.

He said that over a three-year period the decision had meant that the business of more than 10 million customers had been lost.

"Besides the lost turnover, we could have employed people that could have supported their families. This (decision) does not reflect the ethos of the RDP, which encourages the creation of jobs and wealth among all South Africans in a spirit of freedom of enterprise," he said.

Speaking about the large number of shebeens that that the liquor board had not prosecuted, Johnson said that this had raised serious questions about their integrity and priorities.

"Are they merely unable to enforce the law or have they merely picked the easiest target?

"I would like them to invoke the same enthusiasm to prosecute the illegals who do not pay VAT or income tax or licence fees," Johnson said.

"One could draw an analogy between the ageing censor board and their unwillingness to accept the demands of the buying public and their preference for maintaining the status quo in favour of the old boys club whose vested interests control the retail liquor outlets," he said.

SA plans to lure Asian tourists

(288)

STAFF WRITER

ET(BR) 14/12/95

Johannesburg — South African tour operators will get a chance to promote their wares to the increasingly wealthy Southeast Asian consumer at a travel conference in March.

With an expected growth rate of 7,8 percent in the Southeast Asian region, South Africa's tourism industry is looking to attract buyers from most of the countries at the conference, which will take place in the Malaysian capital of Kuala Lumpur.

The Malaysian authorities are hoping to make Kuala Lumpur the main Southeast Asian gateway into southern Africa for both business and tourism.

They argue that with a purchasing power parity of $11 328 per capita this year, 14,2 percent up from last year, their citizens are in a good position to invest and spend holidays in southern Africa.

The Travel Mart will feature business exchange sessions where South African sellers will present upmarket travel and tourism products and services to Southeast Asian buyers.

80% in city say 'yes' to Olympics — survey

CT 15/12/95 (288)

PETER DENNEHY

EIGHTY percent of adults in metropolitan Cape Town support the city's bid to host the 2004 Olympic Games, a survey commissioned by the Bid Company has said.

Games opponent Mr Arthur Wienburg did not believe these figures. He wondered whether the questions had been phrased neutrally.

If the figures were correct, he said, it would represent probably the most dramatic shift in public opinion the country had seen. An Argus poll about a month ago had indicated 60% opposition, while this survey showed that 80% were in favour.

He said the only way to credibility was by a referendum among those who would have to bear the financial risk.

Bid Company chief Mr Chris Ball said yesterday evening that he was delighted to get the encouraging first public opinion survey result now, because he would be able to take it with him on Monday to Lausanne in Switzerland to formally file for Cape Town's candidature.

Mr Tony Carnelly, director of the Carnelly Rangecroft Consultancy, which did some of the research, said 978 people had been interviewed last month after a scientific selection process.

Further surveys would be done to see what happened to those figures over time.

The level of support among black people had been 85%, among coloured people also 85%, and among white people 73%, Mr Carnelly said.

● Mr Ball said the Bid Company had 11 firm commitments from sponsors who would provide R60 million. The budget for the bid process was R75m, but he was confident the target would be reached.

Olympic bid has Cape Town's support

(288) ARG 15/12/95

Staff Reporter

CAPE TOWN has given the 2004 Olympic bid the thumbs up in a research survey carried out on behalf of the Cape Town 2004 Olympic Bid.

The survey said about 80 percent of Capetonians were behind the bid.

Just over 10 percent of respondents had negative feelings towards the campaign. Of these, three percent rejected the bid outright and eight percent were sceptical.

Almost 10 percent were indifferent while the remainder identified themselves as actively supportive (19 percent), ordinary supporters (38 percent) and qualified supporters (23 percent).

The survey was commissioned by the Bid Company in September and the results had just been received, chief executive officer Chris Ball said yesterday.

The findings were statistically reliable and valid, said Tony Carnelley, director of one of the two market research companies which conducted the opinion survey.

The survey used a sample of almost 1 000 people resident in the Cape Metropolitan area.

CBD deal

French £600m Rand coup

By JEREMY WOODS

A FRENCH consortium has signed a R600-million deal to develop the prized foreshore site behind the Waterfront and turn it into a new shopping and pedestrian mall, with two new five-star hotels.

The deal comes after years of planning wrangles over the Imperial Cold Storage site which, when completed, will link Cape Town's vibrant Waterfront development with the rest of the Mother City's CBD.

The property, which was identified by Hilton International as an outstanding hotel site, will also include an office complex, currently being contemplated as a new headquarters for BP South Africa, and parking for some 400 cars.

Hilton International took the deal to French construction and development group, Compagnie De Batiment Et De Construction (CBC), who have now bought the whole site and will develop it.

The largest hotel will become a luxury Hilton Hotel, while CBC are negotiating with several international hotel groups for the second hotel.

Top CBC executives flew to Cape Town from France this week to finalise the deal, which was signed on Friday by Cape Town's mayor, Rev William Bantom, acting on behalf of the city council.

"This is a fantastic deal for Cape Town as the city badly needs more five-star hotels. We also had to develop this prime foreshore site and create a link between the busy new Waterfront and the older business centre of Cape Town," said Mr Rod Young, the city council's development co-ordinator.

Although there are plans for an extended water canal and an overhead light rail from the Waterfront to the new development, these schemes may prove too expensive to be incorporated.

"We no longer have an empty space in the middle of our city. Once the development is completed the space that separated the Waterfront from the rest of the CBD will form a natural link," said Mr Young.

The new hotels will mean an addition of about 675 new rooms for Cape Town's booming tourism industry.

With the deal finally signed, work on the site is expected to begin almost immediately.

before their match against SA in Johannesburg on Friday. The national under-12s watch. Picture: NICKY DE BLOIS

R3bn timeshare industry is set for further growth

BD 18/12/95 (288)

Theo Rawana

TIMESHARE had grown to a R3bn industry during the past decade and the total number of timeshare owners had swelled to more than 200 000, Resort Condominium International (RCI) Southern Africa MD Steve Griessel said in Johannesburg recently.

Most of the issues that caused controversy 10 years ago had been resolved, he said.

The "cowboys" had been replaced by reputable operators who had joined forces to establish a code of practice and implement other measures to help prevent dubious sales techniques.

"The number of complaints has dropped to a fraction of what it was; there is now a steady group of reputable resort developers and the quality of the 147 resorts affiliated to RCI Southern Africa compares favourably with timeshare anywhere in the world.

"The number of exchanges made locally increased more than 20% over the past year to 110 000 as members took advantage of the expanded range of exchange options. The worldwide exchange figure topped 1,6-million during 1995," Griessel said.

Membership of holiday exchange company RCI allowed timeshare owners to exchange their weeks for comparable holidays at more than 3 000 affiliated resorts around the world.

Griessel said some trends which had improved the industry over the past few years were the formation of the Timeshare Institute of Southern Africa as a regulatory body, and the introduction of more flexible exchange options.

He said a new trading system had been introduced to supplement the traditional week-for-week exchange. "This takes the form of a points currency that can be used to 'buy' short and mid-week or weekend breaks.

"Other options allow members to save up points and extend their holiday, go to a superior resort by waiting until the last minute for confirmation, and even rent non-timeshare accommodation in high-demand areas at a discount."

Griessel said the insatiable demand for timeshare holidays at Western Cape resorts had generated excellent opportunities for developers and investors.

He said a number of factors had combined to create a situation where the supply of quality accommodation was hopelessly inadequate. As a result, a timeshare week in Western Cape cost up to twice as much as at a comparable resort elsewhere in SA.

"The Cape was slow to catch on to the SA timeshare revolution, which started in Natal in the early '80s, because resort owners believed the region's notorious winters would put off potential out-of-season owners. "When the concept did take off there was a backlog of demand and not enough new resorts to cater for it."

He said Cape Town had been marketed better than competing holiday cities. This, combined with political violence and overcrowded beaches in KwaZulu-Natal, had resulted in the Cape taking over as the holiday capital of the country.

Community policing idea 'not easy' to disseminate

Kevin O'Grady

BD 18/12/95

POLICE station commanders are "really not conversant" with the concept of community policing — a major problem that is caused by a lack of communication, says KwaZulu-Natal deputy provincial commissioner Moses Khanyile.

In an interview published in the Institute for Multiparty Democracy's journal Towards Democracy, Khanyile said "the national (police) leadership is trying everything you can think of to filter the concept to the grass roots".

Posts for new station commissioners — a new rank replacing station commander — would be advertised soon "and these people will ... understand and support the process (of changing the SAPS's style of policing). Through this, we will start to rid ourselves of those people who are conservative and don't want to change."

Continuing reports of violence from KwaZulu-Natal could give the impression that a "state of anarchy" existed, "but I can't go to that extent".

Police were caught in the crossfire that resulted from high levels of political intolerance.

"Police are expected to bring stability but without the will from political leaders, that becomes impossible. It is difficult for us to convince those political leaders of their responsibility," he said.

Khanyile conceded the amalgamation of the former KwaZulu police and the SA Police in the province had been problematic. "One of the reasons is that in the past the KwaZulu police leadership was predominantly white and when the process of amalgamation started nearly two years ago their representatives in the technical committees were white. Black police were not involved in the process of negotiations so there is a poor understanding of it."

Tourism business council plans to meet in February

(288)

Theo Rawana

BD 18/12/95

THE Tourism Business Council of SA, founded last month to voice the views of business on the development of tourism, would hold its first AGM on February 1, when office bearers would be elected, spokesman Anton Roodt said at the weekend.

The council was set up as an all-inclusive national structure to represent the tourism business sector as a leading stakeholder in the development of tourism.

There was consensus that the ability of business to speak out in one voice through a concentrated and highly focused effort would in time have a significant effect on the growth of the industry as a whole.

Tourism Liaison Council chairman Rupert Lawlor said the business council would interact primarily with government on strategic macro issues and operate on a national basis. "Business has the infrastructure, capital base and expertise to provide the research and development so that by the time a proposal is put before government, it will have been researched and agreed upon by all key partners."

Global resorts MD Ernie Joubert said balanced representation on the council by all key stakeholders was critical to the effective functioning of the council. "The constitution has been drawn up so that it prevents domination by the larger companies."

Gauteng Small Business Council chairman Dave Moshapalo said: "The council has to harmonise interaction between all stakeholders and ensure the emerging players can play a significant role. This investment will largely take the form of training and transference of skills."

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BOARD TO CHANGE LAWS

Sunday liquor sales on cards for next year

CT 21/12/95 • (288)

SUNDAY LIQUOR SALES should become a reality in the New Year as the new provincial liquor board has said it is in favour of changing the regulations. **DAN SIMON** reports.

LIQUOR laws in the Western Cape look set to be liberalised in the New Year with the provincial government stating that Sunday trading is a virtual reality.

From early January, more than 1 000 applications for liquor licences, transfers of liquor licences and applications for special permission to trade on Sundays will be processed by the newly constituted provincial liquor board.

The provincial liquor board was constituted in terms of the Liquor Amendment Act of 1995 which came into operation in October. It will aim to regulate the activities of all liquor outlets, including township shebeens.

One of the first in line to submit an application for a licence to trade on Sundays is Waterfront wine merchant Mr Vaughn Johnson who was at the forefront of the call for a change in legalisation.

"I am praying that the tourist and job creation aspects will be considered as important criteria for granting permission to trade on Sundays," he said yesterday.

The Western Cape government's deputy director-general of economic affairs, Mr Tony Ruiters, said the provincial liquor board had received over 1 000 applications, including a number referred to it by the national liquor board.

Among those lodged were applications for special permission to trade on Sundays.

Mr Ruiters said the board had adopted a policy which aimed to stimulate economic activity, particularly in the tourism industry.

"We will look favourably on all applications for special permission to trade on Sundays — particularly those within the tourist areas."

The board's definition of tourist areas in the Peninsula included areas such as Guguletu and other Cape Flats suburbs which also attracted tourists.

"There are tourists who come to South Africa to see Guguletu and the Cape Flats," he said.

Reacting to religious groups' opposition to Sunday liquor sales, he said: "The department is not the guardian of moral and religious issues in the Western Cape. If the liquor industry can enhance the tourist industry then we will want to impose as few restrictions as possible."

Sapa reports that liquor off sales outlets that openly trade on Sundays could expect strong action to be taken against them.

Western Cape police spokesman Superintendent Raymond Dowd was responding to complaints that some outlets were transgressing the liquor act.

"Certain outlets are even selling commodities of liquor contrary to the conditions of their licences."

Police had act on complaints and enforce the law, he said.

SA travel industry represented at mart

(288) BD 21/12/95

Theo Rawana

THE SA tourism and travel industry would get exposure to the 420-million people of the seven-nation grouping, the Association of South Asian Nations (Asean), at a travel mart in Kuala Lumpur, Malaysia, in March, SA Travel Mart organisers said at the weekend.

The event — presented by consultant Marketing Resources and held under the auspices of the SA high commission in Malaysia and Malaysia Airlines — would be held in Kuala Lumpur on March 20, said Marketing Resources co-ordinator B P Tan.

It was the second in a series of travel marts to bring the SA and Asian travel industries together in a convenient one-stop session.

The inaugural mart held earlier this year attracted more than 60 buyers.

"The mart features business exchange sessions at which sellers representing different parts of SA will showcase quality travel products and services to a select group of buyers from most of the Asean member countries," said Tan.

At the mart, to be held at the Concorde Hotel in the Kuala Lumpur CBD, each seller would meet individually with a buyer in a private one-on-one session at intervals of 10 minutes each. "The business sessions are strictly for registered sellers and buyers," Tan said.

He said the Asean region's economy was expected to grow by 7,8% with Malaysia, Vietnam and Thailand leading the way, followed closely by Singapore and Indonesia.

The seven-nation grouping had a burgeoning market of 420-million people enjoying vibrant economic growth and increasing levels of prosperity.

Tourists

"Against a backdrop of eight consecutive years of high annual growth averaging 8,9%, the Malaysian economy is expected to repeat its strong growth next year with an 8,5% increase," Tan said.

In terms of purchasing parity, Malaysia's per capita income was estimated at $11 328 this year; an increase of 14,2% over 1994.

He said about 18-million outbound trips were made each year against an estimated population of 20-million.

Malaysians would spend $1,87bn on overseas travel, he said.

"With the forging of special political, economic and cultural ties between the governments of SA and Malaysia, as well as the latter's policy of promoting south-south alliances, it is intended that Kuala Lumpur will become the leading Asian gateway to southern Africa," Tan said.

Language group set up

Wyndham Hartley

BD 21/12/95

CAPE TOWN — Language intolerance in SA has led Arts, Culture, Science and Technology Minister Ben Ngubane to establish a task group to advise him on language matters and to urgently prepare a language plan for the country.

Ngubane, who announced the formation of the "Langtag" yesterday, said that in past months it had become clear that there was a tendency towards "unilingualism" in the country which was contrary to the multilingualism provisions of the constitution.

He said there was growing criticism of unilingualism and a lack of tolerance of language diversity.

All South Africans, he said, should have access to all spheres of society through the language of their choice. African languages which were marginalised in the past should be elaborated and maintained. These issues were aspects of the national language plan, he said.

Langtag will be headed by Western Cape academic Neville Alexander.

Ngubane said that, because of the urgency of developing a language plan, the task group had been asked to report before the end of July next year.

SA travel industry represented at mart

Theo Rawana

(288) BD 21/12/95

THE SA tourism and travel industry would get exposure to the 420-million people of the seven-nation grouping, the Association of South Asian Nations (Asean), at a travel mart in Kuala Lumpur, Malaysia, in March, SA Travel Mart organisers said at the weekend.

The event — presented by consultant Marketing Resources and held under the auspices of the SA high commission in Malaysia and Malaysia Airlines — would be held in Kuala Lumpur on March 20, said Marketing Resources co-ordiriator B P Tan.

It was the second in a series of travel marts to bring the SA and Asian travel industries together in a convenient one-stop session.

The inaugural mart held earlier this year attracted more than 60 buyers.

"The mart features business exchange sessions at which sellers representing different parts of SA will showcase quality travel products and services to a select group of buyers from most of the Asean member countries," said Tan.

At the mart, to be held at the Concorde Hotel in the Kuala Lumpur CBD, each seller would meet individually with a buyer in a private one-on-one session at intervals of 10 minutes each. "The business sessions are strictly for registered sellers and buyers," Tan said.

He said the Asean region's economy was expected to grow by 7,8% with Malaysia, Vietnam and Thailand leading the way, followed closely by Singapore and Indonesia.

The seven-nation grouping had a burgeoning market of 420-million people enjoying vibrant economic growth and increasing levels of prosperity.

Tourists

"Against a backdrop of eight consecutive years of high annual growth averaging 8,9%, the Malaysian economy is expected to repeat its strong growth next year with an 8,5% increase," Tan said.

In terms of purchasing parity, Malaysia's per capita income was estimated at $11 328 this year; an increase of 14,2% over 1994.

He said about 18-million outbound trips were made each year against an estimated population of 20-million.

Malaysians would spend $1,87bn on overseas travel, he said.

"With the forging of special political, economic and cultural ties between the governments of SA and Malaysia, as well as the latter's policy of promoting south-south alliances, it is intended that Kuala Lumpur will become the leading Asian gateway to southern Africa," Tan said.

Kopp Electronics Limited

Cape Town hands in official Olympic bid

(288)

Edward West

BD 21/12/95

CAPE TOWN — Cape Town has presented the International Olympic Committee (IOC) with its official candidature as a bidding city for the 2004 Olympics, putting it in a contest with up to 12 other cities in the world competing to host the event.

Cape Town mayor William Bantom, accompanied by Nocsa president Sam Ramsamy and Cape Town 2004 Olympic Bid CEO Chris Ball, presented IOC president Jean Samaranch with a letter of confirmation in Lausanne, Switzerland, on Monday.

According to the Cape Town City Council, Samaranch said the US television rights for the 2004 Games had already been sold.

The host city would receive $350m — at today's currency values — as its share of the rights. The council said it was likely that the global television revenue for the host city for 2004 would be between $600m and $700m.

With the current dollar value increasing at an average rate of 3% a year, Cape Town's preliminary budget for television rights income of R620m appeared to be appropriate, the council said.

It was stressed to Samaranch that Cape Town saw itself bidding on behalf of Africa and that the bid would have a strong developmental component, the council said.

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(288) BD 21/12/95

Sebo chairman to play dual role after dismissal

By Roy Cokayne

Pretoria — The executive chairman of Sefalana Employees Benefit Organisation (Sebo), Fick Liebenberg, is also to act as chief executive officer of the organisation.

This was confirmed by Peter May, Sebo's general manager of communications, following an announcement about the termination of the services of former chief executive officer Paul Stone, effective from December 1.

President Nelson Mandela decided to terminate the services of Stone after considering the recommendations of an inquiry, the further representations of Stone, and after consulting Sebo's trustee and transitional management committee.

But May was unsure if a new Sebo chief executive would be appointed, adding that this depended on a number of issues regarding the future of the pension fund administered by Sebo.

May referred to the new central pension fund currently being planned for the civil service, which would have a separate structure and trustee.

He said when the time came, Sebo might apply to manage part of this new central fund as investment managers. Negotiations would take place in the new year about what procedure Sebo should follow.

Protea set to benefit from African tourism

ET (BR) 22/12/95 (288)

By Françoise Botha

Cape Town — Protea Hotels is set to see strong growth from African tourism, says the group's regional director for Africa, Bernard Cassar.

The hotel group has recently entered into a joint venture for the development of a luxury hotel complex on the banks of Lake Victoria.

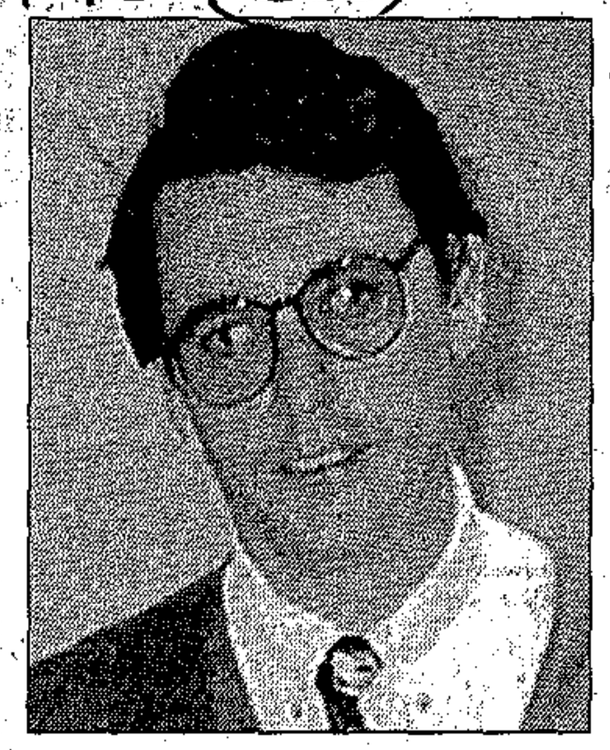
Uganda has become the tenth African country in which Protea Hotels operates, making it the largest hotel group on the continent.

The move comes at a time when tourism to Uganda has increased more than 40 percent a year over the past two years.

The three-phase development, which is estimated to be valued at $5 million, signals the first formal tourism link between South Africa and Uganda.

No investment in the hotel has been made by the Protea group, but a five-year management agreement has been signed with the investors and developers, Nakaima Estates.

The deal was partly financed by the Development Finance Company of Uganda with loan finance of $600 000 and a structured equity investment of ordinary and redeemable preference shares of $250 000. The balance of the investment was made by the directors, Edward, Jonathan and Mary Nsubuga of Nakaima Estates.



POSITIVE *Bernard Cassar, Protea's regional director for Africa*

Aimed at both the domestic and foreign leisure tourism market and the business conference market, the hotel offers watersports facilities and wildlife attractions, as well as conference and boardroom facilities.

Accommodation includes a main hotel complex of 24 rooms, five self-catering or hotel-serviced villas of two bedrooms and two bathrooms each and 13 traditional Ugandan-style rondavels that have four star international finishes throughout.

Construction of the first two phases is expected to be completed by March. The third phase will be completed by June, say the developers.

HOTEL DEVELOPMENT (288)

Bold claims?

FM 22/12/95

Hotel developer Mark II Projects has commissioned auditor Kessel Feinstein to reassess the projected investor returns on its proposed élan Park schemes.

Mark II intends to sell rooms in the hotels on sectional title for 30-day periods. The rest of the year the rooms will be let. Last week, it signed an agreement with Sanlam Properties to develop an élan Park Hotel on the President site in Sea Point.

The developer says buyers have been given an unconditional option of pulling out of the offer if they are dissatisfied with the new projections.

Mark II sales literature promises investors 14,9% on their initial investment. But the return depends on occupancies and room rates.

For A-type hotel rooms, 82% occupancy and a 15% annual rates increase is assumed over 10 years.

Though demand for hotel rooms is growing, auditor John Awbrey of Price Waterhouse says: "It's unrealistic to project room rate increases higher than inflation of 6,4%.

"At certain times, occupancy will be 80% and at others substantially less. As a result, a reasonable average occupancy rate, based on Central Statistical Service calculations, is probably 65%-75%."

Mark Taylor of Mark II Projects says the original projections are optimistic but only for the last five years of the 10. "Buyers can pull out if they are unhappy with the new projections."

Gillian Saunders of Kessel Feinstein says the hotels will operate only in about three years' time. "So the occupancy projections are accurate for year one at 65% and year two at 70%. After that, they need to be adjusted. The R251 room rate starting price, though based on today's prices, is low compared with what it will be in three years."

Jaco Du Plessis of Deloitte & Touche says: "There is nothing wrong with the concept. But, based on the present projections, the risks are high and the variables many and diverse." ■

Flight shortage 'hampering tourism'

CT (BR) 22/12/95 288

BY AUDREY D'ANGELO

Cape Town — There were not enough international flights to meet demand, and this was restricting the growth of tourism and hindering business travel, said Albert Schuitmaker, the deputy director of the Cape Town Chamber of Commerce and Industry.

The chamber had asked the civil aviation department and SAA for more flights, and for the relaxation of bilateral agreements which restricted services by foreign airlines.

But Schuitmaker said that Mike Myburgh, the chief executive of SAA, had told him that it was lack of sufficient aircraft, rather than restrictive agreements, which was limiting the number of flights by some airlines.

Myburgh had said that airlines could run supplementary flights for limited periods, and had been doing so, and that countries which were dissatisfied with their bilateral agreement could apply for more flights.

"He told us that SAA's views were only one factor taken into consideration when discussing the bilateral agreements," said Schuitmaker. According to Schuitmaker, Myburgh had said that the country was not yet at the stage where it could implement an open skies policy, where airlines could fly where they liked, as often as they liked.

Full house as tourists flood in

ST(M) 24/12/95 (288)

By TOM HOOD

CAPE TOWN is bursting at the seams with an estimated 300 000 visitors — 30 percent more than last year — cramming in for the festive season, underlining the city's status as a tourist mecca for up-country and overseas holidaymakers.

The tourist invasion has brought a major boost to local business and employment and the SA Chamber of Business has predicted the Christmas spending spree will be a record of more than R4 billion.

It is estimated that holiday pay and bonuses paid to workers in the two main industries, clothing and building, have given the local economy a R150-million injection.

The only concern for retailers is that spending has been largely on credit. They fear that many people will have to cut back sharply in the first few months of next year to pay for the splurge.

Besides the annual influx from Gauteng and other parts of the country to the Cape's beaches, Waterfront, winelands and mountains, there has been a big surge in the number of overseas tourists. With Europeans traditionally preferring to spend Christmas at home, a fresh influx of foreigners is expected in Cape Town in the new year, prolonging the tourist boom by several months.

Most hotels and boarding houses in the city centre and Atlantic seaboard are full. Outside the CBD there is still room in guest houses and bed and breakfast establishments, according to Captour, which has set up an emergency booking centre to help tourists.

Plans are being drawn up to build several new hotels next year to cope with an even bigger tourism boom. One city hotel is awaiting confirmation from an Austrian cultural music group of a booking of 1 000 bed-nights — one of the biggest yet — in early 1997.

Local residents are cashing in on the demand for accommodation. A new organisation that rents self-catering townhouses in the Gardens at up to R700 a day has fully let these until mid-January.

An executive home in Bantry Bay, with a domestic worker, has been let for R3 000 a day — but it is big enough for four couples to share, working out more cheaply than a five-star hotel.

Clifton

At Clifton bungalows have been let for between R300 and R1 200 a day.

The Christmas trek to the Cape has spilled over into nearby coastal towns. Hermanus's population is expected to jump from 23 000 to 60 000.

Spoornet provided 129 extra mainline trains to Cape Town for up-country visitors this month. An additional 11 international and 16 domestic flights will land at Cape Town International Airport during this month and next.

Spokesmen for the wine routes, Table Mountain and the V & A Waterfront say they have never been busier.

Tourist trade in for record season as SA takes a break

(288)

ST (BT) 24/12/95

By THABO KOBOKOANE, MARCIA KLEIN and JEREMY WOODS

THIS year's tourist season is expected to be the best ever. Most hotel and resort chains are operating at full or near to capacity.

Ernie Heath, deputy executive director at the South African Tourism Board, says this December may prove to be a record.

"Although the season has only just begun, indications are that most holiday regions will run at record capacity this Christmas," says Dr Heath.

Cape Town expects over 300 000 visitors between December and February alone and hotel bookings are running well above 80%.

In Durban and the KwaZulu-Natal North and South Coasts, most hotels are running at occupancies of around 97%.

There is no accommodation available at Garden Route resorts, but there is an increase in rooms available in Port Elizabeth.

SA Airways economy and super-economy tickets to Cape Town and Durban are sold out, but business class tickets are still available.

Occupancy figures will be boosted by an improvement in foreign tourist arrivals in South Africa.

Satour reports 1-million overseas tourists will have visited South Africa by the end of this year, an increase of 45% over 1994, and foreign exchange earnings are expected to top last year's R7-billion.

About 1,2-million foreigners are expected to visit in 1996.

Cape Town tourism industry sources say the city is gearing itself up for its biggest tourism season.

Flights to the Mother City, both international and local, are booked solid and most of the Cape's big hotels have been sold out for weeks.

"We are expecting a 30% increase in tourists to the Cape which will make the best tourism season Cape Town has ever experienced," says Lauren de Wet, marketing manager of Captour.

"International flights to Cape Town are booked up until the end of February, and local flights from Johannesburg and Durban have few spare seats over the holiday period," says a spokesman for Cape Town international airport.

Clive Booth, communications director of Durban Unlimited, says tourism to the area is exceptionally buoyant. "Last year we felt we had achieved a turnaround and that Durban was bursting at the seams. This year is even better."

The latest figures indicate that hotel occupancies are in the 90%+ bracket and close to full capacity. In fact, a hot line has been established to help people to find accommodation.

Mr Booth says there seems to be more disposable income available and more political stability. There are also a lot more tourists who were not taking holidays a few years ago.

"We are beginning to experience crises at peak periods. With conventions and the increase in international business, the pattern of on- and off-seasons no longer exists." Mr Booth says plans for new hotels at the Durban coast will alleviate the problem.

He says there has been a vast improvement in tourism to the region over the last few years. "About five years ago we were having a rough time and there were times when we were talking of occupancies of 20% to 30%. The difference is like night and day."

Arthur Gillis, managing director of Protea Hotels, says his hotels were running at near-full capacity in November, but were quiet in the first part of December. From this week until January 5, resort destinations will probably be full but he expects a substantial decrease in business from the middle to the end of January. February and March are almost sold out with international tourists and conferences.

Mr Gillis says that areas of relatively higher demand are Cape Town and the Garden Route.

Selwyn Hurwitz, executive chairman of Karos Hotels, says the group's 14 hotels are booming, with occupancy up 18% on last year.

He says bookings for next year are looking good and will run full-speed right through next year.

Apart from hotels, holiday flats, guest houses and bed and breakfast accommodation is also nearly full.

Industry sources say a major concern is security. Although this seems to have done little to dent enthusiasm this year, they say tourism would be spectacular if not for South Africa's high level of crime.

High occupancy rate in Cape hotels

Edward West (268) BD 27/12/95

CAPE TOWN — The city's top hotels were virtually fully booked from Christmas until March, with seasonal tariff increases ranging from 15% to 40% failing to deter the predominantly foreign guests, industry spokesmen said yesterday.

Spokesmen from the Cape Sun, the Bay Hotel in Camps Bay, the Lord Charles Hotel in Somerset West, Mount Nelson and the Lanzerac Hotel in Stellenbosch yesterday reported close to full houses from Christmas until March, with current occupancies also at high levels.

The Mount Nelson increased its prices nearly 25% in November, the Lord Charles lifted its prices 18% in September and the Lanzerac and Cape Sun lifted prices 15% in October.

The Bay Hotel increased its prices by between 10%-13%, although there was a 40% difference between the summer season rates and the corporate package rates offered out of season. All the hotels reported that more than half their customers after Christmas would be foreign.

Cape Sun deputy GM Michael Parnell said the price increases might appear to be high to the local public, but the city's top hotels had to compete with the international market.

However, all divisions of hotel accommodation and service remained relatively cheap compared with comparable international venues.

Mount Nelson's latest price increase made the hotel the most expensive in SA, a spokesman said. The increase was needed to pay for increased investment by the hotel to maintain its service standards.

A spokesman from the Cape tourism authority Captour said hotel accommodation price increases this summer had not been as high as in previous years as occupancy levels had, for the first time in many years, remained relatively high throughout the year.

WEDNESDAY
DECEMBER 27, 1995 ★

CALL FOR 'SPEEDY SCRAPPING OF LAW'

Tourist boom traders defy Sunday law

CT 27/12/95 (288)

DESPITE PROSECUTIONS, TRADERS have vowed not to sit out the legal scrapping of the outdated law and to continue selling liquor on Sundays to capitalise on the booming tourist trade. **ANNEZ SALIE** reports.

CONTROVERSIAL liquor laws which prescribe when and where liquor may be sold are being ignored by some businesses, even though a few have already been charged.

Their defiance of the law is in anticipation of its complete overhaul in early 1996, they say, and is in response to the tourism boom.

Among those who have had the bitterest battles with the authorities is Langebaan restaurateur Mr Hans Rammesmayer, charged with five counts of having contravened the liquor laws on a single day.

He said he has been experiencing a very heavy increase in demand from tourists, particularly those from Europe. To cope, he had hired two additional staff members, and extended his restaurant to the pavement outside.

It was an upmarket development, he said, which was constantly packed. However, he does not have a licence for an outdoor restaurant, and cannot be granted one, despite several applications.

"I have been told the old Liquor Board has been done away with, and that I must wait for new legislation which is expected to be passed by Parliament early in the new year," says Mr Rammesmayer.

"But what must I do in the meantime? It is ridiculous for me to explain to a German tourist, or a French party why I cannot serve them a drink with their meal in that part of my restaurant which is not covered by the roof, but by umbrellas."

He says he is all for the new South Africa, and that he strongly admires the leadership of President Nelson Mandela.

"The new South Africa is attracting thousands of tourists, creating new jobs and making the RDP work. But once we have the visitors, we say it is illegal to sell them a drink outside."

Breaking law

On November 27 senior police officers called at his La Taverna Restaurant in Bree Street, Langebaan, to warn him he was breaking the law.

He persisted however, and at 12.45 pm received his first summons to appear in court without the option of a fine. When he would not relent, he was charged at hourly intervals. A court case relating to the charges has been set for January 8.

In the meantime, some of the tourists continue to drink wine and beer outside at the umbrella-covered part of La Taverna, but keep softdrink bottles handy next to their glasses.

Another trader to have brushed with the law is Mr Vaughan Johnson, owner of a wine shop at the Waterfront, which has had a record Christmas weekend, despite the law.

Mr Johnson said on Saturday he had his best sales ever, while Sunday came a close second, even though he was meant to be closed.

The shop, in the heart of one of the city's major tourist attractions, has been raided, and Mr Johnson charged, for remaining open on public holidays, Saturday afternoons and on Sundays — prime time for any tourist industry.

Far from remaining closed, Mr Johnson said his sales were 40% up on the same period last year. He said he planned to trade over the new year weekend, and any time thereafter, until the law was changed.

Liquor legislation is among the few laws to have survived the apartheid era and its protectionist, siege economy, when tourism was nowhere near the record levels currently experienced in the new South Africa.

The law strictly proscribes liquor sales outside of weekday shopping hours and Saturday mornings.

Trade and Industry Minister Mr Trevor Manuel has rejected the restrictions, and has called for its speedy scrapping.

However, Mr Chris Nissen, the Western Cape Minister of Economic Affairs and of the RDP, has said the law should take its course, and that any changes to it should follow accepted procedures of consultation with all concerned.

Cape Town hotels world's cheapest, but thanks only to very poor Rand

(288)

ARG 27/12/95

DENNIS CAVERNELIS, Staff Reporter

IF you thought Cape Town's top hotels were impossibly expensive, think again because they are among the cheapest in the world, an Argus survey has shown.

But, before you rush into the nearest hotel to spend the night, remember that our hotels are relatively inexpensive because the rand is weak. It's the exchange rate that makes them cheaper than their foreign counterparts.

The only South African hotel to be categorised among the "leading hotels of the world", the Mount Nelson, has rooms priced from R1 080 a night for a single room to R3 625 a night for a luxury suite between November and April.

The "Nellie's" rates are reduced during winter months, with single rooms at R785 a night and luxury suites at R2 820 a night.

Compared to the Peninsula Hong Kong in Kowloon, on Victoria Harbour, the Mount Nelson's rooms and suites are relatively inexpensive.

The Peninsula, considered one of the world's grandest hotels, has single and double rooms ranging in price fromR5 460 toR7 980, and suites forR10 290 to a staggering R79 800.

General manager of the five-star Cape Sun Inter-Continental Harry Murray, who has managed similarly rated international hotels for 18 years, said South Africa's top hotels compared well with their international counterparts.

"Walk-in" rates at the Cape Sun are R675 per person per night for a single room and R457 per person per night for a double room.

Top-notch hotels in the United Kingdom include the Cleveland hotel, once owned by a Prince of Wales and three dukes, and London's Dorchester Hotel.

The Cleveland has single rooms fromR1 083 and suites from R2 308, and the Dorchester charges betweenR1 197 andR1 339 for a single room andfrom R1 339 toR1 510 for a twin room.

The UK's "deluxe and luxury hotels", the five-star equivalent, have single rooms priced atR598 toR1704 a person, and twin rooms fromR342 to R701.

The rates for Cape Town's four-star Townhouse Hotel in the city centre are, excluding meals: R245 for a single room and R260 for a double room.

"First class hotels" in the UK, the counterpart to local four-star establishments, offer single rooms fromR291 toR616 and twin rooms fromR239 to R393.

The three-star Holiday Inn Garden Court hotel in Newlands charges R224 for a single room, and R119 for a double.

UK "tourist class hotels" and "superior tourist hotels" rates are between R125 andR216 for a twin room andR200 toR268 for a single room.

The Dale Court Guest House in Green Point offers 165 en-suite "bed and breakfast" single, double, or family rooms.

Their rates per room are:R168 for a single room, R185 for a double, R210 for a family of three sharing and R225 for a family of four sharing.

The International Youth Hostel Federation hostels are probably the closest the budget traveller can come to free accommodation, with rates ranging between R25 and R90 a night locally compared to between R65 and R100 in London.

● Compared to French and German hotels, the British hotel industry is holding its own, with comparable room rates, according to a report by the Confederation of British Industry's Tourism Action Group.

Tourist waves pound V&A — record-busters!

288

Staff Reporter

CAPE Town's premier tourist attraction, the Victoria and Alfred Waterfront, is breaking records.

Spokeswoman Maureen Thompson said more people visited the Waterfront in November than in December last year.

All indications are that more than 16 million people will have visited the venue by the end of this year.

Last year more than 14 million people passed through the gates.

With the completion of the new shopping centre and the five-star hotel towards the end of next year and several other hotels planned in the area, tourist numbers are expected to increase.

The Waterfront has become the most popular tourist attraction in South Africa and if and when Robben Island is opened to tourists the Waterfront is expected to reach new heights.

Mrs Thompson said one of the reasons for the increase in visitors was the Two Oceans Aquarium. The number has passed all expectations. ARG 28/12/95

The building of a canal from the recently flooded tank farm to the main gate is still under consideration and such a waterway, which would allow boat trips from the Foreshore, would further enhance the Waterfront.

No flights left as holidaymakers head home

(288) CT(BR) 3/1/98

BY AUDREY D'ANGELO

Cape Town — After the big trek down to the coast from Gauteng before Christmas, the return journey is starting and will reach its peak this coming weekend — with virtually every flight fully booked and waiting lists for cancellations.

SAA's media relations officer, Janie van Vuuren, said flights from Cape Town to Johannesburg were fully booked for the coming weekend. There were only a few seats available for Friday and next Tuesday.

Sun Air's managing director, Johan Borstlap, said that all flights were fully booked for the weekend.

"It is not only flights from Cape Town to Johannesburg that are busy — there is still a fair bit of movement down from Johannesburg to the coast, too," he said.

"We were taken by surprise by the extent of the demand during the holiday season. We expected a big exodus from Johannesburg in time for Christmas but there was only a slight lull between Christmas and New Year.

"People seem to be moving all over the place — it is a mixture of South Africans and foreign tourists who are travelling."

Comair's reservations office said that there were no seats available on flights from Cape Town to Johannesburg this week.

New airline Care, which has two return flights a day between Johannesburg and Cape Town, has some seats available.But André de Klerk, the general manager, said they would have a completely full plane for the first time on Sunday.

"We have had a fair share of holiday-makers. We have good passenger loads this week and bookings for the whole of the next two weeks look promising," he said.

BE SURE to get your Cape Times every day during the 1996 Rothmans Cape-to-Rio race as this newspaper will be first with a comprehensive daily update on the race — staff reporter and specialist sailing writer Dale Granger will be on the communications vessel to give you the latest reports from the fleet as they set off for the carnival city from Cape Town on Saturday.

From Monday the Cape Times will also carry a daily map showing the yachts' updated positions so you can trace the battle across the Atlantic.



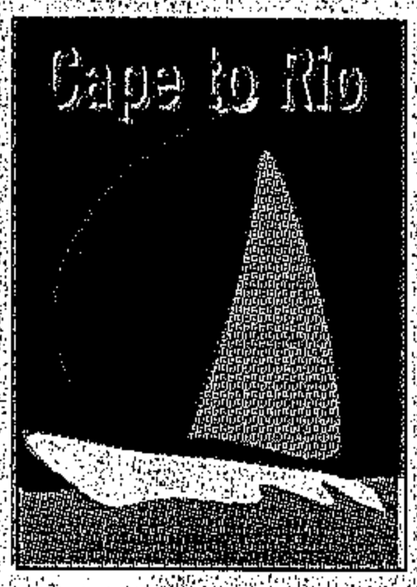
2004 Bid Company turned down Rio publicity offers

CT 4/1/96 (288)

STAFF REPORTER

CAPE TOWN'S Olympic Bid Company had declined offers from several yachtsmen to carry its bid logo on their sails, spokesman Mr Paul Johnson said yesterday.

He was commenting after one of the leading yachts in the forthcoming race, Nicorette, flew Stockholm's logo on its spinnaker.



Local yachtsman Mr Andrew Louw, owner of the unsponsored Cape-to-Rio vessel Wizard, said he had offered to carry the Cape Town logo on his spinnaker for no more than the cost of the logo and lettering, but he was turned down.

Mr Johnson said the company had not wanted to go outside its existing tight promotions budget.

"Our plan is in place, and it is dramatic and exciting," he said. "We are not lying down, though we do not have anything planned for the Cape-to-Rio race. We thought we might get a lot of letters of criticism in the press if we had taken a decision to spend thousands of rands on promoting the bid via the yachting event."

He could not say what just the logo and lettering would have cost, but added that if the company had to pay for an entire spinnaker it would have cost in the region of R70 000.

He declined to comment when asked whether the Stockholm promoters were breaking Olympic rules by promoting their logo internationally at this stage.

Instead, financial director of the Cape Town bid company Mr Mike Fuller went out to welcome Nicorette yesterday, and was taken sailing by skipper Mr Ludde Ingvall.

● See Page 3



FULL HOUSE *A group of tourists outside the Sandton Sun Towers yesterday. Latest figures show that foreign tourism grew about 50 percent over last year, with the trend likely to continue* PHOTO: JEREMY GLYN

Hotels gain as foreign tourists arrive

CT(BE) 4/1/95 (288

BY CHARLOTTE MATHEWS

Johannesburg — Foreign tourists continued to flock to South Africa in October, according to the latest statistics from the Central Statistical Service (CSS). Hotel industry spokesmen said yesterday that this trend appeared to have been sustained through November and December.

According to the statistics, the number of bednights sold to foreign tourists in October surged 46 percent to 296 437 compared with September. October's figure was almost double the 157 055 bednights sold to tourists last October. However, the comparison was distorted because the former homelands have been included only since January last year.

The CSS said bednights sold to foreign tourists were more than a fifth of all the bednights sold in October.

Economic consultancy Econometrix said even by excluding the distortions after adding figures from the TBVC states and the artificial boost given by the Rugby World Cup, year-on-year growth in foreign tourism in the period to October was probably more than 50 percent.

Although the real growth rate of the hotel industry overall in this period was probably only 10 to 15 percent, foreign tourism had a multiplier effect throughout the economy.

The figures, which exclude residential hotels and timeshare, show that about a third of foreign tourists chose to stay in three-star hotels. Most visitors stayed in Cape Town, with Johannesburg next on the list.

Europe

About 60 percent of all visitors came from Europe, especially Germany and Britain, 15 percent came from Asia (mainly Taiwan and China) and 10 percent from Africa.

City Lodge Hotels managing director Clifford Ross said foreign guests were plentiful in the last two months in certain areas, for example at the Victoria and Alfred Waterfront in Cape Town, where City Lodge's three-star hotel probably experienced about 50 percent growth in visitors from abroad. These were mainly from Germany, France and England.

As far as foreign business travellers were concerned, hotels in the the City Lodge group and in the Courtyard group showed increased occupancy.

Karos Hotels executive chairman Selwyn Hurwitz said the tourist trade up to the first week in December was "outstanding". Traditionally tourism tapered off between December 7 and the first week in January and then resumed, and the group's forward bookings were looking good. Again, tourists seemed to favour three- and four-star hotels.

Hurwitz said foreign tourism had really begun to revive from September, after normal tourism was discouraged by reports that hotels were fully booked by Rugby World Cup visitors.

Now foreign tourism was well up to expectations.

vehicle numbers rise and their average age increases. The cost of new vehicles makes extensive repairs to owned vehicles the best option for many people.

TMS has had an active two years. In 1994, it was the subject of a management buyout from Murray & Roberts, led by current MD Philip Feitelberg, who will stay on until a new MD is appointed. The deal with Hudaco is innovative and offers senior management at TMS considerable incentive to keep the profits flowing.

Feitelberg, who will remain on the TMS board for at least two years, receives 30% of the purchase price due to him in May 1998, calculated on the profits made in financial 1996 and 1997. Other senior executives may opt for a sum related to profits for the four years to 1999 as part payment.

The bulk of the purchase price will be paid by May this year. R17,4m cash has already been disbursed; another R29,8m will be paid in May; R12,4m will be settled by issue of 500 000 shares and loan claim units in March, some to TMS's institutional shareholders.

Hudaco expects the acquisition to push its automotive component sales to more than R1bn a year and automotive spares will now be its largest division. CE Stephen Connelly does not expect the acquisition to benefit EPS this year but says it would be of considerable value in the medium term.

On a p:e of 16,8, the counter is just off its 12-month high of R27. Though not cheap, it is a solid performer worthy of the bottom drawer.

Margaret-Anne Halse

(268)

KAROS HOTELS

Welcome to the inn

pm 5/1/96

The interims for the half-year to September show the continuing improvement in hotel group Karos' financial position. Turnover for the six months grew 9% and operating profit rose 7%, flowing through to a 53% jump in after-tax profit.

But the group share of earnings from associates amounted to a loss of R546 000 for the current period, compared to income of almost R1m in the year-ago period.



Hurwitz

This drain on income — primarily by the Polana Hotel in Maputo, says chairman Selwin Hurwitz — reduced attributable profit to R601 000 compared to the prior R1,1m (after exceptionals).

However, the Polana is expected to return to profitability in 1996 as the Mozambique economy settles down after its liberation and the tourist industry recovers.

The balance sheet shows a change for the better. Borrowings, which have bedevilled the group for years, have been reduced by cutting short-term debt, which is now down from R27,4m in September 1994 to R9,4m a year later.

The benefit is tempered by a R10m rise in long-term debt, but an injection of R24,5m into shareholders' funds brought down overall gearing to about 27%. This increase in share capital resulted from a successful "shares for cash" issue to three institutional investors.

Closed since July last year for "a major refurbishment," the Edward Hotel in Durban is due to reopen this July as a five-star hotel.

Hurwitz says the other hotels in the group, which include the Indaba in Sandton, the Safari in Rustenburg, the Karos Lodge on the Sabie River, hotels in the Cape and KwaZulu-Natal, and the Sossusvlei in Namibia, are "generally in excellent condition" and he expects them to gather a fair share of the tourist rand flooding the country over the holiday season.

The second half is traditionally the big money-spinner for Karos and, judging by industry reports on occupancies, the full-year figures should be nicely up on last year.

Kessel Feinstein researcher Christelle Grohmann says hotel occupancies are up and room rates have stabilised and are even showing some growth.

Current emphasis in the industry is on hotel development, in which Karos intends to be an active participant. It plans to apply for casino licences in seven provinces, promising more details of its strategy in the next few weeks.

On a p:e of 56, the share looks expensive. However, if solid profits are about to be delivered, at the current share price of 375c it is worth a gamble.

Margaret-Anne Halse

BIG IMPROVEMENTS

Six months to	Sep 30 1994	Mar 31 1995	Sep 30 1995
Turnover (Rm)	60,2	67,6	65,8
Operating income (Rm)	15,0	18,5	16,1
Attributable (Rm)	1,4	2,8	0,6
Earnings (c)	2,4	4,7	1,0
Dividends (c)	none	2,7	none

Black tourists flocking to Durban

(288) CT (BR) 5/1/96

BY JON BEVERLEY

Durban — The hospitality scene in Durban saw a radical change in the composition of its visitors last year, Eggy Naidu, the chairman of the Beachfront Business Committee, said yesterday.

In previous years, black tourists used to comprise about 10 to 20 percent of tourists to the area, however, they now comprised 60 percent.

The beachfront council had put proposals before the City Council dealing with the change in the composition of visitors.

If numbers increased at the same rate there would be a shortage of accommodation.

The old family entertainment venues had been allowed to die which was serious, he said. People needed somewhere to go as an alternative to the beach when it was raining.

Figures

Naidu said it was too early for trading figures but hotels, holiday flats, timeshare resorts and private accommodation were fully booked over Christmas and New Year.

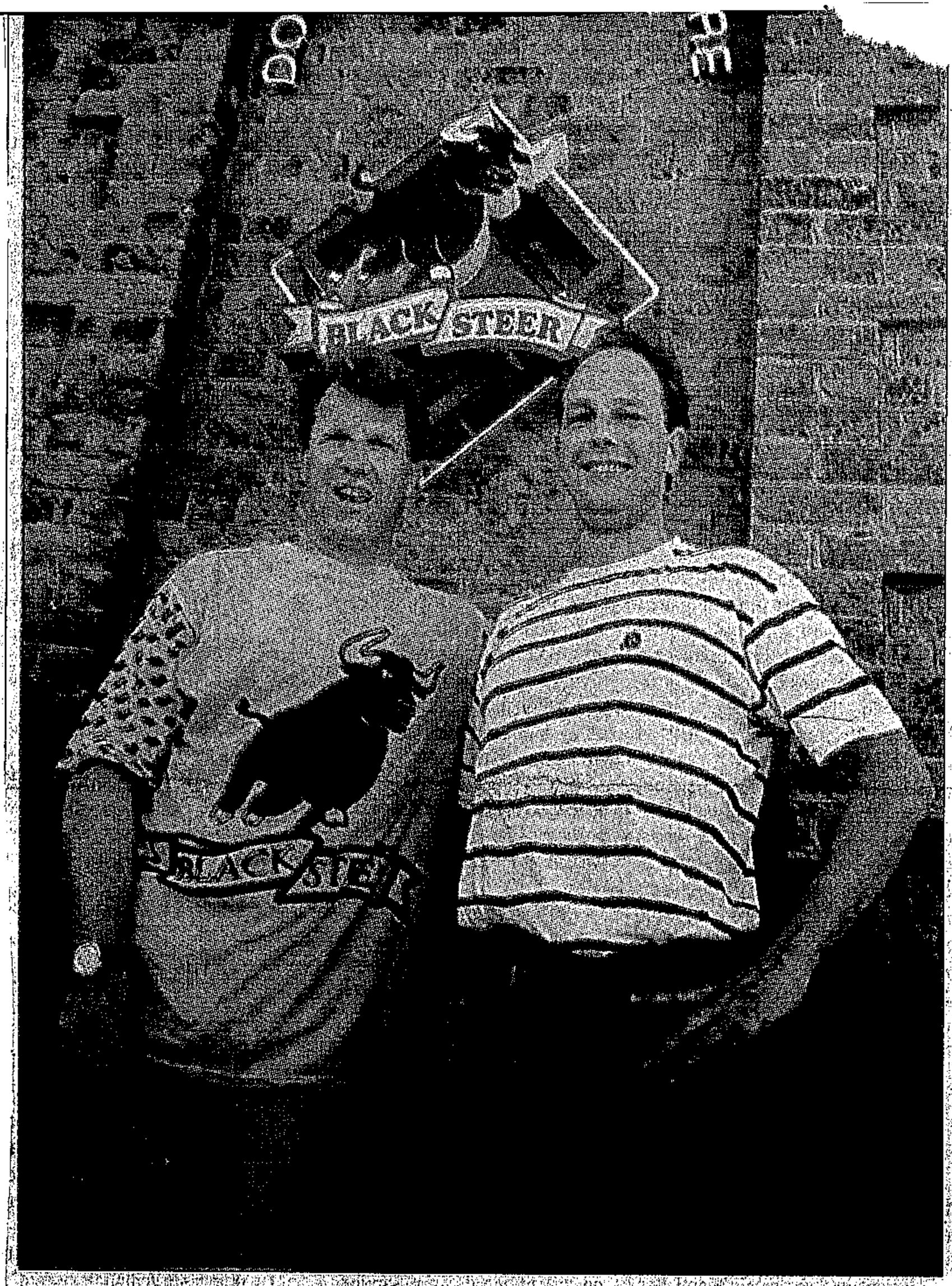
Fast food outlets had reported a very good season, he said.

The accommodation scene in Durban had changed over the past few years with hotels being downgraded and repackaged while other hotels had been changed into timeshare resorts.

Most noticeable was the change of the five-star Maharani and Malibu hotels into the Holiday Inn Garden Court format and the change of the Elangeni and Beverly Hills hotels into liaisons with international groups.

A spokesman for the Amanzimtoti Publicity Association said many resorts in the area had been fully booked over the Christmas season.

The visitor composition appeared to have swung towards businessmen and there had been a change in the racial mix of visitors from previous years, he said.



AGGRESSIVE EXPANSION *Bryan Pridgeon, left, Foodgro's regional manager for the Cape, and Grant Gillis, of Delta Interiors and Foodgro's interior design and project manager for the Cape, view their new acquisition at the Cape Town Waterfront*

Foodgro expansion plan will create jobs

(288) CT(BR) 8/1/96

BY FRANÇOISE BOTHA

Cape Town — Foodgro, the restaurant arm of Leisure Net, has announced aggressive expansion plans that include the opening of 20 more outlets worth R12 million in the Western Cape.

The move will also boost the local economy with 600 permanent and 600 casual jobs over the next year.

The company is set to open 10 Black Steers, three Flame Diners, five Bulldogs Pubs and two Max Frango's Chicken outlets.

This will bring the nationwide total to more than 120 outlets.

Foodgro's Cape regional director, Bryan Pridgeon, said that 90 percent of the company's outlets were based in Gauteng. This meant the company had to spread to the Cape to ensure its continued growth.

"Because the brands have been established in Gauteng for some time, people now want them down here. We have been forced to open," he said.

The company had secured contracts for 20 outlets, but the figure could be considerably higher by the end of the year, he said.

"It's only January and there is a whole year ahead of us."

Foodgro's push into the Western Cape market was spearheaded with the opening last month of its flagship Cape restaurant, the Black Steer, at one of the V&A Waterfront's landmark sites, the Dock Road Café.

According to Pridgeon, turnover at the new venue was close to R1 million during December.

The opening of the Waterfront outlet brings the number of Cape-based operations to 10 from two at the beginning of 1995.

As a result of the rapid expansion plans, the company expects an increase of more than R4,5 million in income on the back of an additional R50 million in turnover for franchise holders.

In terms of the 20 secured contracts, franchise and joining fees are expected to add a further R800 000 to the company's figures.

Commenting on the agreements, Pridgeon said that most of the outlets would be established by the franchise-holders, who would also own the facilities.

"In some instances we will be investing in the ventures, but they are a very small proportion of the total," he said.

TUESDAY
JANUARY 9, 1996 ★

CAPE TOWN A SENTIMENTAL FAVOURITE

2004 Olympics wide open as bids close

CT 9/1/96

(288)

LAUSANNE, Switzerland: Eleven cities are expected to have handed in their bids for the 2004 Games by tomorrow's deadline. They include three former Olympic hosts.

CAPE TOWN, bidding to bring the Olympics to Africa for the first time, will be the sentimental favourite at least when the race for the 2004 Summer Games begins this week.

In a field left wide open by Beijing's decision not to run again, rival bids from Athens and Rome promise a Mediterranean tussle that should enliven the contest.

It is expected that 11 cities will have handed in bids to the International Olympic Committee by the midnight deadline tomorrow.

Three — Athens, Rome and Stockholm — have already been Olympic hosts. Three more — Rio de Janeiro, Buenos Aires and Istanbul — have made unsuccessful bids in the past.

The remainder — Cape Town, St Petersburg in Russia, San Juan in Puerto Rico, Lille in France and Seville in Spain — are newcomers.

Under rules first used for cities bidding for the 2002 Winter Games, the candidates will be whittled down to four or five by an IOC electoral college next year.

The IOC's 100-odd members, a sophisticated if notoriously fickle electorate, will choose between them in September 1997.

The two-round contest and moves to cut the cost of a bid appear to have increased interest among potential Olympic cities.

South Africa and President Nelson Mandela have been courted assiduously by the IOC in recent years. During a visit to Rome in November, however, IOC president Mr Juan Antonio Samaranch warned that the Cape Town team still needed to do a lot of work.

He praised his Italian hosts for presenting "one of the most important" bids for the 2004 Games.

Rome hosted its first Olympics in 1960. Mr Samaranch's Italian allies on the IOC, including world athletics boss Mr Primo Nebiolo, should give the city a powerful edge.

Perhaps the most surprising bid is by Athens, which hosted the first modern Olympic Games in 1896 but lost out to Atlanta in the contest for this year's Centenary Games.

Greek political leaders, who had claimed the Games as their virtual birthright, vowed that the city would never run again, but decided last month to swallow their pride.

St Petersburg faces a difficult task in persuading the IOC that post-communist Russia is ready to host the Games.

Among the others, Stockholm will be seen as a safe if uninspiring choice. Rio de Janeiro and Buenos Aires will need extra-strong bids to convince the IOC they can rise above Latin-American political and economic uncertainty. — Reuter

Visitors to SA increase by 58%

(288) ARG 18/1/96

Staff Reporter

THE tourist boom is continuing with the number of overseas visitors coming to South Africa increasing 58,1 percent in October 1995, compared to October 1994.

October figures, the latest available from Central Statistical Services, show that in October 1995 91 614 overseas tourists entered South Africa through the three international airports — 30,8 percent more than in September 1995.

Most were from Germany, followed closely by Britain, the United States and the Netherlands.

Satour strives for better service

BD 10/1/96 (288)

Theo Rawana

THE SA Tourism Board, encouraged by the 66% jump in the number of foreign tourists in the first eight months of last year, had stepped up its drive to improve service standards in the hospitality industry, Satour said yesterday.

Standards director Greg MacManus said the number of tourists visiting SA between January and August last year surged to 665 515 from the 400 913 recorded during the same period the previous year.

"In keeping with these developments, consumer response to the 1996 Satour Tourism Awards has been most impressive with the number of nominations received to date more than 300% up on 1995," MacManus said.

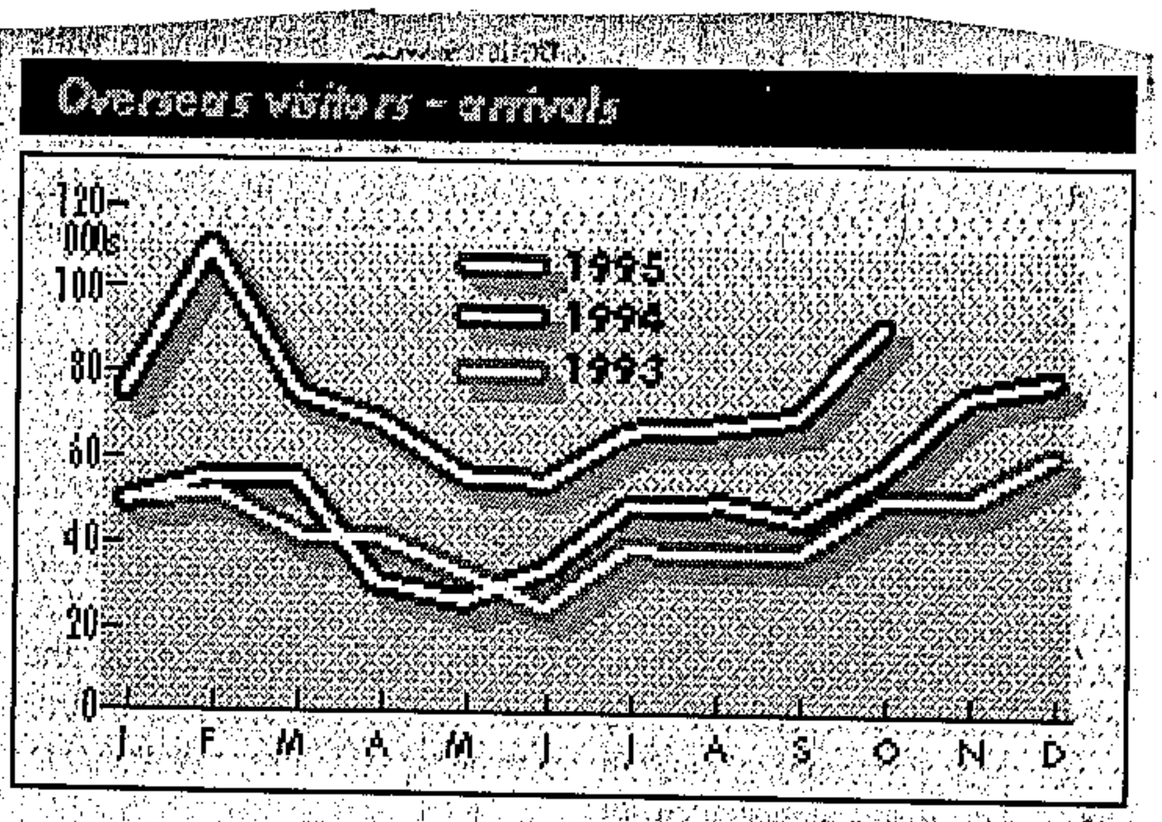
The awards were first instituted last year to recognise service excellence in tourism. Consumers and the tourism industry are called on to cast votes in favour of establishments they believe have played a crucial role in furthering the industry.

MacManus said in order to meet the growing consumer interest in the awards and to facilitate the nomination process, Satour had placed entry forms for its 1996 awards on the Internet.

"As the first item of this nature to be advertised on the Internet, this year's awards will allow a greater number of consumers to express their views on hospitality establishments in SA. Given the global nature of the Internet, those overseas visitors to SA who have since returned home will also be able to cast their votes," MacManus said.

The 300% increase in consumer responses to the award was evidence that South Africans were finally recognising the importance of service standards in the hospitality industry.

Tourism would not continue to grow at its current rate unless standards were improved, MacManus said.



Tourism boom to carry on well into the year

CT(BR) 10/1/96 (288)

BY AUDREY D'ANGELO

Cape Town — South Africa's tourism boom is continuing, with major international airlines reporting heavy bookings well into the new year.

The latest statistics available from the Central Statistical Service — for October, when the season started — show that the number of overseas visitors soared to 91 614 in that month alone. This was 30,8 percent more than the previous month and 58,1 percent more than the 57 941 in October 1994.

German visitors were in the majority in October, pushing those from Britain — who for years had accounted for most of the foreign tourists and business travellers to the country — into second place.

There were 17 974 tourists from Germany compared with 17 502 from Britain, 8 447 from the United States, 5 461 from The Netherlands, 4 387 from France, 3 776 from Switzerland, 3 289 from China and 3 144 from Australia.

More South Africans also travelled abroad. The number leaving through the three international airports — Johannesburg, Cape Town and Durban — rose 18,2 percent to 59 476 compared with 50 358 in October 1994.

Roger Mackie, the national president of the Association of Southern African Travel Agents said he was not surprised to hear that more Germans than British came to South Africa that month.

"They have been running neck-and-neck for some time. The strong Deutschmark makes it easy for Germans to travel and they have developed strong business interests in this country."

But in spite of the strong growth in tourism, Mackie said the association was concerned about the diminishing role of the SA Tourism Organisation in marketing South Africa overseas and its small budget compared with that of foreign competitors.

He said that the organisation's budget of only R53 million was "a drop in the ocean" compared with the A$350 million (R951 million) which Australia's marketing organisation had available.

Some of Satour's marketing functions have now been given to recently established provincial tourism organisations.

Mackie said the travel trade foresaw a danger of money being wasted in setting up provincial bureaucracies which would have less effect on the international tourism market.

Confident Cape Town submits Olympic bid

(288) ARG 11/1/96

CAPE Town has joined 10 other cities in submitting its candidacy for the 2004 Olympic Games and organisers said they remained confident of winning the greatest sports opportunity in southern Africa's history.

Yesterday was the deadline for submission of candidacy to host the games. Bidding cities have until August 15 to submit comprehensive plans on how they will manage the event.

"The bid is in good shape," Cape Town 2004 Olympic Bid chief executive Chris Ball told a media briefing. "It does become more and more apparent that Cape Town is the ideal city to host this showcase for southern Africa."

Cape Town's bid, expected to cost R80 million, had commitments by sponsors for R60 million, Mr Ball said. The Games would provide a unique economic opportunity for South Africa and serve as a massive unifier and nation builder.

"We can put on an event that will not only be successful, it will be extraordinary."

It had not proved difficult to convince the rest of southern Africa of the "spin-offs", among them the predicted creation of 110 000 permanent jobs in tourism alone.

"The Olympics in South Africa could make a major impact on the continent's future," Mr Ball said.

Support for Cape Town's bid had been received from a number of international sports federation heads, although the bid company was still battling against South Africans' negative attitude to the bid.

However, local confidence in Cape Town's ability to host the Games was growing as people realised the benefits would extend to the whole country and the games could be profitably run. — Sapa.

Major bank offers Games sponsorship

Staff Reporter

THE Cape Town 2004 Olympic bid received another boost when Nedbank, one of South Africa's major banks, announced its support.

Gustav Preller, executive general manager of marketing and strategic management at Nedbank, said yesterday this would be a natural progression of its sponsorship of the Olympic team to represent South Africa in Atlanta later this year.

He said a successful bid would lead to job creation, improved facilities and broader scope for developing sports activities. "Our shareholders and staff also will benefit from the Games being held in this country," he said.

Mr Preller believes the bank's support will send a clear message to the people of South Africa that big business is solidly behind Cape Town's bid for the 2004 Olympics.

"We believe that the whole of Africa will benefit economically if the bid is successful," he said.

Negotiations over new hotel under way

(288) BD 11/1/96

Amanda Vermeulen

FINANCIAL services company Capital Alliance is negotiating with three major international hotel groups to develop a second five-star hotel near Cape Town's waterfront.

Capital Alliance CE Mzi Khumalo said yesterday US group Ritz Carlton, Hong Kong-based Shangrila and US-based Sheraton were in talks over a hotel on the site, which already has a 370-room Hilton and the new BP head office planned.

The total development is expected to be about R600m.

Capital Alliance brokered the Hilton development in Durban which would be built by Malaysian group Renong. The Durban hotel is a joint venture between Hilton and Renong's hotel operation, Faber.

The Cape Town Hilton is a joint venture with French company Compagnie Generale de Batiment et Construction.

Hotel consultants said yesterday Cape Town was in danger of oversaturating the market for five-star accommodation, as several hotels were being planned.

Olympic deadline met but city faces tough competition

CAPE TOWN has now officially entered the race with 10 other contending cities in their bid to win the candidature to host the 2004 Summer Olympics as the deadline for preliminary bids expired at midnight.

The other contenders in the running are San Juan, Buenos Aires and Rio de Janeiro in South America, Seville in Spain, Lille in France, Rome, Athens, Istanbul, Stockholm and St Petersburg in Russia.

Of these, strong opposition are thought to be Rome, Stockholm and Istanbul, which has bid twice already. But Cape Town, which is bidding to bring the Olympics to Africa for the first time, is viewed as the sentimental favourite.

Yesterday was the deadline for submissions of candidacy to host the games with bidding cities having been given until August 15 to submit comprehensive plans on how they will manage the event.

"The bid is in good shape," Cape Town 2004 Olympic Bid chief executive Mr Chris Ball told a media briefing in Johannesburg yesterday.



"It does become more and more apparent Cape Town is the ideal city to host this showcase for Southern Africa."

Cape Town's bid, expected to cost R80 million, had commitments by sponsors for R60m, Mr Ball said.

"We can put on an event that will not only be successful; it will be extraordinary."

A successful bid required accelerated infrastructural expenditure of almost R1 billion in the Western Cape, Mr Ball said.

Revenue of R2,5bn was expected from television rights alone.

About 500 people were already working on the bid.

"We are confident we will manage comfortably to accommodate the Olympic family and visitors," Mr Ball said.

Meanwhile, officials of the International Olympic Committee (IOC) said technical representatives of the bidding cities would meet IOC leaders in Lausanne on January 23 to discuss bidding procedure.

The cities have to submit full bid documents to the IOC by mid-August after which an evaluation commission chaired by German IOC member Mr Thomas Bach will visit the candidate cities.

The commission will publish its report by the end of February 1996 and an IOC electoral college will whittle down the candidates to a short-list of four or five by early April. After that the IOC's 100-plus members will be invited on expenses-paid inspection visits to the remaining candidate cities before making their choice in Lausanne on September 5. — Staff Reporter, Sapa

(288) ET 11/1/96

African Cup to bring in R159m

(288)
Mduduzi ka Harvey
BD 12/1/96

SA COULD earn at least R159m in foreign exchange from the 22-day African Cup of Nations football tournament, which will be held in four cities, a Satour report has indicated.

The report, aimed at giving a brief indication of the possible effect of the competition in terms of tourism arrivals and foreign exchange earnings, derived figures from attendance information for previous SA matches and the opinions of soccer personalities.

The R159m figure was based on a Reserve Bank estimate that an average African land arrival tourist spends at least R600 when they visit SA.

A total of 22 600 tourists were expected to arrive in the country. Satour expected between 300-500 tourists from Cameroon, up to 2 000 from Egypt, 1 500 from Angola and between 5 000 and 10 000 from Zambia.

With the expected influx of tourists, the Johannesburg council started a R3m environmental upgrade of the First National Bank Stadium near Soweto last year, where 10 games will be played between January 13 to February 3.

Other games will be played at Kings Park Stadium in Durban, the Boet Erasmus Stadium in Port Elizabeth and the Free State Stadium in Bloemfontein.

Johannesburg council's sport director Danie Malan said a park-and-ride service would be set up in the city for the duration of the tournament. The R5 return trip, which includes parking and security service, will run from the parking area outside Gold Reef City on Northern Parkway Road close to the M1 motorway.

It will begin two hours before each match and will operate for an hour after the final whistle.

Efforts will also be made to ease traffic and pedestrian flow around the stadium by changing certain streets to one-ways during the game and allocating areas for buses, mini-bus taxis and hospitality sites, Malan said.

Wits Metro Rail Services will also have special trains to transport passengers to Nasrec Station.

Johannesburg council security co-ordinator Jan Smit said security would be tightened by deploying 500 policemen and 500 security guards from a private firm in and around the stadium. Body searches would be conducted and metal detectors would be used to ensure the safety of spectators.

See Back Page

...Execution Creditor, Sheriff and/or Plaintiff's At... | SITUATE IN THE TOWNSHIP OF ... | ...action stipulated by the organisation's code of conduct | 15 ARC BUM

12-18/1/96/288

10 cities bidding for the 2004 Olympics, but there have been several surprise selections in the past, writes **Julian Drew**

ELEVEN cities will go to the starting blocks in the race to host the 2004 Olympic Games, it was revealed in Lausanne on Wednesday. That was the deadline set by the International Olympic Committee (IOC) for the filing of candidatures at its headquarters in Switzerland.

Until Wednesday it was like trying to predict the outcome of a race without knowing who the runners would be but the contestants are now clear-cut in the bid to secure the IOC's nomination in September 1997. Besides Cape Town the other cities are: Athens, Buenos Aires, Istanbul, Lille, Rio de Janeiro, Rome, San Juan (Puerto Rico), Seville, St Petersburg and Stockholm.

Although there had been much speculation about a Chinese bid, either from Beijing, who lost out narrowly to Sydney in the bid for the 2000 Olympics, or Shanghai, they declined to file, much to the relief of South Africa.

Whether the mandarins in the polit-



On the Ball: Cape Town bid boss Chris Ball aiming for a professional technical bid PHOTOGRAPH: JULIAN DREW

to be spent at some time in the future anyway. The government is therefore only being asked to bring its funding forward to assist with the staging of the Games.

This means a shifting in the priorities of some of the government's transport budget but in terms of the benefits of staging the Games it will be more than worthwhile. The bottom line for the ratepayers of Cape Town is that the Games will not cost them anything and they will be left with an excellent set of sporting facilities and a much improved transport infrastructure.

Of course this scenario relies on the assumption that Ball and his team have got their sums right. But with R2,5-billion in television rights already guaranteed (more than was budgeted for) from NBC's television deal with the IOC late last year and a well tested IOC marketing programme, much of the revenue is assured irrespective of where the Games are held.

The trick is going to be in keeping the cost of sports facilities to a minimum while still meeting the requirements of the International Sports Federations. Cape Town's operating budget is lower than Atlanta's (R5,69-billion) but higher than Sydney's (R3,46-billion at the time of bidding). Such figures can be misleading though because they do not always

All the runners in the bid race

(288) M+G (mm) 12-18/1/96

Cape Town is confident it can compete with the other

buro were too disheartened with the unfathomable workings of the IOC after losing with what they had incorrectly considered a winning ticket, or they were simply making way for their "comrades" in Africa, remains to be seen. But with China out of the way South Africa should have sole sway over the emotional and political votes. And, provided this country can deliver a competent technical bid, those votes should be enough to see the Games come to Africa for the first time.

Chris Ball, chief executive officer of the Cape Town 2004 Olympic Bid, was upbeat about Cape Town's chances, but he warned against complacency. "I believe every single candidate must be taken seriously. There are still 21 months of this process to go and a lot can still happen. There have been surprises in the past.

"For example, in the contest for the Winter Olympics when Lillehammer won it was not the favourite. Therefore one should never discount one's competitors, " said Ball.

Obviously it is prudent to avoid counting your chickens before they've hatched for past experience has shown that the only certainty is that there are no sure-fire favourites where the members of the world's most exclusive club are concerned.

For historical reasons Athens was considered to be a foregone conclusion to host the Centennial Olympic Games this year but lost out to Atlanta through what many believe was the Coca-Cola factor. Also, 1988 hosts Seoul were considered no match for Nagoya and Mexico City was thought to be the least likely of the four candidates for the 1968 Olympics because of its altitude.

South Africa has much going for it in terms of "the missing ring" factor which refers to Africa (represented by the black ring among the five Olympic rings) never having hosted the Games, together with the enormous amount of goodwill that exists towards this country at the moment.

But there are also issues which will favour some of the other cities. South America has never hosted the Games, which could favour Buenos Aires or Rio.

South Africa should be able to count on Africa's 19 members among the IOC's full complement of 106 but with Istanbul bidding for the second time, six of Africa's 19 votes could join an Islamic block if talk of block voting is to be believed.

Rome can be expected to mount a strong challenge with the powerful, although not necessarily popular, athletics supremo, Primo Nebiolo, leading the hunt for votes — something he has proved rather adept at when ensuring his own position.

But Rome has hosted the Games before, as has Stockholm. The Swedish capital will pose a threat with its superb array of infrastructure already in place together with a proven record of efficiency and a national environmental policy without equal. But providing South Africa does its homework properly it is difficult to see it losing.

'The only certainty is that there are no sure-fire favourites where the members of the world's most exclusive club are concerned'

"Our responsibility is to make sure that we submit a very professional technical plan. We must not rely on emotion. We must compete and be professional and that's what we intend to do," said Ball.

"We want our technical bid to be as competent as anybody's and I hope that we will then be able to persuade people not only that Cape Town is the best place to have the Olympic Games in 2004, but also that there is validity in the concept that an Olympics in Southern Africa can make a major impact on the socio-economic and socio-political future of this part of the world."

Socio-economic impact is perhaps the greatest worry for most South Africans, particularly the residents of the Western Cape. Many people believe that the Games will prove to be an economic extravaganza the country can ill afford and that the taxpayer and ratepayers will end up footing any deficit.

Ball and his committee are well aware of such perceptions. "We are starting a proactive approach in Cape Town which will be extended nationally to give more details of the real facts, our capability and the excitement of the bid. Until now we've tended to keep our heads down and deal with the preparation of the physical product. That was a policy decision. We felt that we couldn't go ahead and make a noise until we were satisfied we were on absolutely firm ground. We are now quite sure that we are on firm ground," said Ball.

What the South African public is going to want reassurance about is the cost of the bid, but if the preliminary operating budget is accurate there is no need for alarm. It is predicted that the total revenue for the Games from television rights, sponsorships and ticket sales will be R4,21-billion which will produce a net surplus of R94 million after the Games are over.

These revenues have made allowance for R504-million to go towards the provision of facilities in a total capital expenditure budget of R1,761-billion of which only R978-million will come from central government.

These funds from government are required to upgrade the road and rail system in Cape Town and would have include the same things and the viability of Cape Town's figures will only really be put to the test when they are reviewed by the IOC's Evaluation Commission.

On January 23 the bidding cities will be briefed by the IOC in Lausanne on the electoral procedure. They will then have to finalise their bid books containing the technical details covering 19 different themes relating to the staging of the Games.

These must be submitted to the IOC by August 15 and then towards the end of September the Evaluation Commission will begin its inspection visits to the candidate cities. The commission will present a report to the IOC next February and four of the 11 cities will be nominated as finalists for the bid.

These four cities will then be allowed to canvass the members of the IOC and the host city will be selected in a secret ballot at the IOC session in Lausanne on September 5 1997.

Ball and many others believe the Games are an economic opportunity South Africa simply cannot afford to miss. Certainly the staging of the Games provided a major boost to the economies of Japan and Korea which went on to become major world players. But by the same token Mexico also held the Games and has remained very much a Third-World economy. Only time will tell which route South Africa will take?

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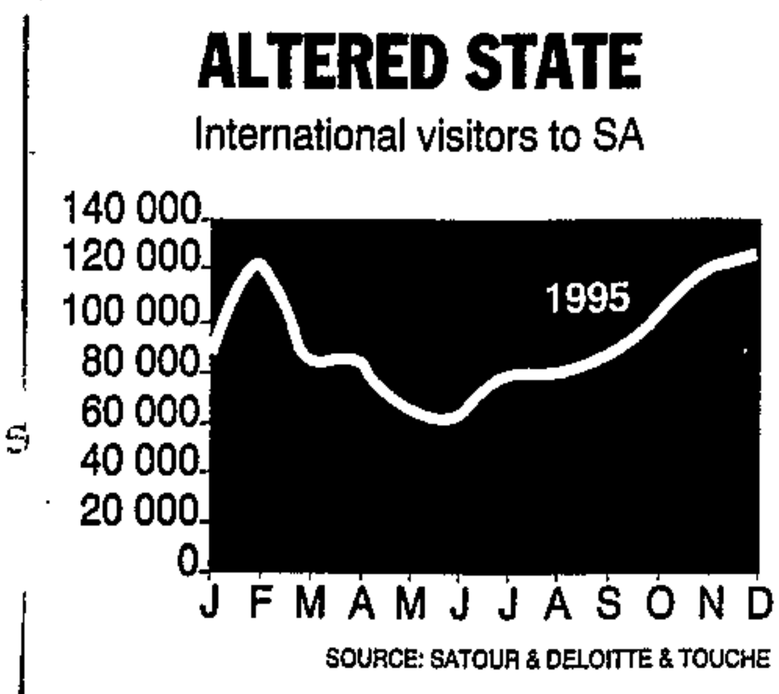


share of hotel income is generated by business occupancies throughout the year. They account for 85% of bookings. Sport-related events, conventions and international tourism are also gaining in significance."

He says foreign visitors are likely to provide the main engine for future growth in the region's hotel industry.

"Domestic tourism, the icing on the cake, though expected to rise by about 10% a year over the next two years, tailing off to 5%-7%, is limited in that it peaks for only about 30 days a year," says Hirst.

His scenarios assume business traffic will rise 5%-10% a year and international tourism 15%-25%.

Based on a current availability of 1,4m room nights in the city, demand is tipped to rise at least 30% to 1999, possibly 50% and at most 80%.

In any midweek, says Hirst, that translates into a shortfall of 1 371 rooms in the low-growth scenario, 2 092 in the mid-growth and 3 141 in the high-growth projection.

"The high scenario translates into a need for 10 new 300-bed hotels before the year 2000. Even in the unlikely event of this proving to be 50% too high, the developers of the first five would face minimal risk."

Yet the only significant current hotel development in Durban involves: a 340-room, five-star Hilton International, to be built in conjunction with the city's International Convention Centre; the R70m upgrade of the five-star Edward Hotel; the upgrading of the Tropicana and Balmoral hotels; and the development of a large

HOTELS (288) FM 12/1/96

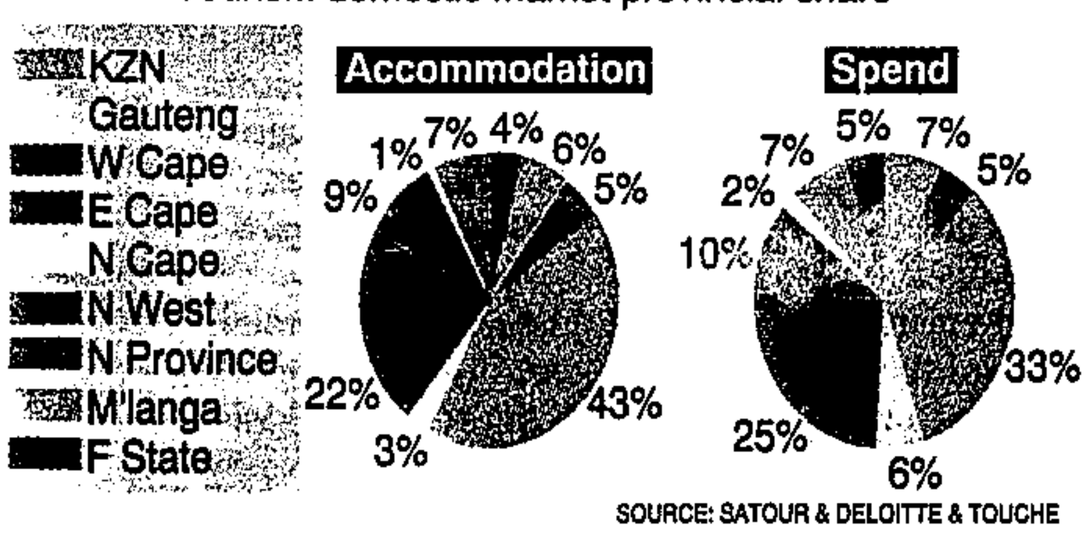
Pressure on Durban

Durban's bumper 90% hotel occupancy over the festive season underpins research that suggests the city could sustain as many as 10 new 300-bed hotels.

This is a dramatic turnaround from the past few years during which the industry has struggled, with some hotels even downgrading to attract business.

But domestic tourist generates only a small part of bed night turnover.

Says Greater Durban Marketing Authority tourism director Ted Hirst: "The lion's



TOURISM

(288)

Wrong path?

FM 12/1/96

Unless billions are poured into infrastructural development and the promotion of more tourist attractions, the industry could self-destruct, says Simon Woodward, a British expert on ecotourism who recently assessed the industry in southern Africa.

SA, he says, has only been marketing its well-known attractions, such as Cape Town, which is now approaching peak capacity and the Kruger National Park which is also at peak capacity.

But nothing is being done to develop and market other possible tourist attractions. Former deputy executive director of the SA Tourism Board (Satour) Ernie Heath says the industry is being developed without a clear national policy and guidelines. Heath was recently installed as professor of tourism management at the Business School of the University of Pretoria.

He says tourists are flooding into SA at an incredible rate and though a Green Paper has been prepared there is, so far, little government effort to channel it into the right lines and spread the load.

Given a few provisos, such as being able to assure the safety of visitors, and that the current political situation remains stable, Heath projects the rate of overseas arrivals (704 610 in 1994) will increase to 2,3m by the year 2000, and that tourists from Africa will increase from about 3m in 1994 to 5,3m in 2000.

Overseas tourists spent R7bn in SA in 1994 and domestic tourists spent R12bn. He anticipates SA will earn R80bn in foreign exchange between 1995 and 2000 from tourism, at 1994 values.

Heath says the increase in foreign tourism will create an additional 113 000 direct jobs and an additional 226 500 indirect jobs "on a sustainable basis between 1995 and 2000." That would obviously give the RDP a significant kick-start, which makes it difficult to understand why, when Satour's main task is to sell SA as a destination overseas, government allows it to retain its poor-relation status.

SA's marketing spend per visitor was R18,33, Bermuda spent R125,23 per visitor, and Australia, also a long-haul destination, spent R64,77 per visitor.

Heath estimates an additional 25 000 tourists can be persuaded to visit SA for every R10m invested in international marketing. That will earn the country an additional R110m, create an additional 2 500 direct and indirect jobs, and give government revenue a R60m boost.

But the hospitality industry will have to invest heavily. That process has started. Satour estimates that, compared with 1994, an additional 18,3m bed-nights will be required to cope with demand in 2000, when an additional 50 000 beds per night will be needed in peak season.

To provide this, 58 702 rooms in all forms of accommodation will be needed. According to the Central Statistical Service's latest figures, without the former TBVC states, SA had 41 792 rooms in September 1995, and including the former TBVC states it had 46 172 rooms. Greg McManus, Satour's director of standards, says more than 800 rooms were added to the hotel sector last year, "and a considerable amount to other forms of accommodation, such as guest houses and bed and breakfast establishments." Even if the hotel rooms in the former TBVC states are included, another 12 530 hotels rooms will have to be built between now and 2000.

But in 1993 the Industrial Development Corporation set aside R600m to lend to entrepreneurs to develop ecotourism and accommodation focused on international tourism on recognised tourism routes. It is "disappointed" in the response as only about R89m has been borrowed to date.

Heath says: "It's strange that there are so few takers, though there is a need for the type of accommodation the IDC would like the money to be used for. Maybe the terms and conditions are too complex, or the rates aren't competitive enough."

There is only one thing that can derail everything and dash SA's hopes of promoting tourism from its present position as the fourth biggest foreign exchange earner, and that is crime. All it would take, says Heath, is one well-publicised murder of an overseas tourist to see the current surge slow to a trickle. ■

Satour forecasts Cape tourism boom

(288) CT(BR) 12/1/96

BY FRANÇOISE BOTHA

Cape Town — The Cape is set for a bumper tourist season this year with an expected 25 percent increase in foreign visitors adding R750 million to the local economy.

Figures released by Satour yesterday showed that the Western Cape was set to take the lion's share of the overseas tourist market with 49 percent of all visiting foreigners coming to the region.

The market was valued at close to R3 billion last year. The Western Cape claims 24 percent of the value of the total foreign tourist market.

The Satour head of tourism research unit, James Seymour, said that the projected increase was "relatively conservative" and could be as high as 30 percent.

The region saw an estimated 500 000 foreigners last year. This figure was expected to increase to more than 625 000 this year.

A spokesman for the Cape Chamber of Commerce and Industry, Charl Adams, said that for every 10 tourists who visited South Africa, one job was created. As a result of the increase, an additional 12 500 jobs would be created in the region.

Leading Cape hoteliers said that occupancies are up between 10 and 20 percent.

While February and March had traditionally been periods of high occupancy, figures showed that April and, to a lesser extent, May would also rate high this year.

The expectations of a boom followed the most recent Central Statistical Service figures that showed a 58,1 percent increase in foreign tourism during October, compared to the previous year. These figures were also 30,8 percent up on September's.

According to Danny Bryer, the sales director of the Protea Hotel group, and Luis Pinheiro, the general manager of the Mount Nelson hotel, occupancies of between 90 and 100 percent were expected for February, falling to more than 70 percent during March and April.

Muggings: Unit set up to help visitors

(288)

ARG 13/1/96

JOHANNESBURG. — Seven tourists have been robbed of cash, cameras, credit cards and watches in Johannesburg during the past two weeks, police said.

Visitors venturing into the Johannesburg CBD, known to locals as muggers' territory, are asked to contact the police's new Tourist Unit, police spokesman Inspector Andy Pieke said.

Inspector Pieke, said two Singaporean tourists were robbed on December 27.

Both men were robbed by four men carrying knives in the Smal Street area of the city centre near the five-star Carlton Hotel, one shortly after the other. The first man, named as C K Boon, was stabbed in the chest during the attack, he said.

Mr Boon was robbed of 400 Singapore dollars and R1 500. The second tourist, Y L Chen, was robbed of 500 Singapore dollars.

Inspector Pieke said a Japanese tourist was robbed of $200 (R720), 15 000 yen and R300 on January 5 by five men, who stabbed him in the arm.

In another robbery on the same day, a German couple were left without cash and credit cards. Their two gold watches were also taken.

Four days later, an Italian tourist was robbed of R5 250. Another man, whom police identified as a tourist but said they did not know his nationality, was robbed of his camera, passport and credit cards. — Reuter.

FABCOS NOMINEE MAY BE SUSPENDED

Olympic bid man probed for fraud

A MEMBER OF THE OLYMPIC BID COMPANY's board of directors is alleged to have deposited a cheque donated to a black business organisation into a personal account. **EUNICE RIDER** reports.

THE Cape Town Olympic Bid Company is demanding an investigation into the activities of a member of their board of directors who is being investigated by the police for "several counts" of fraud — and possibly theft — amounting to tens of thousands of rands.

Police confirmed last week that Mr Brian Ebden was being investigated for several counts resulting from his involvement with the Rugby World Cup.

Mr Ebden is also the managing director of Black Expo SA, a company promoting the business interests of black entrepreneurs, and the procurement officer for Fabcos, the Foundation for African Business and Consumer Services.

He is said to have lost Fabcos tens of thousands of rands in donations he received from companies such as Shell SA and Grinaker Sports Management (GSM), for the promotion of black business before the Rugby World Cup.

He is alleged to have opened a personal bank account, Brian Ebden trading as Fabcos, into which he deposited a cheque for R30 000 from Shell, made out to Fabcos, in May last year.

In a letter to Fabcos last August, Shell SA said: "After numerous requests to Mr Ebden, we still have not received a report on the activities that were held at Philippi (where Mr Ebden ran World Cup promotions under the banner of Indwe Kraal Initiative) as well as a report on how the finances were distributed or used.

"This gives rise to numerous suspicions. To make matters worse, the Committee (of Indwe) is also not sure as to how these funds were utilised," Shell's letter read.

Fabcos allegedly found out about another "missing" donation of R40 000 from GSM — intended to buy raw materials for black entrepreneurs to make World Cup memorabilia — when the managing director of GSM, Mr Brian Hobbs, asked Fabcos how the donation had been used.

The Cape Times has a letter written by Mr Hobbs in August, in which he states he had asked Fabcos Western Cape members how his donation of R40 000 had been used, and "no one present knew anything about the R40 000".

Mr Hobbs was not prepared to comment on the matter on Friday, saying only that he was negotiating with his attorneys about the possibility of pressing criminal charges against Fabcos.

Mr Ebden and Black Expo also owe about R40 000 for SAA/Rugby World Cup stickpin badges to small jewellery company owner Mr Vivian Stoffels.

Mr Stoffels said he could face bankruptcy unless the money was repaid. SAA had already paid Mr Ebden in full for the badges.

Mr Paul Johnson, spokesperson for the Olympic Bid Company (OBC), said yesterday the OBC would demand a full investigation "as a matter of urgency".

"More than likely we will seek an interim suspension.

Mr Chris Ball, chief executive officer of the OBC, said from Port Elizabeth yesterday the OBC had been "unaware" of the investigation of fraud against Mr Ebden.

He said Mr Ebden was on the board of directors as a representative of Fabcos and "his private affairs have nothing to do with us".

Mr Brian Johnston, chairman of the Western Cape branch of Fabcos, said yesterday the organisation had expelled Mr Ebden when it learned of the allegations against him.

But, he said, when he went overseas a short while later Mr Ebden was "unconstitutionally" reinstated as some members of the organisation felt he had been too harshly dealt with.

"But I still insist that we are the type of organisation which relies heavily on public donations and we cannot tolerate this kind of behaviour."

Mr Johnston said instructions from Fabcos national president Mr Sam Tuntubele were that the question of Mr Ebden's membership be "sorted out" in the forthcoming Fabcos elections.

He confirmed that Mr Ebden still owed Fabcos member Mr Stoffels about R40 000, but insisted that Fabcos could not take sides in this issue, except to say: "We are extremely unhappy that our business development officer who

❑ To Page 3

CT 15/1/96 (288

was there to help people, has done exactly the opposite and let down a fellow member."

An SAA representative who had dealt with Mr Ebden regarding the sale of the stickpins sighed heavily when contacted by the Cape Times on Friday, and blurted out "that man should be locked behind bars and the key must be thrown away".

The representative, who did not wish to be named, said SAA had paid Mr Ebden in full for the stickpins provided by Mr Stoffels, and was negotiating with lawyers about the possibility of taking action against Mr Ebden.

The representative advised the Cape Times to take the matter up with SAA's legal adviser, but he could not be reached.

Mr Ebden said yesterday he did not know that he was being investigated for fraud, but that he "welcomed" any investigation.

"These allegations are nothing but a well-orchestrated smear campaign to discredit me. I won't comment on why but this will be made evident by the national office of Fabcos shortly," he said.

Mr Ebden insisted he had never been expelled or suspended from Fabcos Western Cape, despite copies of notices and lawyers' letters to this effect, posted by Fabcos Western Cape shortly after the alleged expulsion in late August.

The reason he had opened a bank account trading as Fabcos was to "circumvent the situation of going through the national office because the Western Cape branch did not have its own bank account".

"There was no time to get permission and anyway, I acted within my mandate as the procurement officer and the money was used for exactly the purpose for which it was intended," he said.

In documents Mr Ebden sent to the Cape Times yesterday, he said he had lodged a charge of theft with the police regarding the disappearance of World Cup memorabilia worth between R100 000 and R150 000, entrusted to him by GSM, for sale by black businessmen at a profit.

"I would also like to know what happened to it," he said.

(288)

Tourism body gets Cape branch

Apr 16/11/96

Staff Reporter

THE Southern African Tourism and Safari Association (Satsa), a leading body representing the private-sector tourism industry in Southern Africa, has established a Western Cape chapter.

Western Cape members have met to debate their association's objectives, which include collective marketing of the region; quality control of tourism products, customer service and training. These objectives will benefit the Cape Town, Peninsula, Garden Route, Karoo and West Coast areas.

Norma Polden, for the Western Cape, said the association would be involved in lobbying government for corrective tourism measures to be taken at Western Cape provincial level.

Also high on Satsa's priority list was the need to help all newcomers to the tourism industry.

Western Cape tourism 'to create 12 500 jobs'

CT(BR)(288)(FB)

BY FRANÇOISE BOTHA

16/11/96

Cape Town — The boom in Western Cape tourism was set to lead the region's growth and create at least 12 500 permanent jobs this year, industry experts said yesterday.

"The national economy is going to grow at approximately 4 percent. I would be so bold as to say that in the Western Cape it will probably supersede that. It is going to create formal jobs and will add to the formal sector and the wider Western Cape economy will benefit," said Charl Adams, the spokesman for the Cape Chamber of Commerce and Industry.

Based on figures released by Satour, a 25 percent increase in foreign tourists is expected for the region this year, bringing the total to more than 625 000.

Adams said that from every 10 foreign tourists one job would be created.

James Seymour, the head of Satour's tourism research unit, said the 25 percent increase was regarded as conservative. The increase could be as high as 30 percent. This is in line with figures presented at a Wesgro/Cape of Good Hope Bank seminar last year, which said a 40 increase was possible.

New probe into Olympic Bid director as allegations mount

EUNICE RIDER

A COMMITTEE has been appointed to probe allegations that a Fabcos member nominated to the Cape Town Olympic Bid Company's board of directors, Mr Brian Ebden, is involved in various counts of fraud.

The chairman of of the Foundation for African Business and Consumer Services (Fabcos) Western Cape, Mr Brian Johnston, said national president Mr Sam Tuntubele had flown to Cape Town yesterday and ordered the probe.

The allegations involving Mr Ebden, the regional office's procurement officer, were made public by the Cape Times yesterday.

The special investigation committee will headed by general secretary Mr David Moshapalo.

Mr Johnston yesterday denied statements by Fabcos Western Cape's vice-chairperson, Mr Toto Ntsobi, that he was no longer the regional leader as he had been "suspended".

Mr Johnston confirmed that Mr Ntsobi had "unconstitutionally" reinstated Mr Ebden to his position of business development officer.

Mr Johnston had earlier expelled him when he discovering that Mr Ebden had placed a cheque for R30 000 donated by Shell SA to Fabcos, into a private banking account opened in the name of Brian Ebden trading as Fabcos.

"I have not been suspended from my chair, even though we are in the phase of being restructured to give the regions more autonomy, and will be having elections in March or April to choose a new executive committee," said Mr Johnston.

Meanwhile, it has come to light that Mr Brian Stoffels, the owner of a small jewellery company to whom Mr Ebden owes about R40 000 for stickpins he made to commemorate the Rugby World Cup, is also taking civil action against Mr Ebden for payment of R54 000, police confirmed yesterday.

Mr Ebden told the Cape Times earlier that he had signed an acknowledgement of debt to Mr Stoffels and offered to repay him R5 000 until the debt was settled.

But Mr Stoffels said he could face possible bankruptcy if the debt was not settled sooner.

Mr Johnston said Fabcos was aware of this problem and was "disappointed that Mr Ebden had let down a fellow member".

(288) CT 16/11/96

Conference body mooted

(288)

BY FRANÇOISE BOTHA

CT(BR) 16/1/96

Cape Town — South African tourism may be boosted if efforts to promote the R2,6 billion-a-year conference industry get off the ground.

A group from the tourism industry is lobbying for the formation of an independent national convention bureau to develop national policy and strategy for the conference industry.

The formation of the bureau, which has the support of Satour and the South African Institute of Chartered Accountants, would operate as an autonomous division within Satour.

International conferences now earn South Africa R42 million in foreign exchange. The industry contributes R250 million in taxes a year and employs almost 60 000 people.

If the bureau's objectives were met, "by the year 2000, the conference industry should be worth R3,5 billion and earning at least R200 million in foreign exchange a year", said Gillian Saunders, a director of Kessel Feinstein Consulting and a member of the national steering group.

Fabcos replaces official on Olympic Bid board

(288)

Labour Reporter ARG 17/1/96

AN investigation into allegations that Foundation for African Business and Consumer Services (Fabcos) Olympic Bid Company board representative, Brian Ebden, misappropriated funds will be concluded at the end of this week.

In the meantime, Mr Ebden has been replaced as Fabcos's representative on the Cape Town Olympic Bid Company's board of directors by the organisation's secretary-general, David Moshapelo.

Fabcos national president Sam Tuntubele said he had asked for reports to be submitted to him today from former Fabcos Western Cape chairperson Brian Johnston, former treasurer Timothy Vundisa, former assistant secretary Vivian Stoffels and former vice chairperson Toto Msobi.

He said he had already received a report from Mr Ebden.

Fabcos official removed from Olympic Bid company

(288)

CT 17/11/96

STAFF REPORTER

A SENIOR member of the Foundation for African Business and Consumer Services (Fabcos) has been removed as the organisation's representative on the Cape Town Olympic Bid Company, following allegations of misappropriation of funds.

It was reported this week that Mr Brian Ebden, the regional procurement officer for Fabcos, was alleged to have lost tens of thousands of rands in donations from companies such as Shell SA and Grinaker Sports Management (GSM), for the promotion of black business before last year's Rugby World Cup.

Fabcos national president Mr Sam Tuntubele said last night that until the controversy around him had been concluded, Mr Ebden would be replaced as an Olympic Bid Company board member by Fabcos secretary-general Mr David Moshapelo.

Fabcos announced on Monday that a committee would probe allegations against Mr Ebden. Last night Mr Tuntubele said the foundation was "not aware of the misappropriation of funds allocated to Fabcos" as had been reported, and that Mr Ebden had "added a tremendous amount of value to Fabcos and the development of emergent black business in general".

R85-million hotel for Mouille Point

CT 17/11/96 (288)

MOUILLE POINT is to get a luxury 140-room hotel at a cost of more than R85 million aimed at the European tourist market.

The seven-storey hotel will be built on the corner of Beach Road and Surrey Place by the owners of the Place on the Bay, who took transfer of the 3 600m² site for R13m this week.

● See Page 16

France blocking EU's offer of free trade for SA

CT(BR)17/1/96

By John Fraser

Brussels — France is blocking a European Union offer of a free trade area with South Africa.

This has emerged in a series of secret meetings of European diplomats in Brussels.

The union's commissioner for Africa, Joao de Deus Pinheiro, proposed offering South Africa a free trade accord and had hoped to win the 15 union governments over to the idea before Christmas. However, no offer was made because of divisions among the 15.

The southern union states are deeply worried about the impact of scrapping tariffs on exports of farm products from South Africa, and want an eventual agreement to allow continued barriers against about half of South Africa's agricultural exports.

France apparently has an even more fundamental objection. "The French question the very principle of the EU offering free trade to South Africa," said an union official.

"They believe this would set a precedent for other trade partners such as the Mediterranean states, eastern Europe, the South Americans and so on.

"The fear is that if South Africa gets a free trade area it will be impossible to say no to others — and that could leave the EU very vulnerable indeed."

Italy currently holds the presidency of the union, and Italian diplomats said yesterday that they hope to overcome the French problem soon and to agree on a trade offer to Pretoria.

The aim is to get agreement among ambassadors next week, to prepare for formal agreement by the union's foreign ministers, who meet in Brussels on Monday week.

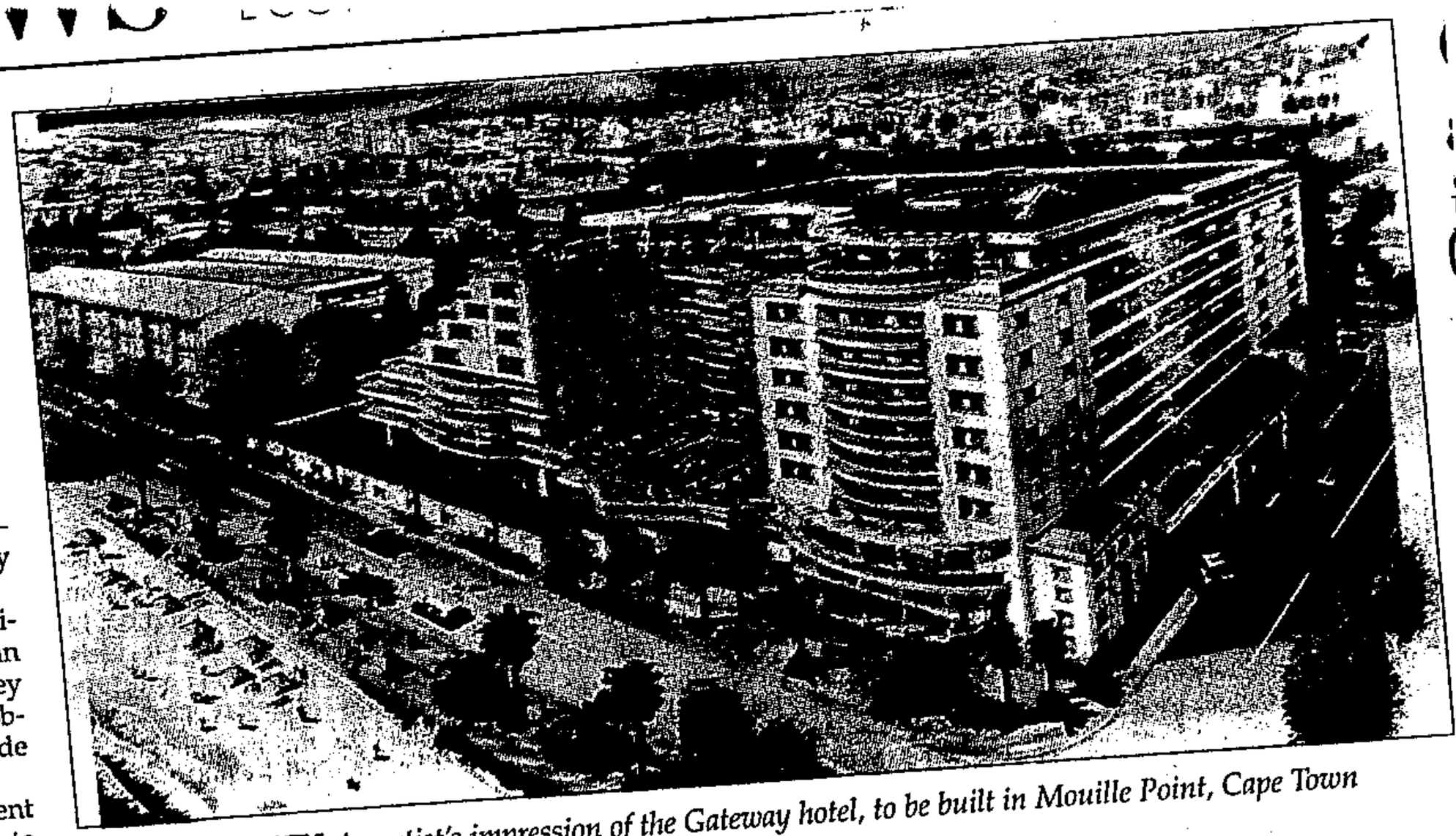
If there is any movement from the French, this may become clear when junior diplomats meet in Brussels on Friday to review the South African dossier.

Pinheiro will be visiting southern Africa next month, and would like to have a clear mandate from union governments to relaunch trade negotiations.

Ideally he wants an agreement with Pretoria by Easter, although union and South African diplomats believe this is too optimistic.

South Africa still has to decide whether or not it will accept a free trade area with the union — if this is eventually offered.

While such a deal would help exporters, it would expose domestic industry to fierce competition. — Independent Foreign Service



HOT PROPERTY *An artist's impression of the Gateway hotel, to be built in Mouille Point, Cape Town*

R85m hotel for Cape Town

CT(BR)17/1/96 (288)

By Maggie Rowley

Cape Town — A new super-luxury 132-room hotel aimed mainly at the European tourist market will be built on a beachfront site in Mouille Point, Cape Town, at a cost of R85 million.

The hotel, to be known as the Gateway, will be developed by Western Seaboard Development, the owner of the five-star Place on the Bay hotel in Camps Bay. It will be partly financed by a group of German investors.

Inner Cape Investment this week took transfer of the 3 600m² site on the corner of Beach Road and Surrey Place, which it bought for a record R13 million. Jochen Buechel, a spokesman, said the developers were putting up most of the finance, with R25 million coming from the German investors.

Construction of the seven-storey hotel is expected to start in the middle of this year, with completion due for next year's high season.

Buechel said the project already had sketch-plan approval and the building contract would be put out to tender shortly.

He said further development was justified by the demand for niche five-star hotels catering to the European trade.

"The Place on the Bay has been running at 90 percent to 95 percent occupancy levels this season, which could extend right up to May.

"About 70 percent of bed nights sold are to foreigners, with Germans accounting for the largest slice of the foreign trade."

He said the Western Cape had about 16 000 hotel rooms. This would need to triple or quadruple over the next five years if the region was to keep pace with the growth in tourism, particularly as a destination for European tourists.

Buechel said his company was looking at further developments in the medium term.

It was negotiating with the Victoria & Alfred Waterfront for one of the proposed leisure-industry sites where it hoped to build a holiday apartment block.

Inner Cape Investment was also looking at a site in Camps Bay for a small, exclusive hotel development, he said.

Chief's unusual ally in battle for resort

By MICHAEL SCHMIDT

A YOUNG Zulu chief has locked horns with the powerful Kwazulu Finance and Investment Corporation over his dream of turning a ruined seaside apartheid showpiece into a community money-spinner.

And he has an unusual ally in his fight — Hans Bezuidenhout, a 62-year-old white former employee of the corporation who was once the National Party youth leader in the Transvaal, but who is now the "father" of the historic Nthuli tribe.

Chief Phathisizwe Philbert Luthuli, 34, and his tribal council claim the corporation is illegally occupying the Umgababa Seaside Resort — once the only place in the country where black people could enjoy a beach holiday — and has allowed it to fall into decay.

The tribe has lodged a claim with the provincial Land Claims Commission for the return of all its property in particular the 17,8ha resort, and for compensation for the N2 highway, a railway line and other developments it says were built on its land without consultation.

In its heyday in the early 70s, the R400 000 resort boasted a caravan and camping park, dormitories for 170 people; private chalets, an à la carte restaurant, two swimming pools, a roller-skating rink, a miniature golf course, two tennis courts and a licensed bar. Blacks from across the sub-continent flocked to enjoy its 3km-stretch of unspoilt beach.

"In 1991, the corporation's 21-year permission-to-occupy agreement expired, so they shut the place down," Chief Luthuli said.

"But they did not hand the resort back to the tribe; they held onto it, stripped it of whatever they could and for the past five years we have watched the weeds grow higher, the paint peel off the walls and algae grow in the swimming pools.



FIGHTING TO RESTORE A FADED DREAM ... Chief Philbert Luthuli and Hans Bezuidenhout

"They have posted guards at the gate and have not allowed us to take possession of our resort," he said.

Mr Bezuidenhout, a retired accountant, met Chief Luthuli's late father, Chief Mnganiwakhe "Phillip" Luthuli, 30 years ago while on a fishing trip in the area and they subsequently became firm friends.

He began working for the corporation when it was the old Bantu Investment Corporation and managed the Umgababa resort for 12 years.

Initially a great believer in separate development, he became disillusioned when he claims he saw the corporation enriching itself at the expense of the black people it was supposed to be helping.

The corporation's executive director, Dr Marius Spies, said he was unaware of any land claim from the Nthuli tribe.

"The resort was closed several years ago following a steady decline in tourist interest in the Umgababa area," he said.

The corporation contends that it has a permit giving it permission to occupy the resort until the end of 1999.

(288) ST 21/1/96

New York 'Blues' whip crime off the street

Crime rates are down in cities across the United States. SIMON BARBER investigates what is going on

SOMETHING remarkable is happening in big cities in the United States. Crime rates in all serious categories are falling. Citizens are feeling safer. It's an election year, and no candidate for the presidency is talking about crime, for many a season the rabble rouser's favourite issue.

Here are the Justice Department's latest national statistics, covering the first six months of last year. Murder down by 12 percent from the same period in 1994. Rape down by seven percent. Ten percent fewer robberies, two percent fewer assaults. Car thefts off by five percent, arson by seven percent.

That's nationwide. The figures are even more startling when you look at individual cities. The murder rate in New York was down 25 percent last year from 1994. By 20 percent in Houston. Even former murder capital Washington needed 10 percent fewer body bags. In fact only Minneapolis, long an oasis of Midwestern decency, contrived to post a major increase —

sentencing laws.

Some attribute the improvements to tighter gun controls. Others to the fact that a growing number of states allow their citizens to pack concealed heat. Still others say the figures are an anomaly and that that there is about to be a surge in the number of potentially predatory teenagers.

All these arguments have their strong points, but if there's a common thread, it seems to lie in policing. Crime is up in rural areas, where police officers tend to be the worst paid, the most poorly qualified, and the most thinly spread. Doing best are cities in which the politicians have paid real heed to the strategies, numbers, training and pay of their law enforcers.

cops to combine toughness on petty things like graffiti writing and public drunkenness with a degree of social work, like rewarding kids for doing their homework.

In New York, where the results have been more impressive than anywhere else, Mayor Rudolph Giuliani and Police Commissioner William Bratton are turning their relatively thick blue line of 38 000 policemen into an elite, high-morale force that has civil libertarians cringing — and police chiefs from around the world flocking in for guidance.

Mr Giuliani and Commissioner Bratton subscribe to the "broken window" theory advanced by criminologist James Wilson in the early '80s. This derives from th

The crackdown on antisocial behaviour that breeches minor and previously ignored regulations also gives police a legal excuse to frisk the merely suspicious, making it suddenly very risky to carry an unlicensed firearm or some illegal substance.

At the same time, Commissioner Bratton has established a system of weekly meetings at which precinct police captains are called in to review the computerised statistics of crime in their areas. Captains with bad stats, no excuses nor plausible remedies, are fired. Results — in the form of reduced crime — are what counts. Heaven protect anyone who comes in and pleads that society or economics are to blame for what is happening on his or her patch.

To be sure, there are abuses. There have been reports of precinct chiefs ordering their officers to turn a blind eye to serious offences rather than have them show up on the computer. There

also been angry wails about

NEW FORCE . . . it's a vastly improved beat for New York cops

Picture: IMAGE BANK

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in the Wilderness) have been built on river flood plains and dunes.

As a result, river mouths have to be kept open mechanically, dunes are eroding and areas of once-stunning beauty have, in the words of the principal environment officer for the Department of Environmental Affairs, Shaun Schneier, "been reduced to the level of lower middle-class areas in Sasolburg".

This rampant despoliation of one of the most priceless natural assets in the world was allowed to happen despite a guide plan drawn up to prevent it by the Department of Constitutional Development and Planning in 1982.

"The guide plan was legally binding but property owners and consultants have been able get amendments to accommodate their specific developments," Mr Schneier said.

In accordance with legal requirements, the Department of Environmental Affairs would be asked for its recommendations, he said. "But in most cases our recommendations would be overruled by the Department of Constitutional Development and Planning."

In other cases, he said, political interference ensured sensitive areas were not included in the guide plan.

He gave an example of where the George divisional council wanted to develop a particularly sensitive area in Sedgefield. It was not included in the guide plan, although the Council for Scientific and Industrial Research had rated it as a top-priority conservation area.

When the council applied in the mid-80s for the area to be rezoned as a precursor to development, the then administrator of the Cape, Gene Louw, approved the application contrary to the recommendations of the CSIR, the Department of Environmental Affairs and Cape Nature Conservation.

It may have been coincidental that high-level members of the government were known to have interests in George and friends on the council.

"The general belief is that pressure was brought to bear on the Department of Constitutional Development (headed then by minister Chris Heunis) and on the administrator," Mr Schneier said.

Mr Hellstrom said local officials were a major part of the problem.

"More development means greater status for their towns. So officials will promote development as much as they can."

Other key players in the development process are the consultant town and regional planners who help developers get their plans approved, often by exploiting loopholes in the guide plan.

Two of the most controversial are Willem de Kock and Deon Nel, former town planners of the Strand and George respectively.

Since they teamed up as planning consultants they are believed to have been used by local authorities in 40 percent of the developments along the Garden Route.

One of their more controversial successes was getting approval for a high-density development at Cola Beach in Sedgefield.

It consists of 219 units bounded by the beach and stretching along 2km of what environmentalists say is one of the world's most unique dune areas.

"How this could have been approved boggles the mind," said Mr Schneier.

The Department of Environmental Affairs opposed the amendment to the guide plan which the development necessitated, but was overruled by the then administrator of the Cape, Kobus Meiring.

One of the most contentious decisions governing the future of the Garden Route was to commission the De Kock-Nel team to draw up a sub-regional structure plan for the area — in effect, a blueprint for further development.

Mr De Kock and Mr Nel were commissioned by the Regional Service Council for the southern Cape, the Cape Provincial Administration and local authorities. They finished their job in December.

Local authorities have approved the plan, and a go-ahead from the council and provincial administration is expected in about three months.

Environmentalists are outraged by what they see as a lack of public debate over the plan, and the fact that Mr Nel and Mr De Kock, with their professional interests in the issue, should have been given the job.

But Mr De Kock says they know the area best and there is nothing in the plan that could be used to favour their clients.

He said meetings had been held to give the public a chance to respond but few people had attended.

The environmentalists, however, said the meetings were not adequately advertised.

Herein, said Mr Hellstrom, lay another reason why so much environmentally insensitive development had been allowed. Local authorities were required by law to advertise proposed rezonings, but only in local newspapers, where most interested parties missed them. In addition, they were full of legal jargon and stuck away on inside pages in tiny print.

Under the Environmental Conservation Act of 1989, private citizens can take the authorities to court to stop development deemed harmful.

When developers got approval to build houses next to Langebaan Lagoon on the Cape west coast, some people did just that. In June 1994 the judge ruled that, as administrator, Mr Meiring had "flouted" the provisions of the Act. The bulldozers were stopped in their tracks.

But going to court is an expensive option few people can afford.

A glimmer of hope lies in what the Department of Environmental Affairs calls "integrated environmental management".

This will legally oblige local authorities to make environmental concerns a central part of their decision-making and to include all interested parties and relevant experts in the decision.

Draft regulations were gazetted two years ago and, according to a spokesman for the department, are expected to become law in November.

DUNE WITH A VIEW . . . property for sale along the coastline in Brenton-on-Sea in Knysna

'Areas have been reduced to the level of lower middle-class Sasolburg'

21/01/96/288



(288)
CP 21/1/96

'War of wheels' at airport

Tourists are 'up for grabs'

By SAMSON CHANETSA

PIRATE TOUR operators are seriously damaging South Africa's growing tourist industry by grabbing foreign passengers at Johannesburg International Airport – and sometimes forcing them into their unroadworthy vehicles.

There are threats that the battle between legitimate transporters, who are mostly white, and illegitimate operators, who are mostly black, in this lucrative market could end in bloodshed.

The illegals have formed their own organisation, the National Airport Transport Association, and operate from their own desk at the Arrivals Hall.

One illegal told City Press: "It is a black versus white thing – and very soon it will be guns like in the taxi industry."

■ Illegals have allegedly already launched a war on the vehicles of legitimate permit holders by slashing tyres and badly scratching the paintwork.

Vehicles belonging to legitimate tour operators have also been stolen – and it is claimed this is the work of illegitimate transporters.

■ The Airports Company Ltd, a private company in charge of running the airport, denies that whites are favoured in the granting of permits. It says permits are only granted to applicants who can prove that their vehicles are not only roadworthy but also clean and appropriate for visiting VIPS and diplomats.

White legitimate tour operators, however, have blamed the Airport Company for the "transport war" – claiming that it refuses to take appropriate action against the illegals because they are mostly black.

■ According to Wayne Holder, operations manager of the Airports Company, a warning was issued to all operators in December that anyone found operating without a valid permit would be prosecuted.

However, this had been difficult to implement – because the illegals pretended to be meeting relatives at the airport, said Holder.

He said the illegals grabbed tourists' luggage and took it to their vehicles – forcing the tourists to follow.

"One woman had to receive 14 stiches after she was forced into a vehicle," said Holder.

■ City Press this week watched the battle for tourists between the two parties.

The airport was a free for all.

One of the illegal operators admitted to City Press: "We look like tsotsis here" – as a tourist struggled to free himself from porters and drivers who swarmed at him like bees.

■ To Page 2

Nemadzivhanani also

■ From Page 1

Four of his VW Kombis had been stolen last year, he said.

Another operator, Johan Venter, said he had approached the Airports Company for advice to run his business legally, but had been told the ministry did not allow operators any more.

When he approached the Ministry of Transport, it denied ever dealing with such a matter.

Holder denied the allegations and said City Press a kiosk erected recently for all transport operators.

Holder said he knew about the pirates flooding the airport – but said the airport was undergoing great changes.

Janusch Lyczynski, Airports Company managing director of TTC Chauffeur and Tour Transfer, said he was unaware of the illegal operators' known as "Tauters" influx.

He said the Airports Company for loss of business and negligence at the airport was considering suing the Transport Ministry of the matter would be in airport.

We're fashionable for now

ARG 22/1/96 (288)

But tourists will dump us if SA attitudes don't change



INTERFACE

LEN ASHTON talks to Arthur Gillis



IF a villain mugs a tourist in Nairobi, 10 or 15 citizens are likely to beat the ordure out of him. Why? Because the people of that city understand that their livelihoods depend on tourism.

"They can't afford to say: 'I'm not involved'," explains Arthur Gillis, managing director of Protea Hotels, and hospitality industry fundi.

Not that he's advocating that we form a vigilante posse to clean up Dodge City — but he does add a significant addendum to this tale of Kenyan retribution: "Is there one reader of *The Argus* who can say tourism has not made a difference to his or her life?"

What can those readers do to counter the kind of anti-tourist crime that jeopardises our lives and jobs?

"If our livelihoods are affected, opportunities will arise to do something about the problem. Nothing is going to be legislated — but such problems can be solved by an all-pervading social attitude." Which still sounds like independent action by 10 or 15 citizens good and true, but let that pass.

Gillis doesn't let things pass. He has the experienced hotelier's hawk eye for detail. You get the feeling he could spot a loose thread on a counterpane at 20 paces. He has married that kind of discipline to career passion, which makes a formidable combination. Mind you, the passion seems to extend to other areas too — his CV lists an impressive range of public hospitality, training and tourism roles.

The question of private passions is politely ducked. The happily married family man is modestly unwilling to discuss (not for publication, anyway) the joys of home and hearth. Fair enough.

Back to business: He's not fooled for a moment about South Africa's current international flavour-of-the-year tourism destination status. Tourists are fickle creatures, he observes. After years of futile attempts to flog this country during the apartheid years, he knows that only too well.

Now the tables are turned — foreign travel folk who once spurned his telephone calls have suddenly remembered their old buddy Arthur, and could he please find 70 hotel bedrooms chop-chop?

"It's so hard not to be arrogant now. But this tourism inflow is not happening because we have good hotels. It's because of political factors. So we must grasp the opportunity and be gracious about it.

"It is important for me to remember the days when I sat in a remote corner at the ITB (annual tourism event) in Berlin with representatives of other pariah countries. We couldn't set up a stall near the other African countries. They didn't want to know us. People threw stones at us. In those days you'd come home and do a report saying that a party of 15 *might* arrive in South Africa in two years' time. Now the problem is too few flights and too few hotel rooms.

"From being disdained as disgusting racists, we are suddenly the darlings of the tourist world."

South Africa has another (temporary) advantage at present. Numbers of mature, moneyed travellers — the kind who have been to Australia twice, know the Far East and perhaps visited Kenya — are discovering the attractions of this previously forbidden land. The potential is enormous. While we are receiving 700 000 to 800 000 genuine foreign tourists annually, Australia welcomes 3,5 million of these desirable creatures.

"We have certain things in the bank — good weather, game, roads, scenery. Okay, so maybe we don't have enough hotels. But you can always build hotels.

"Our biggest problem is the attitude of our people, because we have not been able to inculcate a tourism culture.

"It is said that up to 80 percent of American students have worked at a McDonald's before graduating. Two out of three meals in the United States are eaten out. But our kids have not been given the opportunity of learning about service — especially black people.

"I'm not suggesting we put together some sort of funny scheme, costing millions, to educate kids on the subject. That's pie in the sky.

"Before the rugby World Cup we were told that we were going to be slaughtered. But the majority of international visitors were bowled over by this country.

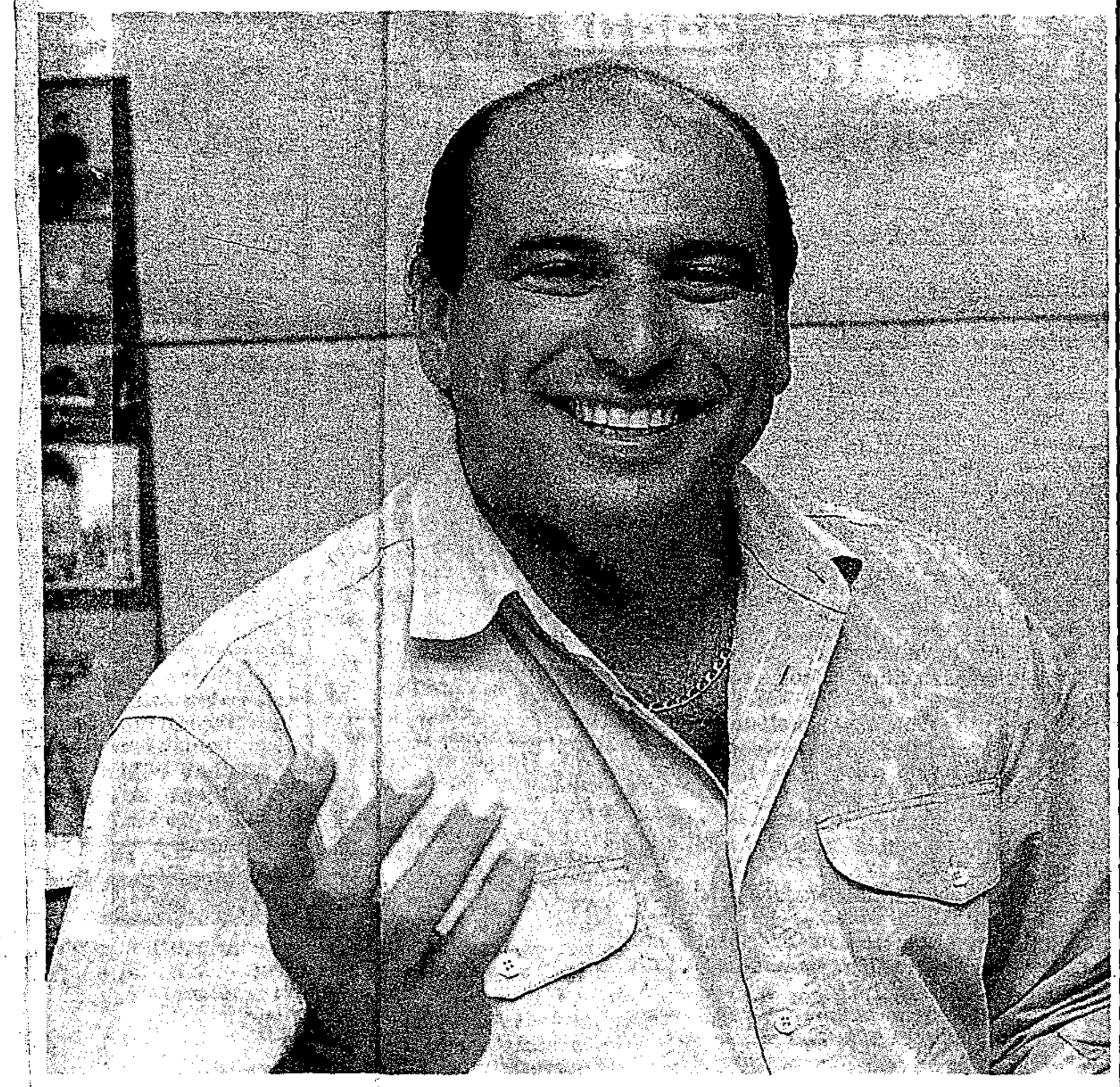
"There is a danger here, however. Those people came off a base of low expectations. Their expectations were not the ones they would have had of North America. They had a marvellous time here so, when they return, expectations will have built. If we think we can sit on our laurels, we've got another think coming.

"Protea firmly believe we are in the business of the acquisition and maintenance of customers. We need to concentrate on maintenance. Sure, hotels are full in season, but the Western Cape's average yearly occupancy is 60 percent — in world terms, that's diabolical. Is our growth going to be sustained? I think there's a good chance."

What about training? Protea receives about 1 000 applications annually for in-house training. They accept 50.

Gillis says: "I would like to see more people of colour coming into the business. There are opportunities, particularly for coloured people. Unfortunately many of them perceive hotel jobs as demeaning — some sort of waitering. Bbut that's not what it's about, there are huge opportunities in the industry for those who are prepared to work hard."

Or should we be importing some eager, bloody-minded Kenyans to do the job for us?



Picture: JACK LESTRADE, The Argus.

□ **HAWK-EYED HOST:** South Africans have an attitude problem towards tourism which will have to chnge, says hospitality industry fundi Arthur Gillis.

22/01/96

MEDIA SPOT

Campaign will promote SA Olympic participation

PD 23/11/96 (288)

Reports by Jacqueline Zaina

SA's participation in this year's Olympic Games in Atlanta — the first under the government of national unity — will be promoted in a national radio, television and billboard campaign.

The above-the-line campaign to be launched by the National Olympic Committee of SA (Nocsa) at the beginning of next month, includes seven educational radio spots which will be broadcast in the 11 official languages; television commercials and outdoor hoardings, mainly in metropolitan and rural areas.

National Olympic Programme PR manager Anne Williamson said the radio ads would communicate the meaning of the basic symbols of the Olympics such as the five interlinking rings, which represented the coming together of the world's best talent from all five continents.

Other themes which form the focus of the advertisements included the flaming torch, which had its roots in ancient Greek history when fires were kept burning in honour of the gods.

Williamson said the campaign aimed to extend awareness of the event to all South Africans.

Greater understanding and enthusiasm about the Olympics was expected to boost the athletes' morale.

This had been the case with the "amabhokobhoko" and "bafana bafana" spirit which had spurred SA's rugby and soccer teams on to victory.

She said the campaign also had an educational function and positioned the games as the ultimate non-partisan event — an ideal capable of transcending everyday politics.

Ad agency Ogilvy & Mather had secured the Nocsa account two years ago in a three-way pitch against agencies Herdbuoys and Hunt Lascaris.

The agency had taken on the business at a discounted rate and the SABC — the official broadcaster for the games — and M-Net would screen the advertisements at no cost.

SA would enter teams in 14 of the 26 summer sports including archery, athletics, boxing, canoeing, cycling, hockey, judo, pentathlon, rowing, shooting, swimming, tennis, wrestling and sailing.

Williamson said the squads were yet to be finalised, but athletes in an advanced stage of the selection process would gather in Durban from February 4-11 for a week-long training camp where they would acclimatise to the hot, humid conditions which are typical of Atlanta and be briefed on what to expect at the pre-Olympic camp in La Grange and the Olympic village.

Official sponsors of the SA team, each of whom had contributed R2,5m to fund SA's participation in the games, included Pick 'n Pay, Nedbank, Telkom, Volkswagen, Reebok, Kentucky Fried Chicken, Caltex, SAA, Vodacom and Sun International.

NEW TOURISM DIRECTOR HOPEFUL

SA 'can be top destination'

(288) CT 23/1/96

SOUTH AFRICA could become the world's top tourist destination within 10 years, says the government's newly appointed chief director of tourism. **DAN SIMON** reports.

THE man appointed by the government to put South African tourism firmly on the international map is a visionary who believes Southern Africa could become the foremost world tourist destination in a decade.

Mr Mike Fabricius, who takes up the post of chief director: tourism on February 1, will head a small, specialised team of tourism experts and will set about addressing a number of pressing short-term issues.

Among these are tourism crime, formulating and implementing a dynamic tourism-training strategy, developing a single tourism-funding mechanism and ensuring that every effort is made to create a vibrant support infrastructure for the private sector to flourish during the current growth period.

Fabricius, 38, comes to the job with years of experience in a tourism-oriented career that has included posts as a general manager of a major tour operator company and director of tourism development in Satour.

He was also closely involved with Dr Ernie Heath, now professor of tourism studies at Pretoria University, in formulating tourism development strategies for cities, towns and regions as well as evaluating the tourism potential of the Lesotho Highlands Water Scheme.

Commenting on his forthcoming role, Fabricius said the restructuring of the department of tourism had to be viewed against the background of political changes which led to huge increase in tourists.

"This poses major challenges to all parties concerned with tourism, including the private sector, labour force, communities who act as hosts and the government."

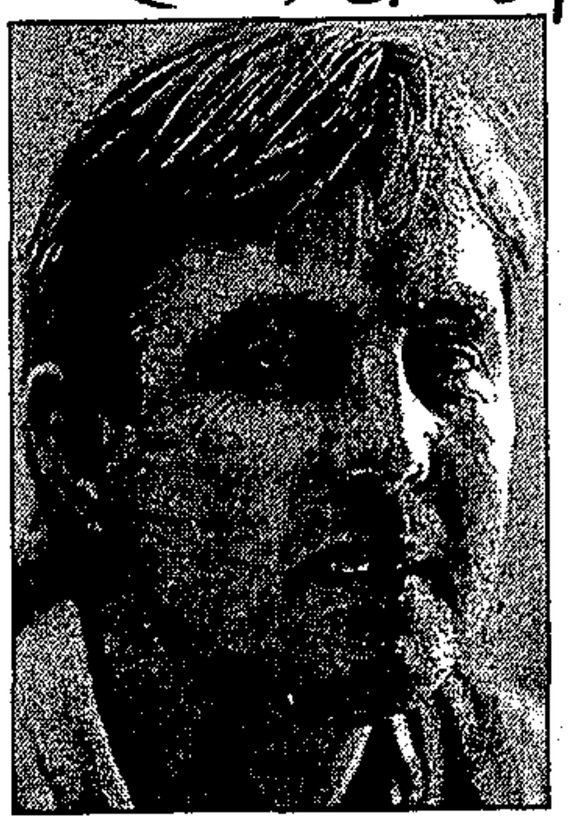
Fabricius said there was an urgent need for the government to implement a coherent and practical tourism policy as soon as possible.

"Fortunately this process is nearing completion with the imminent publication of the White Paper on tourism which is currently being formulated with the assistance of specialist consultants ... and resulted from an extensive consultation process between the minister of tourism, his provincial counterparts, the private sector, labour and community representatives.

"However, it should be acknowledged that 'policy' is not a magic wand. It is the implementation of policies that requires commitment, hard work, dedication and team effort.

"I believe that the policy, no matter how good and acceptable it is, will gather dust unless the government takes a quantum leap and identifies tourism as a priority growth sector."

Fabricius said that in spite of government underfunding, foreign tourism to South Africa was expected to increase by 17% to 22% this year and result in an additional 200 000 tourists from overseas and 350 000 from Africa.



OPTIMISTIC: Mike Fabricius, chief director: tourism

The country could earn an additional R1,9 billion in foreign exchange and gain about 6 600 direct and 13 400 indirect jobs.

Fabricius said 1994 and 1995 had seen the release of a "bottleneck" of tourism demand which had built up during the years before the election.

This growth had elevated tourist numbers to new record heights which he believed would be the platform for healthy growth levels of 15% to 30% over the next decade — depending on how aggressively tourism was promoted by the government and the private sector.

It was well-known that tourism experienced its best year ever in 1995 and that accommodation establishments and airlines were operating at near full capacity for much of the year.

However, muggings and other crimes committed against tourists was an issue of major concern.

"It should be kept in mind that that the targeting of tourists by criminals is a universal problem and that seasoned travellers are well aware of the need to take precautions against muggings and theft. This does not imply that we are not concerned.

"Unbridled crime could be singled out as the most important threat facing potential tourism growth. To this end the minister has initiated a tourism security forum which is a co-operative between the SA Police Service, the Department of Tourism, Satour and tourism business."

Regarding the impact of increased tourism on the environment, Fabricius said the issue of environmental control would have to be scrutinised.

Increased policing alone would not be an answer to environmental problems.

"The key lies in education and communication," he said.

Fabricius' vision of the future? "Given the latent natural and cultural potential of areas such as the Wild Coast, West Coast, Northern Cape and Maputoland and the variety of attractions offered by the Southern African sub-continent, there is every reason to believe that Southern Africa could develop into the foremost world tourism destination within the next 10 to 20 years."

Olympic bid asks for govt funding

(288)

Samantha Sharpe

BD 23/11/96 Tab

CAPE TOWN — The Cape Town 2004 Olympic Bid would meet central government in April to ask for a "significant release of funds" for infrastructural development, bid financial director Michael Fuller said yesterday.

Government, which has approved the bid process, would also be asked to endorse the bid's final budget, he said.

Fuller declined to comment on exactly how much would be requested from Cabinet, but the bid's preliminary capital budget shows a R115m requirement from the public sector for 1996.

Total accelerated capital expenditure to 2004, which includes infrastructure as well as competitive and training facility development, was budgeted at R1,76bn, of which about R1bn would come from government.

Fuller said the bid company had already attracted R60m in sponsorships from SA companies, which was only R15m short of its original target. Sponsors included Nedcor, Caltex, IBM and Carter.

See Page 9

Fabcos replaces Ebden as nominee on Games Bid board

(288)

ARG 24 11 96

Labour Reporter

THE Foundation for African Business and Consumer Services (Fabcos) has permanently replaced Brian Ebden, its controversial former nominee on the Cape Town Olympic Bid Company's board of directors.

Its new nominee is Sam Montsi, a local businessman.

Mr Ebden will also face a disciplinary inquiry — and possible expulsion from Fabcos — over his activities related to sponsorships from Shell South Africa and GSM. He was accused of wrongfully depositing money from these companies into a personal account.

These decisions follow a preliminary investigation by Fabcos's national office of allegations that he was involved in several instances of fraudulant activity.

Fabcos national secretary-general David Moshapalo, who headed the preliminary investigation, said the organisation had replaced Mr Ebden because it did not want to "muddy" the Olympic Bid Company.

"We had to decide what would be in the best interests of both Fabcos and the Olympic Bid Company," he said.

Referring to accusations about Mr Ebden's activities involving sponsorships from Shell and GSM, Mr Moshapalo said that although there was correspondence absolving Mr Ebden of gross wrongdoing, the Fabcos constitution prohibited members from acting on behalf of the organisation unless writen permission was obtained from the executive council.

Mr Ebden could be expelled from Fabcos, depending on the outcome of the disciplinary proceedings.

On the basis of its preliminary investigation, the Fabcos national committee also decided to suspend all Fabcos Western Cape activities.

Conference bureau 'to raise SA tourist income'

BD 24/1/96 (288)

Theo Rawana

THE establishment of a national conference bureau will push the R2,6bn conference industry, which is already a top income generator for SA tourism, into the R3,5bn bracket in the next five years, tourism consultant Kessel Feinstein director Gillian Saunders says.

Saunders, a member of the conference bureau's steering committee, says negotiations with government on setting up the independent body were proceeding and a "smaller hybrid" of the council should be up and running in a couple of months.

"The bureau will aim to maximise the tremendous potential presented by conference and convention tourism in SA. Operating as an autonomous business division within Satour, the council will seek to develop national policy and strategy for the conference industry," Saunders says.

"At present the industry is worth an estimated R2,6bn with some 80 000 conferences held annually. The industry contributes R250m in taxes annually and employs almost 60 000. Considering this ... it seems illogical that the total national allocation of destination marketing funds to conference promotion is less than 4%," she said.

If the council's objectives were reached, the industry should be worth R3,5bn and earning at least R200m in foreign exchange annually by 2000, compared with present figures of R2,6bn and R142m respectively.

"Over the five years, some 20 000 additional jobs should be created, which should pay an estimated R420m annually to those currently unemployed or in school. In addition, the industry would contribute some R340m in taxes per annum, an increase of almost R100m annually over current tax contributions from the industry."

WEDNESDAY
JANUARY 24, 1996

BITTER COMPLAINTS FROM TRAVELLERS

Tourism chiefs meet over delays at airport

CT 24/1/96 (288)

THE Airports Company and tourism authorities meet next week to solve the problem of excessive delays at the airport for tourists arriving in the city. **DAN SIMON** reports.

THE Airports Company seems to be heading for a showdown with the Department of Home Affairs over the shortcomings of its international arrivals procedure at Cape Town International Airport which is causing unnecessary delays for foreign tourists.

Mr Hennie Taljaard, the general manager of the airport, said yesterday he had received one complaint too many regarding the long delays in clearing queues of passengers arriving in the city.

The last straw came at the weekend when 400 passengers on a British Airways flight waited for over 1½ hours to clear passport control after an 11-hour overnight flight from London.

This lead to numerous complaints.

Taljaard said the problems of passenger delays were not confined to international arrivals — international departures were also affected.

The company had supplied immigration officials with enough desks to cope with the growing influx of foreign tourists, but it appeared they were understaffed.

"They didn't have enough immigration officials on that specific day.

"If the desks were all manned, they would have been able to clear a fully loaded jumbo within 45 minutes."

Taljaard said because of ongoing delays, he had now arranged a meeting next week with the Western Cape's Minister of Tourism, Mr Lampie Fick, to find a solution to the problem.

Representatives of Captour, Satour and the Western Cape Tourism Board will also attend the meeting.

"We will be meeting with Fick as the shortage of immigration staff is one of our main constraints at the moment.

"They (the immigration officials) say they have a lot of vacancies, but they don't have permission to fill them."

Taljaard said the Airports Company's income was derived from tourists and that the Department of Home Affairs' shortcomings in handling increasing numbers of tourists were inhibiting the smooth running of the airport.

"The department must appoint more people to handle the massive increase in tourists.

"The issue has come to a head.

"Tourists sit for 12 hours on a plane and one cannot expect them to then spend two hours at an airport.

"European airports don't check everyone's passport, so I don't know why we are so strict on this.

"Airports are about queues. If you don't manage the queues, then you will have chaos," Taljaard said.

A possible solution is that part-time staff could be trained to help with immigration duties.

"All one does is check the visa, see that the passport is in order and feed the information into the system," Mr Taljaard said.

City hotel landmark feeling economic chill

Cut-backs are the order of the day as the prestige

Carlton has to watch details to reduce day-to-day costs

288

By Cheryl Hunter

Johannesburg's former hotel of choice, which housed the elite in past years, has been forced to cancel some services and close floors because of lack of guests.

The 30-floor Carlton Hotel in the city centre has been forced to cut costs by cancelling their daily delivery of two newspapers to business-class clients and reducing the flower and other decorations in the foyer and stairways, according to rooms division manager Christl Proester.

"The hotel has suffered greatly and occupancy has gone down considerably," she said.

While the hotel management blames the escalating crime rate in the city for much of the loss of revenue, they realise that there are other factors at play.

"Crime is not the issue. There are more serious crimes in the north, while all that ever happens here is a mugging or theft," Proester said.

"There are now hotels in the northern suburbs where there used to be none, giving people the choice of looking out on to pleasant garden scenes instead of a busy main road," she said.

And crime in the vicinity has decreased since the arrival of a private security company on the hotel premises, according to the head of security Bryan Sharkey.

The security guards accompany people from the building and patrol the nearby streets, keeping criminal activity away from the hotel.

"It's just not that easy to fill 600 rooms any more," Proester said.

Floors one to 21 are in use by the hotel for guests, while floors 22, 23 and 24 are unused. The International Hotel School occupies 25 to 29.

"We could fill the rooms, but we want to maintain a standard and not reduce the hotel to a brothel where customers rent rooms for a few hours at a time," she said.

"If the Carlton goes, the CBD goes," Proester said, reflecting the views of her colleagues who said that the guests from the hotel provide much-needed revenue for the shops in the vicinity – even if it were only a forgotten toothbrush or a bar of soap.

"These shops depend on us for their survival and we cannot close our doors," she said.

Star 25/11/96

Build Games facilities now, says Bid boss Ball

(288) ARG 26/1/96

JOHANNESBURG. — To win the bid for the Olympic Games, South Africa will have to show it is able to build the facilities and infrastructure needed, says Chris Ball.

The chief executive officer of Cape Town's Olympic bid committee said that although the city was one of the leaders in the race for the 2004 Olympics, it and South Africa would have to show the International Olympic Committee it was able to construct the facilities necessary within the time given.

"We must show we are serious by building now," said Mr Ball, who was speaking to senior businessmen in Johannesburg last night.

He said four projects would be "in the ground" by May this year, but South Africa would have to work to show that the necessary construction capacity was within its reach.

According to a preliminary study, television networks paying for rights to the Olympics and top sponsor advertising would generate around R4,3 billion, Mr Ball said.

Working from a R4,5-bn to R5-bn budget drawn up for the initial bid, Mr Ball's committee had allocated R1-bn to the Olympic village, probably situated at Wingfield.

Accommodation for some 100 000 athletes, 5 000 coaches and support staff and some of the expected 150 000 media representatives would be built at the village.

The housing would later be sold to people earning less than R2 000 a month, Mr Ball said.

Telecommunications for the 16-day event would cost R900 million and the opening and closing events had been allocated R90-m.

But it was not expected that the entire R90 million would be used. "In Africa we can put on extraordinary ceremonies that will grip the imagination of the world for much less," he said.

The rest of the budget was allocated to security and transport.

Cape Town had a good transport network, but this needed development, especially in the area of railway cross-linkages, Mr Ball said.

He said the SA Olympic Bid Committee's proposal was conservative and facilities built for the Olympics would sustain themselves after the event.

The bid committee needed at least R75-m to present its bid proposal to the IOC on August 15.

An evaluation commission arrives in South Africa between September and December this year and the winning city will be announced by the IOC in Lausanne, Switzerland in September 1997.

"Olympic Games in South Africa would be Olympism at work," Mr Ball said. "It is a way of moving people along a path which makes them greater as a group than they are individually." — Sapa.

Mad scramble for city hotel sites

(288)

ARG 27/1/96

CAPE Town has become the new tourism development focal point of the world as international and national hotel groups rush to the city to find sites to develop hotels.

Such is the demand on land for hotel developments that Rod Young, city development co-ordinator, has now openly admitted that there is not enough council land available to be sold for these developments.

"We will have to make more land available. We have been inundated with requests from just about every major international hotel group in the world that want to build hotels here.

"In many instances I have referred them to the private sector in cases where we did not have the land they wanted."

New hotels that are soon to change the skyline of the Mother City include two luxury hotels at the old power station site — this will include a Hilton hotel, while negotiations are also under way with the Sheraton group to build the other hotel on the site.

Developments on the Atlantic seaboard include a new President hotel in Sea Point, to be built at a cost of R130 million, The Gateway hotel, which is to be built at a cost of about R85 million in Mouille Point, the Water Club Court hotel in Granger Bay, which is being built at a cost of R110 million, and the new five star luxury Sun International hotel being built at a cost of more than R200 million at the Waterfront.

Negotiations are also under way for the development of another hotel on the banks of the recently-flooded tank farm at the Waterfront. An hotel will also be built on the site of the so-called White House near Oudekraal.

Closer to the city, the Victoria Junction hotel is under construction near the Traffic Department offices in Green Point.

Several hotels are also planned for the Century City site near Milnerton, while an upmarket hotel is also to be constructed at the Milnerton lagoon mouth. Negotiations are also under way to develop a luxury hotel on the Milnerton golf course.

Stocks and Stocks, which has an option on the Milnerton race course, has indicated that they are keen to develop an hotel on the site, while negotiations are also under way to develop another hotel to the north of Bloubergstrand.

If Sun International is granted a casino licence, it is expected that the company will build a hotel and entertainment complex on the Cape Town Showground site, which it bought for about R35 million.

Other hotel groups which have indicated interest in obtaining sites and operating hotels in the Peninsula include Hyatt, Marriot, Ritz Carlton, the Fortes King group, the Golden Tulip group, Days Inn, Inter Continental Hotels and Holiday Inn Express, to name but a few.

But in spite of the tremendous interest shown in Cape Town, Mr Young has warned that developers will withdraw if Cape Town International Airport does not improve its facilities to handle the expected influx of tourists.

"We can ill afford the bad publicity over handling of tourists at the airport. With the tremendous growth potential in tourists numbers, facilities and handling procedures at the airport should be adequate, otherwise people will turn away."

■ The Airports Company said it intended to spend about R1,4 billion on improvements — mainly at its three international airports — over the next five years.

27/28/01/96

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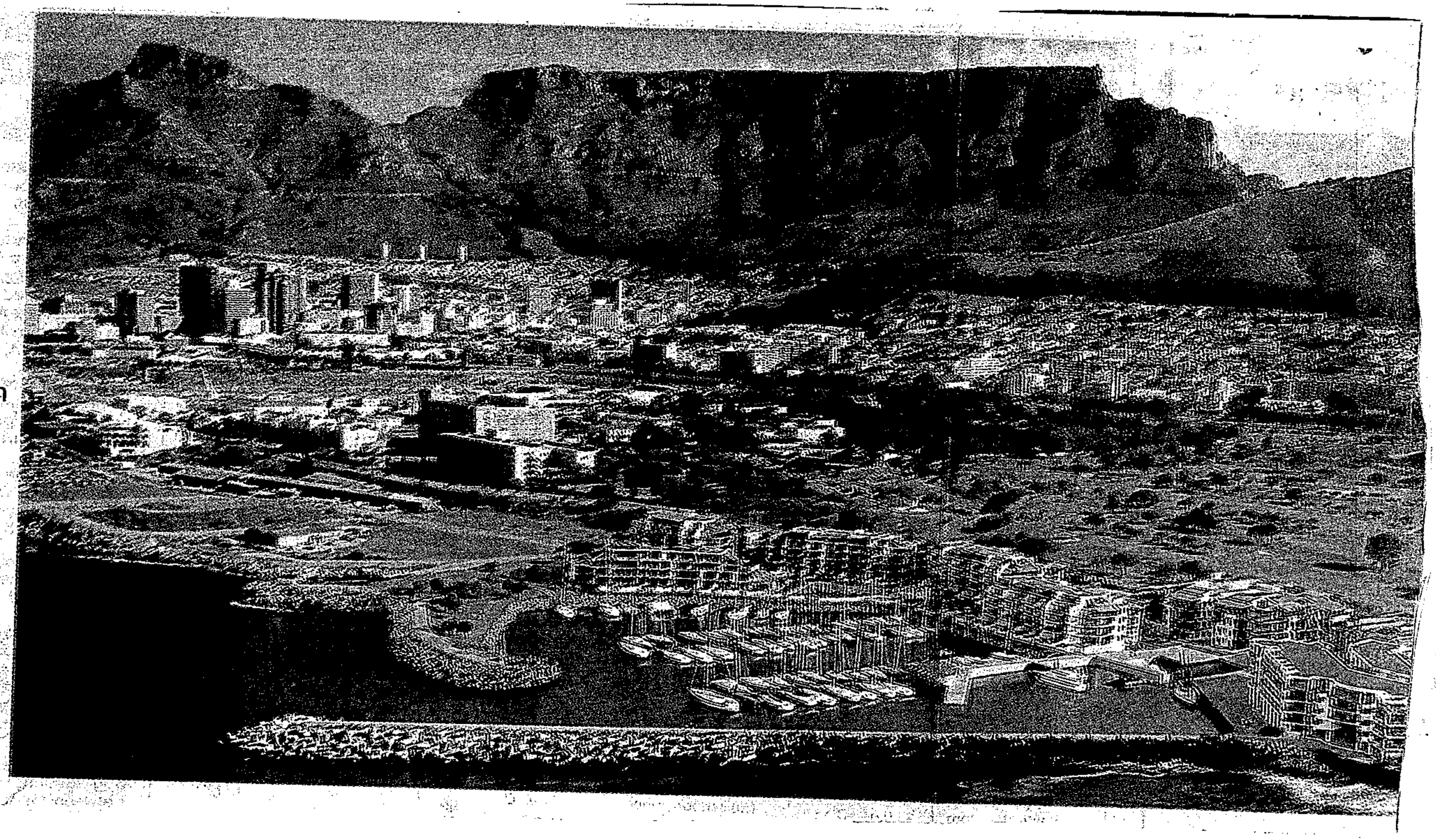
■ Cape Town is facing an unprecedented boom in tourist-related developments, particularly in the hotel industry, with both international and national hotel groups clamouring to build hotels in the Mother City. **WILLEM STEENKAMP** reports.



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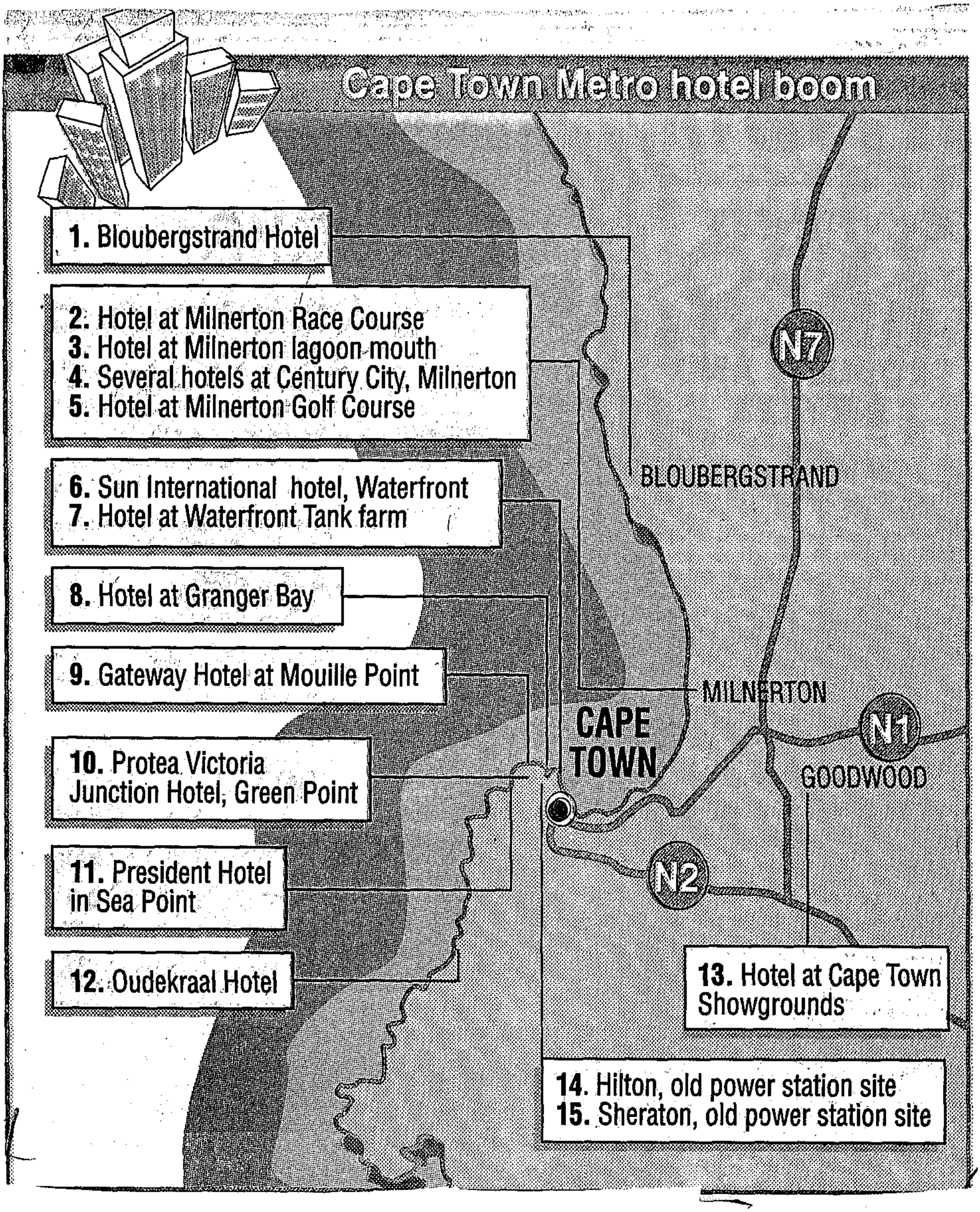
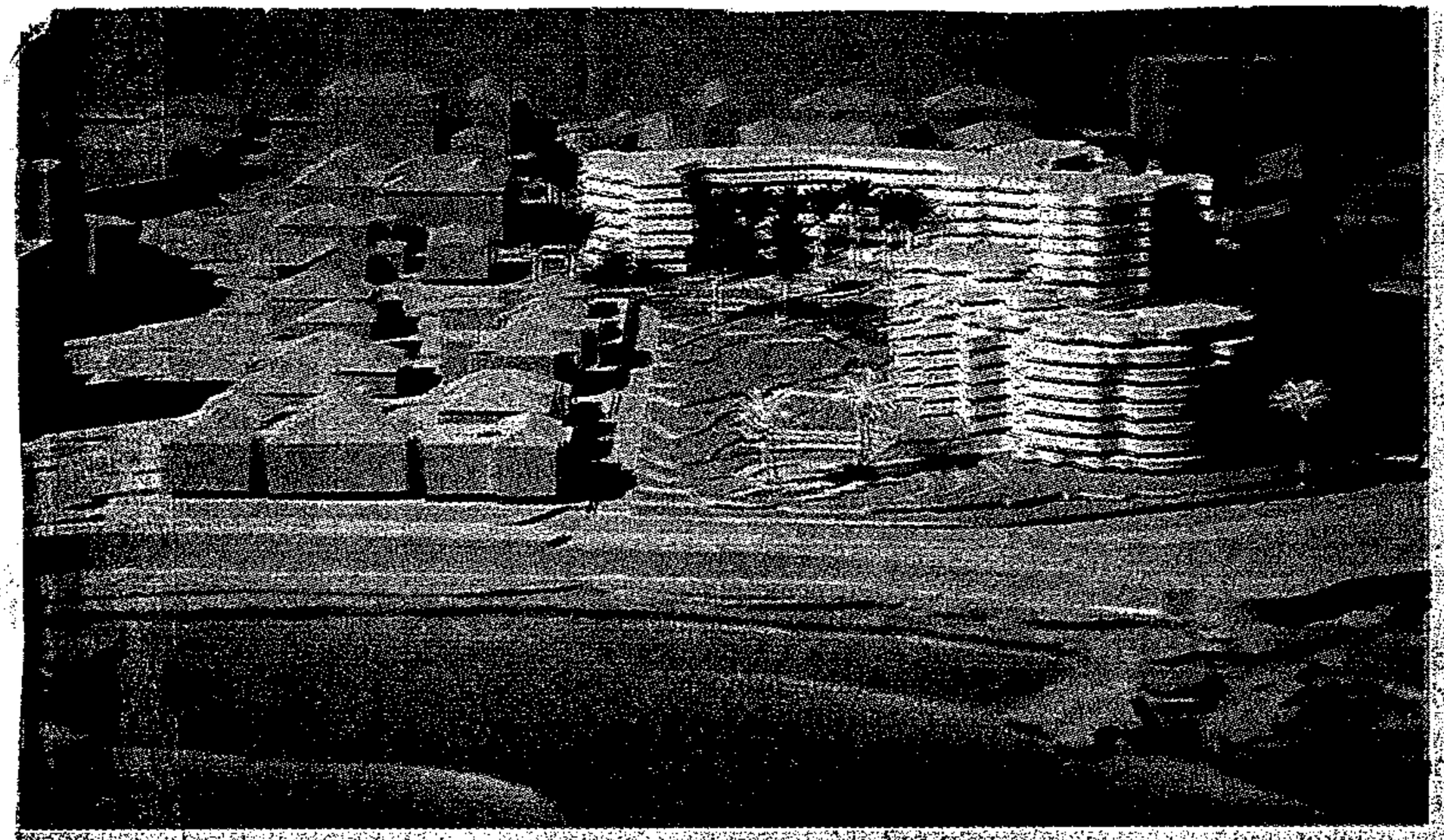

Cape Town Metro hotel boom
1. Bloubergstrand Hotel
2. Hotel at Milnerton Race Course
3. Hotel at Milnerton lagoon mouth
4. Several hotels at Century City, Milnerton
5. Hotel at Milnerton Golf Course
6. Sun International hotel, Waterfront
7. Hotel at Waterfront Tank farm
8. Hotel at Granger Bay
9. Gateway Hotel at Mouille Point
10. Protea Victoria Junction Hotel, Green Point
11. President Hotel in Sea Point
12. Oudekraal Hotel
13. Hotel at Cape Town Showgrounds
14. Hilton, old power station site
15. Sheraton, old power station site
BLOUBERGSTRAND
MILNERTON
CAPE TOWN
GOODWOOD
N7
N1
N2

27/01/96/288



HOTEL BOOM: Both international and local hotel groups are clamouring to find hotel sites in the Cape Peninsula as the city becomes a major international tourist destination. Two of the new hotels which will soon form part of the city's fast expanding hotel industry include the new President hotel at Sea Point, left, and the Water Club Court hotel at Granger Bay, above.

Bal: SA will get Olympics

Sep 28/1996 (288)

By JEFFERSON LENGANE

PETTY politics aside!

South Africa is set to generate a whopping estimated R94 million net surplus from the 2004 Olympics Games if its bid to hold the games in Cape Town is successful, chief-executive-officer of SA Olympic Bid Committe Chris Ball announced this week.

The net surplus is contained in a preliminary budget after allowing for an estimated operating expenditure of R2,9 billion. Opening and closing ceremonies costs are estimated at R90 million.

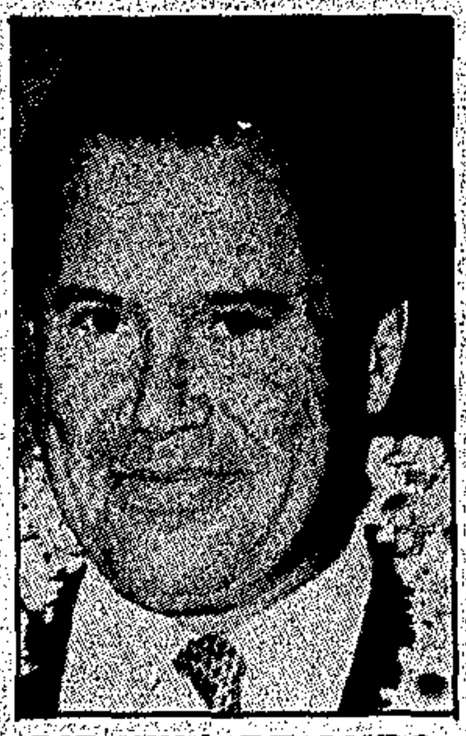
Although the Bid Committee had already signed a memorundum of understanding with central government, final conclusions are to be made on April 24.

Ball said he was confident South Africa will win the bid if indications surfacing during lobbying are anything to go by.

"The bid is ours. We are certainly front-runners – there is no question about that. It will be for us to lose it if we allow petty political differences to intervene. The games will be Olympism at work," said Ball.

He said the games were a first major sporting event in Africa and would contribute a great deal to ensure "proper economic empowerment for the developing continent".

He said preparations of facilities and infrastructure will bring qualitative transfer of technology and skills and creation of sustainable jobs that will still be there even after the games.



BID WILL BE OURS ... committee boss Chris Ball.

"A major impact for South Africa is that there will be a major economic shift in trade relationships with outside countries. There will be an enormous transfer of techhology and skills training that will create more than 11 500 sustainable jobs.

"All hotels and restaurants will be upgraded and workers trained to meet international standards.

"On the social impact visitors to Cape Town will increase beyond 2010 with an estimated R24 billion revenue for tourism and government netting an estimated R7 billion in taxes. As anyone will attest, there is a certain emotional lingering after visiting the Cape that says: Go again.

"There will be at least 10 000 visitors directly paid for by the Bid Committee.

Ball dispelled fears of a repeat of a low turnout as in the 1996 African Cup of Nations may happen in the 2004 Olympic games if they are brought to the country.

Olympic bid's team captain clears an early hurdle

(288)
ST(BT) 28/1/96

By SVEN LUNSCHE

CHRIS Ball, chief executive of the Cape Town 2004 Olympic Bid, has mastered the art of blending the Olympic ideals with the task of raising billions needed to stage the event.

Just back from a briefing session with the International Olympic Committee in Lausanne, Mr Ball talks fervently about the honour of staging the Games in South Africa.

He also carries a list of 538 questions which the IOC wants answered in meticulous detail by August 15. The final vote of the IOC's 106 members takes place in September next year.

"We have done a lot of the hard work already and are well prepared for the bidding process," Mr Ball told a meeting of businessmen this week.

Cape Town and Rome have emerged as the leading contenders among the 11 candidates.

Mr Ball had with him the latest budget estimates for the staging of the Games and, on the face of it, they make impressive reading.

Boosted by the recent price war among broadcasters for TV rights — Rupert Murdoch is offering $2-billion for the European rights alone — budgeted income from this source has shot up to $650-million from $622-million, a not insignificant increase of R109-million (see table below).

But Mr Ball will also have to rely on considerable infrastructural spending by provincial, local and national government, money that is not guaranteed and which has sparked a fierce debate within the Cabinet.

Total spending on infrastructure, such as the road and rail network, and sport facilities is estimated at R1,76-billion of which Mr Ball hopes to raise R980-million from the public sector, R280-million from the private sector and R500-million from the Olympic Fund controlled by the bid company.

"We are asking for just under R1-billion over a number of years, which can be achieved by marginally redirecting the roads budget from Gauteng and Natal to the Western Cape," he says, holding out a significant carrot to the government.

"An impact study has shown that the increase in the number of visitors to the country surrounding the Games will result in R24-billion in extra spending until 2010 — of this the state's share is R7-billion in taxes, duties, etc."

He expects 250 000 visitors during the Games, which will take place in September and October. Sydney has budgeted for an extra 750 000 visitors for the 2000 Games.

The cost of the Olympic village is estimated at R1,04-billion. Mr Ball says the village will be built by private sector developers who will sell the flats after the staging of the event.

He has already received an offer from one company to build the entire village.

Nevertheless a provision of R150-million has been made to underpin the selling price of housing.

Mr Ball stresses that he has been extremely conservative in setting the budget.

"For example, there is no way we will spend R415-million on the opening and closing ceremonies but we were cautious in our approach."

He also says that the bidding process alone will cost up to R80-million, which includes flying in about 1 000 visitors to be wined and dined.

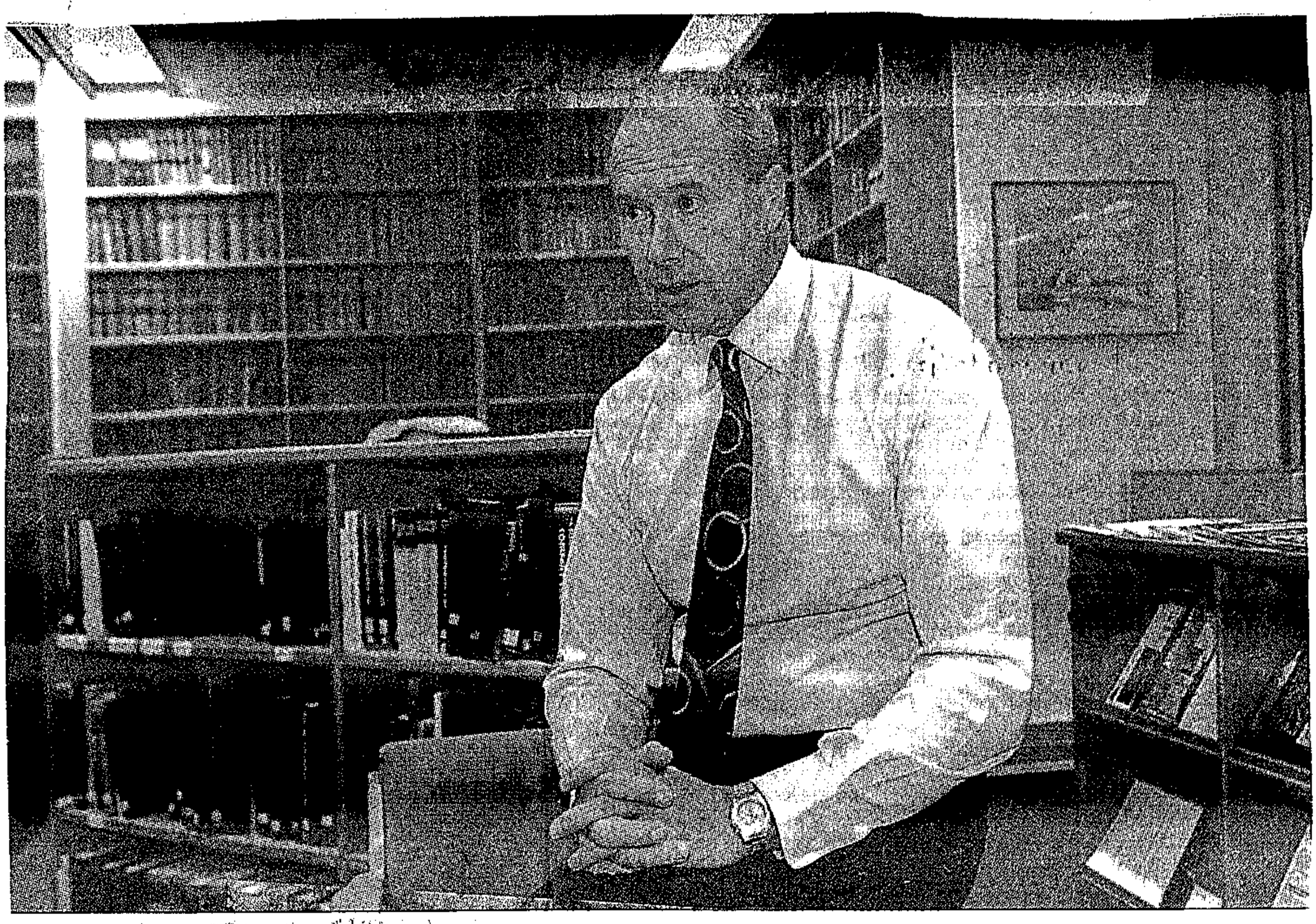
OLYMPIC BID BUDGET

INCOME (1995 prices)	R million	EXPENDITURE	R million
Television rights	2 372	Games operations	2 493
International sponsors	485	Events management	415
Local marketing & sponsorships	790	Sports venue contribution	504
Admission fees	127	Housing reserve	150
Ticket sales	480	Contingency	554
Other revenue	65		
TOTAL	4 319	TOTAL	4 116

Graphic: FIONA KRISCH

Source: THE CAPE TOWN 2004 OLYMPIC BID

28/01/96/288



IN FOR THE HIGH JUMP: Chris Ball, head of the committee bidding to host the 2004 Olympic Games in Capé Town

Anger at plan for Oudekraal hotel

(288) CT 29/1/96

MELANIE GOSLING
ENVIRONMENT WRITER

DEVELOPMENTS along the pristine Cape coast may threaten the environmentally sensitive mountain area and co-ordinator of the proposed Table Mountain national park, Mr David Daitz, is worried there could be a rush of applications to local authorities to push through undesirable developments on the fringe of the proposed national park before the National Parks Board (NPB) has legislation in place to control development.

In one development, the roughly two-kilometre stretch of undeveloped mountainside from Camps Bay to Hottentots Huisie Bay up to about the 300m contour is also privately owned and has planning approval for a township, including a school, of 250 erven on the section abutting Camps Bay.

The approval for the township was granted in the 1960s and is still valid, according to a spokesman for the Cape Metropolitan Council.

The landmark "White House" at Oudekraal on the internationally-acclaimed scenic drive between Camps Bay and Llandudno will also be demolished next month to make way for a multi-million rand 70-bedroomed hotel, restaurant and conference centre.

This has raised concern that the hotel could trigger a rash of development along the stretch of coast.

The development has surprised many Capetonians who believed the slopes of the Twelve Apostles would not be developed after the announcement last November that Table Mountain and the Peninsula chain were to become a national park.

But the White House is on privately owned land which falls outside the Cape Peninsula Protected Natural Environment (CPPNE), which will become a park.

Mr Roddy Gregory, who organised a placard protest against the new hotel, said: "Everyone I know thinks the whole stretch of coast between Camps Bay and Llandudno is part of the nature area. Now it could turn into another St Tropez with wall-to-wall houses. The mountain should belong to the nation and we don't want a township or a hotel here."

Another angry Capetonian, Mr Julian Brandon, said: "If the hotel is built, that whole area will soon look like the concrete jungles on the European coast. Tourists don't come to the Cape to see hotels, they come for things like the world-famous beauty. Fifteen years ago tourists flocked to the Canary Islands because they were so beautiful. Now they don't go there anymore because of the gross development. We cannot let that happen here."

Another development on the fringe of the proposed national park which has raised concern is the controversial housing scheme on the slopes of Elsies Peak in Fish Hoek.

The proposal to sub-divide the 4,1ha slope into housing plots has been revived after huge public outcry when it was first proposed in 1992.

The controversial housing development on Fish Hoek's Zone C abutting the CPPNE is still on the cards after years of wrangling between the council, province, developers and environmentalists.

Daitz said it had been envisaged by many that NPB would control all development on the fringes of the future national park, by having the final veto on any development proposals in this area.

It was essential that the parks board find some mechanism to influence what happened on the edge of the park, he said.

● Architects Martin and Steytler said yesterday the White House hotel development had been approved after three years of negotiations with local authorities in which plans were amended several times to comply with environmental controls.



GREEN PROTEST: Young Capetonians staged a placard protest against the proposed hotel to be built on the site of the "White House" at Oudekraal. From left are Pier-Paulo Bucci, Steven Naylor, Mark Elliott, Gra-Anna Goldman and Mungo Shelton. ***PICTURE: NIC BOTHMA***

Fick wants end to 'boom-type' development

(288) ET 29/11/96

EUNICE RIDER

STANDARDS of service in the Western Cape were yesterday slated as "appalling" and road signage described as "really Third World" by Agriculture, Planning and Tourism minister Mr Lampie Fick.

Mr Fick said it was "vital" to institute a new system of accrediting service training providers to improve general standards.

He also criticised development for "boom-type tourism purposes", saying this should be "strongly discouraged in order not to sit with derelict coastal hotels such as those dotted along the Mediterranean coastline, in a decade's time".

"Crude exploitation of our natural heritage by boom-period planners and developers should be strongly prohibited in our strategy for the industry," said Fick.

He said he was powerless to consider a controversial new coastal hotel development unless there were public complaints and the local council took the issue to him on appeal. He declined to identify the development in Victoria Road on the Atlantic seaboard, but it is understood to be sited at the "White House" at Oudekraal.

Fick said natural beauty and eco-tourism were the Western Cape's major attractions and should underpin tourism strategy.

He said a recent assessment of tourists had produced complaints of inadequate public facilities; inadequate and poor road signage; pollution and littering in sensitive nature areas and along highways; inadequate service hours, and poor standards of customer service.

Captour could not be reached for comment.

TOURISM BODY HOPES TO EXTEND ROLE

Captour seeks new funding and name

CT 30/11/96

(288)

UNCERTAIN ABOUT ITS future since the Cape Town City Council threatened to slash its grant last year, Captour hopes to negotiate a deal with the Cape Metropolitan Council that would give it a wider role. **DAN SIMON** reports.

CAPTOUR — Cape Town's official tourism promotions and marketing arm for the past 18 years — could change its name next month.

The non-profit organisation is holding discussions with the Cape Metropolitan Council to secure new funding.

Captour also wants to change its name to the Metropolitan Tourist Authority (MTA).

Last June, the Cape Town City Council wanted to slash Captour's R2 million grant by R1,5m. The council later reduced the proposed cut and ultimately was persuaded to pay the full amount.

Chief executive Mr Gordon Oliver said yesterday that Captour was "re-evaluating" its position as a tourism promotions organisation. From July, Captour would face an "uncertain future".

"We took a huge knock last year when the Cape Town City Council decided to slash our annual grant," Oliver said. "The council then decided to cut it by R500 000 and after further discussions reinstated it.

"This financial year we are okay, but we have absolutely no certainty about our financial resources from July because of the municipal restructuring."

If everything went according to plan, the new MTA would be funded by the Cape Metropolitan Council and the Peninsula's six municipalities, Oliver said.

It was hoped that a financial package of R5m could be negotiated for the financial year beginning in July. The organisation hoped to increase its budget to about R10m in three years.

"Our most pressing priority is to ensure that we have funding which will enable us to market the greater Cape Town area far more vigorously and do justice to our economy.

"We are already ... marketing the metropole. We are not starting a new operation. We want an increased budget to expand and continue our work.

"Previously municipalities such as Cape Town, Bellville and Durbanville tended to look after themselves and their own interests. It's about time that we started thinking metropolitan as opposed to municipal."

The political restructuring at municipal level augured well for the Peninsula, Oliver said.

The Peninsula had a population of about three million, whereas the Western Cape's population was about four million.

"We also have three quarters of the attractions and tourism stock in the Peninsula," Oliver said.

Extending Captour's functions would see the organisation join hands with other community tourism organisations to market the Peninsula as a "metropolitan city", he said.

Not the Fairest Cape for business travellers

☐ *Mother City prices leap past Rome, Barcelona*

ART 31/1/96 (288)

The Argus Foreign Service

A SURVEY reveals what many South Africans have suspected for a while — that Cape Town is becoming one of the world's more expensive cities for the business traveller.

A business stay in the city is still cheaper than in Berlin, Geneva, Paris, Brussels, London, New York or Sydney.

But Cape Town is now more expensive than Mexico City, Bangkok, Kiev, Rome or Barcelona.

The survey, funded by the European Union, compared a business traveller's costs of spending a day and a night in cities in over 100 countries.

The survey added up the costs of a night in a top hotel, lunch, dinner, taxi fares, phone calls, drinks in the hotel bar, laundry of a shirt and a daily newspaper.

It reveals that Moscow is the most expensive city, with a one-night stay costing R1869.

Next came Tokyo, Buenos Aires, Hong Kong and Copenhagen.

Minsk in Belarus is the cheapest, at just R430, followed by Tirana in Albania and Erevan in Armenia.

Cape Town costs R1043 — not far behind London on R1211 and New York on R1177.

And it is more expensive than Rome on R943 and Barcelona on R750.

The most expensive hotel meals are in Copenhagen, where a main course, dessert, coffee and half bottle of wine costs R234.

The cheapest food is in Erevan, with a bill for the same meal coming to just R17.

Eating in Cape Town is relatively good value for money, with dinner at R65.

The survey gives warnings about several cities.

Travellers to Tokyo are told to be careful before ordering a steak, which can cost from R206 to R688.

There are security problems in many cities including Luanda in Angola, Baku in Azerbaijan and Brazilia in Brazil.

It is risky taking a taxi in Lagos, Nigeria — and if you do get safely to your hotel, you should remember not to drink the tap water.

Heating, water supply and electricity is intermittent in Erevan.

It is difficult to get a phone line out of Minsk, Belarus.

And you are likely to be subjected to a body search before you check into your hotel in Tel Aviv.

Currency shops being planned

New venture targets tourism

ARG 3/11/96

Business Staff

CORNER shops buying and selling foreign currency, a common sight at any major tourist destination in Europe, could also be regular feature in the Cape in a new business venture announced yesterday.

Property developer and Gugulethu entrepreneur Zitulele KK Combi has joined forces with Rennies Travel, part of the Safren group, to establish Master Currency.

The currency shops will target the Cape's burgeoning tourist industry, bringing in billions of rand a year with continued growth forecast.

Already Master Currency is operating one store in Strand Street, which opened a little over a month ago. Four more outlets are planned over the next few months, in Greenmarket Square, the Waterfront, and Cape Town and Johannesburg international airports.

Mr Combi's firm Combi and Company and Rennies Travel control Master Currency equally, ownership struck at 50 percent each.

Rennies Travel already offers foreign exchange services and managing director Lilian Boyle admitted Master Currency would compete with existing operations.

However, the investment represented a commitment to the New South Africa, "a grass roots operation without the baggage of the past," said Mrs Boyle.

A Reserve Bank license to operate the bureaux is held by Rennies Travel, but Mr Combi hoped Master Currency would win a license in its own right later this year.

He added the firm expected to employ about 40 people with emphasis on training black maltriculants.

Mrs Boyle and Mr Combi declined to specify profit forecasts for the new venture, but Mrs Boyle said Rennies Travel's new outlets usually took about six months to break-even.

Master Currency's commission charge would be around 1,5 percent, Mr Combi said. This compared with rates of between one percent to 1,25 percent being levied by two major banks contacted yesterday.



JOINT VENTURE: Directors of the new foreign exchange company, Master Currency, are, from left: Bheki Tshabalala, Lilian Boyle and K K Combi.

Southern Sun considers relisting

CT 31/1/96 (288)

By Maggie Rowley

Cape Town — Southern Sun Group, South Africa's biggest hotel group, could be relisted, following its establishment of Tsogo Sun to develop a R2,4 billion tourist haven in Cape Town.

The new company is a partnership between Southern Sun and Tsogo Investments, the powerful black business consortium.

Tsogo Sun has joined forces with Ilco Homes to jointly develop the Century City site and apply for a casino licence.

Tsogo Investments comprises of, among others: Nafcoc, Fabcos, Nactu, Sactwu, African Renaissance, National Sorghum Breweries and the Black Management Forum.

Southern Sun, which will be underwriting the capital investment by Tsogo Sun and debt funding it in the early stages, will over the next few years develop at least three hotels on the site, which fronts the N1, if a casino licence is granted, chief executive Ron Stringfellow said yesterday. These would be graded from two to five stars, with a further two hotels planned in the next decade.

Stringfellow said various financing options were being considered, including a possible relisting of the Southern Sun Group, which was delisted six years ago.

However, he pointed out that the group had a strong parent in South African Breweries and there was no shortage of institutional capital available.

This was echoed by Martin Wragge, the chairman of Ilco Homes and its holding company Monex Investments, who said they were looking at both domestic and offshore possibilities for funding their portion of the development. Work on that portion, including R100 million of infrastructure, is expected to start later this year.



SHAKE ON IT *From left, Ron Stringfellow, the Southern Sun Group's chief executive, Jabu Mabuza, Tsogo Sun's chief executive, Sipho Tanana, the chairman of Tsogo Sun Gaming and Entertainment and Martin Wragge, chairman of Ilco Homes and holding company, Monex Investments.*

PICTURE: BENNY GOOL

Of the 60 hotels under the Southern Sun banner, about 25 percent are owned by the group, with about the same number operated under leaseback arrangements. The group has management contracts with about 10 of the hotels.

Stringfellow said: "We are not looking just at management contracts as many of the overseas operators now moving into South Africa are doing, but will definitely be taking an equity stake."

Stringfellow and Tsogo Sun Gaming and Entertainment chairman Sipho Tanana stressed that while a casino licence would accelerate development on the 80ha site, the project would still go ahead if their applications for a licence, which would be linked to a R100 million convention centre gift to the city, were unsuccessful.

It was hoped that there would be clarity by the end of April on the rules and regulations applying to the Western Cape gaming licences, with adjudication taking place by the end of September.

Tanana said the joint venture with Ilco meant their application for a casino licence would be "very powerful", with the shareholding of Tsogo Sun ensuring broad-based economic empowerment.

"It is difficult to imagine that any competitor will be able to match the scale and community benefits that will be generated by the proposed development," he said.

Jabu Mabuza, the chief executive of Tsogo Sun, said many temporary jobs would be created during the construction phase. At least 15 000 permanent jobs would be created directly, and at least twice that many indirectly, once the development was complete.

The Century City site has been rezoned for large-scale, mixed-use commercial development and Ilco, through its new parent company Monex, has announced multi-billion rand plans for the site, including 135 000m² of retail space, office parks, an aquatic park and other entertainment facilities, as well as a residential area.

A 20 000-seat amphitheatre for musical productions, sports events and pageants would be built in terms of an agreement with Tsogo Sun and promoter Hazel Feldman.

UNIVERSITY OF CAPE TOWN
SALDRU LIBRARY

R2,4BN PROJECT WILL CREATE 15 000 JOBS

Economic boost for city

CT 31/1/96 (288)

A POWERFUL NEW joint venture company, with a strong representation of black business, plans to build at least three hotels at Milnerton and to go after one of the Western Cape's casino licences. **MAGGIE ROWLEY** reports.

SOUTHERN SUN Group and a major black business consortium have thrown their weight behind Ilco Homes' R2,4-billion Century City hotel, casino and entertainment complex in Milnerton, boosting the region's tourism industry and creating at least 15 000 permanent jobs.

The link-up — which draws black business, trade unions and a hotel group into the net — is likely to silence critics of developers Monex and Ilco Homes' controversial and ambitious multi-billion-rand plan.

At a press conference yesterday it was announced that Tsogo Sun, a partnership between the Southern Sun Group and Tsogo Investments, is to jointly develop 80ha of Ilco's 200ha site on the N1 opposite the proposed Olympic stadium, 8km from the city centre.

Tsogo Investments comprises the financial vanguard of black business — Nafcoc, Fabcos, Nactu, Sactwu, African Renaissance, National Sorghum Breweries and the Black Management Forum.

The joint venture company, which plans a minimum of three hotels on the site, is going after one of the coveted casino licences for the city, linking their application to a R100m convention centre either in the CBD or on the Ilco site which would be given to Cape Town as a "gift".

Mr Ron Stringfellow, chief executive of Southern Sun, said if it was awarded a casino licence it would build at least three hotels — one five-star, one three-star and a one-star in the medium-term, increasing this to five within a decade. Tsogo Sun Gaming & Entertainment chairman Mr Sipho Tanana said the Century City deal was a major one for the group, which had identified Cape Town as a prime target for casino development.

"The joint venture with Ilco means that our application for a casino licence will be very powerful. The shareholding of Tsogo Sun will ensure broad-based economic empowerment and it is difficult to imagine that any competitor will be able to match the scale and community benefits that will be generated by the proposed development."

Jabu Mabuza, chief executive of Tsogo Sun, said the development would go ahead with or without casino rights or the Olympics but securing a casino licence would accelerate development.

He said many temporary jobs would be created during the construction phase, with at least 15 000 permanent jobs directly, and at least twice as many jobs indirectly, once the development was completed.

The Century City site has been rezoned for large-scale, mixed use commercial development, and Ilco, through its new parent company, Monex, has previously announced multi-billion-rand development plans for the site.

Traffic impact assessments are being undertaken and the CSIR is carrying out an environmental impact study on the wetlands on the site.

In the joint venture agreement, Tsogo Sun will participate in these developments, which include 135 000m² of retail space, including a shopping centre, an aquatic park and other entertainment facilities, office blocks and a residential component.

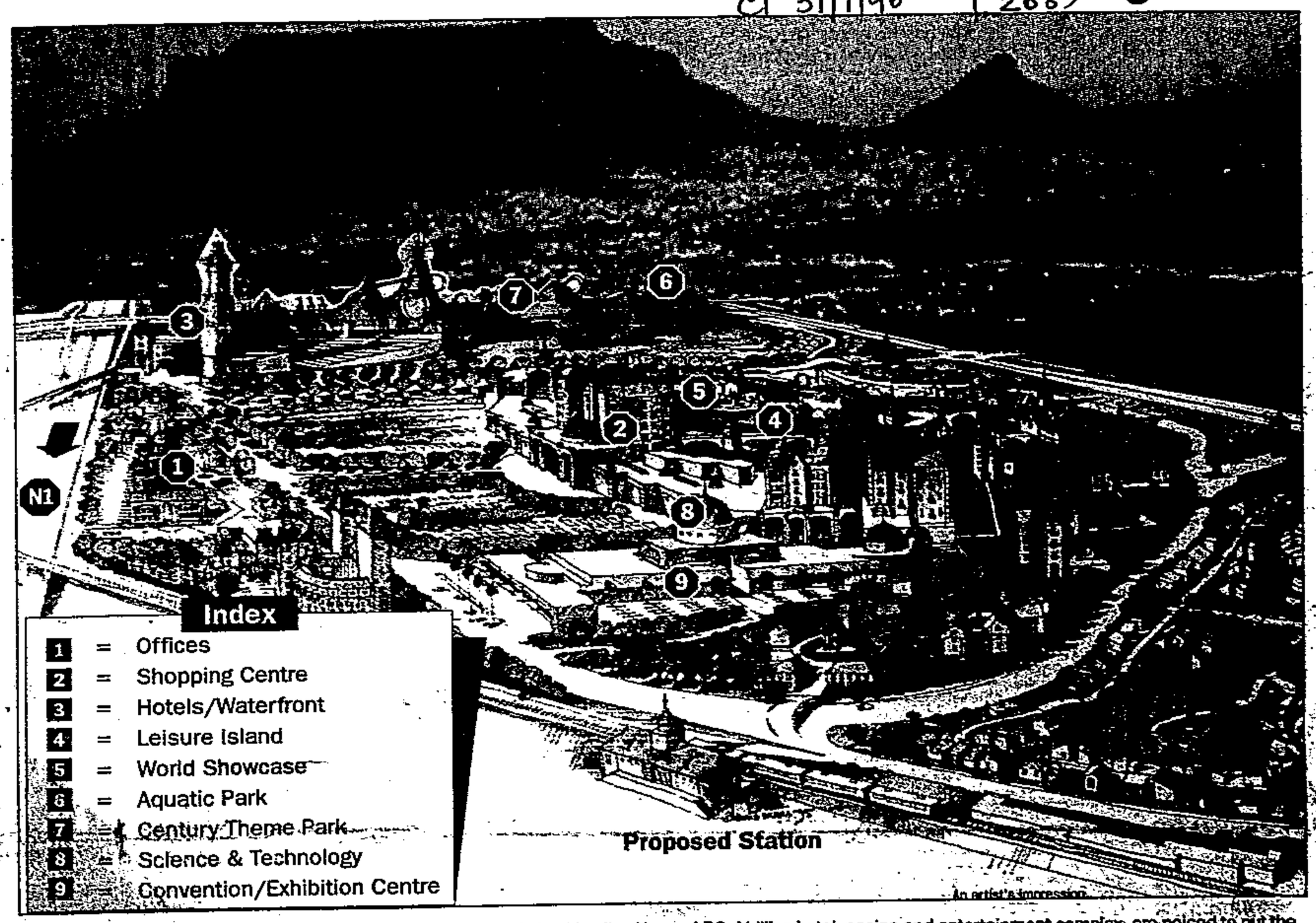
In addition, a 20 000-seat amphitheatre, with undercover seating for 6 000, designed for musical productions, sporting events and pageants, will be built under an agreement with Tsogo Sun and musical promoter Hazel Feldman.

Stringfellow said they hoped the rules and regulations for local casino applications would be outlined by the end of April with adjudication by September.

"Either way we will be on site starting work on about R100m of required infrastructure by the end of the year.

"If temporary licences are granted, we will also immediately undertake a fast-track temporary casino development."

● See Page 15



ON TRACK: Black business and the Southern Sun hotel group, in backing Ilco Homes' R2,4-billion hotel, casino and entertainment complex, are poised to put the Century Park development in Milnerton on the map.

YOUR SMOKE CAN HARM THOSE AROUND YOU
15 mg tar 1.3 mg nicotine As per Government accepted method

Excitement in city tourism circles as new policy awaited

(288) CT 1/2/96

DAN SIMON
TOURISM WRITER

NEW tourism policies expected to be implemented in the Western Cape in April should provide clear guidelines on how best to sell the province and draw the support of disadvantaged communities previously excluded from the industry.

The transitional Western Cape Tourism Board (WCTB) should be reconstituted when the Western Cape Tourism Act is approved by Parliament. The WCTB was formed a year ago to take over the job of promoting the province from the SA Tourism Board.

Mr John Robert, adviser to provincial Tourism Minister Lampie Fick, said prospects were "very exciting".

"For the first time we'll be able to plan from the bottom up. Opportunities are now open for tourism bodies which in future must be accredited and be fully supported by their communities."

Captour, which is redefining its role as Cape Town's top marketing body, says the metropole should redouble efforts to position itself as a prime international destination.

This view is backed by the Cape Chamber of Commerce which says the Cape metropole needs to "combine its resources" more effectively and mount a more dynamic marketing campaign.

Executive director Alan Lighton said the rapid expansion already experienced in international tourism to the Cape was only "a taste" of the potential.

"While growth of 25% last year looks impressive, this only translates into 100 000 additional foreign tourists.

Stephen Caine of Tourist Rendezvous said an extensive marketing drive should be undertaken by the WCTB.

Captour chief executive Gordon Oliver said that although greater Cape Town attracted 1,2 million tourists last year, much hard work lay ahead.

"We need to quadruple efforts as we are facing stiff competition from Australia and the Far East."

Oliver said black and coloured people had made an "enormous" contribution to tourism "in terms of the history of their political struggle, coupled with their music and cultural lifestyles".

"We need to build opportunities to create tourist-orientated businesses for disadvantaged communities and address the needs of young people wanting to enter the tourism industry."

Cape Town joins list of costly cities for business travel

(288) CT (BR) 1/2/96

BY JOHN FRASER

Brussels — An EU survey confirms what many South Africans have suspected for a while: Cape Town is becoming one of the world's more expensive cities for the business traveller.

A business stay in the city was still cheaper than in Berlin, Geneva, Paris, Brussels, London, New York or Sydney. But Cape Town was now more expensive than Mexico City, Bangkok, Kiev, Rome or Barcelona.

The EuroCost survey was published last week. It looks at what it would cost a business traveller to spend a day and a night in cities in more than 100 countries. It added the costs of a night in a top hotel, lunch, dinner, taxi fares, phone calls, drinks in the hotel bar, laundry of a shirt and a daily newspaper.

It said that Moscow was the most expensive city, with a one-night business stay costing R1 869.

Next came Tokyo, Buenos Aires, Hong Kong and Copenhagen.

Minsk in Belarus was the cheapest, at just R430, followed by Tiran in Albania and Erevan in Armenia.

Cape Town costs R1 043 for a day and a night — not that far behind London at R1 211 and New York at R1 177. And it was more expensive than Rome at R943 or Barcelona at R750.

The most expensive hotel meal was in Copenhagen, where a main course, dessert, coffee and a half-bottle of wine cost R234. The cheapest meal was in Erevan, Armenia, where the bill for a similar meal came to just R17.

Eating in Cape Town was relatively good value for money, with dinner at R65.

The survey also gave warnings about several cities. Travellers to Tokyo were told to be careful before ordering a steak, which could cost between R206 and R688.

There were security problems in Luanda, Baku in Azerbaijan and Brasilia.

It was even risky taking a taxi in Lagos — and if you did get safely to your hotel, you are advised not to drink the tap water.

The survey said that in Tel Aviv you were likely to be subjected to a body search before you were allowed to check into your hotel room. — Independent Foreign Service

SA gets bureaux de change

(288) M+G(BM) 2-8-2|96

With the revival of foreign tourism to South Africa, an enterprising businessman has initiated bureaux de change shops, reports **Lynda Loxton**

FREE-standing foreign exchange "shops" have been a common sight for South African travellers abroad, but something foreign exchange-strapped South African authorities have definitely not encouraged.

All of that changed this week when it was announced that the Reserve Bank had approved a joint venture between Rennies Foreign Exchange and a black-owned Western Cape company to run South Africa's first free-standing foreign exchange shops or bureaux.

To be run under the name of Master Currency, it is the culmination of more than 18 months intensive negotiations with the authorities by Combi & Company chief executive Zitulele (KK) Combi.

He said he had been struck, when travelling abroad, by the fact that tourists did not have to cope with long queues at banks or travel agencies to change their money — they simply went to a foreign exchange bureau and received a fast and efficient service.

With South African tourism facing a massive revival after the first democratic elections, Combi saw a gap that needed to be filled and set to work with the help of partner Bheki Tshabalala as soon as he returned home.

He ruefully admits that it has not been easy to persuade the authorities, who had long kept a very strict control over foreign exchange transactions, that this was a good idea.

"It had just never been on the cards before and we came at them out of the blue ... they were in a spot and did not know how to respond," Combi said. But once they got used to the idea, and possibly with the prospect of the lifting of foreign exchange controls in mind, Reserve Bank officials were "very helpful".



KK Combi: On the road to success with forex PHOTOGRAPH: RODGER BOSCH

Rennies, the authorised representative of Thomas Cook in South Africa, has been the only non-banking institution licensed to deal in foreign exchange. It has held the licence since 1900 and has run its foreign exchange activities alongside its travel services.

Rennies will provide management, operational support, technical advice and training to Master Currency staff, who will all be "raw" matriculants, Combi said.

"We aim at real job creation, not poaching people from other jobs and thereby just contributing to the creation of an elitist group of people who move from one company to another," Combi said.

He said he expected to create 40 new jobs in the first five new outlets in Cape Town and Johannesburg by June this year.

Combi said the Reserve Bank exchange control general manager John Postmus had told him that after running the joint venture for "nine to 12 months, we could make a formal application for our own licence".

Rennies travel chief executive Lilian Boyle said Master Currency would naturally provide direct competition to Rennies' own foreign exchange operations, "but we are comfortable with that ... we are committed to creating job opportunities for others".

Master Currency will charge the same commission as banks "but much less than the hotels", Combi said.

Combi said several bureaux from Europe, mainly Britain, had already expressed interest in setting up shop in South Africa but the Reserve Bank wanted local firms to enter the field first.

The first bureau has already opened in Cape Town and provides a 7am to 7pm service, including the sale of travellers cheques and foreign cash as well as the endorsement of passports for the use of credit cards abroad.

Southern Sun CE Ron Stringfellow says the deal has no suspensive conditions and the project will go ahead even if a casino licence is not granted. "We'll just have to develop more slowly."

But he believes his partnership with a black group will help secure a licence. Tsogo represents the interests of: the National African Federated Chamber of Commerce, Foundation for African Business and Consumer Service, the National Council of Trade Unions, SA Clothing and Textile Workers' Union, Black Management Forum, African Renaissance Holdings and others.

Stringfellow says he has tied up with a Las Vegas group — as yet still unnamed — which should also boost the group's chances of getting a casino licence. He expects licence applications to be invited before midyear.

"If Cape Town has only one casino, it will be the premier one in the country," he says. He and Ilco chairman Martin Wragge say they are going ahead immediately with the project. It will absorb 80 ha of Century City's 200 ha. Ilco will invest R100m in infrastructure once the Milnerton Town Council approves the project.

The agreement with Tsogo Sun should help Wragge realise his vision of Century City becoming so powerful a tourist attraction that it would shift the centre of gravity of tourist activity away from the centre of Cape Town. He predicts that it will eventually surpass even the success of the V&A Waterfront.

For Wragge and Century City, the Tsogo deal is just the first. He expects to make other announcements soon. ■

HOTELS 286

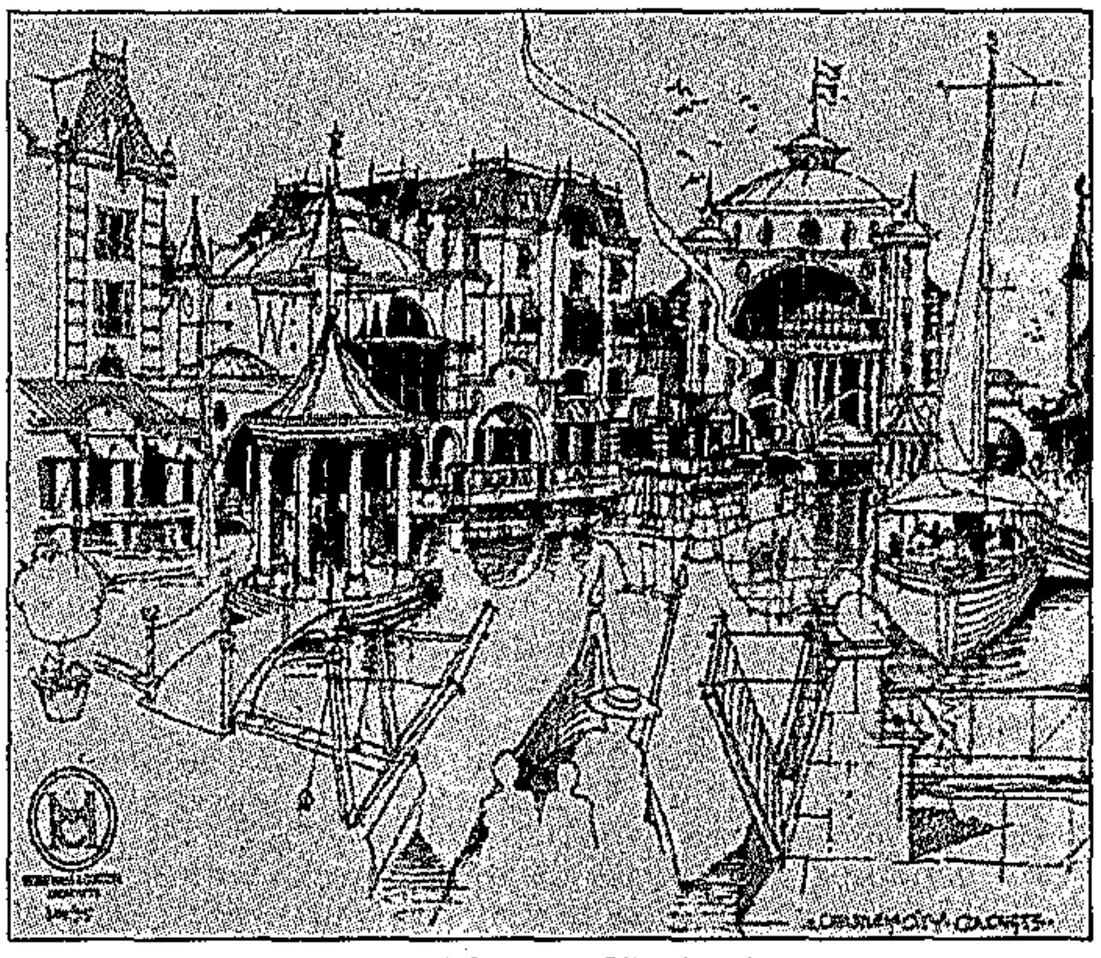
SUN CITY REVISITED?

FM 2/2/96

Southern Sun is making a play for casino rights in Cape Town.

Tsogo Sun Gaming & Entertainment, a joint venture with black consortium Tsogo Investments, is to develop a R2,4bn casino complex with Ilco Homes on the Ilco-owned Century City site next to the N1 between Bellville and Cape Town.

The scheme will comprise an R800m, 135 000 m² retail centre, hotels, a theme and water park, a 20 000-seater music amphitheatre in partnership with promoter Hazel Feldman and possibly a convention centre.



***Southern Sun** . . . proposed Century City development*

Call to freeze upgrading of cableway

ST (M) 4/2/96

(288)

By CHARL DE VILLIERS and JEREMY WOODS

THE Cape Town city council has been urged to delay approving plans to upgrade the Table Mountain cableway until an environmental survey into the R45-million project is completed.

The appeal by the National Parks Board follows the council's decision to call off its legal battle to expropriate and evict the cableway's owners from Table Mountain.

The company, however, still needs approval from at least four statutory authorities before it can go ahead with an ambitious multi-million rand programme to upgrade the cableway.

The NPB said it would be "inappropriate and premature" for the council to approve rezoning and building plans until the company's integrated environmental management process had run its full course.

"This implies that pertinent issues raised or highlighted during the process must be satisfactorily addressed by the (company) before the process of approval can proceed," NPB chief executive Robbie Robinson told Cape Town's City Planner this week.

And, according to the Mountain Club of South Africa, it was essential that an enforceable environmental management plan be added to the cableway company's lease with the city council.

While Mr Louis de Waal, the chairman of the Table Mountain Aerial Cableway Company, said he was happy with this proposal, a Mountain Club spokesman said there were so many unresolved substantive issues "that it would surely make sense to delay the project by a year".

- It was impossible, however, to draft such a plan until the environmental impact of acceptable alternatives had been publicly assessed, he added.

"Waste and litter disposal, sewerage and combined routing of these services with the power supply have not yet been addressed," he said.

Mr de Waal said the company hoped to have approval for the main aspects of the upgrade by early March. If all goes to schedule, the revamped cableway should be ready for operation by December 1 this year.

But this week Mr de Waal admitted that there was "absolutely no way" that work could start if any of the relevant authorities disapproved.

These include the city council, the Cape Peninsula Protected Natural Environment Management Advisory Committee and the National Monuments Council.

The National Parks Board, as the future managers of the mountain chain, would also have to be satisfied.

Mr de Waal said a sewage disposal system still had to be finalised for the top cableway station, but this should not have to delay work as an existing seepage system was functioning normally.

Official city council correspondence this week confirmed that the council and cableway company had resolved their differences.

Key elements to the settlement — endorsed by the company on January 25 — include the company upgrading the cableway to international standards this year.

'UPGRADE RUSH MAY HARM MOUNTAIN'

Freeze of cableway construction sought

CT 5/2/96

(288) (68)

ENVIRONMENTALISTS ARE CONCERNED that in the rush to rebuild the Table Mountain cableway the mountain could be harmed. **LOREN KOLEVSOHN** reports.

THE Mountain Club of South Africa and the National Parks Board (NPB) have asked for a freeze on the R45-million facelift for the Table Mountain cableway, due to begin later this month, claiming time pressures are overriding important environmental factors.

The Table Mountain Aerial Cableway Company still needs approval from at least four statutory authorities before it can go ahead with the upgrade, but the head of the mountain club, Lester Coelen, said yesterday he did not believe the company had explored the various options, but had favoured some and excluded others far too quickly.

He said: "If they cannot complete the environmental assessments properly, then they cannot go ahead with the development."

Coelen said it was accepted that the cableway needed to be upgraded, but he felt there was "enormous political pressure" to go ahead, as the project needed to be completed by the next holiday and tourist season — December 1.

Mr Robbie Robinson, chief executive of the NPB, one of the future managers of the mountain chain, told Cape Town's city planner last week that it would be "inappropriate and premature" for the City Council to approve rezoning and development plans until the environmental impact and management assessments had been completed.

The head of the Cape Peninsula Protected Natural Environment Management Advisory Committee, Dr Douglas Hey, said he shared the concerns of the NPB and the mountain club that "any development should be secondary to the existence of the mountain, the flora and fauna".

Hey said the danger of too many people eventually being accommodated at the top of the revamped cableway was also of grave concern.

The new R20m Swiss cable cars will be able to ferry 700 passengers an hour, compared to the current cars, which only carry 230 people an hour.

He added: "The cableway company have got to have official approval before construction begins, and we have not yet given any formal go-ahead. We are having a meeting with the developers shortly."

The cableway plans to close to the public completely from May so that full-scale construction can begin. This includes facilities and equipment for the disabled, a 120-seat auditorium and an additional restaurant and restrooms.

Environmental convener Mr Jonathan Levy said he wanted to see the right balance between development and environmental protection, "but with the current rush to get construction off the ground, this balance is not being achieved".

Levy and Coelen both say the City Council has failed to show them important issues in writing, such as detailed proposals on sewage, waste and litter disposal.

City planner Mr David Daniels could not be reached for comment yesterday and the managing director of the cabelway company, Mr John Harrison, was on business in Switzerland.

Cableway upgrade to be 'environmentally sound'

☐ *Council bid to allay the fears of pressure group*

ART 5/2/96 (288)

ANDREA WEISS and JOHN YELD
Staff Reporters

THE Table Mountain cableway will only be upgraded if the proposals are environmentally sound, city planner Dave Daniels promised.

The plans, which have been submitted to Cape Town City Council, will be considered by the full council before any approval is given.

Mr Daniels was responding to some environmentalists who claim the improvements are being tackled too hastily without due regard to the mountain's environmental sensitivity.

The upgrade is part of a legal settlement between the Table Mountain Aerial Cableway Company and the council, which had earlier tried to terminate the company's right to operate the cableway.

As part of its agreement, the company undertook to follow a full Integrated Environmental Management (IEM) process, including an environmental impact assessment.

At the end of January, a draft summary impact assessment report was sent to interested and affected parties with a request for comment by February 19.

The report includes specialist study assessments of the mountain's carrying capacity, of the impact of an increased number of visitors on the vegetation, and a visual assessment of the upgrading proposals.

But the Mountain Club has criticised the IEM process, saying the cableway company kept presenting new plans for consideration and that major issues of concern hadn't been fully addressed.

These included an environmental management plan to ensure that any agreements were adhered to during the future operation of the cableway, the size of the new restaurant complex and the removal of sewerage.

"For example, they originally said the sewerage would be taken off the mountain, now they want to use the existing facilities — that's a hell of a change," said Mountain Club spokesman Lester Coelen.

"Some of the new plans are very good and can probably be implemented after just a little discussion, but overall there are a lot of broad issues that need to be resolved, and it will take a lot of political will to do what is right for the mountain and not be bludgeoned into acceptance.

"There is no doubt that we have to upgrade the cable car system, but it's a question of how."

Louis de Waal, chairman of the cableway company, said groups like the Mountain Club and the National Parks Board, which will manage the mountain in future, wanted the IEM procedure completed in its entirety before any work on the upgrade started.

However, the city council was keen to have the work completed as soon as possible for tourism purposes, and also because of the city's Olympic bid. International Olympic Committee members will visit Cape Town in September to assess the bid plans.

Mr De Waal said views expressed by the environmentalists arose out of the IEM procedure which was started last year, and the company was willing to abide by them.

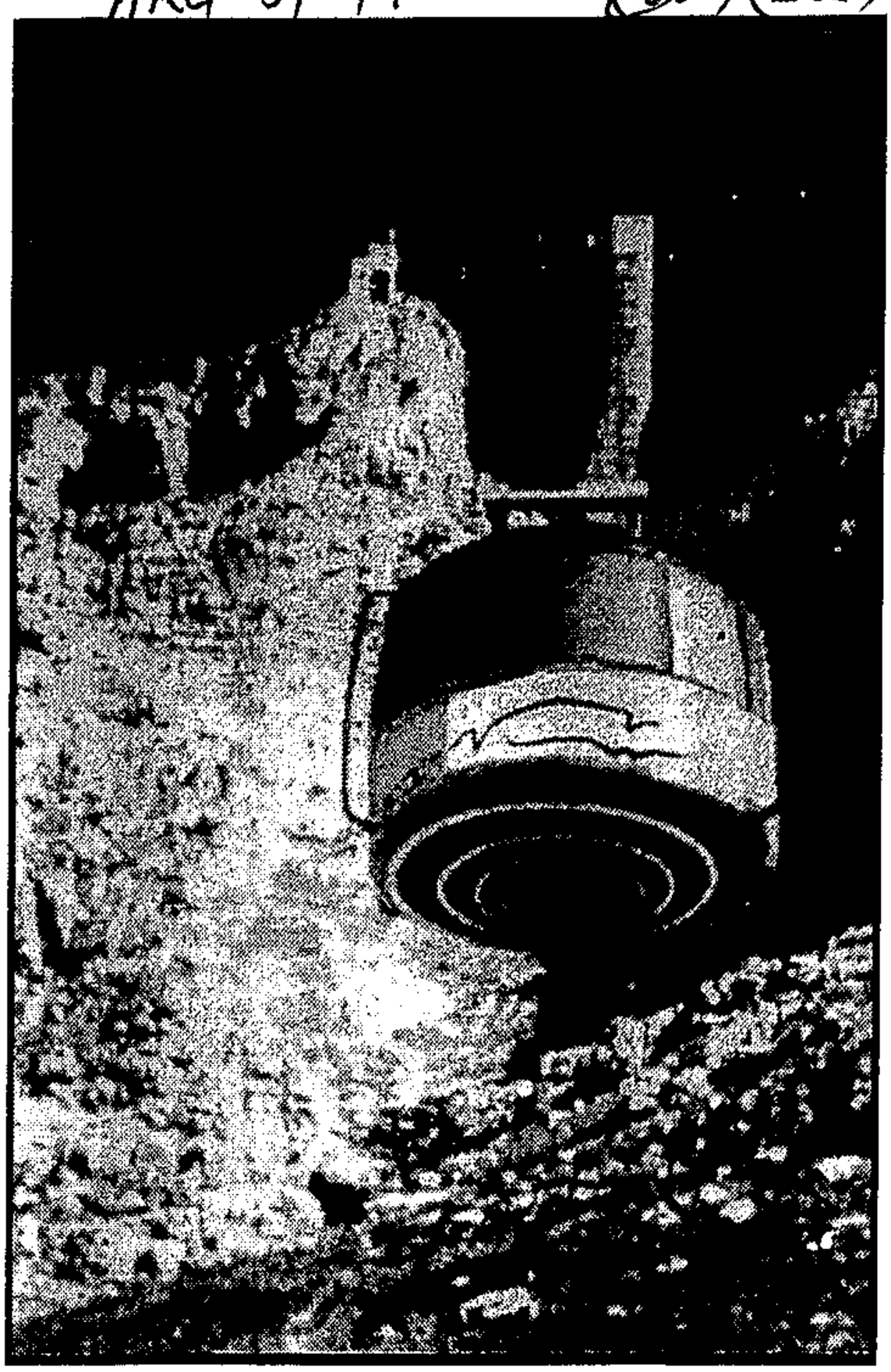
He believed it was important for the upgrade to proceed and for individual issues, such as the question of sewerage, to be dealt with separately.

Referring to the dispute about sewerage, Mr De Waal said the existing soakaway system could be used in the interim and decisions about how to lead sewerage pipelines off the mountains with minimal environmental impact could still be taken.

"We are willing to give a written undertaking," he said.

Mr Daniels said that plans for the new upper and lower cableway station had been submitted but these would still be circulated to interested parties, including the National Parks Board, the National Monuments Council and the Cape Peninsula Protected Natural Environment (CPPNE) management advisory committee.

Thereafter, they would be taken to the urban plannning committee and the full council before approval would be granted.



FUTURE VISION: What the new cableway will look like.

Games: Who's in charge?

ARG 5/2/96 (288)

WHO, where and when? These are the queries that are preoccupying readers who have been sending in their questions on Cape Town's 2004 Olympic bid. This week's questions deal with how the bid company interacts with the public, especially with regard to public participation meetings, and who the key people behind the scenes are.

Would you please list the names and areas of responsibility of all the members of the senior management team working at the Bid Company?

The bid is led by Chief Executive Officer, Chris Ball, who has had extensive experience as head of First National Bank in South Africa, and as a top level international manager in Europe.

Ronnie Kingwill, a chartered accountant seconded from Eskom, is in charge of managing the preparation of the all-important Bid Book. Deni Madzunya, the managing director of IBM Logistics,is responsible for information technology, broadcast and communication systems.

Peter de Tolly, Cape Town's deputy city planner, is responsible for planning and environmental matters, and ensuring that our plans comply with important development frameworks like the RDP and the Metropolitan Spatial Development Framework.

Michael Fuller, a regional director of Ernst & Young, is responsible for all the financial aspects of the bid process, including operational and capital expenditure projections.

Robbie Stewart, a quantity surveyor and the former honorary CEO of Durban Olympic Bid Committee, is responsible for ensuring that Cape Town's bid meets the requirements and standards of the national and international Olympic sporting federations.

Gill Bolton, Cape Town city council's assistant city administrator, manages international liaison, as well as regional and national government liaison.

Ngconde Balfour — a sports administrator who has been involved in Cape Town's bid from its inception — is responsible for international relations.

Manfred Gunlach, a manager from Daimler-Benz Aerospace, has been seconded to establish a management information centre which tracks the status of the project, ensuring that all aspects are on schedule.

Saaliegah Zardad is director of community relations, responsible for community outreach, education and youth. Jackie Taylor is director of marketing, responsible for overseeing all advertising, promotional and merchandising aspects of our bidding process.

CAPE TOWN
2004

How will the Bid Company ensure that the communities of Cape Town will be involved in Cape Town's bid for the 2004 Olympic Games?

Following our initial run of community meetings last year — including last November's prominent consultative conference — our community relations department will launch an expanded programme of community outreach in the coming weeks.

This will include meetings with all important social sectors, including youth and religious groups, RDP forums, community policing bodies, and civic and residents' associations.

Details regarding meetings in your area will be released through the media and relevant organisations.

Since the recent Olympic Bid newspaper insert proved to be very informative, are there plans to produce another one to keep us up to date with the progress of Cape Town's bid?

The recent newspaper supplement has indeed proven to be immensely popular. We are definitely planning follow-ups as the bid progresses.

For the immediate future however, we will be bringing out Xhosa and Afrikaans-language versions. The information process will include resources ranging from comprehensive Olympic Bid 'Fact Sheets' to the Internet.

There is also an ongoing programme of community meetings where members of the Bid Company present regular updates on the bid process.

Don't forget this column in The Argus as well, which we continue to value as an important forum of interaction with the public.

Much has been said in this column about interaction with communities, but when and where are these meetings actually taking place?

Area meetings are normally set up in conjunction with the relevant local representative bodies, and are normally advertised in those areas in advance.

For this week, the Bid Company will be involved in three community meetings. Tomorrow, February 6, at 7.30 pm, we will meet with interested parties in Kensington. The venue will be Maitland High School.

On Wednesday, February 7, a meeting will be held in the Belhar Minor Hall at 7.30 pm. A third public meeting is scheduled for Khayelitsha on Thursday evening, but we are still awaiting final confirmation of the venue.

Further details can be obtained by contacting Jenni Abrahams in the Olympic Bid Community Relations Department at ☎ 419 2004 during office hours.

● Queries should be sent c/o Letters to the Editor, The Argus, Box 56, Cape Town, 8000, or faxed c/o Letters to the Editor to ☎ 488 4075, or sent to the Olympic Bid Company, Private Bag X2004, Cape Town, 8000.

Hotel beds fill up as tourist trade blooms

ARG 5/2/96 (288)

Business Editor

TOURISM boomed in South Africa last year, with the number of nights in hotels sold to foreign tourists increasing 68 percent between November 1994 and November 1995.

Central Statistical Service figures released today show foreign tourists bought 297 425 bednights in November last year, compared to 176 715 in November 1994.

The Western Cape took the lion's share with nearly 40 percent of bednights sold.

Most of the tourists (69 percent) were from Europe, with Germany providing the biggest contingent (nearly 24 percent). The percentage of tourists from Asia and Africa dropped over the year.

The figures also show that hotels without star gradings are gaining popularity. Nearly 28 percent of bednights sold were in this category in November 1995 compared to 10,5 percent in 1994.

Cape Town leads the national tourist stakes

ET(BR) 6/2/96

(288)

BY JAMES LAMONT

Johannesburg — Amid a country-wide upward trend in the number of tourists, Cape Town and its environs stole the early summer season honours in increased hotel occupancy and income rates in November last year.

Cape Town, including the peninsula and winelands, recorded the highest hotel room occupancy rates in the country at 88,2 percent for the month, according to a survey released by the Central Statistical Service (CSS) yesterday.

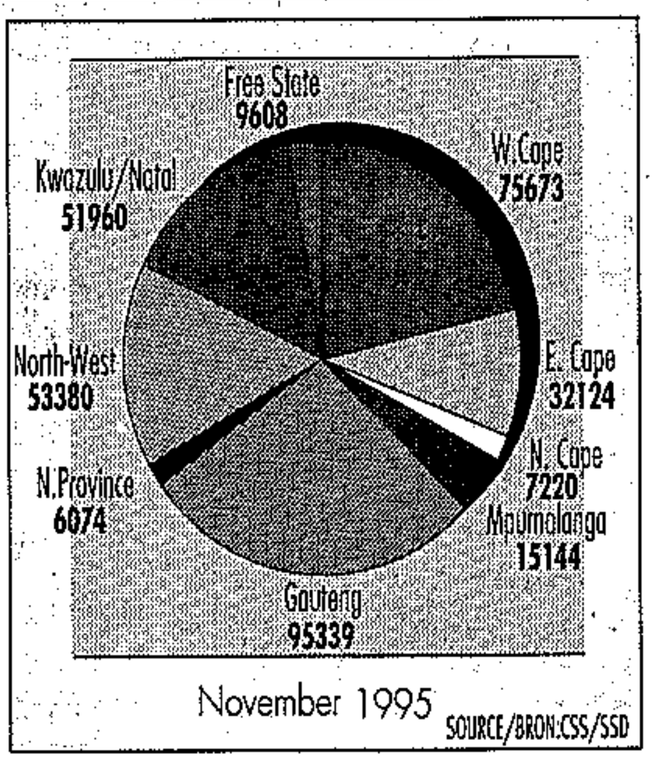
"The most impressive thing is the impact the Cape has made," said Renscha Pietersen, a CSS survey statistician. She said Cape Town had done very well during the tourist boom in the run-up to Christmas.

Hotel income for the Cape Town area in November last year rose 38,3 percent on the same period in 1994, with a corresponding 22,9 percent rise in room occupancy. The favourable figures have prompted plans to build about 28 new hotels in the area.

Pietersen attributed Cape Town's success to a marketing campaign, orchestrated by a group of hotels, that has successfully attracted European visitors, especially from Germany and the United Kingdom.

The number of bednights sold by hotels to foreign tourists during November last year increased by 68,3 percent from the same month in 1994, to a total of 297 425 nights. Cape Town accounted for 30,7 percent of the bednights sold, almost three times higher than Johannesburg, its nearest competitor.

Hotel Income by Province



"A lot of these people (visiting Europeans) have business and family here and now they see it's not so bad they are coming again," said Pietersen. European tourists increased their market share of foreign visitors by 15,3 percent.

While three star hotels absorb the largest number of bednights sold to foreign tourists, five star hotels boosted their income by 29,6 percent and bed occupancy by 20,3 percent during November.

The latest survey indicates that the nationwide average room occupancy rate for November last year increased by 12,2 percent to 61,9 percent, with income up 20,2 percent on the same period in 1994.

Pietersen said Gauteng had also attracted more tourists in summer. Although she said the Johannesburg central business district was not attractive to tourists, room occupancy rates in the rest of Gauteng were as high as 79,4 percent. She said that the years when Pretoria had not done so well as a tourist destination had been reversed.

Catherine Mushi, the South African Tourist Board's (Satour) information officer, agreed. Taking into account winter and summer seasons, she said that Gauteng was doing exceptionally well, followed by the Western Cape.

According to Satour figures for last year, Gauteng accounted for 63 percent of foreign visitors in summer, with the Western Cape running second with 56 percent and KwaZulu Natal third with 32 percent.

The CSS survey found that, adversely affected by political violence, Durban and Umhlanga enjoyed 14 percent higher room occupancy, but income for the month declined by 2 percent, the result of offering discount packages.

"Many people skip Natal now to go on to the Cape," said Pietersen.

However, Pietermaritzburg, the Natal Midlands and the Drakensberg increased income despite substantially lower occupancy rates. Room occupancy was up 36,5 percent in the Eastern Cape, but income was down 5,3 percent for the month.

Only central Johannesburg registered a fall in both income and occupancy rates.

Tourism council elects representative board

ET (BR) 7/2/96 (288)

BY CATO PEDDER

Johannesburg — The Tourism Business Council of South Africa elected a management board broadly representative of the tourism industry in South Africa at its first annual general meeting last week.

The council was formed in November last year to draw together the divergent strands of the tourism industry. It plans to address the broad macro-economic issues facing tourism in South Africa in association with the government, communities and labour.

According to the latest Satour statistics, overseas visitors spent R7 billion and domestic tourists R12 billion in 1994, underlining the need for the council.

Delegates agreed Satour was underfunded, with a budget of R50 million last year. They also agreed on the need for a ministry of tourism. The board expected a department of tourism would be formed soon.

As a parastatal, Satour is not eligible to become a core member of the council, but the council is planning to work closely with it.

Fedics' David Wigley was appointed chairman of the council. Liz Westby-Nunn of Portfolio of Places and Moss Ngwenya of NTEDI were appointed vice-chairmen.

The council has yet to appoint an executive officer but hoped to do so within six to nine months.

The National Parks Board, Moribo Investments, the National African Federated Transport Organisation and the National Black Business Caucus are represented on the board, as are the Foundation for African Business and Consumer Services and the National African Federated Chamber of Commerce, among others.

"The immediate aim of the council is to broaden our membership base," said Westby-Nunn. Ngwenya said that previously marginalised communities had to become part of the tourism industry.

The council would concentrate on helping emergent, black businesses to become involved in tourism. The aid given to small and micro business would include training in business skills.

Wigley said there should be a cultural change in South Africa to ensure people understood the importance of tourism. He said the council would look at what effect it could have on crime levels that were damaging the industry.

Scarcities in tourism industry pinpointed

BD 7/2/96 (288)

Theo Rawana

ACCOMMODATION, luxury coaches and guides with command of foreign languages were the areas of the SA tourism infrastructure that were causing concern, industry leaders said yesterday.

With foreign tourism figures having surged by about 50% in the past year, the tourism industry would have to work harder to cope with the flood of both local and foreign tourists, they said.

RCI Southern Africa MD Steve Griessel said that last year Western Cape hotels ran at 92% occupancy and there was no letup throughout the year. Durban hotels ran at 71% occupancy for the year, while Mpumalanga was running at 92%.

But there had been no severe shortage in and out of season. Inbound tourism was up by 50% on 1994, and the same growth was expected this year. Domestic travel was up 25% on 1994.

"The black market is getting to understand about tourism, and that market was to continue growing. SA has to realise that tourism is not only international," said Griessel. There was also sport tourism, which had suddenly come up on SA, "and it happens out of season, unlike traditional tourism. We will find that the infrastructure is to suffer — we are beginning to turn away people. There has been a big upturn in inquiries," he said.

In coping with demand, Griesel said the last three years had been quiet, and the infrastructure took time to build.

"The big problem is the casino business. Hotel groups are paralysed, waiting for government to decide on casino legislation. They are holding back, because they do not know which way it will go. The money is there," said Griessel.

There was an "insatiable demand" for timeshare holidays at Western Cape resorts but the supply of quality accommodation was "hopelessly inadequate".

"As a result, a timeshare week in the Western Cape costs up to twice as much as it would at a comparable resort elsewhere in the country ... we are crying out for space in the Cape throughout the year, which should send a signal to developers that they should be searching for sites to build new resorts," said Griessel.

Kessel Feinstein Consulting's Gillian Saunders said the industry had "just absorbed" the market last year.

"But we have infrastructure constraints, especially in the accommodation and coaches sector. We are beginning to turn away people. Coaches take about eight months to build — and hotels take longer. But this should be alleviated by next year."

"SA had to tangle with more than 45% growth — it was phenomenal. But we will be equal to the task next year."

The SA Tourism Board said there was pressure on the accommodation sector in peak periods.

A spokesman said that overseas investor interest in SA has been advantageous as has the growth of guest houses and bed-and-breakfast establishments.

He said one of two areas of concern was the scarcity of luxury coaches. "This sector is under immense pressure — we have used up all our coaches."

The other was the demand for tourist guides in specific languages.

New council plans to develop tourism

Sowetan 8/2/96 (288)

By Isaac Moledi

THE South African tourism industry has launched the Tourism Business Council of South Africa — with the aim of the making tourism a national priority and a key contributor to economic growth.

Unlike other countries where tourism is the largest foreign exchange earner, tourism comes a poor third in South Africa where forex earnings are concerned, the council said.

The council, whose founding members include major businesses and associations involved in the tourism industry, believes South Africa's tourism resources can be further developed to contribute significantly to improving the quality of life of every South African.

TBCSA chairman Mr David Wigley, who is also the managing director of food and catering giant Fedics, says there is vast scope for expansion in both the domestic and foreign tourism sectors.

"If tourism is to realise its potential of becoming a key contributor towards sustainable economic growth in the country, it has to be elevated to a national priority, with due consideration to Southern Africa's natural and cultural heritage," says Wigley.

The council's primary task, according to Wigley, is to ensure that through comprehensive and united representation at national and provincial level, the appropriate national strategies are adopted for developing and maintaining growth in tourism.

Mechanisms aimed at bringing small and emerging businesses and people who have been excluded from the mainstream of the South African tourism industry are going to be put in place, says Wigley.

Working committees dealing with crime and safety, marketing, training and culture, organisational development and finance will also be established.

Wigley's words are echoed by vice-chairman Mr Moses Ngwenya who says: "This will help realise the potential of tourism in fulfilling the objectives of the Government's RDP programme.

Call to protect poor if bid for (288) Games succeeds

ART 8/2/96

ANDREA WEISS, Municipal Reporter

SPECIAL legislation will be needed to protect the poor against rent hikes and evictions in the run-up to the proposed 2004 Olympics in Cape Town.

This warning was sounded at a seminar in the city today by the Development Action Group (DAG) which presented a study of the effect of bidding for the Olympics on eight cities.

The seminar was attended by Land Affairs Minister Derek Hanekom, who sits on the cabinet sub-committee dealing with the Olympics, Olympic bid chief Chris Ball, and provincial and national representatives of the departments of sport and finance.

DAG, a non-governmental organisation which has been active in the city for a decade, said its concern was the impact the Games would have on the poor.

This included short, medium and long-term effects such as evictions, public debt; exacerbation of unemployment and the disruption of property markets.

Another problem area pinpointed by DAG was that small businesses were not always able to gain access to economic opportunities created by the Games.

DAG also warned that price hikes related to the influx of tourists increased the cost of living for everyone.

● Three key economic studies are under way to help the national cabinet decide whether to back Cape Town's 2004 bid for the Olympic Games.

The cabinet is due to finalise its position on the Olympics in April.



Fun in the sun: Durban's beaches are a major attraction for both local and international tourists

PHOTOGRAPH: HENNER FRANKENFELD

Facelift for tourism

(288) (BM) M+G 9-15/2/96

Business believes it has the answer to marketing tourism in South Africa, reports **Karen Harverson**

SOUTH AFRICA is the fastest-growing tourist destination in the world but this is due more to its "flavour of the month" status initiated by the 1994 elections than its marketing activities overseas.

With a shoe-string budget of R48-million for 1996 — down from R56-million the year before — Satour is hard-pressed to compete with other long-haul destinations such as Australia, which boasts a budget of more than R270-million purely for marketing the country internationally.

So how can Satour, on its paltry budget, attract the best marketing expertise for the job, most of which is in the private sector?

Business thinks it has the answers and last week formed a unified body, the Tourism Business Council of South Africa (TBCSA), aimed at advancing the restructuring of South Africa's tourism industry.

One of its first tasks will be to lobby government to increase Satour's funding for marketing.

Newly elected chairman of the TBCSA David Wigley said the council will focus on the urgent need for infrastructural development to sustain tourism growth, recommendations to reduce crime, international strategies to market South Africa, as well as strategies for working with labour and the community in pursuing the overall tourism vision.

He said tourism, acknowledged as the world's largest earner of foreign exchange, had enormous potential for growth in South Africa where it was only the fourth-largest component of gross national product, at 3%, against an average 10% in the rest of the world.

Executive director of Satour Mavuso Msimang welcomes the new business council, which he said would contribute to decisions on how Satour markets South Africa. "Business councils exist in all the countries that are really serious about tourism and we plan to become fully involved in initiatives of the new council."

Tourism chief director Mike Fabricius of the Department of Environmental Affairs and Tourism says the Business Council should have an input on how South Africa would be marketed.

■ See PAGE B3

P.T.O.

Facelift for tourism

288 MTG 9-15/2/96

■ From PAGE B1

"However, private sector companies promote their own interests and there will always be a need to generically position South Africa as a global tourist attraction, through a national marketing organisation."

Fabricius says the issue of funding is always in the spotlight. "It is my firm belief that tourism should receive an adequate budget once the process is finalised. The challenge at this moment is to accommodate visitors coming to the country.

"However, in the medium and longer term, the interest in South Africa will decrease, and especially then the marketing function will be essential."

Msimang concurs, adding that the changes in South Africa have opened a small window of opportunity for increased tourism. "But we need to market ourselves aggressively if we are to sustain and increase the number of visitors to the country."

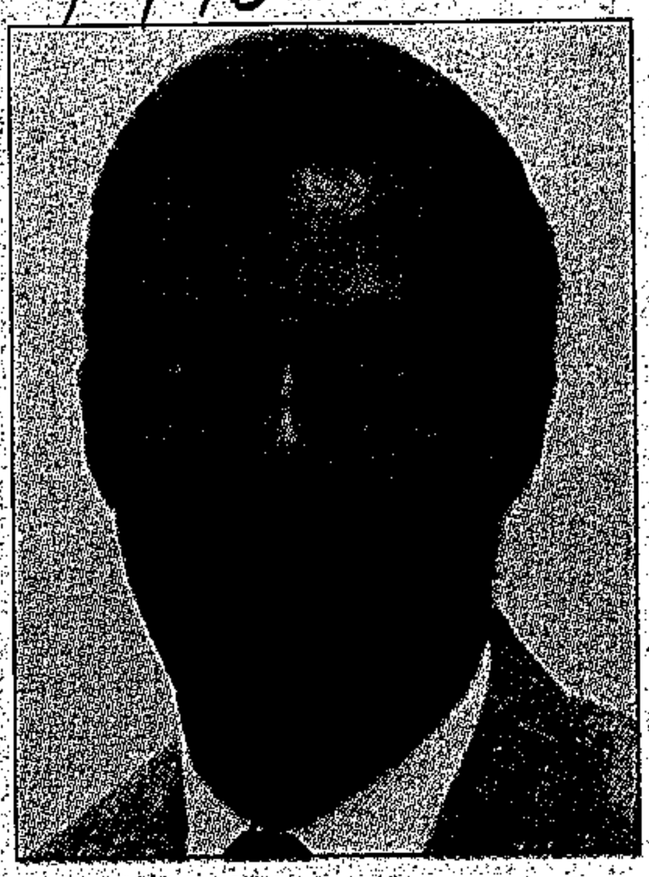
He says growth in overseas visitors has risen from 700 000 in 1994 to an estimated one million tourists in 1995. "Satour has set a target of getting 3,2-million overseas visitors by the year 2000, which is achievable if certain changes are implemented."

One of the first initiatives that Msimang wants to implement is flattening the management structure of Satour from its current pyramid structure of 14 levels down to six.

"The public service-type structure of Satour is totally unsuitable because it creates long lines of communication and bureaucracy. You literally have to climb the ladder to get an answer."

This suggestion of flattening management was made by consultant Ernest & Young, which drew up recommendations for Satour in March 1995. These have been accepted by the new board of Satour but no changes can be implemented until approved at government level.

Last month, government told Satour it would need to consult further with the Public Services Commission before structural changes could be made or Satour could risk losing some of its revenue.



Mavuso Msimang: Satour must be restructured in the near future

"Our flexibility to reshuffle posts is limited as long as Satour is being viewed through a civil servant-type perspective," says Msimang.

But why is Satour looking to make changes before the White Paper on tourism — due out at the end of April — has been approved? Msimang feels whatever else the White Paper will contain, it will certainly confirm that a national organisation must market South Africa internationally.

"Whether that body is a reformed or renamed Satour is not the point, if we get changes on the go now they will be taking on an organisation in better shape to do that task than it is now.

"Also, everyone knows changes need to happen and the longer it takes, the worse the effect on morale," he adds.

So what can be done in the meantime? Msimang sees the beefing up of international operations as vital, despite the lack of finance. "We're hoping to increase our 14 international offices by making use of the many international offices of the Department of Foreign Affairs."

Also on the cards are partnership ventures with the private sector. "We're negotiating with certain businesses on whether they could sponsor some of our activities in exchange for some promotion of their product overseas."

BID MUST AIM AT DEVELOPMENT

Olympics 'must benefit all'

CT 9/2/96 (288)

AGREEMENT was reached yesterday that the Olympic bid would have development as its basic theme. **BARRY STREEK** reports.

A SERIES of meetings between central government departments, the Western Cape government and the Olympic Bid Company were held yesterday to liaise on research and planning to enable the cabinet to decide by the end of April whether to support Cape Town's 2004 bid.

Representatives of both governments and the head of the bid company, Mr Chris Ball, committed themselves to an Olympic bid that formed part of Cape Town's long-term development and avoided white elephant projects.

Ball said the bid should be "totally developmental" when he spoke at a breakfast seminar, organised by the Development Action Group (DAG) at the Milnerton Race Course.

DAG's Ms Charlene Houston said there were obvious benefits to the bid, but the negative aspects had to be identified and managed.

Ball welcomed the DAG analysis, published in a book which was released yesterday, saying he would like to incorporate its approach into the bid offer.

The DAG charter stresses that the economic benefits of the Games had to "improve the quality of life of all people, especially the urban poor" and all housing prepared for the Olympics should afterwards be available as affordable housing.

Ball had to leave the seminar, which was attended by Land Affairs Minister Derek Hanekom, a member of the cabinet core committee considering the bid, to attend a meeting with four Western Cape MECs. Officials of the national and provincial governments also met yesterday to discuss the matter.



DEVELOPMENT: Chris Ball

Afterwards, the head of sport and recreation in the Western Cape, Mr Rod Solomons, said the bid process had been discussed so that the cabinet could be provided with sufficient information to determine whether the bid would "contribute to social and economic development in South Africa".

This included a detailed macro-economic assessment of the bid, a preparation of a regional impact assessment, specific information for the core cabinet committee and detailed interaction between the different levels of the government to achieve consensus.

Solomons said the provincial government fully accepted that the bid would have to be made within the objectives of reconstruction and development.

Mr Cyrus Rustomjee, from the office of Deputy Finance Minister Alec Erwin, said the cabinet would consider whether or not to support the bid after the core committee had reported back to it at the end of April.

"We are asking a very fundamental question: 'Is this a bid that can produce economic benefits and succeed in promoting development in our country?' "

Lagoon project's fate in the balance

ST(M) 11/2/98 (288)

By TOM HOOD

THE fate of a R200-million hotel and residential development at Milnerton Lagoon hinges on the outcome of an environmental study.

Twelve organisations formed a protest organisation to stop the project in its present form and they say the site should be used in the broader interests of the general public.

Replying to critics, Johannes Coetsee, managing director of Lagoongate Waterfront Development, said yesterday the company had complied with all the conditions stipulated by Milnerton council when it put the property out to public tender.

However, the company commissioned an in-depth environmental impact assessment in October and its results would determine the outcome. The study was due for completion next week and would be discussed with all the parties concerned.

"We hope to find a solution which reflects the wishes of most, if not all, those involved," he said.

Mr Coetsee said the development had received significant support from residents and the business community and this should be balanced with the concerns voiced by the environmental group.

Johan Roodt, managing director of the company marketing the development, said "a lot of interest" had been shown in all parts of the proposed development.

Plan for tourist safety policy

BD 12/2/96

Theo Rawana

THE tourism security task group set up last November to help formulate policy and develop strategies on tourist safety would meet this week to draw up action plans, spokesman Supt Eric Pelser said.

Pelser was responding to reports that five foreign tourists had been attacked in four incidents in Cape Town in the first six days of this month. Two of them were Scotsmen, both over 60, who were stabbed several times.

Tourism Minister Dawie de Villiers, at the launch of the task group, said it was designed to influence the Cabinet's crime prevention committee to have tourists' safety on its permanent agenda. It had been given the task of developing a strategic framework for security measures and providing guidelines on security structures at provincial and local levels.

Pelser said the meeting of the task group would be held in conjunction with the Tourism Business Council of SA.

The incidents in Cape Town highlighted the need for the group's initiatives to be operational.

Cape Town police reported they had arrested a 16-year-old youth after he and six others allegedly stabbed and tried to rob the Scottish tourists in central Cape Town on Tuesday evening.

Inspector Virna Simon said John Stewart, 66, and Eric Buchanan, 62, were taken to hospital and discharged after treatment.

A Polish woman was robbed of her camera valued at R3 500 on February 1. On the same day an Israeli man was stabbed by six youths who tried to rob him of his wallet and wrist watch. A German man was robbed of his camera and cash on February 2.

Simon said Cape Town had tourism protection units which worked 24 hours a day to prevent crime, but the city covered a large area and police could not be everywhere.

The Argu

Solid trading ups bottom line for Sun International

JOHANNESBURG. — Economic growth and favourable trading conditions lifted Sun International's results for the six months to December 31, with profit before tax improving 21 percent.

Pre-tax profit rose by 21 percent to R252,9 million, from R208,9 million during the same period last year, as a result of cost efficiencies, and an increase of R4 million in interest income.

Turnover increased by 13 percent to R1,098 billion (R969,6 million), with room occupancy's contribution up 21 percent and gaming revenues 13 percent higher.

Earnings per share stood at 25,8c (23,3c) and the group declared an interim dividend of 15c a share.

■ Increased demand from foreign and local business travellers lifted hotel chain City Lodge's performance for the six months to December 31, with the group increasing turnover by 21 percent and earnings by 47 percent.

Attributable earnings rose by 47 percent to R15,22 million from the previous R10,36-million, mainly as a result of improved margins and a lower effective tax rate.

Group turnover increased by 21 percent to R52,98 million (R43,77 million).

■ Road transport group **Unitrans Limited** boosted turnover by 42 percent for the six months to December 31, but a higher interest charge kept earnings growth down to 29 percent.

Attributable earnings improved 29 percent to R33,59 million, from R26,13 million during the same period in 1994.

Chief executive Eduardo Garcia said the results were enhanced by the acquisitions of Matthysen Bus Transport and Cane Carriers during the period. Turnover increased by 42 percent to R351,925 million from the previous R247,21 million.

■ **Frame** lifted income before tax by 26 percent to R31 million for the six monmths ending December last year. This was achieved on a turnover which decreased from R399 million to R382 million.

The group's cash resources increased by R53 million compared with the previous six month period ending December 1994.

While the income before tax increased the group moved into a tax paying position.

The tax charge for the six moonths was some R9 million from R195 000 for the comaprative period the year before. Consequently, earnings per share in Frame and Confram amounted to 68,4c and 38,1c from 73,3c and 43,2c for the six months ending December 1994. — Sapa.

(288) ARG 13/2/96

'Greed will kill tourist market'

(288) ARG 13/2/96

Political Correspondent

TOURISM Minister Dawie de Villiers has urged the industry not to price itself out of the international market.

"I appeal to the industry to take a long-term view of tourism ... if we become a little bit too greedy we might destroy this great potential of ours," he said.

At present, for a tourist coming from San Francisco it cost the same to travel to South Africa as to Australia.

Excessive prices would mean tourists would choose Australia.

Speaking at a press briefing, Dr De Villiers said any request by his ministry for further money for marketing was likely to be turned down by the Treasury because the industry could not presently cope with demand.

Outlining the scale of the post-apartheid tourism boom, he said provisional figures showed the number of foreign visitors increased last year by 30 percent.

If neighbouring countries were excluded, eliminating those who came to South Africa on business or for medical care, arrivals from overseas countries rose by 43 percent last year.

Estimates were that visitor figures could rise by another 30 percent by the turn of the century.

Dr De Villiers said challenges the industry faced included the safety of tourists, the quality of services, and whether there would be enough accommodation to cater for the enormous influx of visitors.

Combating crime was high on the government's priority list.

A tourism safety task team had been set up to assist the national effort, Dr De Villiers said.

R35m resort for White River

(288)

BD 14/2/96

Lukanyo Mnyanda

A R37,5m luxury resort and conference hotel is to be built at White River Country Club in Mpumalanga.

It will provide a major boost to the region's economy by employing local subcontractors and labour.

The development, Greenway Woods, will be built by Condev North, which plans to complete the work in 10 months and put White River firmly on the international conference and tourism map.

Condev North MD Tom Buckle said: "No effort will be spared nor detail ignored to ensure absolute satisfaction for our investors. We are determined to produce a facility ... that will serve as an excellent advertisement for our country's tourism and conference industries." The development will include luxury chalets overlooking the country club's golf course and will be managed by an international hotel group.

Satour conference promotions division director Nick Stathakis welcomed the development, saying SA's conference industry generated about R2,6bn annually and could be worth more than five times that amount, given the right facilities and promotion.

Homenet head slates Durban authorities' inertia on tourism

(288) BD 14/2/96

Lukanyo Mnyanda

THE head of one of SA's largest property groups, Homenet, has accused Durban's municipal authorities of letting the city fall behind other major coastal resorts in competing for peak holiday tourist trade.

Executive chairman Victor Webster called for immediate action to remedy what he called the city's "general slovenly and littered appearance", and notably the beachfront area, which he slated for its "lack of quality entertainment".

Half-hearted

Port Elizabeth and Cape Town had also been overrun by visitors during the holiday period but local authorities there had, he said, made "exemplary" efforts to clean up in the wake of the invasions.

Durban's response in clean-up operations had been half-hearted and more in keeping with an attitude of "what the hell, it's only going to happen again".

"Durban is on course to miss the boat as a holiday resort unless the council and business leaders make a supreme effort to recover lost ground," Webster said.

The city authorities also had to realise that visitors did not only want to spend endless hours on the beach but were also on the lookout for alternative entertainment venues such as those which were extensive and well supported in both Cape Town and Port Elizabeth.

Webster warned that the beachfront and city residential market would take a serious knock unless there was a reversal of Durban's ailing tourism image.

"I would also like to see residents and visitors showing more responsibility towards the maintenance of standards, even if it means fining people heavily for littering," he said.

Beachfront Homenet's Janis McManus also called for an improvement of general cleanliness and orderliness on the beachfront, saying that this would create a more positive image for tourists.

The municipality should set aside an "attractive" area for informal trading, she said. "Removal of the current pockets of traders would definitely enhance the area, reduce noise levels and create an orderly environment."

McManus said the general deterioration of the beachfront over the past couple of years had led to a negative growth in residential property value, though investors were being lured back by property market trends favouring buyers.

Olympics' funding (288)

BACKING FOR GAMES IN CITY

'GOVT

Olympics' funding

ET 14/2/96

CAPE TOWN IS LIKELY to host the 2004 Olympic games, according to Sports Minister Steve Tshwete, who says he is confident of backing from both the central government and the International Olympic Committee. **ANTHONY JOHNSON** reports.

GOVERNMENT financial backing for Cape Town's bid for the 2004 Olympics was "a certainty", Sports Minister Steve Tshwete said yesterday.

The minister said he was "sure" that South Africa had sufficient support within the International Olympic Committee (IOC) to beat other cities competing for the 2004 Games. "We are ready for take-off."

The cabinet sub-committee conducting feasibility studies into the financial viability of Cape Town hosting the Games had been "moving forward well and I don't get the sense that there are any hitches".

The cabinet will only make a formal decision in April on whether to back the bid with the financial muscle of the central government, but Tshwete said a report to the cabinet on the positive progress in the bid preparation would be made next week.

The cabinet gave the green light to the initial stage of the bid process in October last year but decided after a marathon debate to withhold financial backing for the initiative until it had received detailed studies on the bid's viability.

Concerns were raised by some ministers that special endorsement for the bid could place taxpayers in a financial hole and result in massive spending that did not coincide with the government's commitment to meeting the development needs of the poorest of the poor.

The national, provincial and the Cape Town metropolitan governments have been working on the bid preparations with the Olympic Bid Company for the past four months.

Tshwete said his confidence in the Cape Town bid was boosted by the visit to the city two weeks ago by representatives from "huge" foreign companies keen to become involved in the bid process. He declined to name the multinational firms.

Director of international relations at the Olympic Bid Company, Mr Ngconde Balfour, said the company was confident the Cape Town bid would get full cabinet backing in April, adding: "Individual cabinet ministers we have spoken to have been quite positive we are on the right track."

Cape Town had emerged as the clear frontrunner to host the 2004 Games during a meeting two weeks ago in Switzerland, he said.

International sports federations visiting Cape Town had reacted positively to the thorough preparation Cape Town had undertaken and its extensive consultations and contacts with the IOC, Balfour said.

Asked why he was so upbeat about securing cabinet approval for the bid, Tshwete said all the ministers serving with him on the cabinet sub-committee — Mr Mac Maharaj (Transport), Mr Trevor Manuel (Trade and Industry), Mr Derek Hanekom (Land Affairs), Dr Dawie de Villiers (Environmental Affairs and Tourism) and Mr Alec Irwin (Deputy Finance Minister) — were committed to ensuring South Africa hosted viable and successful Games.

"That is our mandate from cabinet — to make sure this succeeds.

"We are moving forward well and conducting feasibility studies and I don't get the sense that there are any hitches".

Tshwete said the cabinet was concerned not merely that the Cape Town bid be financially viable but that it be development-oriented. It wanted the Olympic bid not to be seen as "elitist" but as a venture that dovetails with the government's broad development strategy.

A tale of eight cities

Sharp lessons to be learnt from the experiences of those who

(288)

have hosted the world's greatest sporting showpiece

ARG 14/2/96

16/2/96 288

ANDREA WEISS
Municipal Reporter

A STUDY of eight cities which also bid for the Olympic Games has set the proverbial cat among the pigeons by warning that special measures will have to be put in place to protect the urban poor in Cape Town if we are successful in our 2004 bid.

The study, by the Development Action Group, has been released in a document entitled "The Olympics and Development: Lessons and Suggestions" co-authored by Kim van Deventer and Charlene Houston.

DAG, a non-governmental organisation, has been active in Cape Town for the past 10 years, campaigning primarily for those people who are most in need of land and housing.

DAG has looked at the bids of Los Angeles, Seoul, Barcelona, Atlanta, Sydney, and the also-rans Toronto, Beijing and Manchester, using five themes: land and housing, economic opportunities, community participation, public debt and costs and tourism.

DAG makes the point: "Significantly, the Olympic Games have been seen to have negative impacts on the poor of the host cities.

" Experiences indicate that the Olympics will generally accelerate or exacerbate pre-existing development challenges and trends ... Cape Town could repeat the mistakes made by other cities if these lessons are disregarded, thereby undermining and jeopardising the RDP."

Each of the cities was chosen for certain characteristics which are shared with Cape Town and South Africa.



For instance, Los Angeles is spread out and racially segregated, Seoul was also newly democratised at the time of its bid and Barcelona used the bid to redevelop the city.

Atlanta is promoting racial harmony and Sydney is focusing on environmental sustainability.

Manchester learned lessons on the impact of unsuccessful bids on economic strategies, Toronto was concerned about whether the bid was compatible with its citizens' needs and Beijing was returning to international politics after a long period of isolation.

One of the primary themes in the document is land and housing where the issues of displacements and security of tenure, demands on the construction industry, the use of public land for Olympic facilities, gentrification, levels of rent in the private market and the supply of affordable and secure housing alternatives for low-income people are highlighted.

DAG points out that the Los Angeles City Council recognised at the outset that there was "substantial risk that before the Olympic Games a large number of evictions based on grounds which do not involve any fault of the tenants will be initiated, because landlords may find it more profitable to evict tenants from rent-regulated units and re-rent the units during the Olympic Games at substantially increased rents".

This concern was addressed by the passing of special legisation to protect low-income tenants and occupants of residential hotels.

However, the same did not apply to Seoul where nearly 720 000 people were violenly evicted from informal settlements – not only to make way for intensive redevelopment but also t "clean up" shacks along the rout for the Olympic flame.

In Atlanta, the Atlana Task Force for the Homeless and the Atlanta Olympic Consciene Coalition have expressed concern that the Olympics are exacebating rather than alleviating the backlog of affordable housing.

Barcelona saw a massive decline in the proportion of new, subsidised low-income housing, as well as a huge increas in the price of new housing which rose by 250 percent from 1986 to 1992.

Against this background, DAG points out that Cape Town has a housing backlog of about 100 000 houses, while the central business district has at least 1 000

16/2/96/288

street dwellers.

In addition, rent control and the protection of tenants in the city are being phased out and affordable rental accommodation is already limited.

"Rent increases and overall increases in the price of houses associated with the Olympics could further increase the number of people unable to enter the formal rental market," DAG warns.

"The lessons from other cities highlight that as inner city suburbs become desirable to the middle class or to tourists, existing lower income communities may be forced out of these areas through economic pressures."

On the issue of economic opportunity, DAG observes that the Olympics has implications for small and emerging business, the sustainability and number of jobs created and the capacity of local business to meet the tight deadlines imposed by the Intrenational Olympic Committee.

Examples it cites are that businesses of all types had a loss in trade over the period of the Los Angeles Games owing to the arrival of international competitors and the decrease in the usual tourist trade.

In Seoul, small informal businesses were forcibly prevented from trading in the city centre for the duration of the Games, and in Barcelona, small businesses such as restaurants on the beach front, were destroyed to make way for Olympic-related development.

DAG says that formal Olympic Games trade is also limited for small traders as official rights to the logo are often restricted to large firms.

"Six months after the 1992 closing ceremony, unemployment in Barcelona was up 19 percent – almost back to the 1985 level of 21 percent, business taxes were up 30 percent and the cost of living was rising at 1,6 percent a month (compared to an average rise in the rest of Spain of 0,9 percent).

"The cost of living in Barcelona is 170 percent that of the rest of Spain. While the cost of living is always higher in urban areas, this is substantially more than the average difference."

In the Cape Town context, DAG points out that 80 percent of people in the metropole do not have matric, and over 17 percent are unemployed.

"Cape Town's biggest hope for economic sustainability is the training and development of individuals and small and emerging businesses .... But this sector will not benefit unless explicit steps are taken."

On the issue of community participation, DAG maintains that the Olympic history has unfortunately been peppered with civil rights violations, among them the passing of city ordinances in Atlanta preventing people from sleeping in vacant buildings, begging, or even walking across a public car park where they don't own a car.

In Beijing, anti-Olympic protesters were simply arrested.

Dag comments: "Civil rights abuses are very often the antithesis of community involvement and have featured in a number of bidding cities. Cape Town needs to ensure that our emerging democracy is not threatened by such abuses."

On the issue of public debt, DAG observes that the public sector usually has to pick up the tab, while the private sector often drives the bid. While the actual hosting of the Olympics usually shows a profit, the capital input and maintenance of Olympic facilities are not part of this equation.

"Socio-economic studies and cost estimates need to be critically assessed. Most cities tended to have over-estimated benefits and under-estimated costs," DAG says.

Finally, on the subject of tourism, DAG maintains that the Olympics often drives away thousands of regular tourists and local holidaymakers, "repelling" people because of added costs and congestion.

Amidst all these lessons, DAG is suggesting that the city put in place "timeous and appropriate mitigating measures". If not, one might find that while the Olympics provide a temporary boost to national pride, they may leave behind a disillusioned public.

DAG's contribution has been welcomed by the Olympic bid company as a positive contribution to the debate because it has focused the bid on the developmental needs of Cape Town.

Olympic chief executive Chris Ball has also suggested that a draft Olympic charter proposed by DAG be adopted. This charter says the Olympic bid should be based on the RDP and the benefits should improve the quality of life of all people, especially the urban poor.

But for DAG, the bottom line is action.

"In the absence of appropriate policy measures, major events like the Olympics tend to have negative economic impacts which fall most heavily on those least able to afford them.

"The issue to consider is the scale of the negative socio-economic impacts on the poor, not whether there will be any at all."

Too few being trained for tourism sector

(288) BD 15/2/96

Theo Rawana

SA's tourism industry was training only 25% of the 40 000 people it needed to train each year to meet the demands of the expected 8,8-million foreign visitors the country would be receiving by 2000, a tourism expert said yesterday.

Cape Town-based Tourism Development Corporation director Kobus Steyn said the total number of visitors would be double the current 4,4-million by 2000. "This will undoubtedly have a profound effect on all sectors of the tourism industry."

Analysts projected an increase of 110 967 jobs as a result of the increase in tourism. "If the additional effect of African tourism and a steadily growing domestic market is taken into account, an additional 200 000 jobs could conservatively be added to the existing 300 000 in the industry," Steyn said. "Coping with that level of demand would require a significant increase in education and training capacity of 40 000 people a year."

A successful Olympic bid by Cape Town could put severe pressure on Western Cape and have a profound effect on the projected visitor totals.

Steyn said that while the accommodation sector had a comparatively larger demand, the other sectors such as transport and food also had significant demand, "suggesting the need for a comprehensive education and training package".

In view of the tourism industry's expected growth rate, there was a definite need to train at all levels.

"The most critical need, however, appears to be at the lower end of the scale, where a wide range of basic skills are required — especially among people in the first line of contact with the customer."

At tertiary level training was offered at two universities and six technikons; and at the secondary or post-school level, training was done by a variety of public institutions like technical and private colleges.

"The range and level of of tuition offered at private colleges varies considerably. The 35 private colleges, plus the 57 accredited institutions for the training of tourist guides, offer 18 different courses ranging from one day to three years in duration," he said.

Training at the lowest level — of waiters, barmen, cleaners and porters — was done mainly on an in-house basis.

Of the more than 7 000 people receiving training in tourism and hospitality at formal training institutions in 1995, almost 800 were trained at technikons and universities — an additional 550 at technical colleges — and the remainder (5 700) at private institutions. The number of private institutions offering training was increasing and these were destined to play an ever-increasing role.

"Of all the people receiving training only 282 were trained in hotel management and 936 in catering and food service management," he said.

Final figures for foreign visitors last year were not yet available, but indications were growth could be high as 57%.

FOOD AND LIQUOR REASONABLE

'City may overprice itself'

(288) CT 15/2/96

TOURISM EXPERTS SAY Cape Town remains competitive compared with other major destinations, but is in danger of overpricing itself. Tourism Writer **DAN SIMON** reports.

CAPE TOWN as an international tourist destination is still considered excellent value for money by foreign visitors, as the prices charged for accommodation, food and liquor are still way below those in other international tourist destinations.

But the hotel industry should guard against pricing itself "too high" as it adjusts its rates, says National Hotel Association chairman Trevor Lombard.

"In previous years Cape Town discounted itself to attract tourists. But this has changed with the increase in foreign tourists, and prices becoming more market related."

Lombard said the costs of hotel accommodation had confused foreign visitors.

"Some say our accommodation is quite expensive compared with our food and liquor prices. However, this is just a perception as our prices are still much lower than many European or US destinations."

Protea Hotels managing director Arthur Gillis said the group's hotel accommodation price increases had kept pace with the rate of inflation for the past 10 years.

"Our increase this year is below 10%, and we have budgeted for a similar increase next year. Our increases have never been above the rate of inflation for the past 10 years," he said.

"Market forces dictate prices and Cape Town is still running at about 62% occupancy, compared with 75% in the US and about 80% in parts of Europe.

Guest House Association secretary Ms Joanne Harris said most visitors who used city guest houses were "more than happy" with the costs.

"Guest lodges have an individual touch and have become particularly popular with German tourists," she said.

But there were some guest houses that "ripped off" their guests — particularly in the holiday season.

Restaurant Guild founder Mr Aldo Girolo said city restaurants were still "much cheaper" than in London, Rome or Milan.

But some suppliers were inflating prices to capitalise on the increase in tourism.

"One supplier who supplies shellfish has increased his price 70% in six days without reason. The same supplier, who sold his soles for R7,95 each is now suddenly asking R13,50," Girolo said.

Captour chief executive Mr Gordon Oliver said city hotels had to guard against pricing themselves out of the market.

"If one looks at five-star hotels it appears that their prices are pretty much on a par with other tourists destinations, but we must bear in mind that Cape Town will face increasing competition from other cities in the country, from Southern African countries as well as Mauritius, the Maldives and the Comores."

John Robert, special adviser to Western Cape MEC for Tourism Lampie Fick, said the city had to watch the price of its accommodation.

"We tend to be overpriced. In Paris, which is considered one of the most expensive tourist cities in the world, I found the price of accommodation on a par with Cape Town.

"If that is the case then it is important that we have another look at the price of our accommodation. We need to have a wider range of accommodation prices."

'Warn tourists of the dangers'

(288)

TOURISM WRITER

CT 15/2/96

CAPETONIANS have to become personally involved in helping to protect foreign visitors, says Mr John Robert, special adviser to Western Cape MEC for Tourism Lampie Fick.

"We must learn to act pro-actively and warn tourists of the dangers when we see them with cameras dangling from their necks," he said.

Attacks on tourists were eroding Cape Town's reputation as a prime tourist destination, and this could damage the province's economy.

He was commenting on the recent spate of attacks on tourists in the city centre and near the Waterfront.

In the past week three German and two Scottish tourists were attacked and robbed by gangs.

Police say 96 tourists were attacked and robbed last year — and these attacks are increasing.

Robert said Capetonians had "become accustomed" to reading about attacks on tourists, but when they witnessed them they did nothing to help the victims.

CITY LODGE HOTELS

A LODGE AWAY FROM HOME

(288) FM 16/2/96

Clever positioning has enabled selective service provider City Lodge Hotels to benefit from the tourist boom while avoiding the pitfalls of a full-service operation.

The interim to December shows group occupancies up to 82% (79%) and there is every indication that they will hold. With four chains across the spectrum, City Lodge is proof that the idea of high-quality, limited-service accommodation — in particular for business and international travellers — is a winner.

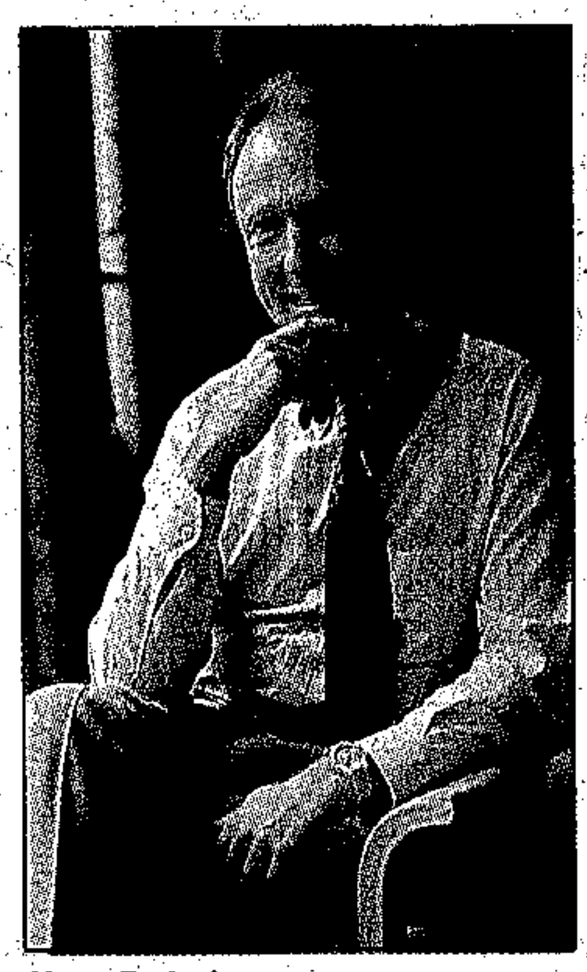
The group's strength has several roots. Concentration on a niche market, paying keen attention to its needs and expectations, is perhaps the key. Management skill is also shown in cost-containment, which improved operating margins and translated a 21% rise in turnover into a 37% jump in pretax profit.

Ownership of the buildings that house the hotels is another advantage. Executive chairman Hans Enderle says the group is a property developer and a hotel manager and the foundation of "bricks and mortar" gives shareholders a broader exposure.

Hotel ownership also carries financial benefits such as property allowances. "We like to have solid assets as well as the hotel trademarks," says Enderle.

One drawback to internal development is the scarcity of suitable and affordable sites. Enderle is also concerned that improved fortunes in the construction industry will raise building costs.

The five luxury Courtyard suite hotels are fully operational and expansion plans for the City Lodges are on track. The balance sheet, with gearing of 20% and R11,7m cash on hand, is strong enough to provide at least some of the funding and Enderle is emphatic that he would not compromise investment and growth just to avoid debt.



Hans Enderle

Because the group has no interest in the casino industry, it has avoided the paralysis that afflicts other hotel operations.

A second Road Lodge, which caters for the budget end of the market, is scheduled for Cape Town soon. The 92-unit complex will cost around R8m or about R87 000 a room compared with up to R700 000 for a five-star room. Joint ventures in Zimbabwe should also get the go-ahead from the authorities soon.

On an historic p:e of 38,8 in a sector that is now averaging 34, the price of R37 may seem high. However, full-year earnings are expected to show similar growth — which gives a forward p:e of about 31. An acquisition is recommended. *Margaret-Anne Halse*

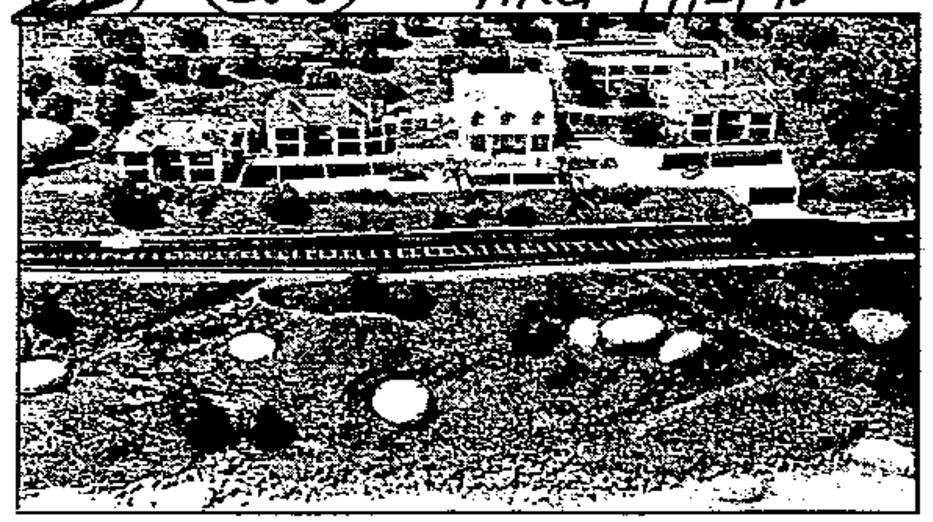
Developer of hotel is trying to fill the gap

(5b) (288) ARG 19/2/96



Picture: LEON MULLER, The Argus.

UNDER FIRE: "I did my homework," says Steve Jones, who is developing a five-star hotel called De Oudekraal on the site of the White House near Camps Bay.



MODEL HOTEL: A model of the proposed 70-room hotel shows the reconstructed White House, centre, surrounded by five outbuildings which house the suites.

LINDSAY BARNES
Staff Reporter

"I DIDN'T ignore the environment," is the emphatic word from Steve Jones, the developer behind the controversial upmarket five-star country hotel planned for Oudekraal.

In an exclusive interview just days before work on the hotel started, Mr Jones said two independent environmentalists were used by the Cape Metropolitan Council and that he had also employed his own environmentalist to carry out environmental impact surveys on the land.

And as far as he knew the environmental contract had been signed.

At present, preparatory work is being undertaken on the site in anticipation of the earthworks which will start in the next two weeks, but Mr Jones declined to name the contractors for fear of recriminations.

The R45-million project – to be called De Oudekraal – should be finished in a year's time if it does not yield to pressure from environmental concerns bent on preventing it.

The White House became the target of a group of concerned people who dubbed themselves the Guardians of the Mountain, and who aim to stop construction of the hotel.

If De Oudekraal went ahead, other developments would have free reign to encroach on Table Mountain, they said.

But the development should bring in revenue of R1-million a month from year one of operation and, from an economic point of view, was sorely needed, Mr Jones said.

Hout Bay desperately needed the hotel, which would create about 100 jobs directly and indirectly, and would support the local businesses.

"It will probably create businesses in Hout Bay such as a laundromat and coffee shop," he said.

Mr Jones, an investment adviser for a life assurance office for 13 years, said he was not a developer as such, although he had become involved in the industry.

From the operator to suppliers, he had contracted local concerns and some of them were based in Hout Bay itself.

"This is all local Cape Town content – there are no out-of-towners involved," he said.

In 1994 he identified a need connected to the anticipated boom in tourism in South Africa, which has materialised.

"I'm trying to fill a gap in Cape Town that sorely needs filling – there are only 16 000 beds on offer and a demand of 31 000. old hotels are being turned into sectional title developments which means we are going backwards."

Earlier this month local Development Planning Minister Lampie Fick condoned the development as having been processed "absolutely lawfully", but said an "absolute halt" should be called on developers who attempted to make a quick million out of the tourism boom.

Mr Jones said he had been in negotiations since 1994 to develop the land.

The property contained 27 milkwood trees and five wild olives – one of them more than 100 years old – and these would not be chopped down, he said.

Various buildings had been on the farm, stretching from Bakoven to Llandudno, since 1836 and the White House itself was built in 1929.

A full geotechnical survey revealed a bed of decomposing granite beneath the building, and this was probably the reason it had begun to lean forwards.

"The house has no foundations because of the granite bed and it is beyond repair," he said.

Although it was not a national monument, it was noted on naval charts and maps as a seafaring landmark, and this was why he was to rebuild it.

The road running past the property would be widened on the side of the White House.

"The property is on a very dangerous corner, hence we are moving the entrance and we will accommodate some parking on the side of the road for divers."

The main building would replicate the White House but would be elongated and would occupy a position slightly in front of its present site and would be positioned so as to preserve the indigenous trees.

The surrounding buildings containing bedrooms would not be gabled as in the early part of the century when the outbuildings of a farm were generally less conspicuous.

The suites would cost between R360 and R990 a night.

Mr Jones said: "We went to a lot of trouble to design the outbuildings so they have minimum visual impact against the surrounding mountain. The White House will be the dominant feature containing the reception, a restaurant, a bar, a cocktail lounge and a conference centre."

The entire floor plan of the buildings totalled 2 120 m², which was just less than 40 percent of the plot.

Meanwhile, the anti-hotel lobby was based largely on ignorance on the part of the protestors, said Mr Jones.

"I recently spoke to five environmentalists who said they could see no reason for criticism of this development. Anyone who takes the time and makes the effort to look at the project will discover it is environmentally friendly and its location is viable. I'm too busy with the development for it to worry me but I wish people would get informed before opening their mouths and going to print. Half the things said have been totally unsubstantiated. The town planners have gone out of their way to make sure this development is totally environmentally friendly."

He said previous applications had been "undesirable" but the potential to use the site for accommodation purposes was generally supported.

Tourists and businessmen flock to South Africa and break record

(288) Star 20/2/96

By Shirley Woodgate

Tourism took off last year, with foreign visitors coming through the turnstiles at South African airports breaking through the million mark for the first time ever, the latest Central Statistical Service bulletin says.

This is an improvement of 42,3% on the 1994 total of 729 483, and includes tourists who arrived by plane from African states.

Figures based on arrivals at Johannesburg, Cape Town and Durban international airports from January to December 1995 indicate that 753 446 of the total of 1 117 504 visitors (or 67,4%) were holidaymakers.

During the same period last year, the number of local residents who travelled abroad increased by only 6,2% compared with 1994.

The least favoured months were May and June, when 66 997 and 65 777 tourists, respectively, were recorded. And although a record number of 123 587 visitors arrived last February, experts are at a loss to explain why this was the most popular month of the year.

In October last year nearly 48% more visitors came to SA and the number of South Africans who went abroad in that month increased by almost 34%.

SA Tourism Board spokesman Martin van Niekerk said the country was able to cope adequately with the soaring influx over the past 18 months, but the infrastructure would have to expand appropriately if the present increase were maintained.

But the emigration/immigration balance sheet remains a concern.

From January to September last year, 3 695 immigrants were recorded compared with 6 665 emigrants.

During the same period in 1994 there were 4 980 immigrants and 8 449 people left the country, giving a net loss of 3 469 people.

Different methods used previously by the Home Affairs Department make it impossible to count the number of emigrants, but 8 074 immigrants arrived in 1993 and 5 952 in 1992, a Central Statistical Service spokesman said.

Cities to launch protocol to attract conferences

(288) CT(BR) 20/2/96

BY STUART RUTHERFORD

Durban — Tourism executives from Durban, Johannesburg and Cape Town met in Durban last week to discuss a protocol for promoting convention tourism nationally and internationally.

The director of tourism for Durban, Ted Hirst, said reaction to the proposals had been positive and he expected representatives of the cities to sign the protocol within the next month.

The proposals include the use of an internal network to share tourist information and a guideline for optimising the value of foreign scouting parties.

"Each city is now taking the proposals to their management boards for approval, but we hope this will only be a formality," said Hirst. Port Elizabeth, Bloemfontein and Pretoria have also been invited to sign the protocol and participate in the executives' meetings to be held several times a year.

Hirst said the public still did not recognise the full potential of convention tourism.

"Eighty-five percent of the occupancy of hotels in Durban is due to business traffic, of that, 65 percent of the people are attending conferences, conventions or seminars."

It is hoped the signing of the protocol will lead to further co-operation between South Africa's major cities and that, by the year 2000, South Africa can attract 300 international conferences a year. At present, an average of only 80 international conferences are held in the country.

Tourism: Bumper year but warning sounded over escalating prices

More than a million tourists visit South Africa

(288) CT(BR)20/2/96

BY AUDREY D'ANGELO

Cape Town — Last year was a bumper year for tourism in South Africa, with a 42,3 percent rise in the number of foreign tourists to 1,117 million, figures released yesterday by the Central Statistical Service (CSS) showed.

But Roger Mackie, president of the Association of Southern African Travel Agents said: "We are in danger of pricing ourselves out of the market.

"We used to be a value-for-money destination, but now our hotels are on a par with those in England and the United States and the service is not as good.

"Just to put things in perspective, you can stay at a really good hotel in the US for $200 a night. It now costs between R800 and R1 200 a night to stay at local four- and five-star hotels."

He said that despite the rise in numbers, South Africa could not just sit back and wait for tourists.

South Africa was competing with other destinations, including Australia, New Zealand and south-east Asia. It was "essential for us to keep our name in front of people overseas", he said.

Of the 1,117 million foreign visitors that entered the three international airports of Johannesburg, Cape Town and Durban, 67,4 percent came on holiday, and 19,8 percent on business.

Excluding visitors from other parts of Africa, the number of foreigners coming into the country was 50,9 percent higher last year than in 1994.

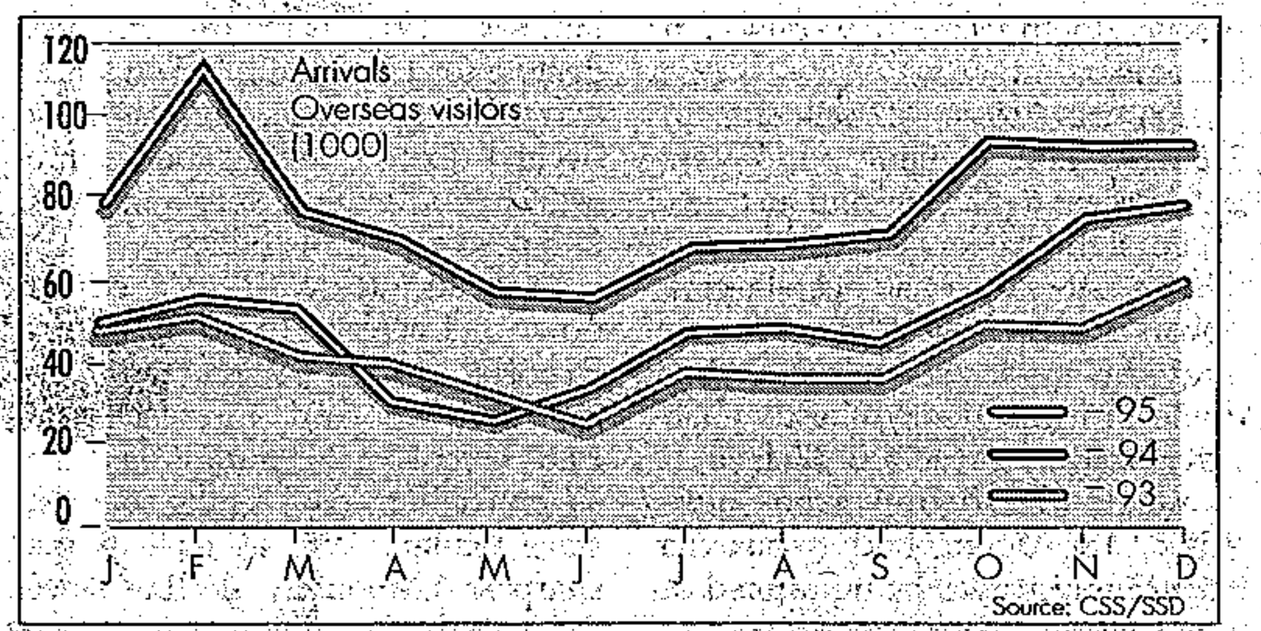
Mackie said it was wrong to have slashed the budget of the South African Tourism Organisation (Satour) to "a pathetic R50 million" compared with the A$350 million spent on marketing Australia's tourism industry.

"The money that used to go to Satour has been shared out among all the provinces, each of whom are doing their own marketing effort.

"This is less effective and leads to wasteful duplication. We need a really slick professional campaign to market the whole country, not different parts of it."

He said more hotels were urgently needed, particularly in Cape Town. "We are actually having to turn tourists away because we have nowhere to put them."

Foreign Visitors



But the Olympic bid would encourage more investment in hotels. Meanwhile existing hotels were setting their prices so high they would deter tourists he said.

The CSS statistics show that February was the most popular month last year with 123 587 visitors. January was the second busiest month with 88 847 visitors.

Despite the World Cup rugby tournament, May and June were the least busy with 66 997 and 65 777 visitors.

Spokesmen for the travel trade said tourists may have stayed away for fear of crowded conditions. Mackie said he did not fear this situation being repeated if South Africa secured the Olympic games.

Visitors for the Olympics would form part of normal tourism and many would tour the country before and after the games, he said.

What a year! SA tourists top a million

(288)
ARG 20/2/96

LINDSAY BARNES
Staff Reporter

"THANKS a million." That's the message to the record number of foreigners who toured South Africa in the past year.

The tourism industry clocked a first with 1 118 000 foreigners finding good reason to visit the country last year.

And the upward trend should continue as long as South Africa remains "flavour of the month", says Captour boss Gordon Oliver.

An all-time high of a million-plus people arrived between January and November, compared to under 700 000 for the same period in 1994.

The total number of foreigners who sought our sunny shores increased by 42,3 percent, according to figures released by the Central Statistical Service (CSS). More than 67 percent of visitors last year were on holiday while 20 percent were on business.

During 1995, 915 000 overseas visitors, excluding those from Africa, entered the country, an increase of 51 percent.

A bumper crop was expected to pour in for the Rugby World Cup but this did not materialise, and the annual lows of 55 000 to 60 000 were recorded in the months of May and June during the World Cup.

Tourism policy on schedule

BD 21/2/96 (288)

Theo Rawana

PROGRESS towards a tourism White Paper was running well and on schedule and the document would be finalised and submitted to the Cabinet towards the middle of April, the environmental affairs and tourism department said yesterday.

The department said a national plenary session would be held on March 4 where a draft white paper would be submitted to all interested parties for comment.

A spokesman said EU tourism consultant Auliana Poon, who was seconded to the department late last year to assist in developing the White Paper, submitted an early draft of the document early this month.

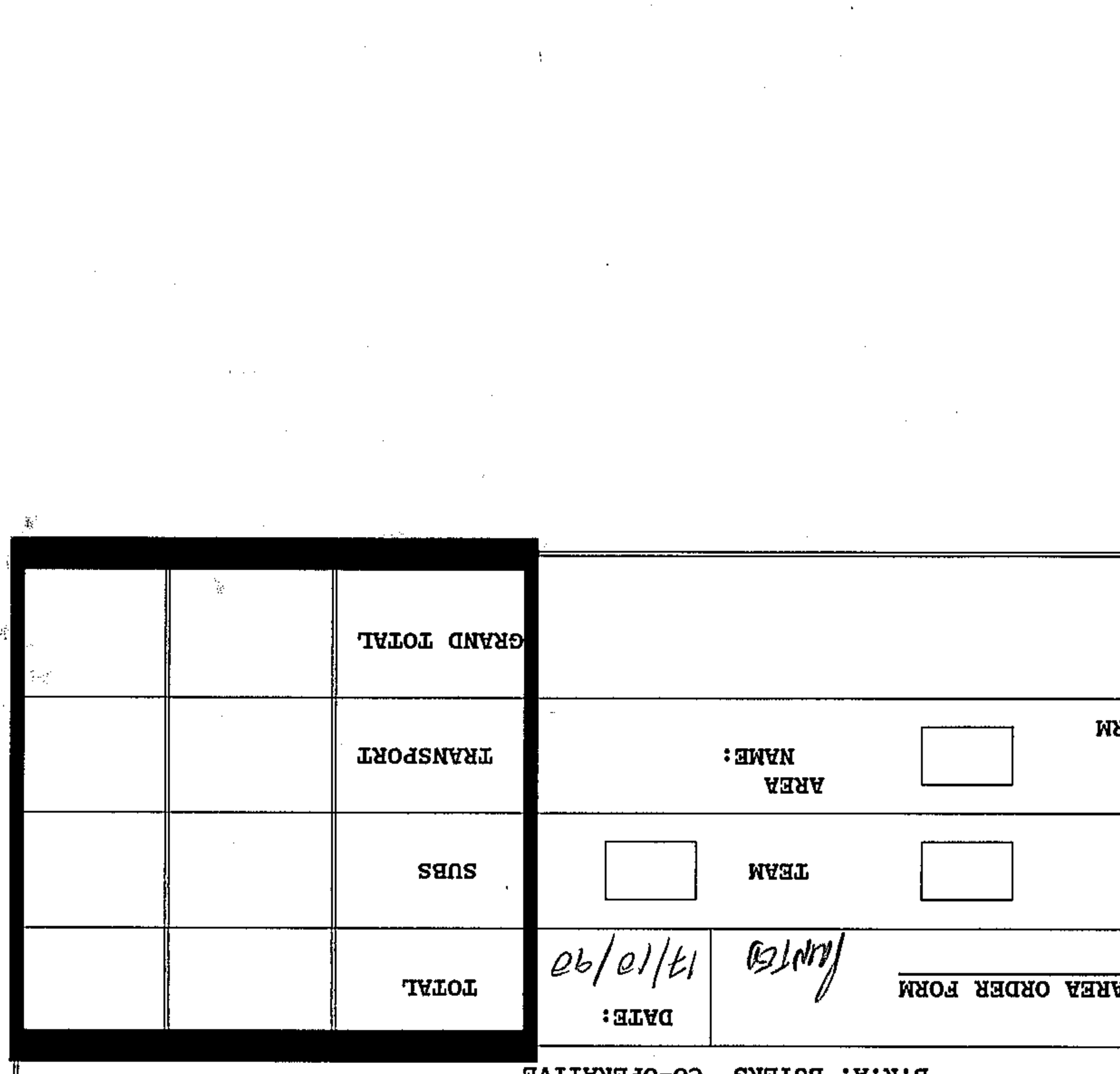
"This document was distributed to members of the interim tourism task team (which consists of business, labour, government and community representatives), the interprovincial tourism committee and the MinMec (consisting of the minister and provincial tourism MECs).

"MinMec met in Pretoria on February 16 when Poon presented the draft document. The interprovincial committees and the task team will meet soon to discuss the early draft. These inputs will then be used to refine further the draft white paper."

A national plenary was expected to be held on March 4 where the document would be submitted to interested parties for comment. "Based on comments received, the tourism white paper would be finalised and submitted to the Cabinet towards mid-April," the spokesman said.

The process had involved wide consultation with stakeholders in the tourism sector, including non-governmental organisations, business, organised labour, community organisations and members of civil society.

This had resulted in the publication last September of a tourism green paper which served as a discussion document during workshops conducted throughout the country.



Kersaf boosted by surge in tourism, economic growth

BD 21/2/96 BD 28/2/96 (288)

Amanda Vermeulen

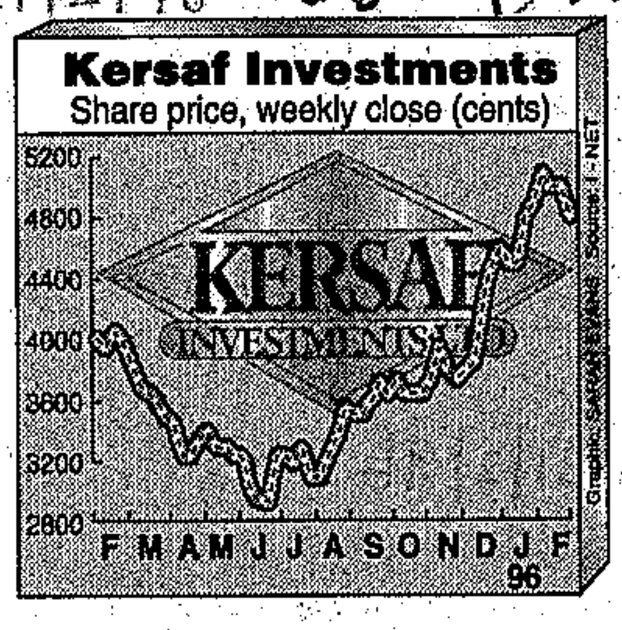
LEISURE group Kersaf Investments reported a 34% hike in attributable earnings after exceptional items to R138,6m in the six months to December, benefiting from increased economic growth and a surge in foreign tourists.

Earnings a share before exceptional items rose 16% to 147c (126c), with earnings after exceptional items reflecting a 34% improvement to 167c. An interim dividend of 80c (72c) was declared.

Chairman Buddy Hawton said improved margins, particularly at Sun City, lifted pretax profits 15% to R350,2m on turnover 10% ahead at R1,4bn, despite a R6,5m hike in interest costs to R31,4m.

Earnings performance reflected higher tax charges after Sun International SA's (Sisa) earnings were subject to full SA legislation.

This was offset by the improvement in associate earnings boosted by City Lodge's 47% hike in attributable earnings and strong trading by Bahamas resort Paradise Island. Positive exceptional items of R16,7m arose from the sale of a portion of the holding in City Lodge convertible debentures and project costs written off.



Hawton said Sisa had achieved satisfactory results, with an 11% improvement in earnings to R198,7m, a 13% increase in turnover and a three percentage point improvement in room occupancies to 71%. But casino revenues had been adversely affected by illegal casino operators, who had shifted towards slot machine gaming.

Margins improved after introducing cost efficiencies and a R4m rise in interest income. However, earnings were knocked down by a significant increase in tax.

Hawton said the draft national gambling Bill's proposals could force the group to reduce the number of its casinos, but he hoped these restrictions would be imposed in a reasonable manner.

Another issue which would have major ramifications for the group was the level of taxation on casino operations. If the Katz proposals were retained, taxes would be punitive, affecting profitability, future growth and investment.

Interleisure's earnings grew 16% before exceptional items to R24,6m and Ster-Kinekor traded strongly, achieving a 12% increase in cinema attendances.

City Lodge earnings were 47% higher at R15,2m, and room occupancies rose to 81%.

Douglas Green Bellingham reported a drop in earnings, mainly after pruning some of its brands to improve efficiencies, Hawton said.

Kersaf boosts earnings 16%

(288) ST (BR) 21/2/96

BY ANN CROTTY

Johannesburg — Despite pressure on Sun International's casino revenues, holding company Kersaf reported a 16 percent increase in earnings a share to 147c in the six months to December last year from 126c in 1994.

An interim dividend of 80c a share was declared for shareholders who wished to receive a cash dividend in lieu of the capitalisation share award.

Sun International dominated Kersaf's income statement, particularly at turnover level, where there was a 10 percent increase to R1,4 billion from R1,2 billion in 1994.

An improvement in operating margins from 26,6 percent to 28 percent produced a 16 percent advance in operating income to R381,6 million from R330,1 million in 1994.

Weary travellers met by filth, indifference at Joburg

CT 21/2/96 (288)



Disgusting conditions and long waits greet the weary traveller at Johannesburg International Airport, as Assistant Editor **EVELYN HOLTZHAUSEN** discovered recently.

LONG queues, indifferent officials, filthy, liquid-smeared floors, piles of litter and inadequate air-conditioning greet the thousands of weary jet-lagged travellers who arrive at Johannesburg International Airport every week.

This was my experience after flying on eight aircraft over hundreds of thousands of kilometres with four airlines in eight days.

I had been spoilt by the kilometres of wall-to-wall carpeting at London's Heathrow Airport, the cleanliness at Fornebu Airport outside Oslo and at two district airports in Norway — Solo airport near Stavanger and Roros airport.

At Heathrow travellers disembarking from their aircraft are met by smiling officials who guide them along the well sign-posted mazes of the four main terminals.

There the escalator-floored corridors are carpeted wall-to-wall, the walls are clean and there is no litter in the passageways and lounges.

But most efficient of all, at Heathrow, were the police and customs officials. Hurrying to catch a connecting flight I felt my heart sink as I queued up behind about 40 Brazilians at a security check.

"There goes my flight," I mused, preparing for a long delay. I was wrong. Marshalled by a senior officer, four policemen processed the passengers as quickly and efficiently as possible.

Any lapse on their part — the failure of the officer at the head of the queue to help a passenger with a heavy case — was met with a quick, firm but discreet "bark" from the senior officer and within seconds the flow was resumed.

At Fornebu, outside Oslo, there is less carpeting but the floor is clean, the tables where passengers sit sipping tea, coffee or a cool drink are wiped regularly and litter bins are emptied often.

It was the middle of winter with temperatures as low as -9° outside, but inside Fornebu airport the air was warm and cosy.

By contrast, Johannesburg International Airport was filthy, humid and overcrowded.

My flight landed soon after 10 on a Sunday morning. In contrast to Heathrow, there were no airport officials to direct passengers along the corridors, although the sign-posting was adequate.

And at passport control long queues of frustrated passengers stood impatiently as they were herded at a snail's pace through the turnstiles.

Customs officials lounged against the walls of the customs hall eyeing us suspiciously, ready to pounce, it seemed, if any of us flinched under their stony glare.

Once through customs, passengers were forced to feed into a wall of eager faces of people waiting for the flight to arrive. Those not being met had to barge through the claustrophobic mass, using luggage trolleys as battering rams.

Inside the arrivals hall, the atmosphere was oppressive. There was litter in every corner, bins were filled to overflowing and the stains of spilled drinks smeared the floors. It's difficult to leave the building with taxi drivers or their touts crowding the doorways.

Finding a telephone proved difficult until a clerk at a currency exchange booth directed me to Telkom's telephone lounge. There, for the first time in the 40 minutes or so after my arrival, I found a smiling face and someone willing to help. "Good morning," he said, "You'd like to use a phone? Just step over to that desk and pay me when you leave."

Cape Town International Airport was better. I groaned as our flight parked a kilometre or so from the arrivals lounge. I just could not face another bus, another queue or another five minutes of kicking my heels, so I strode past the bus expecting any minute to be summonsed back into line.

"You want to walk, sir, certainly, please just stay this side of the white line," said the attendant. However, I had chosen the wrong time to arrive. Inside the arrivals hall was a crowd of people waiting

airport

for their Banfana Bafana heroes.

Caught up in the euphoria, I hardly noticed my surroundings. I collected by suitcase and walked with my family to my car. Apart from the annoying "piped" music in the parking area, the place seemed clean.

● Airport Company general manager at Cape Town airport, Mr Hennie Taljaard, said he could not comment on conditions at Johannesburg International Airport.

"We go out of our way in Cape Town to keep the airport clean. We are well aware of what first impressions can mean to tourists and we want their first impression of South Africa to be a good one." The general manager of Johannesburg Airport could not be contacted.

● See Page 6

Durban to host Indian Ocean tourism body's meeting

BD 22/2/96 (288)

Theo Rawana

DURBAN would strike a first for Africa by hosting the annual meeting of the Indian Ocean Tourism Organisation's executive committee next week, Satour said yesterday.

Satour executive director Mavuso Msimang said the meeting, at which members would discuss joint marketing strategies with relevant international and regional bodies, would serve to sustain SA's current tourism boom.

The organisation was founded in June to market and promote the travel, tourism and aviation industries of an initial 25 countries whose shores touch and are surrounded by the Indian Ocean.

Chairman Sir Harry Tirvengadum, who is MD of Air Mauritius, said the February 29 meeting would also discuss a proposed Indian Ocean regional tourism and air transportation seminar and a two-year series of nationwide training workshops for Indonesia.

These events would be sponsored by the organisation.

Tirvengadum said the choice of Durban came as SA's travel and tourism industry was poised to take a leap forward.

Msimang said the organisation had lined up three major events this year which offered both the trade and consumer quality promotion opportunities.

These were the Indian Ocean Tourism Fair in Jarkata from May 11 to 17, IOTO's Second Marketing Seminar on August 19 and IOTO's Adventure Travel Market on August 20 and 21 — both to be held in Perth, Australia.

Mbeki to launch Cape development

Own Correspondent

BISHO — One of the most ambitious projects undertaken in the Eastern Cape will be officially launched in Umtata today by Deputy President Thabo Mbeki.

The R1,2bn "priority development", was announced by Eastern Cape premier Ray Mhlaba last Friday, and is the first stage of a R8bn restructuring plan aimed at transforming the former Transkei into a tourist mecca.

Ultimately the development plan is to open a coastal route stretching from the Kei River to the KwaZulu-Natal border.

Mhlaba told the legislature the economic development of the eastern part of the province would involve the upgrading of access roads and other infrastructure, and investment in the promotion of tourism, agriculture and mining ventures.

Details of how the R1,2bn will be allocated will be announced by Mbeki this morning.

Moves to correct the imbalances existing in Transkei were initiated by President Nelson Mandela at the beginning of October last year.

Minister without Portfolio Jay Naidoo and Mhlaba later visited six Transkei towns to assess the level of these imbalances.

They found that more than 75% of the population did not have a water tap on their property, did not have access to a telephone or electricity, proper sanitation or to refuse removal.

Olympic job for fighting Griffiths

CT 23/2/96 (288)

DALE GRANGER
STAFF WRITER

FIRED Sarfu chief executive Edward Griffiths has been hired for a crucial job in Cape Town's Olympic bid — and has vowed to defend his "integrity and reputation" in the wake of his dismissal.

Griffiths has been hired by Churchill Murray Publications on a three-month contract to prepare Cape Town's Olympic bid document, which must be submitted to the International Olympic Committee in August.

Griffiths said yesterday he would be demanding a reason for his dismissal through lawyers who will also seek an unfair labour practice ruling from the Industrial Court.

Griffiths has been stung by controversial rugby supremo Louis Luyt's comment that the reason he was fired was "too embarrassing" to mention in public.

He said that despite requests Sarfu had still not given him "a clear and coherent reason" for his dismissal, adding that Luyt's statements were "nothing less than an incitement to rumour".

"Into a vacumn of information pours a torrent of speculation. 'He must have done something,' they say. Such libel is being maliciously spread," said Griffiths.

He said his new career path toward the Olympics was "quite a relief", but "some people still want to know why I was fired and as long as that question is unanswered there remains a stain on my reputation".

Churchill Murray chief Mr Paul Bell said Griffiths was ideally suited to write and edit the Olympic bid book with his team.

R8-billion plan to transform Transkei into tourist mecca

(288)

CT 23/2/96

POLITICAL STAFF

BISHO: One of the most ambitious projects ever undertaken in the Eastern Cape will be officially launched in Umtata today, by Deputy President Thabo Mbeki.

The R1,2 billion "priority development" was announced by Eastern Cape Premier Ray Mhlaba last Friday, and is the first stage of a planned R8-bn development aimed at making the former Transkei a tourist mecca.

Ultimately the plan is to open a coastal route stretching from the Kei River to the KwaZulu-Natal border.

Mhlaba said the economic development of the eastern part of the province would involve upgrading access roads and other infrastructure, and promoting tourism, agricultural development and mining ventures.

Moves to "correct the imbalances" in Transkei were initiated by President Nelson Mandela at the beginning of October last year. By the end of October, a special RDP task group had been formed to develop a joint strategy.

Minister without Portfolio Jay Naidoo and Mhlaba later visited six Transkei towns, finding that more than 75% of the population did not have a water tap on their property, did not have access to a telephone or electricity supply to their property or proper sanitation or refuse removal.

It has been recommended that the private sector should "manage" the public service in Transkei for the next two years, while the new public servants concentrate on managing the remainder of the province.

A project team has been created, with experts in the technical, local government, finance and safety and security fields, and representatives of labour and business will serve part time.

23/2/96

Mbeki to launch Cape development

(492) (238)

Own Correspondent

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'We're left in the cold'

Black business group claims Olympic Bid Company is reneging on agreement

ARG 24/2/96 (288)

■ Cape Town's 2004 Olympic Bid Company has come under fire from the black business sector for not keeping a promise that there would be a minimum of 40 percent participation by black entrepreneurs in any business ventures stemming from the Games.

MXOLISI MGXASHE
Staff Reporter

MAJOR black business organisations in the Western Cape have accused the Cape Town 2004 Olympic Bid Company of not honouring its stated commitment to black economic empowerment.

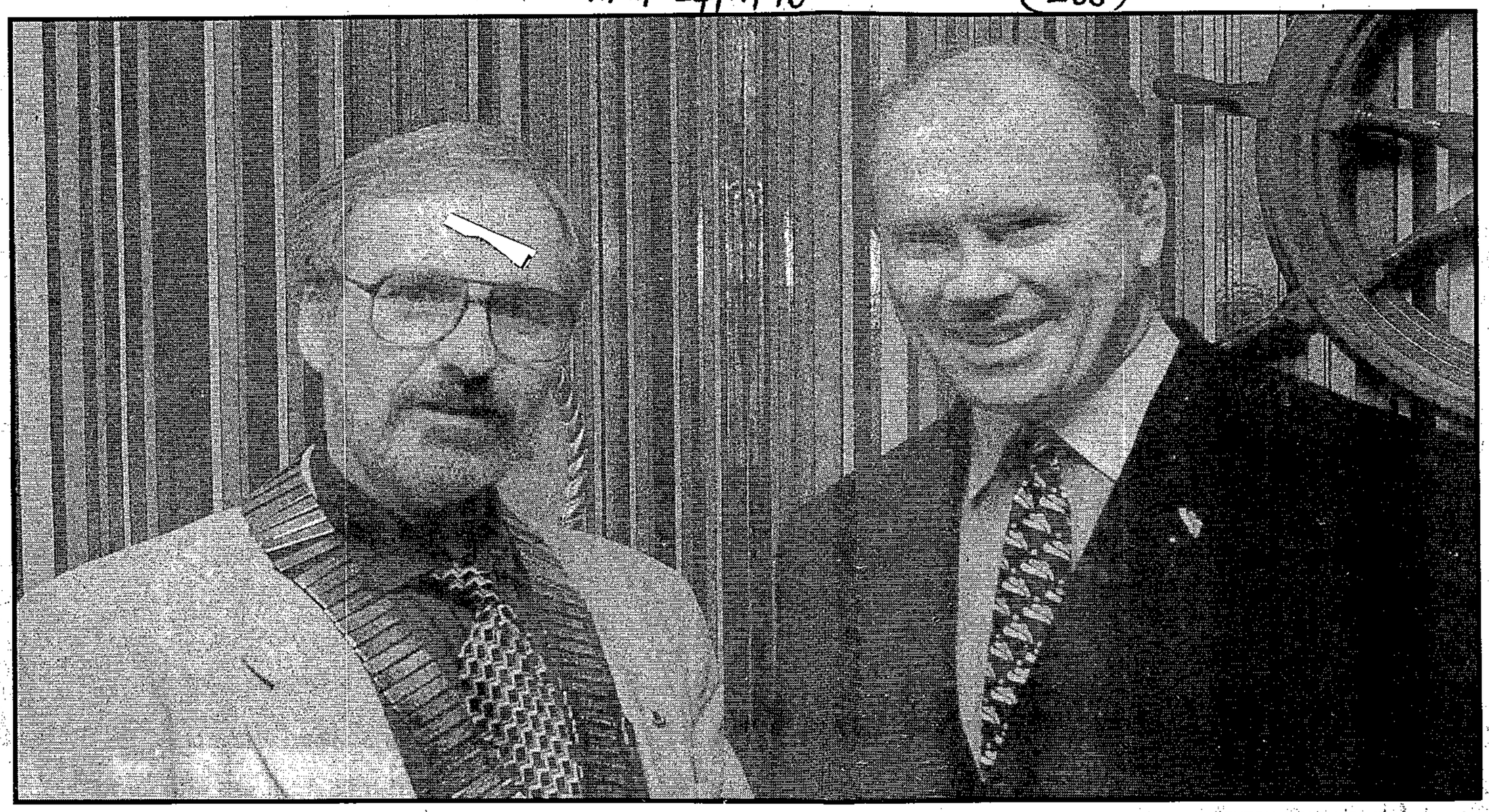
The claim was made by the Incorporation of Black Business Structures (IBBS) in a statement this week in which it expressed its frustration with what it believed was a breach of an understanding signed by the bid company's chief executive, Chris Ball, on October 16 last year.

The main business organisations represented in the IBBS are the South African National Business Unity (Sanbu), National Association of Black Contractors and Allied Trades (Nabcat), Western Cape Informal Business Forum (WCIBF), Black Business Initiative (BBI) and the South African Black Technical and Allied Careers' Organisation (Sabtaco).

IBBS's frustration with the Bid Company was apparently the culmination of months of hard bargaining with Mr Ball, which had resulted in an agreement between the parties.

The agreement promised that there would be a minimum of 40 percent participation by black business in any business ventures stemming from the Games.

But, bid company spokesman Paul Johnson has dismissed the IBBS claims and said the company still remained committed to the principle of 40 percent black business participation in all ventures around the 2004 Games.



Picture: BRENTON GEACH, Staff Photographer.

□ **DIPLOMATIC EVENT:** More than 20 ambassadors and high commissioners were present when Chris Ball, left, addressed the Rotary Club of Cape Town's annual Diplomat's Day lunch at the Civic Centre yesterday. Mr Ball, chairman of the Olympic Bid Company, spoke about the committee's work. With him is Trevor Wilkins, president of the Rotary Club of Cape Town.

"We may have differences on the implementation of this principle, but there is definitely no question about our commitment to black economic empowerment, which is total and unwavering.

"We are continuing to talk to a wide range of representatives from black business organisations with a view of making the process as widely representative as possible," said Mr Johnson.

IBBS's latest frustration with the bid company arises out of a meeting held this month in which Mr Ball was alleged to have announced the formation of an economic empowerment committee that was separate from the one established by the IBBS last year under the terms of the October 16 1995 accord.

"This is a clear violation of the agreement the company had with the IBBS. The Olympic Bid Company has not acted in good faith and this action implies that it is not committed to genuine economic empowerment and development of the black community at large," said the IBBS statement.

It said the establishment of an economic empowerment committee by Mr Ball was "not acceptable" because it was a "tokenistic linking up of a few black business individuals" organised to appease the black business community.

"The IBBS will have to reconsider its continued support of the bid process if the company reneges completely on the agreement," said the IBBS.

But, Mr Ball has denied that a new economic empowerment committee had been formed to undermine the IBBS and the October 16 understanding.

He said there were some internal contradictions between the IBBS and the National African Federated Chamber of Commerce (Nafcoc) in the Western Cape, and both groups were trying to use the 2004 Olympic Bid Company as a lever in their struggles.

"All we are interested in is seeing black economic empowerment becoming a reality, but we refuse to be party to any fighting among black business organisations," said Mr Ball.





□ **LEFT:** Tourists staying at the Back Packer hostel plot their next move. They are from left: New Zealander Dave Ryan, German Roeni Reiners, Australian Damian Storer, Namibian Marika Moolman, Mick Campbell of Ireland and Mouring Kolhof of Holland.

Pictures: BRENTON GEACH

□ **RIGHT:** Natela Van der Merwe relaxes in a room at the Cat and Moose hostel for backpackers at the top of Long Street.



□ **NEW ARRIVAL:** Canadian teacher Sara Yelland, 31, arrives at the Long Street Backpackers hostel.

Smile with a backpacker

ARG 24/2/96 (288)

■ Backpacking is taking the Cape by storm as thousands arrive from all over the world. **ADELE BALETA** slipped on her walking shoes to investigate.

BACKPACKERS from all over the world are converging on Cape Town.

And contrary to the idea that they are scruffy students travelling on shoestring budgets, many are professionals in their 40s and 50s wanting to meet people and avoid tourist traps.

At first glance Cape Town appears to be responding to their needs with a proliferation of hostels in the past two years. There are five within half a kilometre of each other at the top end of Long Street alone and more than 30 have opened in the Peninsula.

Former Zimbabwean Stephen Atkinson has urged Capetonians and the authorities to change their negative attitudes to these travellers — who are making a significant contribution to the economy — or lose out.

Mr Atkinson, owner of Long Street Backpackers, said: "The fact that they don't like the isolation of moving around in luxury coaches from one five-star hotel to the next does not mean they don't have money to spend.

"It's tragic because they are often victims of crime. They are moving targets.

"I know of backpackers who have been mugged in the Company Gardens and stabbed at the Waterfront. And then there was the horrific rape incident in the Transkei.

"What concerns me is the effect this will have on the Olympic bid. Incidents like these could scupper the boom in tourism."

He believes the authorities need to address crime control urgently or these travellers will bypass South Africa.

"The word out among backpackers already is to give Johannesburg — dubbed Muggers' Paradise — a miss and to head straight for Cape Town."

Hostel owners in Pretoria were using the crime rate in Johannesburg as a lever to divert potential customers to their city.

Mr Atkinson said Australia had woken up to the economic benefits of attracting backpackers and there was no reason why the South African tourist industry should not be doing the same.

"In fact", he said, quoting from a December 8 edition of Time magazine, "the Australian Department of Tourism has injected US$2,96 million (R11,5 million) into a national backpackers' programme."

The Australian authorities found that backpackers "stay three times as long as other tourists, spend twice as much money and visit three times as many regions, including areas where other visitors rarely venture," he said.

Mr Atkinson said his guests were looking for a different experience. Many went hiking in Lesotho, for example. "The idea is to shy away from established tourist areas with the exception of Cape Town."

The majority of backpackers are British, followed by Germans, Australians, New Zealanders, Dutch and Danish.

"They vary in age from 17 to 70. We have had engineers, doctors and dentists stay over. The point is that they are looking for insights and experiences they cannot get in the developed countries."

He charges R25 a night for a bed and is full during the season. "We were also booked out during the Rugby World Cup.

"People go to backpacking lodges because they like the lifestyle and the atmosphere. It is easy to meet people and make friends".

Long Street, with its cosmopolitan feel, is a popular place for backpackers.

The street boasts a variety of restaurants offering Mexican, African, Indian, Moroccan, Greek and Italian food. They can access the Internet in a café and there are several bars.

The owners of the Lounge, a regular drinking hole for locals, now report that the majority of their clients are backpackers.

However, Leo Poldlachuc, who helps out at the Cat and Moose on Long Street, complains that gangsters who frequent an entertainement shop with pool tables and video games are involved in fights and cause problems.

He claims Long Street is not properly policed and cars are often broken into."We have been broken into as well and television sets have been stolen," he said.

At Bobs Backpackers Gary Taylor of Britain was seated in front of the television. He had come to South Africa to follow the cricket.

"I came last year and I have been in and out since then."

He said this time he was mugged in Johannesburg near a squatter camp. "I dropped my tent to delay my attackers. They stopped to pick it up and I managed meanwhile to flag down a car."

Suzanne Haefele, a bar manager from Berlin, is serious about holidaying in South Africa: "I come here every summer and take a break."

A 51-year-old man from Britain sunbathing in the courtyard at Long Street Backpackers said he was a dentist who loved South Africa and was hoping to emigrate.

■ Stephen Caine of the Tourist Rendezvous Travel Centre has appealed to Capetonians who have space available in their guesthouses or bed and breakfast establishments to contact the centre.

His staff have been inundated with accommodation queries, especially for the Argus Cycle tour.

The centre, on the station concourse in Adderley Street, is open from 8am to 7pm on weekdays and from 8am to 5pm at weekends. For more information contact Stephen Caine at ☎ (021) 418 5222 or fax (021) 419 3376.

SA does not feature in US tourist guide

(288) BD 26/2/96

Theo Rawana

GLOBAL competition in service excellence was so high that none of SA's establishments had appeared in one of the world's most influential accommodation guides, Satour said at the weekend.

Satour standards director Greg MacManus said SA establishments did not feature in the list of resorts on the American magazine Conde Nast Traveler's Annual Gold List of Best Places Worldwide, said to be "the industry's bible".

It covered destinations ranging from grand hotels to wilderness lodges.

Africa was represented by one entry each from Egypt, Kenya and Morocco.

"While SA is increasingly regarded as an attractive foreign tourist destination, the tourism industry needs to be mindful of competitive offerings and ensure that our standards are at least on par with what is available worldwide," MacManus said.

Standards across the globe were becoming higher, and SA could not afford to lag behind if the country was to realise its abundant potential, he said.

"Our first challenge as a country and an industry is to see that our top destinations attain the levels required in the Conde Nast magazine's annual gold list of best places to stay worldwide."

MacManus said the starting point was the Satour Tourism Awards, which were now in their second year and were designed to recognise and encourage high service standards in the tourism industry.

The awards were launched last year to recognise establishments with globally competitive standards.

"It is through creating an awareness of internationally acceptable standards that the tourism industry will fulfil its potential and emerge as SA's largest earner of foreign exchange," MacManus said.

He said the consumer could also make a contribution to the tourism industry, not only by continuing to be helpful and friendly, but also by nominating the best establishments for the Satour Tourism Awards.

Hotel and casino deal could bring R1bn to SA

(288 ET(BR) 26/2/96

BY SHIRLEY JONES

Durban — Investments worth about R1 billion could flow into South Africa and southern Africa over the next eight years, following a strategic alliance between American hotel chain Days Inn and casino operators Omar Sharif Southern Africa (OSSA).

Should the appropriate gambling licences be approved by the authorities, the joint venture will result in the development of 15 local gambling and casino operations, with supporting hotels in South Africa, Lesotho, Swaziland, Namibia and Zimbabwe.

According to Days Inn spokesman Owen Holland, if the gambling licences are refused, hotels will be developed as satellites to multimillion rand entertainment centres. Details of the form these will take are not yet available.

Holland said in addition to the 15 potential casino projects, Days Inn was also looking to collaborate with various franchise holders in developing between 25 and 45 two, three and four-star hotels.

The first is a R20-million four-star hotel in East London, with construction starting in March. This will be closely followed by a R12 million bush lodge in Phalaborwa, near the gate to the Kruger National Park.

He said the next project on the drawing board was a casino resort at Strandfontein on the False Bay coast. Negotiations with one of South Africa's largest oil companies for the establishment of a hotel as part of a petrol stop complex along a national holiday route were also "pretty much finalised".

Holland also confirmed that further possible developments included: one in Mozambique and Namibia, five in the Cape Town CBD, some in both the Eastern and Western Cape, developments in the former Transkei, three in Zululand and two along the KwaZulu Natal north coast.

Holland explained that as Days Inn of Southern Africa was a franchise similar to its American parent — which is in turn controlled by the Hospitality Franchise System (HFS) which services more than 250 casinos overseas — investment would come via franchise holders, most of whom were South African. In exchange, franchise holders would buy into HFS's international reservations system, believed to be the largest of its kind in the world.

Holland said franchise holders would be drawn from the entire spectrum of South African investors. However, both Days Inn and OSSA intend concentrating on RDP inspired initiatives and will provide extensive support and training for emerging entrepreneurs.

SA must capitalise on tourism - Mbeki

430 000 jobs could be created

ARG 28/2/96 (288)

MAUREEN MARUD
Business Reporter

SOUTH Africa has been slow to capitalise on tourism, one of five sectors of the economy that will drive future job creation, says Deputy President Thabo Mbeki.

Tourism's potential for creating work and foreign exchange earnings "must surely compel us to move faster in this area", Mr Mbeki said in Cape Town at the inter-governmental forum on the draft growth and development strategy.

"Currently tourism accounts for two percent of the GDP compared to six percent worldwide, and for only four percent of employment, compared to eight percent worldwide," Mr Mbeki said.

"Reaching international levels would create as many as 430 000 jobs."

The other job-creating sectors he said had been identified by various government departments and the growth and development strategy draft document were manufacturing to meet basic needs and for export; land and agricultural reform, especially small-scale farming; construction and engineering, and the financial and administrative services.

"Infrastructure provision will no doubt be one of those areas where we can generate high levels of employment while meeting people's basic needs," he added.

"Significant trade-offs, compromises and sacrifices" were necessary to meet high-level targets for the country's development objectives.

Major budget shifts, gains in productivity, fiscal discipline, restructuring the civil service, tariff reform and a transitional period of hard work were all necessary to achieve a competitive economic plateau, Mr Mbeki said.

"It involves innovative strategies to enable us to create new economic activities."

Mr Mbeki said the process of opening up the economy in a way that minimised short- and medium-term damage to industries and employment in South Africa had to strike a balance between labour-absorbing economic growth and high-tech modern forms of production, often essential to penetrate export markets.

"It is in this context that the process of trade reform must of necessity be accompanied by supply side measures to help sectors to adjust to the new competitive situation."

Mr Mbeki identified what he described as "high level targets" that had to be met to reach the country's development objectives.

These were:

- The annual creation of 300 000 to 500 000 new jobs by the year 2000;
- Sustained annual GDP growth of at least six percent by the year 2000;
- A doubling in the share of national income, including government services and household infrastructure, received by the poorest households; and
- Provision of basic household infrastructure to all by the year 2005.

Greens see Games bid as environment threat

ARG 28/2/96

288

As the official deadline for submitting Cape Town's bid to host the Olympic Games in 2004 draws rapidly closer, prominent local environmentalists – including the influential Wildlife Society - are growing increasingly concerned. Despite their best efforts, they say, the environment – one of the three pillars of the modern Olympic movement – has not featured sufficiently prominently in Cape Town's bidding process, and the rush to host the Olympics may have a significant negative impact on efforts to promote the sustainable development of the Cape Metropolitan area. Are these criticisms valid? In the first part of a two-part series, Environment Reporter JOHN YELD looks at some of the environmentalists' concerns. In Part Two tomorrow, he considers the response of the Cape Town Olympic Bid Company.

To host or not to host the Games? That is the question taxing the minds of many Capetonians, including its environmental community.

One of the most influential members of this community, the Western Cape branch of the Wildlife Society, has made its decision, and last night hosted a meeting of environmental and developmental organisations under the banner "Olympics: An environmental threat towards a collective and co-ordinated solution".

In a flyer sent out to publicise the meeting, the society said it could not support Cape Town's bid, "as we believe that it will fail to contribute to the sustainable development of the city and its people".

The environment was the third pillar of Olympianism – the other two being sport and culture – but this had not been addressed adequately in the bid process, the society charged.

"The structures and the process for decisions in bidding have not been participatory and civil society has been afforded no real influence in the process or the development of the concept plan," the society said.

"The involvement of environmental non-governmental organisations and community-based organisations at the appropriate level is paramount to the Cape metropolitan environment being accorded its rightful place, on which all future development is dependent.

"At this stage, the environmental pillar of the Cape Town 2004 bid has no foundation, and we therefore see the current efforts of the bid company to engage organisations in looking at details of Olympic sites as co-option into a flawed process."

The society's Western Cape ecologist, Marlene Laros, who attended a "Sport and the Environment" conference at the headquarters of the International Olympic Committee (IOC) in Lausanne, Switzerland, last year is deeply concerned about the

- The compressed time-frame of the planning process, "which could lead to environmental considerations being compromised";
- The possibility of inadequate environmental impact assessments (EIAs) of sites and facilities, and associated public involvement, due to the time frame;
- The lack of multi-disciplinary input into conceptual planning thusfar; and
- Time restraints which have led to the lack of integration, in the concept planning process, of the sites with the surrounding environment and communities.

Ms Laros said she considered the biggest potential environmental impact of hosting the Games was related to appropriate land use and the way the city functioned, the movement of people and goods, transport efficiency and energy.

"The Olympic Bid Company's planners have stated that they are using the Metropolitan Spatial Development Framework (MSDF), which recommends certain development nodes and corridors as a means of transforming the city to make it work more efficiently.

"The MSDF is a spatial development framework – it's very important to remember that – and deals with land use, but on a very large scale, and it's always been a concern that the MSDF needs to be translated to a local level with greater local participation.

"I'm really concerned that we're committing ourselves to the bid document, committing ourselves to some things that we haven't thought through properly. That's our biggest fear."

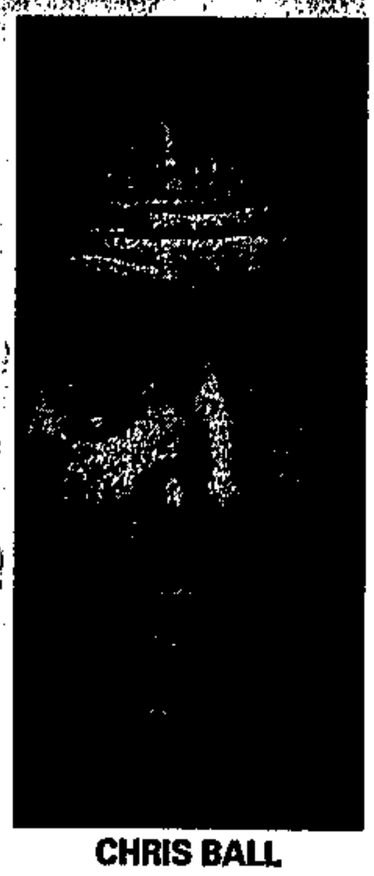
The bid company would not confirm to environmentalists how environmental impact assessments (EIAs) of the proposed sites would be used, Ms Laros said.

"Will EIAs be decision-making tools or reports on the mitigation of environmental impact?

"And will a strategic environmental impact assessment, or global EIA, inform the decision of whether or not to host the Olympic Games?

"Such a strategic assessment would

CAPE TOWN 2004 CANDIDATE CITY



CHRIS BALL

Games will benefit all – Ball

The Olympic Bid Company was aware of concern that had been expressed about who would benefit from the games should Cape Town host the event, company chief executive officer Chris Ball said.

Concern about whether the games would contribute to the sustainable development of the city was also expressed.

"We are committed to a process that leads to a (Olympic) games that will be part and parcel of the reconstruction and development programme," Mr Ball said.

"Our bid must be people-focused and it must address the needs of the citizens of Cape Town", he said. – Sapa.

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also, Marlene Laros, who attended a "Sport and the Environment" conference at the headquarters of the International Olympic Committee (IOC) in Lausanne, Switzerland, last year is deeply concerned about the environmental implications for Cape Town and, in a wider context, for Africa.

"It really revolves around the amount of time left in the bidding process, and people feeling they haven't been involved at the right levels," Ms Laros said.

"As we indicated in our meetings at the Civic Centre in May and June last year, we were worried about this lack of involvement and we wanted to initiate something. That's been a concern of the NGO (non-government organisation) sector all along.

"We feel the environment is a priority in terms of the Olympic Bid, and sufficient attention should have been given to this right from the start.

"There was supposed to be an environmental taskforce, and we don't know whether it exists and, if it does, who's represented on it.

"We believe we have made an effort to focus the process on the environment and on the sustainable development of Cape Town.

"However, we want to engage you at a level at which we feel we are making a difference and having an input to decision-making. But, people believe our questions aren't being answered and it seems as if the whole environmental aspect isn't being taken seriously."

Ms Laros described the the IOC as a "multinational company", and said her experience in Lausanne had made her aware of the contrast between the priorities of the Olympic movement and those of reconstruction and sustainable development.

"It's a franchise you buy into, and the question is whether we should be buying into this in the first place. Fundamentally, commercial and public money is going to the Olympics instead of elsewhere."

Ms Laros said she was also deeply concerned that the social environment did not seem to be getting sufficient attention.

"My perception is that the IOC's definition of the environment is limited to the biophysical. Basically, it doesn't stretch the concept of the environment beyond that which influences the athletic ability of the Olympic competitors – clean air, clean water, and so on."

But what are the principal environmental threats posed by hosting the Olympics?

Ms Laros points to a statement of environmental concern that followed a meeting in November of a multidisciplinary group of scientists and planners who visited some proposed Olympic sites.

The group expressed enthusiasm at the potential for enhancing and upgrading environmentally disturbed sites, and the restructuring of an inequitable and inefficient city, which the staging of the Olympic Games could afford.

But it also expressed a number of concerns about environmental and planning issues. These related to:

ronmental impact?

"And will a strategic environmental impact assessment, or global EIA, inform the decision of whether or not to host the Olympic Games?

"Such a strategic assessment would incorporate all aspects of the environment."

Is there any way in which the environmentalists who have withdrawn from the bid can be brought back?

An environmental charter is needed to define the conditions under which the Olympics could go ahead in Cape Town in an environmentally sustainable way, Ms Laros says.

"The charter must be legally binding on all the signatories – on the city, on the NGOs and on the bid company and its successor. That is a precondition for critical engagement."

The bid company had suggested parallel processes, doing site assessments and drawing up an environmental charter at the same time, Ms Laros said, but the environmental charter and policy frameworks had to be in place before site assessments could be addressed.

"We need to establish what the principles are and establish first the policy framework for the Olympics from an environmental perspective – for example, habitats which are threatened or which have high diversity will not just simply be developed."

What about the Olympics as a catalyst for change?

"You've got to be sure that it's going to benefit the people you want it to benefit, and I really don't think we've got that sewn up.

"The small business sector suffers – that is documented through research by the Development Action Group – and perhaps there are all sorts of ways to ameliorate that, but our concern is sustainability."

There will be a huge rush of people looking for jobs if the Games are held here, Ms Laros predicts.

"There will be internal migration as well as illegal immigrants from outside Cape Town and South Africa.

"It's a more acute problem here because of the environment we have and the diversity of the Cape Peninsula.

"You have to understand we're sitting on one of the most species-rich areas in the whole world, and we've lost such a lot.

"The habitats of the Cape Flats are hopelessly under-represented in formal conservation areas."

The NGO (non-government organisation) environmental sector had been working towards an environmental policy in partnership with the Cape Metropolitan Council and the Cape Town City Council, Ms Laros said.

Local Agenda 21 – the sustainable living framework developed at the Earth Summit in 1992 - and its implementation in metropolitan Cape Town were seen as a priority by the Western Cape branch of the Wildlife Society.

"Clearly, addressing the problems of poverty and environmental degradation in our city is the only rational priority.

"Efficient, equitable and sustainable land-use defined through public-participation can therefore not be compromised," he said.

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White paper suggests Satour be replaced

BD 29/2/96 (288)

Theo Rawana

SATOUR will be replaced by a tourism development authority if the recommendations of the draft white paper on the national strategy for the development and promotion of tourism in SA are adopted.

The document is also believed to provide for the environmental affairs and tourism ministry to be replaced by an environmental co-ordination and tourism ministry, with the tourism division not being "simply a subdivision of the environment" but sharing the ministerial portfolio with the environment.

The document points out that, with government structures not having the flexibility, resources or the financial clout to effectively implement it, it is important that the statutory agency (the SA Tourism Development Agency) with an independent budget, takes the lead in promoting and developing tourism and implement projects of national significance.

The representation, structure, organisation, management, leadership and staffing of this organisation will determine the success of the tourism initiative, sources said.

The authority will report directly to the minister and be governed by a board of directors that will be representative all segments of the tourism industry including airlines, ground transport, tourist accommodation, tour operators, national parks, culture attractions and ancillary services.

The document is to be submitted for discussion by all tourism stakeholders in Pretoria on Monday. The white paper will be finalised and submitted to the Cabinet towards the middle of April, according to the tourism department.

The draft white paper said that the international trend was a move away from tourism boards to the formation of more comprehensive tourism development agencies.

The proposals and responsibilities of the development agency would include product development; marketing, promotion and public relations, research and market intelligence.

The document also stated the need for a strong statutory body whose functions extended beyond tourism promotion and encompass product development and other functions.

Six provinces to close books by June

BD 29/2/96

Linda Ensor

CAPE TOWN — Six provincial finance departments expect to close their books by June, despite reports last week from the auditor-general that provincial accounts were in miserable shape.

Gauteng, KwaZulu-Natal and Northwest said yesterday that they were on track to close their books by the end of next month, while the Eastern Cape, Northern Cape and Western Cape expected to complete their books by the end of June.

The Free State, Northern Province and Mpumalanga failed to respond to inquiries about their situation.

Several finance MECs objected to auditor-general Henri Kluever's report to the parliamentary standing committee on public accounts that many provinces had failed to reconcile their books since April last year and were failing to perform basic accounting functions. But Kluever said yesterday he stood by what he had said and had no reason to retract it.

"We will have to await the audit reports," he said.

"The bottom line is that they cannot say I didn't warn them."

Gauteng has already rejected Kluever's findings, while KwaZulu-Natal finance MEC Senzele Mhlungu said the province's books had been closed until November last year.

"Bank reconciliations are done on a daily and a monthly basis," he said.

The Western Cape said monthly bank reconciliations had been hampered by administrative changes. But such problems had been resolved by January and reconciliations at central level had been completed until end-June last year.

By next month its books would have been closed up to the end of December.

Northern Cape said its books were reconciled and closed until end-June last year. It added that it was scheduled to finalise the 1995/96 books by the end of April and to finally close them before June 30 this year.

It said problems had been caused by the introduction of a new banking system last year, but that all banking transactions were now reconciled on a weekly basis and were up to date to February 19.

Northwest province's books were reconciled until the end of December and it was on track to close them in good time. This was despite the accounting backlogs and books that had not been closed since 1991/92 which it had inherited.

The Eastern Cape's accounts were reconciled up to end-November, with only those reconciliations relating to accounts of the former Ciskei and former Cape Provincial Administration still outstanding. The province planned to close its 1995/96 books on May 15.

The ministry said problems encountered included the "snail pace of the rationalisation process in the financial division of various ministries" and the fact that the various ministries had inherited different accounting systems from former administrations.

'Focus on people crucial for bid'

(288)

ARG. 29/2/96

'Green Team' concerned over environmental controls

AS the official deadline for submitting Cape Town's bid to host the Olympic Games in 2004 draws rapidly closer, prominent environmen talists have come out against the bid saying the environment has not featured sufficiently. But, the Bid Company insists there will be proper environ mental controls. This is the second in a two-part series by Environment Reporter JOHN YELD.

WHEN the organisers of the 1994 Winter Olympics, held in the small Norwegian town of Lillehammer, decided they wanted to build one of the new facilities in a bird sanctuary, local environmental groups threw their proverbial toys out of the cot.

The end result?

The disputed facility was moved to a less sensitive site.

The infrastructure for the Norwegian Games, considered one of the most successful yet, was developed according to strict environmental principles, and the environment was elevated to the status of one of the three pillars of the modern Olympic movement, along with sport and culfure.

These days the International Olympic Committee (IOC) has a fully-fledged Sport and Environment Commission, headed by one of its four vice-presidents. President of the National Olympics Committee of South Africa (Nocsa) Sam Ramsamy is one of its members

Sydney is acknowledged to have won the nomination to host the 2000 Games primarily because of its "green" bid.

It is ironic, therefore, that none of the Lillehammer sites was subjected to an environmental impact assessment (EIA) before being chosen, says Mary Jane Morris, the environmental scientist who has been seconded from Caltex to work for the Bid Company under Peter de Tolly, Cape Town's deputy city planner, who heads the bid company's Planning and Environment Section.

A town of only some 24 000 inhabitants, Lillehammer was crammed with up to 100 000 visitors a day and a total of about one million for the 16-day event.

It is experiencing some post-Games problems. For example, the community struggles to maintain some of the more specialised facilities, such as the bobsleigh course, and the big arenas are seldom full. But, overall the impact has been minimal.

In Sydney, some social impact assessments are still being done, three years after the city won the bid. One of the equestrian sites may be moved because of environmental concerns. "A lot of the decisions are being made in the post-bid process, which is surprising," Ms Morris says.

CAPE TOWN
2004
CANDIDATE CITY

The message from Lillehammer and Sydney is clear, she suggests: Nothing is cast in stone, in spite of the notion that the Bid Document is a binding contract with the IOC and that all the guarantees given in it are legally binding on the host city. Also, environmental planning is a process that extends through and beyond the handing in of this document.

"The standards of a planned facility can't be renegotiated, but the actual site can, that is, you have to produce the same 'product' for them. There is a degree of flexibility," Ms Morris said.

Ms Morris, who has just returned from Lillehammer where she attended a Sport and Environment conference, is responsible for co-ordinating Theme Four of the IOC's Manual for Candidate Cities, which deals with the environment.

"The IOC has been saying that the Games need to be scaled down, but what does that actually mean in practical terms? It's not so easy," she told The Argus.

Sydney was taking a significantly "hi-tech" approach to the Games, she noted.

"But, there is no sensitivity to the fact that this technology may not be appropriate for developing countries like those in Africa, and that is of deep concern."

Cape Town's focus on people and on the social upliftment process was crucial to its bid, Ms Morris suggested, and it was this aspect that set it apart from other cities in the 2004 race.

"There is a huge amount of interest in Games' circles overseas about South Africa, and people are looking at Cape Town to put some of the human values back into the bidding.

"One of the key messages to come out of Africa in terms of sustainable development is that of simplicity and of the strong ties between people and the land.

"The message from this continent is the need to be less resource consumptive, to live within the carrying capacity of the ecosystems, or Mother Nature, or whatever you want to call it."



STREET LIFE: Street children huddle for warmth in front of the Groote Kerk in Adderley Street. The issue of vagrancy and possible solutions is being hotly debated by the Cape Town City Council. Picture: DOUG PITHEY, The Argus.

288
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Street people 'could hinder Cape tourism'

Municipal Reporter

TOURISM and business in Cape Town will suffer if the problem of street people continues, a city councillor has warned.

During a Cape Town City Council debate yesterday on proposals to deal with vagrants, Clive Keegan said concrete plans must be made and money spent on the problem, otherwise "in five years' time, when the whole city is awash with marauding bands of feral children, we will assemble again and say: 'Let us do something'."

ARG 1/3/96

The council's housing committee proposed the adoption of a report arising from a conference on the issue.

Among recommendations by the council's housing committee were that the city administrator liaise with government bodies and welfare organisations on problems identified by them, that it declare its support for the resolution of problems and that department heads should act when possible.

The council agreed with Mr Keegan's proposal that the report be sent back to the committee for further recommendations.

Hotels pledge to protect nature

288
30/3/96

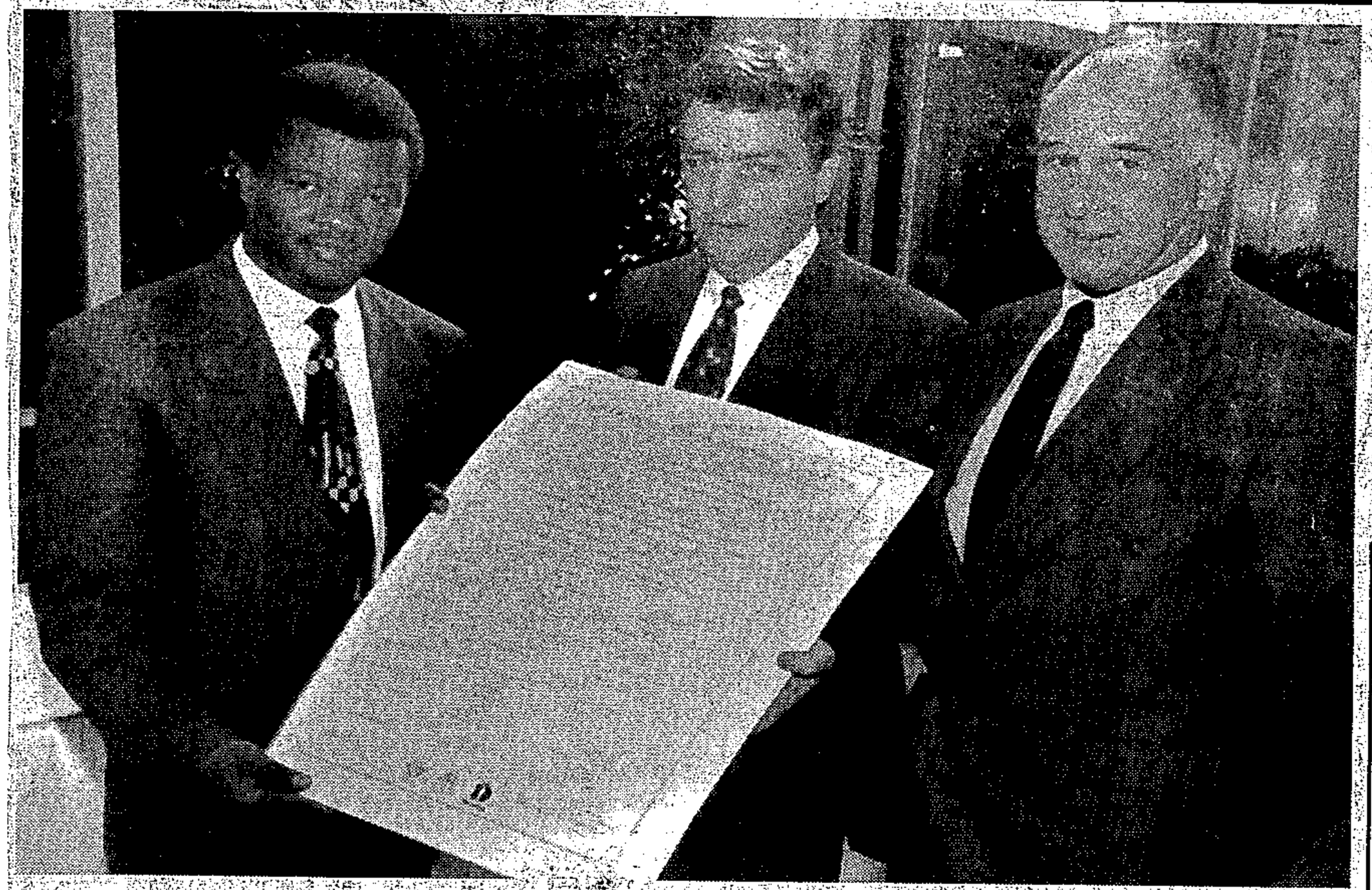
Theo Rawana

HOTELS needed to manage the environment efficiently and help in the drive to market SA ecotourism, Environmental Affairs and Tourism Deputy Minister Bantu Holomisa said yesterday.

Holomisa told a function at which hospitality industry companies and organisations signed the Hotels' Environmental Charter in Johannesburg, that hotels could make or break the hospitality industry.

"If we really want to achieve our vision of establishing SA as the world's most desirable ecotourism destination, something must be done immediately."

The charter reads: "We recognise that our business has an important role to play in protecting and enhancing the environment ... and to help secure the long-term sustainability of the tourism industry."



Deputy Environmental Affairs Minister Bantu Holomisa, left, holds the hotels' environmental charter signed in Johannesburg yesterday by top companies and organisations in the hospitality industry. With him are Satour standards promotion director Greg MacManus and Diversey MD Terry Challenger.

Picture: ROBERT BOTHA

2/3/96/288

Shared pride to be the greatest legacy of hosting a world event

BARCELONA had a grand redevelopment plan and used the 1992 Olympic Games to achieve it.

By comparison, Atlanta winning the 1996 Olympic Games on the first try was "a bit like the dog catching the car", says Paul Kelman, director of Atlanta's Downtown Improvement District.

The question was: "What does the dog do when it catches the car?"

But if it was unprepared in 1990, Atlanta has caught up fast and has contrived several ways to exploit the Games and integrate them into its planning to leave a lasting legacy to the city and the state of Georgia.

"This is unlike Los Angeles which hosted the 1984 summer Games and built virtually nothing, merely spending $98 million (R392 million) to upgrade existing facilities," says Richard Monteilh, executive director of Metropolitan Atlanta Olympic Games Authority.

Atlanta chose instead to construct several new sports venues, an Olympic village, parks and houses which will be left, virtually for no cost, to Atlanta and other cities, the state and several universities.

These will largely be funded by the Atlanta Committee for the Olympic Games (Acog) from sponsorships, TV rights and ticket sales.

Among the concrete legacies will be $599-million (R2 396-million) worth of sporting facilities, including the $189-million (R756-million) Olympic Stadium which will be converted into a baseball park for the city's championship team the Atlanta Braves.

"That's a wonderful facility especially when you think of other cities building $250-million (R1 000-million)stadiums with tax money to attract sports franchises," says Atlanta mayor Bill Campbell.

Other venues which will be left to the public include:

- The Georgia International Horse Park, where the equestrian Olympics will be held;
- The $18-million (R72-million) tennis stadium at Stone Mountain; and,
- The $10-million (40 million) Lake Lanier rowing centre.

These will help make Atlanta one of the major sports centres in the world.

One of the lasting reminders of the Games will be the $57-million (R228-million) Centennial Olympic Park, hewn out of derelict warehouses and office buildings in downtown Atlanta.

Atlanta's universities will also inherit many Olympic facilities:

- The $47-million (R188-million)worth of new dormitories built to house athletes in the Olympic village;
- The hockey stadium at Morris Brown College which will become a football stadium for the college team; and,
- The $24-million (96-million) Olympic swimming pool which will be given to Georgia Tech.

Less directly, the Games have been a spur to other developments such as housing. The Centennial Olympic Park Area (Copa) is an organisation formed to exploit the opportunity of the new park to develop surrounding housing and entertainment to revitalise the previously-shabby western downtown area.

Much of the housing will be used to accommodate Olympic visitors and the high rents they will receive then have made many otherwise unfeasible projects viable for developers.

The developments there and around other Olympic venues will add more than 6 000 housing units to the city.

The airport has been expanded and beautified, streets have been widened and planted with trees, and rotting bridges have been replaced or renovated to help cope with the influx of more than two million visitors and to put the best face on the city.

Another legacy which Atlanta wants from the Games is investment and so Atlanta businesses have launched Operation Legacy.

It is a campaign to bring hundreds of selected top corporate executives to Atlanta before and during the Games to showcase the city and persuade them to relocate.

The target is to stimulate the relocation of 20 major companies, creating 6 000 direct and 12 000 indirect, service-type jobs.

The executives will be told that since winning the Games bid in 1990, Atlanta has been ranked by several major publications as the best city in which to do business.

The Atlanta Chamber of Commerce has undertaken a marketing campaign, Forward Atlanta, to exploit the momentum of the Games and the Georgia state administration has received $8 million (R128 million) from the state assembly for a marketing campaign Georgia Global Now.

About 77 000 jobs will be created throughout Georgia, most of them in Atlanta as a direct result of the Games.

Since Atlanta won the Games bid in 1990, 330 000 jobs have been created as a result.

One of the biggest legacies of the Games will be the world-wide publicity, most Atlantans agree.

"When we started a five-year marketing campaign in 1992, we said Atlanta should be thought of in the same vein as New York, London or Tokyo. We wanted a world image," says Jerry Bartels, president of the Atlanta Chamber of Commerce.

"We think we are now awfully close to being regarded as a world-class city."

But, perhaps the most important legacy will be the shared pride the city's people feel at hosting the Games.

"It has bound the city together more than anything else," says Mr Bartels. "We are more close-knitted than ever before."

2/3/96/288



■ **STADIUM:** Construction manager James Hancock, left, and Bill Marks, public relations officer for the Atlanta Committee for the Olympic Games, in front of the state-of-the-art Olympic Stadium.

Spin-offs abound for the poor in the home of civil rights movement

ATLANTA is the birthplace and the burial place of America's great civil-rights champion, Martin Luther King.

His protegé, former mayor Andrew Young, chairman of the Atlanta Committee for the Olympic Games, was eager that the rising tide of the 1996 Games should "lift all ships".

Several of the Olympic venues have been sited on the campuses of historically-black universities, such as the $11-million (R44-million) basketball arena on Mr King's own alma mater Morehouse College. It will be given to the university after the games.

Morris Brown College and Clark Atlanta University also will receive new football and athletic stadiums, converted from Olympic hockey stadiums.

The Olympics also inspired several job-training programmes.

Clark Atlanta University and Atlanta Olympic Broadcasting have launched a programme to enable students to broadcast the games.

The Neighbourhood Job Training and Employment Programme aims to train and employ at least 300 workers on the construction of Olympic venues.

The Construction Related Employment of Women (Crew) is a Georgia state programme funded by the federal government to train and employ people in Olympic construction jobs.

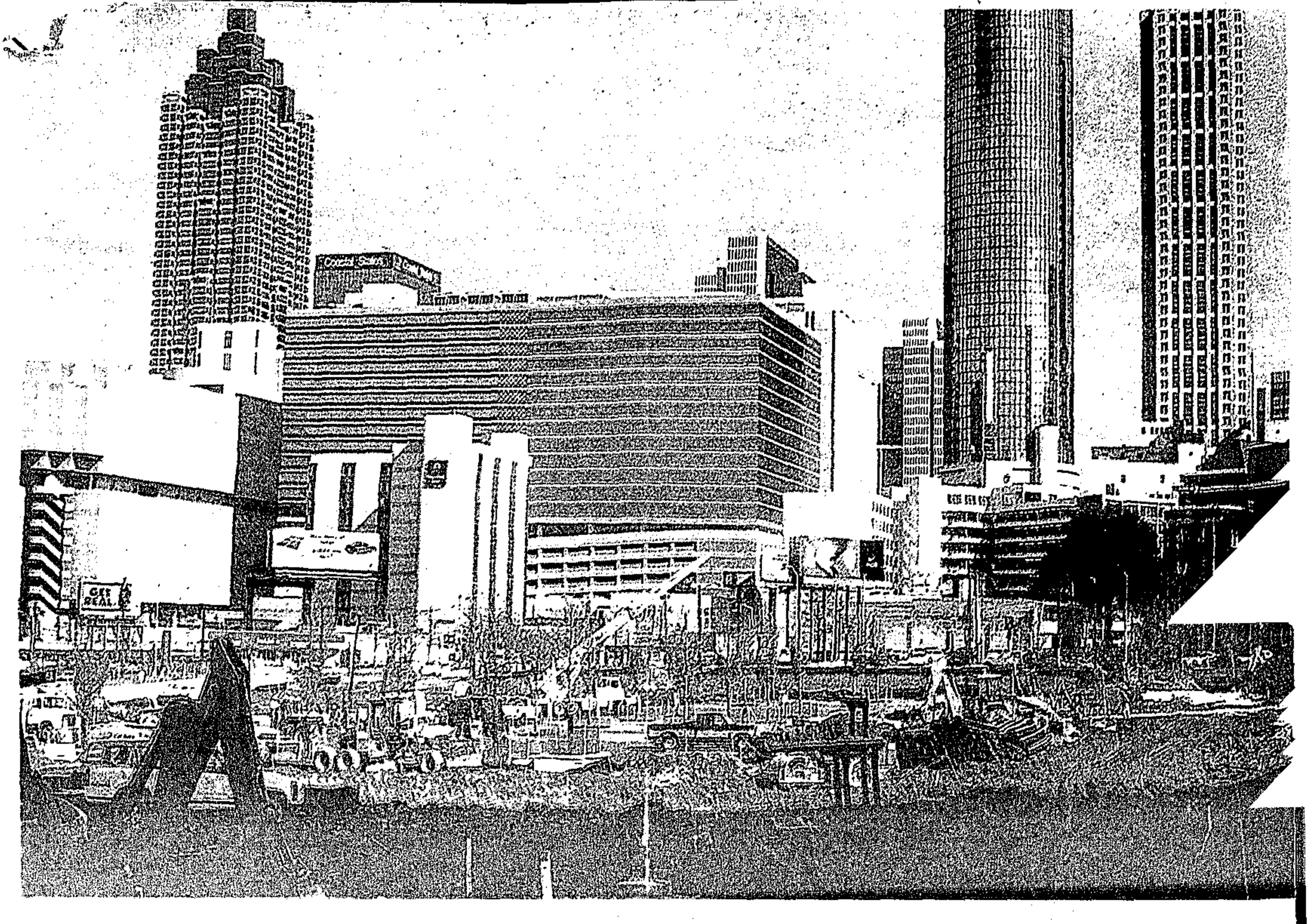
Many of the 6 000 housing units being built because of the Games will be made available to the poor.

Several huge, ugly and unsafe public housing projects are being torn down near the Olympic stadium and replaced with a mixture of subsidised and market-related housing to avoid "ghetto-ising" the poor.

Atlanta Mayor Bill Campbell also points out that many of the 77 000 jobs which the Games will bring to the state are lower-skill and construction jobs benefitting the poor.

The Games also have played an important role in securing government and private grants for community projects such as the $100-million (R400-million) federal "empowerment" grant.

During a speech at the Atlanta Committee for the Olympic Games, President Bill Clinton said the hosting of the 1996 Games was a critical factor in distinguishing the city from other applicants for the Empowerment Zone grant.



☐ **CONSTRUCTION MECCA:** With just five months to go to the start of the 1996 Atlanta Olympic Games, construction workers in are pulling out all the stops to have facilities ready in time.

ART 2/3/96 (288)

Atlanta all set for influx of 2,5 million visitors

ATLANTA is America's second-largest convention centre and so, rather remarkably, feels no need to add to its present 60 000 hotel rooms to accommodate the 2,5 million visitors who will descend upon it this summer for the Olympic Games.

But, to ensure Olympic lodging and prevent price gouging, the Atlanta Olympics Game Committee (Acog) has formed the Host Hotel Network of 450 hotels in Olympic venue cities which have committed 80 percent of their rooms for the Games and agreed to tariff restraints.

This has provided about 45 000 hotel rooms where Olympic-season tariff increases over 1994 rates can be no more than twice the inflation rate between 1991 and 1994.

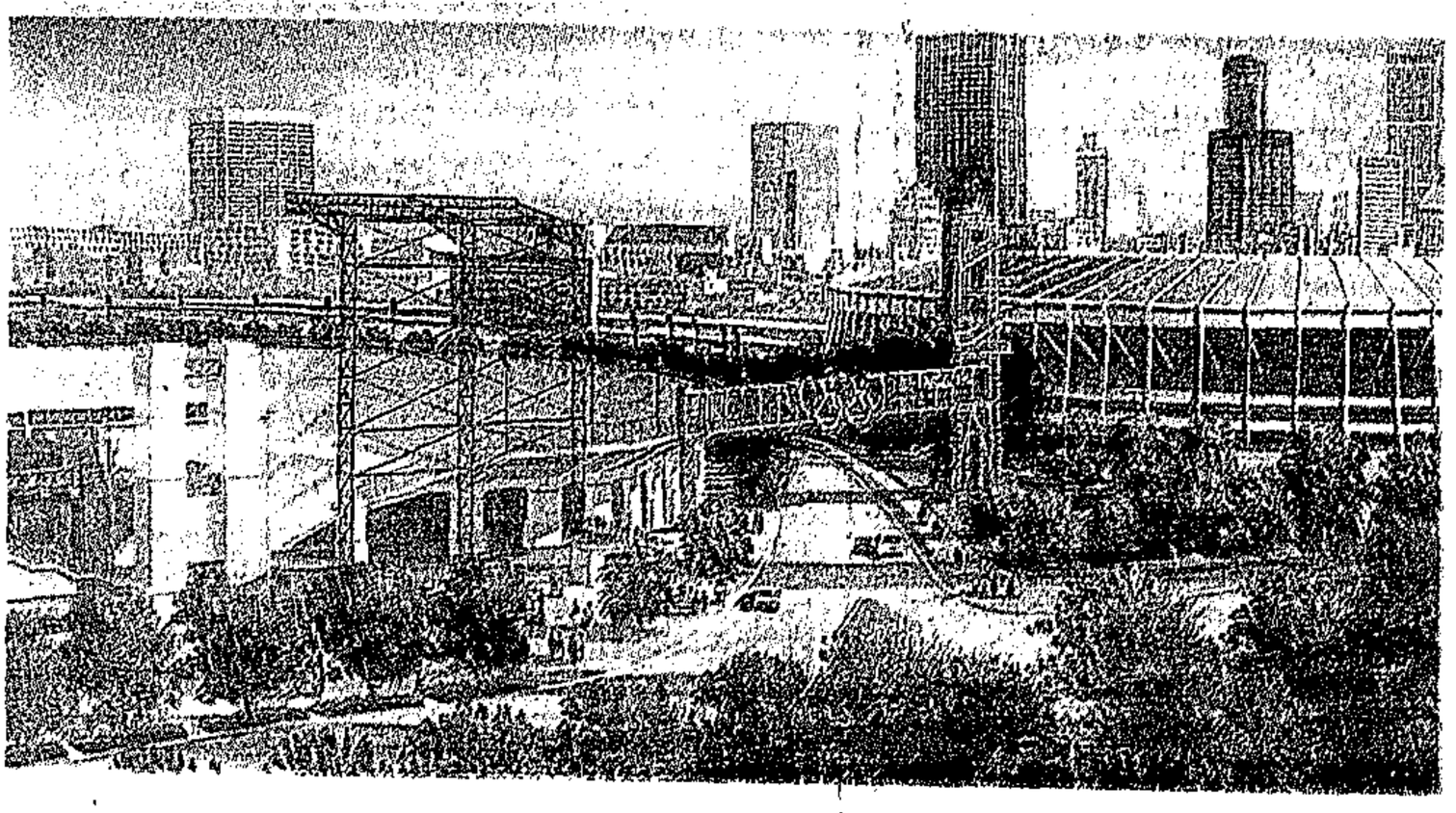
This means in effect that the Olympic tariffs can be no more than about 15 percent above the 1994 tariff.

Acog is also supplementing hotel accommodation with a pool of private homes and apartments.

Private Housing 1996, a private company approved by Acog, finds private homes for visitors at fair prices.

So far it has signed contracts with about 7 000 house- and apartment-owners to market their homes during the Games.

Many Atlantans are moving in with friends and relations to rent out their houses and make some money.



☐ **ATLANTA DREAM:** An artists impression of the huge Olympic Park which is being built for the 1996 Olympic Games to be hosted by Atlanta.

The rents are set by Acog to be slightly less than the tariffs for a hotel suite, which means a rate per bedroom per night of about $150 (about R600) to $400 (about R1 600). A three-bedroom house near the bottom of the market, rented for the minimum of six days, would cost $2 700 (about R10 800).

Private Homes inspects the homes to ensure Acog's rates are not exceeded. Hoteliers calculate that about 60 percent of visitors to the Games will stay with family or friends.

Bill Howard, vice-president of the At. Convention and Visitors' Bureau, said the C pics were the largest event Atlanta was likely to host, so it didn't see any point in ing more than the present 60 000 hotel roo

Since some hotels within an hour's drive rooms, he believed it had not erred in dec not to build more hotels.

Atlanta's top hotels have joined forces to each other maintain a high quality of se during the Games and to present a good ir of the city to the world.

More probing due on 'green' side of 2004 debate

(62) (288) ARG 4/3/96

JOHN YELD, Environment Reporter

ONE of the down-sides of this amazing transition of ours to a fledgling democracy – and we can be grateful there have been so few – is that debate in areas other than straight politics has been stifled.

Or perhaps "stifled" is the wrong word. A better way of putting it probably is that it distracted attention away from, or drew the energy out of other debates. And one such debate which should have been enjoying centre stage because of its huge potential impact, at least in Cape Town, is the bid to host the 2004 Olympic Games.

In particular, debate on the possible environmental consequences of winning the bid has been too subdued. Consequences could include being able to develop a more sustainable, equitable and environmentally friendly city – or the further destruction of the Cape's already greatly reduced natural heritage. We have to debate, discuss, argue and talk if we are to achieve the former and avoid the latter.

The most crucial question is whether Capetonians actually want the Games, and whether – before they make such a decision – they are fully informed of the potential positive and negative impact it could have in the area.

You might think it's an odd time to be asking such a question, with the deadline for submitting a bid almost upon us. But even the most ardent supporters of the bid will have to admit that people of the metropole have not been asked in any meaningful way for their opinion. And the decision to go for the bid, at the most basic level, was taken by the Cape Town City Council which was not fully representative – and still won't be until after the local government elections.

GREEN SCENE

John Yeld



Bid company chief executive Chris Ball quotes a poll showing that some 80 percent of the people of Metropolitan Cape Town support the notion of hosting the Games. Let's see the details of that poll – how the sample was selected, what the questions were, whether respondents were questioned in their first language, and so on. And let's have it peer-reviewed. Then we can be sure it is valid. And why shouldn't there be a full referendum, as suggested by city councillors Clive Keegan and Arthur Wienburg?

Another question which needs to be debated is why we shouldn't avoid the present rush by going for the 2008 Games instead. There may well be a "never-to-be-repeated window of opportunity" now that we need to take advantage of, but we need to be convinced of that.

A third question, and the most directly environmental, is why there are not professional environmentalists or ecologists on the board of directors of the present Bid Company. Almost all other interest groups are represented – why no Greens?

The International Olympic Committee (IOC) sets great store by the environment. Indeed, with sport and culture, it forms the three pillars of the modern environmental movement. The lack of environmental expertise (as opposed to well-meaning concern) at the core decision-making end is inexcusable, and the politicians need to take corrective steps urgently.

That hosting the Games in Cape Town in 2004 holds huge potential benefits for transforming the currently unsustainable, apartheid-planned city is incontrovertible – but equally so are the potential damages of environmental degradation and the further loss of the Cape's unique biodiversity.

The debate must continue.

'Tourism for all' by new Captour head

(288) ARG 4/3/96

Municipal Reporter

NEW Captour chairman Usman Ahmed has pledged to bring the benefits of tourism to communities previously excluded from the industry.

Mr Ahmed, managing director of Flywell Travel, succeeds Ted Parlabean as head of Cape Town's tourism organisation.

Captour chief Gordon Oliver welcomed the election of Mr Ahmed, saying that his experience in tourism made him ideally suited to the task.

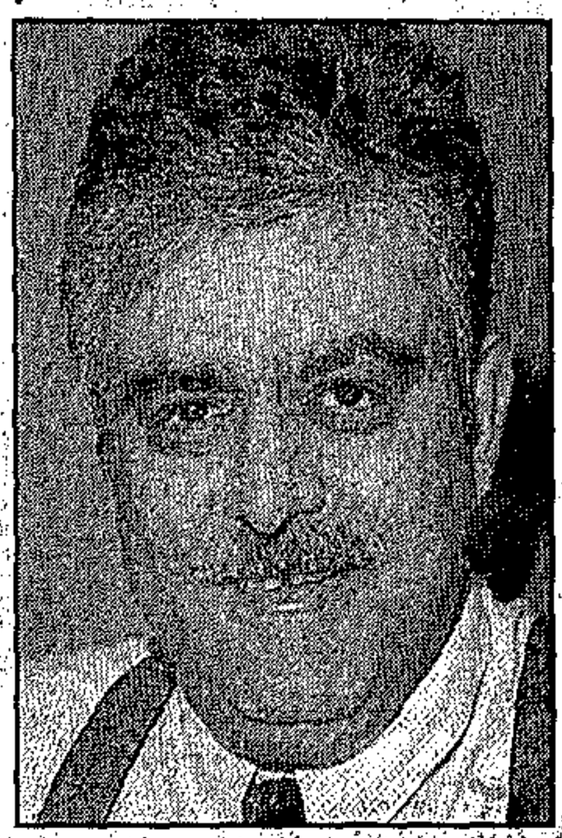
Mr Ahmed also wants Cape Town to remain the "number one tourism destination in South Africa".

"Captour is undergoing major change and I am proud to lead the new and more representative board of directors and management into an exciting and challenging future in which tourism works for everyone," he said.

A comprehensive guide to the Western Cape's main tourist attractions will appear daily in The Argus from today.

It contains useful information on where to go, what to see and when, such as what's on at the Castle, what time the Table Mountain cableway opens and how to find out more about the Stellenbosch Wine Route.

Make the most of the beautiful Cape by using the Cape Tourist Guide, daily in The Argus. See page 14.



MAKING CAPE TOWN TOPS: New Captour chairman Usman Ahmed.

No last round at the shebeens

Granting of township liquor licences changed drinking patterns for black people, but illegal watering holes continue to flourish, writes Abbey Makoe

Star 4/3/96 (288)

In the 1940s, envious of the pleasures their masters enjoyed in the whites-only pubs, black people invented their own version of white suburbia's drinking places. Prohibited by law from drinking "white man's liquor", many people in the townships turned their homes into places where people could stop in for a drink, a chat, a dance – at all hours of day or night.

Today, no one is certain about the exact number of shebeens in the country, but it is estimated that it runs into hundreds of thousands.

In May 1984, under immense pressure to recognise the existence of shebeens, and perhaps with the realisation that such places were here to stay, the National Party government granted the first ever liquor licences to 27 Soweto shebeen operators.

Shortly after that, chairpersons of the 38 National Tavern Association regions gathered at the Jabulani Amphitheatre in Soweto. Each, with a filled glass in hand, proudly poured *umqomboti* (a home-brewed traditional beer) into the ground.

It was a ceremony symbolising that ancestors were not dead, but somewhere fighting on the part of those they left in this world – a very simple act with a large significance in the black culture.

Shebeeners have always regarded their trade as legitimate. After the long struggle for recognition, thanking the gods for that achievement was the thing to do. Not long after the granting of the 27 licences, the number rose to 36 and the future looked bright. Towards the 1990s, "tavern" became the buzzword, a licensed drinking place in the township.

Some of the requirements that operators had to meet included:

- Separate toilets and ablution facilities for men and women. For female patrons it meant finally having the freedom to visit the powder-room without fears that a drunken male would barge in.
- Keeping up with the proper hygienic standards.
- Following standard prices set by the liquor board rather than raising their prices at will as shebeeners did.
- Most important, age requirements would be strictly enforced. Children under 18 would not be allowed to sit and drink at these licensed places as they often did at unlicensed establishments.

Shebeens and licensed taverns have a symbiotic relationship

Above all, having a licence meant the end to fears of patrons and proprietors alike of yet another police raid and a trip to the police station for drinking in an illegal place.

The dawn of the licences heralded a new era for black people and changed drinking patterns. It was a long way from the 1950s and the 1960s when black people were not allowed to drink "white drinks" – beer, wine and spirits. Blacks were known to drink their *umqomboti*. That was mainly what they were exposed to.

The era of being granted licences was a triumphant departure from those days when, if a black person needed to buy spirits they had to do so bearing their employer's letter to show how much they earned as proof that they could afford the white man's drinks.

Some of the people whose individual contributions to the struggle for black liquor traders to be recognised by the law include Peggy "Bel Air" Senne, Ray Mollison, Lucky Michaels and Godfrey "The Godfather" Moloi.

All made reputations as shebeeners.

In the past weeks, The Star went out to speak to some of the shebeeners in Soweto, most of whom are still operating illegally. Although most of them knew that their operations were illegal, they remained content that the law was irrelevant and long defeated.

During The Star's informal survey, it was found that most of the licensed operators, or taverners, did not want the Government to shut down, or even harass, their unlicensed counterparts, the shebeeners.

The reason? The shebeeners frequently buy in bulk from the taverners. Because of huge bank debts that taverners incurred when renovating their premises to fulfil licence requirements, they largely relied upon illegal operators for cash inflow.

One of the licensed taverners, Julie Kalane, owner of Julie's Inn, said: "Many of these unlicensed shebeeners buy from us. We survive largely because of that massive support. I can safely say without shebeens some of us wouldn't be where we are."

Kalane said being a licensed taverner gave her "peace of mind". She said she could not remember the number of times she had to pay R500 fines for selling alcohol when she had worked as a shebeener. Now, as a tavern owner for the past 10 years, she says her only fear is being robbed.

Figi Mkhasibe runs Joyce's Inn in Rockville. He says before getting his licence nine years ago he frequently had to go and fetch his refrigerator from the police. For the more than 20 years before he was licensed, he was one of the many weekly targets of the police raids and confiscation of liquor.

Mkhasibe is among the many successful taverners who support the shebeeners.

"Most of these shebeens are run by women, mostly single parents, who are trying to make a decent living and maintain their children," Mkhasibe said. "The Government must alter its past racist laws to make room for these old ladies and aunties who try to earn a living without stealing."

One of the shebeen queens, Mampe Mosia, said she had brought up and educated all her three children from alcohol sales. "I have been selling liquor since the 1960s," she said. "My eldest daughter is 34. I fended for her through running this shebeen."

Did she know that according to the present law she was operating illegally? She was shocked. "Really?" she said. "Please get serious. We have voted for a new and better government."

Mosia said if the police were to raid shebeeners as in the old days, "we will vote for another party". The only reason she has not applied for a licence is that "it required a lot of money; R2 000 for lawyers to handle your application. Can you imagine the number of the things I can do with that money?"

Patrons spoken to by The Star gave differing views, with many expressing sympathy for the shebeeners. Floyd Mokapo, drinking at the Heart Breakers tavern, said: "If the Government must raid the shebeens, then they must warn them beforehand to get their licences. I can see that through licensing there would be better control of the standards and all that. But it will depend on how this Government goes about it."

Another patron, Fred Mokone, said: "Raiding our people would mean going back to square one. The Government, if it is wise, cannot do what the boers used to do to our people."

BOB GOSANI



Going strong ... started in the 1940s, most illegal township drinking holes have continued to fly in the face of the law.

Tourism potential 'is not exploited'

(288)

Theo Rawana

BD 5/3/96

ABOUT 7 000 overseas visitors were victims of crime in 1994, and only one-third of departing visitors regarded personal safety in SA as very good, the draft National Strategy for the Development and Promotion of Tourism in SA says.

The document, the fourth draft of the Tourism White Paper which was discussed by a plenary session of tourism stakeholders yesterday, cites the "growing proportion of crime and violence meted out not only to visitors but to residents alike" as one of the immediate problems facing tourism.

However, Environmental Affairs and Tourism Minister Dawie De Villiers said after the plenary session that petty crime was not keeping tourists from visiting SA. He said the strategic tourism security task team, set up last November to formulate policy to curb crime against tourists, was working well and had started some projects.

The draft document said only 10% of SA's tourism potential was being exploited. A threefold increase of this sector's contribution to the economy by 2000, creating 2-million jobs, was a real prospect. About 480 000 jobs are currently generated by tourism.

However, the paper said several factors hampered the growth of the industry. Among these was the attitude of government, which did not view tourism as a priority. Only marginal resources were being devoted to promoting the sector, it said.

Another factor was "the myopic private sector". Hotels tended to look after only their hotel business, leaving the rest to government. "Hotels and other tourism establishments need to begin to play a far more active role in influencing the quality of total visitor experience in SA," the paper said.

The document accused most tourism enterprises of providing mediocre service. "There is little excitement in delivering service or to go the extra mile to satisfy the customer."

Local communities and previously disadvantaged groups also had to be involved in tourism, reversing the perception that tourism was "a white man's thing". It said tourism, more than any other sector, could be the basis for and sustain government's RDP.

The industry was labour-intensive, employed a variety of skills and could bring development to rural areas.

Targets set by the discussion paper included a sustained 20% increase in the number of visitors in the next four years, bringing to 8-million the number of visitors by 2000.

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(288)

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Game lodge portfolio gets boost

(286) BD 5/3/96

Robyn Chalmers

CONSERVATION Corporation Africa is to boost its game lodge portfolio to a total of 14 properties across Africa in the run-up to the company's proposed listing on the JSE and in London next year.

The corporation, which changed its name from the Conservation Corporation yesterday, is set to open six new lodges in SA, Zimbabwe and Tanzania as part of its major expansion drive this year.

Deputy chairman Alan Bernstein said yesterday that R54m would be spent on development projects within the next few months, including R16m at Matetsi in Zimbabwe and R14m redeveloping the Ngorongoro Crater Lodge in Tanzania.

In addition, R10m would be invested at Makalali in the Mpumalanga lowveld, R10m in Phinda Resource Reserve in KwaZulu-Natal and nearly R4m refurbishing Londolozi and Kichwa Tembo camps.

Bernstein said the Makalali Private Game Reserve would open in the Mpumalanga lowveld in May. Two lodges in the new Matetsi private game reserve near Victoria Falls were scheduled to open in July.

The current development of two new lodges at the 17 000ha Phinda Resource Reserve in KwaZulu-Natal and the total redevelopment of the Ngorongoro Crater Lodge were scheduled for completion by the end of the year.

Bernstein said that with its extended range of 14 properties and more than R200m invested to date, the company was well prepared for its proposed listing on the Johannesburg and London stock exchanges next year.

"We moved into a profit at the end of last year after five years of operation, and our decision to embark on a period of development and acquisition is in line with the proposed listing next year," he said.

The organisation was founded in 1990 as an investment and conservation development vehicle for sub-Saharan Africa, using the medium of ecotourism to boost international interest in rural Africa's natural resources.

Conservation Corporation Africa recently concluded a partnership with Zimbabwean company Chizim Investments and government-owned Rainbow Tourism Group over the development of Matetsi — a 500 000ha reserve.

Negotiations were also under way for the acquisition of four lodges in the Serengeti, which would give the company a strong presence on the northern Tanzanian circuit, including Lake Manyara and the Zanzibar coastline.

Final discussions were also being held to secure a desert lodge in the Kalahari for the company.

Bernstein said the Phinda Resource Reserve — one of the company's first projects — could eventually be sold to the state to ensure it was preserved in good condition for future generations.

The project initially involved the consolidation of 7 500ha of farmland between Mkuzi Game Reserve and Sodwana State Forest, just north of Lake St Lucia.

SA's slow tourism growth under discussion

Star 5/2/96 (288)

By Bobby Brown

About 7 000 foreigners were victims of crime in South Africa in 1994 and this, along with a lack of co-ordination between government departments and a lack of enterprise in the private sector, was primarily responsible for the slow development of the tourism industry, a new discussion document says.

The document, released by Tourism Minister Dawie de Villiers in Pretoria yesterday, calls for greater co-operation between government departments such as transport, safety and security, and justice.

It also calls for the deregulation of the airline industry by the year 2000, and privatisation of South African Airways, to ensure affordable airfares.

The Government's attitude towards tourism is a huge stumbling block, the document says. Only marginal funds are made available from the annual Budget, De Villiers added.

The report says local communities and previously disadvantaged groups have to become involved in tourism to reverse the perception that tourism is "a white man's thing".

"There is a belief that tourism is what whites do when they go to the Kruger Park or the beach in Durban, and that it is not within reach of the previously disadvantaged," the document says.

Tourism, more than any other sector, could be the basis for, and sustain, the Government's Reconstruction and Development Programme. The document says the industry is labour intensive, employs a variety of skills and could develop rural areas.

Targets set include a sustained 20% increase in the number of visitors in the next four years, with a target of 8 million foreign visitors by the year 2000.

The document claims that a threefold increase of the sector's contribution to the economy by 2000, creating 2 million jobs, is a real prospect since about 480 000 jobs are currently being generated by tourism.

A presidential tourism commission should be set up this year and several tourism projects identified. Tourism should be introduced as a school subject by 1998.

It also suggests several government actions to give disadvantaged groups access to finance in order to set up small tourism enterprises.

The hotel industry is urged to be more helpful in the overall marketing of South Africa.

Local councils, sports groups asked to OK plans for the Olympics

(288)
ARG 6/3/96

ANDREA WEISS
Municipal Reporter

TRANSITIONAL councils are being asked to give preliminary approval to plans for Olympic competition facilities around the metro, including the placing of the Olympic stadium and athletes' village at Wingfield.

The plans, which focus on six sites, are being circulated to all affected local authorities as well as the joint executive committees, which are tasked with achieving political amalgamation for the six new municipalities.

Planners have identified Culemborg and Wingfield as the potential main Olympic centres to accommodate the large competition facilities and villages.

The other four sites are Belhar, Philippi East, Mew Way Khayelitsha and Khayelitsha Town Centre.

Local sports federations for the 28 Olympic sports as well as representatives of all the relevant international federations have been asked to assess the proposals to give their approval.

In addition, 17 architectural firms are working on 11 projects for Wingfield and Culemborg to develop cost estimates for the presentation to the cabinet at the end of April, when central government backing for the 2004 bid will be finalised.

Original letters of guarantee, which will have to be presented to the International Olympics Committee (IOC), have to be given by April 30 and will form part of the bidding document which is handed to the committee on August 15.

At Wingfield the planners are proposing an Olympic rowing lake as a water feature, with an island at the one end accommodating related facilities and a venue for the archery event.

The lake would be about 2,2 km long from Voortrekker Road to the main stadium. Closely linked to the lake would be an Olympic Promenade providing an "urban waterfront" along the eastern edge of the lake.

Other Olympic facilities such as the practice gymnasiums, restaurants, medical centre, meeting rooms and shops would be ranged around the promenade.

The western shore of the rowing lake would form a park or green belt for public recreation and conservation of an existing wetland.

An athletes' village accommodating about 15 000 people would be built between the parkland and 18th Avenue in Kensington, linking into the existing residential area. Residential density is anticipated to be about 100 units per hectare.

At Culemborg, the planners are proposing the siting of the media village, the main indoor arena and the main Olympic swimming complex.

The media village will have to have enough space to serve about 15 000 media personnel and a hotel for VIPs and other dignitaries. The hotel is likely to be placed within the Custom's House precinct, already earmarked for a convention centre.

In addition, the development would have to include about 4 000 housing units for the media.

Pedestrian walkways will link the development with the proposed waterfront at the harbour around the Royal Cape Yacht Basin.

Other public facilities, such as schools, libraries and halls, have also been proposed for this area.

"The area will be inhabited by 10 000 residents during the Games and will be a high-density, affordable, compact and pedestrian-dominated world," says the planner's report.

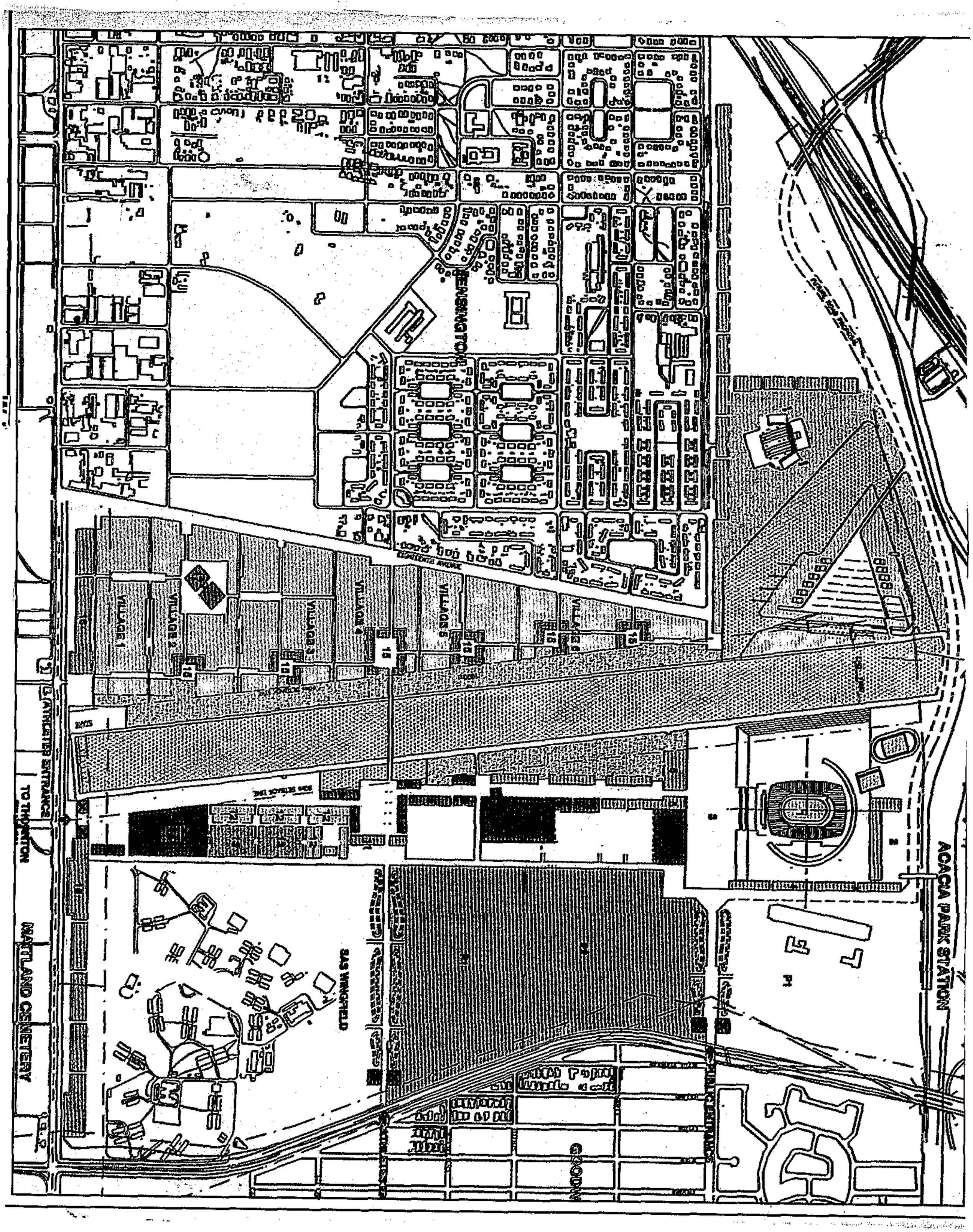
Olympic proposals at Philippi East are located in the area earmarked for the development of a CBD and include a basketball stadium, a baseball stadium and table tennis facility.

At Belhar, the planners are suggesting that a 112ha site be used for the Taekwando and Judo indoor hall, which will be close to the station, and a small indoor weightlifting hall. The outside of the centre will be "wrapped" with multi-functional facilities fronting the street, with a pedestrian link to the Pentech and the University of the Western Cape.

Plans for Khayelitsha town centre include an Olympic complex with a football main stadium, a multi-purpose town/sports hall and administration offices which will be used for boxing during the Olympics.

Mew Way Khayelitsha, which is at the Khayelitsha interchange entrance, has been earmarked for a new football stadium for about 20 000 spectators and a multi-purpose indoor hall which will be used for boxing, with seating for 10 000 people.

6/3/96/288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BUS TURNFIELD
ACACIA PARK STATION
PUBLIC USE FACILITIES

Captour hit by 3 staff resignations

288 ARG 6/3/96

JOSEPH ARANES, Municipal Staff

AN unfortunate series of resignations, by three of Captour's senior staff, has shocked the organisation at a time when it is busy transforming itself after weathering a major funding crisis.

Captour's marketing and public relations manager, Lauren de Wet, her deputy Radka Kucera, and the marketing support services manager Marion Kelder, who between them have served Captour for almost 20 years, have all resigned to further their careers in the private sector.

Last year the Cape Town City Council, which is the main source of funding for the organisation, halved its contribution from R2 million to R1 million.

Captour then retrenched almost half its staff in spite of the fact that tourism was showing a general boom.

Recently, a new board was elected with the managing director of Flywell Travel, Usman Ahmed, taking over the chairmanship and pledging to bring the benefits of tourism to communities previously excluded from the industry.

Ms De Wet said the spate of resignations were coincidental and that there was nothing sinister about the motives.

"Radka and myself handed in our resignations last year already, as we plan to open our own tourism marketing consultancy.

Last month Marion tendered her letter of resignation as she will be joining a tour operator to further her career in the industry."

Ms De Wet said they had weathered the storm at Captour and had gone into the new year on a very positive and exciting note.

"We went through some difficult times but working there was an honour and we will continue to provide a marketing and public relations function on behalf of Captour."

Chief executive officer Gordon Oliver said the loss of the three key people would have a major impact on the organisation, but emphasised the move was not some kind of "palace revolt".

"Their coincidentally simultaneous resignations could certainly create the impression that something is wrong in the management of Captour, but I can assure you this is definitely not the case.

"These resignations are indeed based on positive grounds and the need for growth and greater opportunities.

"Captour does tend to provide a training ground and stepping stone for staff to move on to greater challenges."

Mr Oliver said a new opportunity was being created out of the crisis as the organisation was in the process of restructuring and revising all its functions.

"We have already advertised the post of marketing manager and are keen to appoint a person of colour to the position which will help bring the organisation in line with the views of the new South Africa."

Tourist unit aids drop in crime

Theo Rawana DD 6/3/96 (288)

THERE had been a marked drop in crime in the former Transkei since the establishment of the SAPS tourist protection unit, and local and foreign tourists were now flocking to the coast in great numbers, said the unit's Capt Nonzuzo Nkqayi.

Eastern Cape Tourism Board marketing director Blacky Komane has credited the unit with creating a sense of security for tourists and local communities.

The 11-member Eastern Cape tourist protection unit started working last November, not long after the attack on four tourists in Lusikisiki made international headlines, Komane said.

The unit's functions ranged from looking after tourists en route to their resorts, to visiting resorts to ensure the safety of tourists, Nkqayi said.

She said the unit was engaged in an educational campaign known as the Tourist Awareness Campaign, which involved workshops for communities in coastal areas, where they were informed of the importance of the tourist to the economy of their areas.

The unit had done a great deal to prevent attacks on hiking trails and camping sights by maintaining high police visibility.

N West, Free State team up to boost growth

(288)

By Jovial Rantao
Political Reporter

A new era in interprovincial relations dawned across the Vaal River yesterday when the North West and Free State governments established a joint cabinet committee to co-ordinate co-operation on economic growth and tourism and boost job creation.

Members of the councils of the provinces met at a farm in Viljoenskroon where they decided that the joint cabinet committee should formulate a co-ordinated approach to dealing with foreign investors.

This step is aimed at eliminating the fierce competition for development aid and economic partnerships with overseas countries.

The provinces, which decided to include the Northern Cape, plan to approach potential investors as a team and not as competing neighbours.

Free State Premier Patrick Lekota said of yesterday's forum: "The joint cabinet felt there was a need to make the voices of the provinces heard in the Constitutional Assembly."

Star 7/3/96

'Plant palms to hide N2 squalor'

(288) ARG 8/3/96

JILYAN PITMAN Staff Reporter

PALM trees should be planted on the N2 freeway to beautify the approach from Cape Town International Airport to the city, and a programme instituted to upgrade and maintain the road which tourists and local residents say is a "disgrace".

This is the opinion of Gordon Oliver, chief executive officer of Captour.

"We are inundated with complaints from visitors from all over the world about the filth and the ugly approach to the city," said Mr Oliver.

"Palm trees could be planted in the middle and on the sides of the freeway. They are hardy, wind resistant and grow in sandy soil. Within two years they would look good and make a big difference to the approach to the city."

Mr Oliver said the problem of beautifying and cleaning up the N2 could not be left to the Department of Transport and Public Works.

"Minister of Transport Leonard Ramatlakane is ultimately responsible," said Mr Oliver.

"And it's not good enough to say there is no money available."

"Has the minister contacted leaders of the communities living close to the freeway?"

Deputy director-general of Transport and Public Works Roy Petersen said about R30 600 was spent monthly fixing the concrete fence on the southern side of the freeway and "future costs will increase".

He said "the situation" on the N2 had improved considerably since the building of the fence.

"Sites for more pedestrian bridges have been identified but the planning has been put on hold pending further investigations and money becoming available."

On the subject of pollution, he said one team of 12 full-time workers maintained the road reserve and it cost between R10 000 and R13 000 a month for clearing only.

White Paper key to Satour's fate

ET(BR) 8/3/96 (288)

SHIRLEY JONES

Durban — The future of the South African Tourism Board (Satour) hinges on a tourism White Paper which is expected to reach draft form by mid-year.

According to Martin van Niekerk, assistant director of corporate communications at Satour, while it is not certain precisely where Satour will fit into the new tourism strategy, the body would not disappear.

Instead, he believes it is likely to pay a key role in the single tourism authority which has been proposed. Known as the South African Tourism Development Authority, it is expected to have a variety of responsibilities including the development of domestic tourism, product development and international marketing.

Van Niekerk said he expects that Satour will be absorbed into the wider body to carry out these functions.

He said that he expects major changes by early next year, but added that as some issues still have to be clarified, comment was premature and it was still too early to establish if downsizing will occur.

Van Niekerk stressed that Satour has been a keen commentator on White Paper proposals and following a final meeting on Monday, he expected that Satour will make final written submissions.

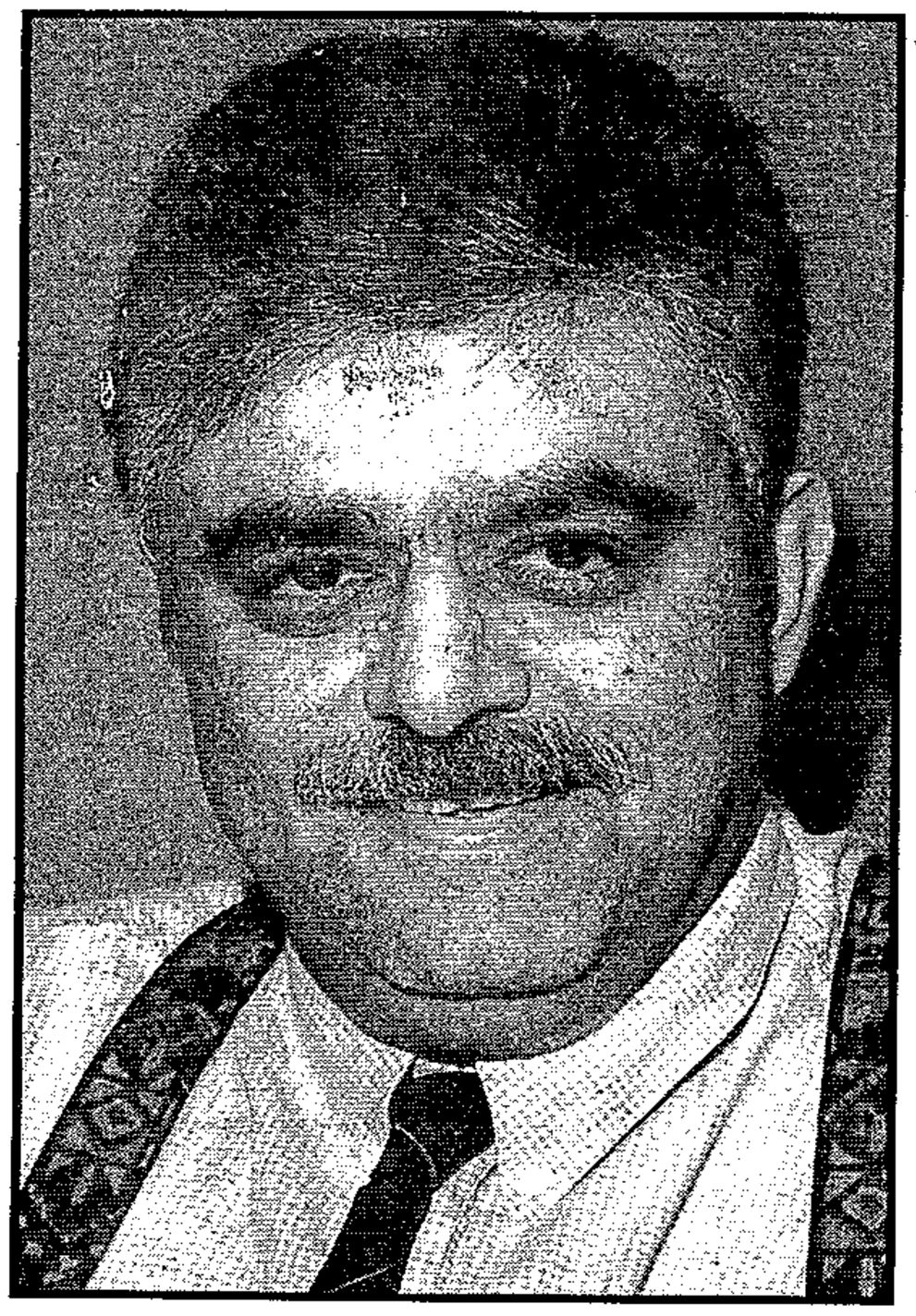
Johann Kotzé, the deputy director of tourism, confirmed that final comments would be incorporated into the draft White Paper on tourism which had been called for by March 18.

Kotzé said at this point all documents were regarded as proposals and not as government documents. However, the post-March 18 document, which is expected by late May, will be presented to the cabinet.

Kotzé said that Dawie de Villiers, the minister of tourism, hoped that the draft document would be finalised before the parliamentary recess.

Cinderella syndrome dogs Cape tourism

ARG 9/3/96 (286)



☐ **CAPTOUR BOSS:** Usman Ahmed has been elected chairman of Captour.

IRVING STEYN
Staff Reporter

WITH the lion's share of tourists Cape Town has a fraction of the money Durban spends on promoting tourism and will continue to be in that situation at least until after the local government elections in May.

"Meanwhile, we will just have to chug along on the R2 750 000 we have at our disposal," said Captour's new chairman, Usman Ahmed, a seasoned businessman in the travel industry.

By comparison, Durban, which has a smaller number of overseas visitors, has a budget of R10 million to market its attractions.

Captour was forced to retrench a third of its staff when the city council cut its annual grant by half while the flow of tourists to the city was rapidly becoming an avalanche.

"We now have a staff of 21 compared to 31 previously, but the number of inquiries by fax we handle a day has jumped to between 40 and 50 and many more torists visit our visitors bureau every day," Mr Ahmed said.

The funds crisis also meant Captour closing its Johannesburg branch office, Bellville municipality taking over the Tyger Valley office and local council the office in Muizenberg.

Much to Captour's relief a R1 million city council loan was converted to a grant late last year and while this did not mean Captour could increase staff numbers, the organisation was in the process of re-organising and streamlining.

Mr Ahmed is concerned abouth the shortage of top accommodation in Cape Town and pointed out that recently a flight had to be turned back from Cape Town because the 350 passengers could not be accommodated.

■ Increasing numbers of tourists are flowing into Cape Town, but the Mother City has to be content with a fraction of the money Durban has to promote tourism.

Mr Ahmed, managing director of Flywell Travel, a company he started in Cape Town in 1967, succeeds Ted Parlabean as Captour chairman. His many years on the national executive of the Association of South African Travel Agents "positions him ideally as our new chairman", according to Captour chief executive Gordon Oliver.

There are several areas Mr Ahmed would like to see Captour concentrating on and the one on top of the list is to see the Captour board fully representative of all the people of this region.

"I am committed to ensure that all stakeholders and interest groups should come together to discuss and jointly plan a new direction for Captour speciifically and the tourism industry generally," he said.

All communities should get involved in treating the tourism industry in Cape Town as its number one earner.

Another ambition is to see an amalgamation of Captour and Wesgro, the association for the promotion of economic growth in the Western Cape, to market the Cape metropolitan area together.

Mr Ahmed would also like to see tourism developed in the disadvantaged communities, like day trips to the Peninsula's Muslim shrines and trips to the Cape Flats, Guguletu and Khayelitsha.

Born in Pretoria in 1950, Mr Ahmed married a Cape Town girl, Freda Stuart, in 1982 and they have a daughter, Elai'la, 9.

JOBS

Neglected tourism sector Cinderella of the economy

(288)

ST(BT) 10/3/96

Tourism is seen as one of the strongest potential growth areas in the economy. **DON ROBERTSON** looks at the industry.

THE tourism industry could generate R40-billion a year and create 2-million jobs by the year 2000 if its current potential is doubled, according to a working document prepared by the Department of Environmental Affairs and Tourism.

The document, which will form the basis of a White Paper to be presented to the government in June or July, says only 10% of South Africa's tourist potential is being exploited.

Tourism contributed only 2% to gross domestic product in 1994 and an estimated 4% last year. If this were to increase to the world average of about 10%, it would create employment, provide business opportunities for the previously disadvantaged, bring development to rural areas, increase national income and foreign exchange and give a boost to the RDP.

Tourism employs about 480 000 people directly and indirectly and is the country's fifth largest earner of foreign exchange, says the document. "The potential for South Africa to grow its tourism industry, to triple its contribution to national income and to at least double its foreign exchange earnings by the year 2000 is very real."

More than 4-million visitors entered South Africa last year, although almost three quarters of the arrivals were from African countries. Visitors from Europe accounted for only 15% of the tourists or about 1-million people. In addition, almost 8-million local tourists took 17-million holidays.

The potential for the country to increase both arrivals and expenditure from these markets is considerable, says the document.

Perhaps the greatest problem facing the tourism industry is the virtual absence of adequate education and training opportunities.

Various training institutions have the ability to produce about 8 000 students each year year, but the industry will require more than 100 000 qualified people each year for the next five years, says the document.

"This is not to mention the general need for community-wide tourism awareness programmes, as well as the urgent need for a wide range of basic skills among persons who are the first line of contact with the customer. The data suggests that South Africa is not capable with present output to satisfy more than 10% of its training needs."

There are many factors which have mitigated against the development of tourism, says the document. Tourism is not viewed as a priority by the government and marginal resources have been committed to its development and promotion.

The document says the private sector, in the form of hotels and other tourist establishments, do not take sufficient interest in the welfare of their customers outside the hotel. "Hotels look after their hotel business and let God and government handle the rest."

The poor integration of local communities, inadequate protection of the environment, poor service and lack of infrastructure are said to be other problems.

"In addition to these constraints, an immediate problem facing the industry is the growing level of crime and violence, not only on visitors, but on residents as well."

It is estimated about 7 000 visitors were victims of crime in 1994 and only a third regard personal safety as being good in South Africa.

Dawie de Villiers, Minister of Environmental Affairs and Tourism, says government has taken note of the proposals and is giving the recommendations priority.

Among the proposals is that the SA Tourist Organisation be replaced by the SA Tourism Development Authority, which will develop all aspects of the tourism industry. This body would be directly responsible to the minister.

It has been proposed that the Department of Environmental Affairs and Tourism be replaced by the Department of Environmental Co-ordination and Tourism, with the former being stripped of functions such as the weather, sea fisheries, the Antarctic and pollution control.

'Let's get rid of roadside rubbish'

ARG 11/3/96 (288)

LINDSAY BARNES, Staff Reporter

IS it the fairest Cape or the foulest? That is the question on the lips of foreigners and locals alike.

Visitors driving on the N2 in the vicinity of Cape Town International Airport are treated to a charming panorama of roadside rubbish.

But things have improved considerably since the erection of a concrete palisade that separates the road from informal settlements, said head of the department for Transport and Public Works Roy Petersen.

The task of cleaning that stretch of N2 was tackled by a team of 12 workers.

The fence cost an average of R30 000 a month to maintain as pedestrians constantly removed or damaged poles to be able to cross the N2.

But there was no intention of scrapping it, said Mr Petersen.

"Although the fence is still damaged at various points, the situation has stabilised," he added.

Sites of future pedestrian bridges had also been identified, but planning was put on hold pending further investigations. These projects also depended on funds becoming available, he said.

A pedestrian bridge built recently cost between R2 million and R3 million.

While there was no doubt that better solutions to the problems of the N2 existed, these were restricted by financial and other restrictions, Mr Petersen said.

Captour chief Gordon Oliver said it was in Cape Town's interest to keep the city clean.

He regularly heard comments from visitors as well as Capetonians about the state of the N2, he said.

"People are concerned about the litter. They stop me in the street and ask what I'm doing about it."

He said a big clean-up held before the Rugby World Cup was successful and appealed to the provincial authorities to carry out regular clean-ups.

"I actually wonder about the garbage removal in those areas and suspect it may be a management problem," he added.

Part of the problem could be blamed on apathy towards cleanliness.

"I often see people throwing cigarette butts out of car windows. I don't know why they do it as the vehicles all have ashtrays," he said.

(288) BD 11/3/96

Sun Hotels clears debt

Amanda Vermeulen

SUN International Hotels' successful public offer in the US, which raised $280m for the group, had boosted its market capitalisation to $1,1bn from $250m, chairman Sol Kerzner said at the weekend.

The public offer was the largest in gaming industry's history, and one of the biggest equity offerings by a foreign company in the US. The sum raised by the 8-million shares offered at $35 each would be used to fund part of the $285m Mohegan Sun casino in Connecticut, the $275m expansion of the Paradise Island resort in the Bahamas, and to repay the group's borrowings.

Kerzner said the offer, closed on March 1, was significantly oversubscribed. At the opening of the offer, shares traded at $28,50, and the plan was to raise $170m. After a roadshow to US investors, the deal was priced at $35 a share, and the number of shares increased to raise $110m more than originally intended, he said.

Kerzner said a year ago the group had a market value of $200m with $105m in debt.

Azapo plans Olympic ban

(288) Sowetan 13/3/96

By Joe Mdhlela
Political Reporter

THE Azanian People's Organisation in the Western Cape is mobilising communities to boycott attempts to have the Olympic Games held in Cape Town in 2004.

Azapo's publicity secretary Mr Vuyisa Qunta argued that it was pointless to "dabble in luxurious things like the Olympics" when millions of the people have been turned into squatters.

"Part of the Olympic village is made up of a piece of land our people lost during the apartheid era. On the basis of this, it would be morally wrong to allow a venture like the Olympics to deny our people land," Qunta said.

He said the broad-based organisations in the Western Cape have started to gear themselves to challenge the Olympic bid.

These included the South African Council of Sports, the civics and other interest groups.

Meanwhile, the Western region of Azapo is expected to hold an annual general meeting in Langa on Sunday. The organisation is expected to take a position on what strategies should be used to fight the bid.

Spokesman for the bid Mr Chris Ball is on record as having said the Olympic Village to be constructed would afterwards be used to settle communities who lacked housing.

He said the village would also create jobs and thereby improve the economy of the region.

The meeting is also expected to deal with the Truth and Reconciliation Act and how the organisation should prepare itself for the 1999 general elections.

It is expected that Azapo's national organiser Mr Strike Thokoane will deliver a main address.

Holomisa's vision for SA tourism

Formulation of a national policy, aimed at realising growth of up to 17%

a year and creating 600 000 jobs, has almost been completed

(288) Star 14/3/96

OWN CORRESPONDENT
Pretoria

South Africa's burgeoning tourism industry is set to continue growing, with the full support of the Government. This was the message of an address to the World Travel and Tourism Council meeting in London by Deputy Minister of Environmental Affairs and Tourism Gen Bantu Holomisa.

As a vision for the next decade, Holomisa said the country saw international tourism growing at between 12% and 17% a year.

This would create about R390-billion in foreign exchange as well as 600 000 job opportunities over the 10-year period.

To sustain such growth, innovative tourism development and marketing strategies would have to be implemented. To this end, the formulation of a national tourism policy and strategy had almost been completed, Holomisa said. A draft document had been circulated to interested and affected parties, and the policy would be finalised by next month.

Holomisa said "responsible tourism" would be the guiding principle for tourism development in South Africa.

Five factors had been identified as being crucial to the success of tourism in South Africa, he said. These were:

- Implementation of innovative tourism training and education programmes. The challenge to Government in this regard was substantial and it would require Government direction and support, Holomisa said.
- Promoting local involvement in tourism. Communities should take pride in developing and maintaining their tourism product.
- Effective management of natural and cultural environments. Should the country's diversity of natural resources and cultures not be managed effectively, "we could well kill the goose that lays the golden egg. We recognise this and regard it as wise that tourism has been linked to the same ministry as environment affairs," Holomisa said.
- Promotion of tourism investment and product development. The provision of more hotel beds, coach and airline seats and other products directly associated with tourism were necessary and would be directed to areas where development needs were the greatest.
- Aggressive international marketing. Holomisa said that while the exchange rate provided value-for-money holidays for international visitors, it was costly to market South Africa internationally.

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Community wants Olympic village site

(~~2771~~) (288)

By Mondli Makhanya
Political Reporter

Star 15/3/96

The planned erection of an Olympic village in a prime Cape Town industrial site is set to clash head-on with a land claim by people removed from the area in 1924.

The KwaNdabeni Land Restoration Committee (KLRC), which comprises former residents and their descendants, has threatened to invade the land if it does not obtain the co-operation of the land claims authorities.

Spokesman Vuyisa Qunta – also an Azanian People's Organisation executive member – said the committee had lodged a land claim two months ago but had still not received an acknowledgement from Western Cape regional land claims commissioner Amos Mgoqi. The claim is being backed by Azapo.

Ndabeni is one of Cape Town's prime industrial sites and about 12sq km of the unused land has been earmarked for one of the Olympic villages if Cape Town wins the 2004 Olympic bid.

But the KLRC has other plans for the area and wants to set up a "healing community" for the offspring of removed landowners, whose community suffered social dislocation after their removal.

According to Qunta, there will be a prohibition on the sale and distribution of liquor in the proposed settlement.

He said the claimants were concerned by the "encroachment" on the area by the Olympic committee. He warned that if there was no progress on the claim, the claimants would invade the space they have identified.

"One day we're going to drive our cars there and put up our zinc shacks."

Bidding for Olympic sponsorship

(288) M+G (BM) 15-21/3/96

Gavin Du Venage

THE Cape Town Olympic Bid Committee is about to clinch the two crucial sponsorship deals that will bring it close to the R80-million it needs to fund its bid to host the 2004 Olympic Games.

The two sponsors, almost certainly Sun International and South African Airways, are expected to announce their backing within the next few weeks. SAA is apparently planning a lavish ceremony to announce its support.

The bid committee has already secured support from major corporations like Mercedes-Benz, Unifruco, Eskom, Caltex and Nedbank. However, R80-million is the minimum the committee has to raise if it hopes to present a credible bid.

Bid representative Paul Johnson would not confirm either SAA or Sun International's participation. He did say that official announcements could be expected soon from a major airline and hotel group.

"The procurement of sponsors is ongoing," he told the *Mail & Guardian*. "Estimates of how much money we need have ranged from R75-million to R90-million, but the most recent audit showed that R80-million was the cut-off mark."

The bid committee has tried to woo sponsors by offering a package of exclusive marketing rights. These include the right to use Cape Town's Olympic bid logo — a map of Africa made up of the South African colours over the words: Cape Town 2004.

Another drawcard was to accept only one major sponsor from a specific industry sector. Hence Mercedes Benz will be the only motor manufacturer to support the bid. SAA as the only large South African airline was the sole credible candidate for the committee. It would not even have had to come up with a generous package to have its name attached to the bid, although it would have to do better than suppliers.

Suppliers get to label themselves according to the service they provide. However, to be recognised as a supporter would take substantial financial support. Sun International is already an official sponsor of the South African Olympic team taking part in Atlanta.

Sponsorship runs until September 1997 when the winning city is announced. After that, sponsorship has to be renegotiated with the International Olympic Committee (IOC).

The immediate challenge facing the committee is the presentation of its bid book, which takes place in August. The book, to be published by Churchill Murray, is a technical manual written to specific requirements setting out the bidding city's proposals on how it will provide transport, sports facilities and various other essential elements of hosting the games.

The IOC will select a shortlist of candidates on the strength of the bid books from the 11 competing cities. About half will be eliminated after the books have been analysed.

Deposed South African Rugby Football Union (Sarfu) chief executive officer Edward Griffiths is to edit the book. Griffiths told the *M&G* he took the job as a stop-gap until his fight to get his post back was settled.

"My priority is my reinstatement with Sarfu," Griffiths said. Sarfu president Louis Luyt fired Griffiths without explanation last month. He said he had no plans to stay on after August, although he would consider extending his commitment if he failed to win back his Sarfu job.

Griffiths payed a major role in organising the Rugby World Cup, experience which will no doubt greatly benefit in planning the bid presentation.

Griffiths dismissed critics who say the event is too large for Cape Town to handle: "A year before the World Cup there were great fears that we could not manage such a large event. What happened was we hosted the most successful World Cup ever. The bid will take an enormous amount of work, but the underlying success of South Africa is its ability to think big. It can be done."

Griffiths said even if Cape Town did not win the bid to host the Games, "the impressive thing about the bid is that it will transform a city of two halves into a single entity."

Olympic Bid runs into TV broadcast snag

TASLIMA VILJOEN
Staff Reporter

■ An attempt by the Cape Town Olympic Bid Committee to obtain a 30-day TV licence to promote the bid for the 2004 Olympic Games seems to have little chance of success.

(288) ARG 16/3/96

AN attempt by the Olympic Bid Committee to secure a community television licence, to promote the 2004 Olympics, seems to have failed after members of the Independent Broadcasting Association (IBA) roasted the Olympic Bid panel at a public hearing yesterday.

In February the Olympic Bid Committee also applied for a 30-day temporary community TV licence to promote Cape Town's Bid for the 2004 Olympic Games.

The application was postponed to yesterday but at the hearing it seemed that the Olympic Bid Committee may have failed to convince the IBA to grant a licence.

The IBA will now make representations to the council — the controlling body of the IBA — before making any decisions.

IBA representative Pieter de Klerk said the IBA was not convinced that the committee would be able to educate the broader communities of Cape Town in a period of 30 days, with only two hours a day dedicated to Olympic programming.

Representations made by the Olympic Bid panel indicated that they will broadcast six hours a day, and two hours will be dedicated to the Olympics. This six hours will then be re-screened at various times of the day.

The chairperson of the IBA, Sebiletso Mokone-Matabane said: "If the Bid Committee's primary aim was to promote Olympism, then why does it form only a small percentage of the programming?"

Ms Matabane said the Bid Committee had failed to demonstrate the need, demand and support of the Cape Town community for a television station.

Iver Williams from the Stop 2004 Olympic Forum made representations opposing the Bid Committee's application. Mr Williams said the proposed station would be a propoganda station and that the larger communities of Cape Town would not benefit at all.

Mr Williams said that big business would be the only people to benefit from such a station.

Martina Della Togna, who represented the Community Video Education Trust, said that the Bid Committee's application did not fulfill the community media philosophy which is spelt out in the IBA act.

Ms Della Togna said that an application such as the one by the Bid Committee should have a strong community support base which it clearly does not have. She said the Bid Committee wanted to use television to establish a support base for the Olympic bid.

At the previous hearing the Bid Committee was represented by the advertising company, Hunt Lascaris. Ms Matabane then criticised the all-white male panel, saying that it did not reflect the community it wanted to serve.

Ironically, yesterday's panel was inclusive and represented the rainbow nation.

Members of the Olympic Bid panel said the station would promote the Olympic bid, provide information on it and engage in discussions with the community and interested groups.

The Olympic Bid needs the support of 80 percent of the Western Cape population for the International Olympic Committee (IOC) to consider Cape Town for the games.

The panel said by using the community TV channel it would reach a target audience of between 1,6 million to 2,5 million people.

Pieter de Klerk from the IBA said this was unrealistic and that the station would battle to get an audience of 500 000 people.

Games: Landmarks to be transformed

(288)

ANTHONY JOHNSON

CT 18/3/96

A NUMBER of Cape Town landmarks will be transformed — and many new ones created — as part of the International Olympic Committee (IOC) requirement of 50 competition venues and 116 training venues for the 2004 Summer Olympic Games.

Apart from the main stadium still to be built at Wingfield, venues in line for upgrading include Newlands rugby and cricket grounds, Athlone stadium, the Good Hope Centre and Bellville cycling track, the Olympic Bid Company announced.

"Every available space and facility in the Western Cape has and will be assessed as a potential venue," OBC director of sports and facilities Mr Robbie Stewart said.

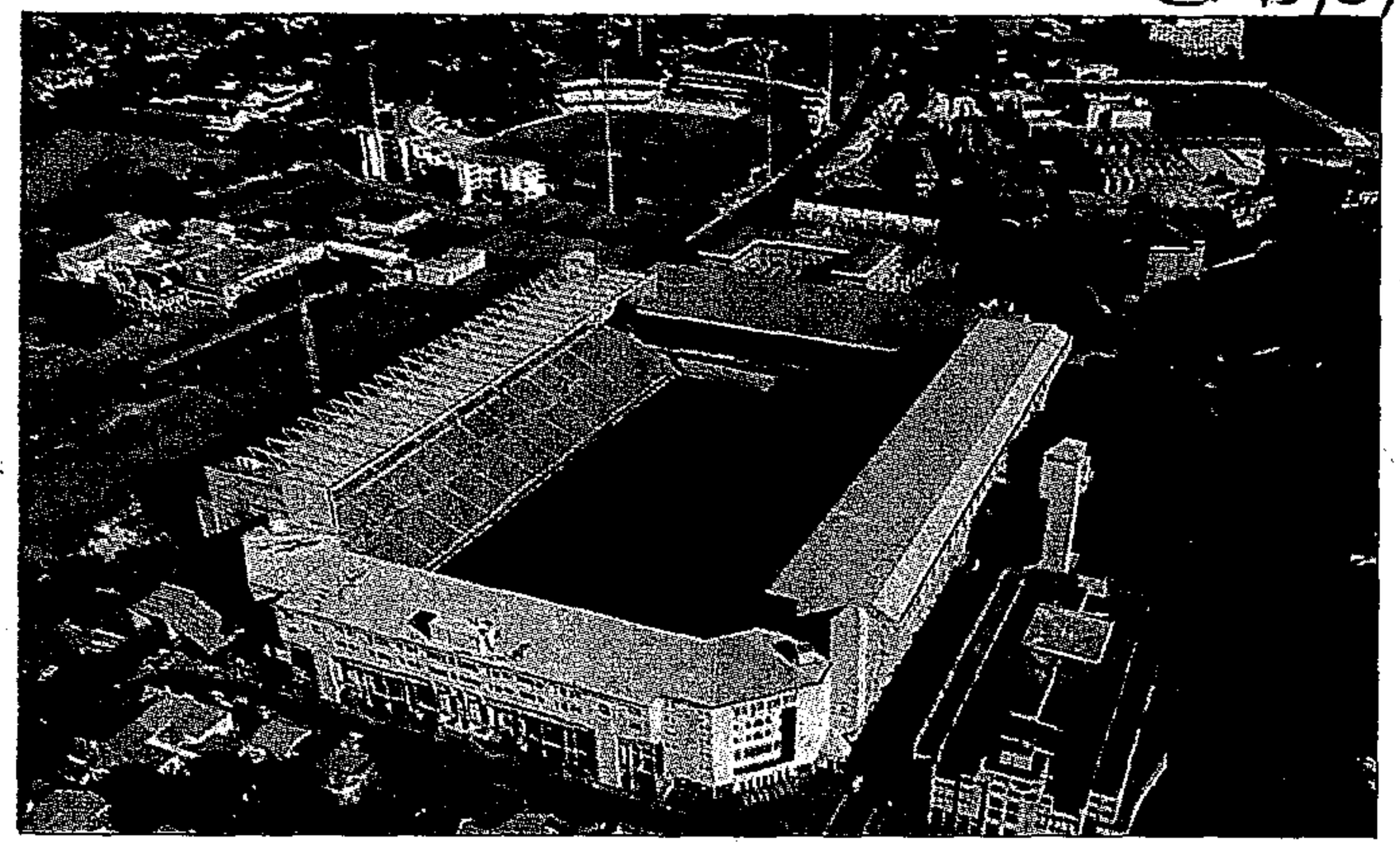
The opening and closing ceremonies and athletics will be held at Wingfield.

● See Page 8

All designs considered in Olympic bid

CT 18/3/96 (288)

ROBBIE STEWART BSc QS MAQZ RQS, director of sports and facilities for Cape Town's 2004 Olympic Bid, responds to critics concerns.



POTENTIAL: Upgraded Newlands rugby and cricket grounds are being considered for the football and baseball finals of the 2004 Olympic Games, should it be held in Cape Town.

IT IS SAD that an architectural correspondent of the stature of Jack Barnett has chosen to blast the Olympic Bid. In his article "Give R300-million project to my aunt?" (Cape Times, March 12, 1996) he raises a number of valid concerns. They are concerns that we share and to which we have given careful consideration. In a genuine attempt to be transparent, the Bid Company has implemented a number of strategies and consulted many forums. For this reason Barnett was asked to comment on the draft competition rules.

I will attempt to answer Barnett's questions concisely:

Question 1: What projects are to be built and how are the commissions to be awarded?

The IOC requires that we allow for 28 Olympic sports for the Summer Olympic Games in 2004.

For this we require 50 competition venues and 116 training venues. Every available space and facility in the Western Cape has and will be assessed as potential venue. The competition venues are as follows;

- Five existing venues requiring minor upgrade including Newlands rugby and cricket grounds being considered for football and baseball finals, and football grounds in other centres.
- Five existing venues requiring substantial upgrading for instance the Good Hope Centre to be adapted for badminton; the Bellville cycling track to be roofed; the Athlone football stadium to be upgraded to 20 000 seats, etc.
- Eight temporary venues such as the marathon courses; cycling road race and mountain biking, etc.
- Four shared facilities. The programme allows artistic gymnastics, basketball finals and possibly handball finals to use the same venue. Similarly judo and Taekwando and canoeing and rowing share their venue.
- Eighteen new facilities. These vary from a new softball centre at Turfhall Road, an indoor centre at Belhar for judo and Taekwando, to the main stadium at Wingfield where the opening and closing ceremonies and the athletics are scheduled to be held.
- In addition there are six modules of housing for athletes, officials and media representatives, an international zone for the athletes' village, an international broadcast centre, and an international Press centre.

In order to give all professionals in the Western Cape a chance to participate in the planning and design of the Olympic venues, the Bid Company asked them to volunteer their services.

This contact was made through the professional bodies such as the South African Black Technicians and Consultants Organisation, the Institute of Architects and others.

In addition, to ensure that every professional who wished to be involved in the Olympics was given a chance a call for volunteers was advertised.

More than 200 professional consulting firms volunteered. They were interviewed by project managers, architects and other professionals seconded to the bid. Professional teams were assembled in accordance with laid-down criteria. A copy of this document is available from the Bid office.

To assist in drawing up the professional briefs and to ensure transparency in the appointment of professionals a "Project Management Steering Committee" was formed. This group was initially made up of leading project managers and representatives from SABTACO.

An engineer who was intimately involved in the original bid team and representatives of the Institute of Architects, the Institute of Consulting Engineers and the Association of Quantity Surveyors joined the steering committee later.

Their terms of reference include ensuring that the process of appointing professional firms is equitable and to monitor progress.

Their role is to advise the Bid Company on all matters relating to the built environment. With a few unfortunate exceptions, all the professionals who volunteered have been allocated work to their satisfaction. Due to the volume of work to be processed some firms were inappropriately allocated work or left out. The Technical Task Team of the Bid is doing its best to rectify these cases.

By and large, the built environment professionals of Cape Town have responded with enthusiasm and commitment to our call for help. In a very short time all the major venues have been brought to preliminary design stage and costed.

To ensure excellence in design the designs are being reviewed by a panel of architects. In addition the PMSC recommended the formation of a "Built Environment Commission" consisting of well-respected design professionals and other leaders who have shown concern for the quality of our built environment. This was approved at the last meeting of the board of the Bid Company.

The function of the Built Environment Commission will be to comment on the quality and appropriateness of the designs proposed for the Olympics and to nominate the adjudicators of the design competitions.

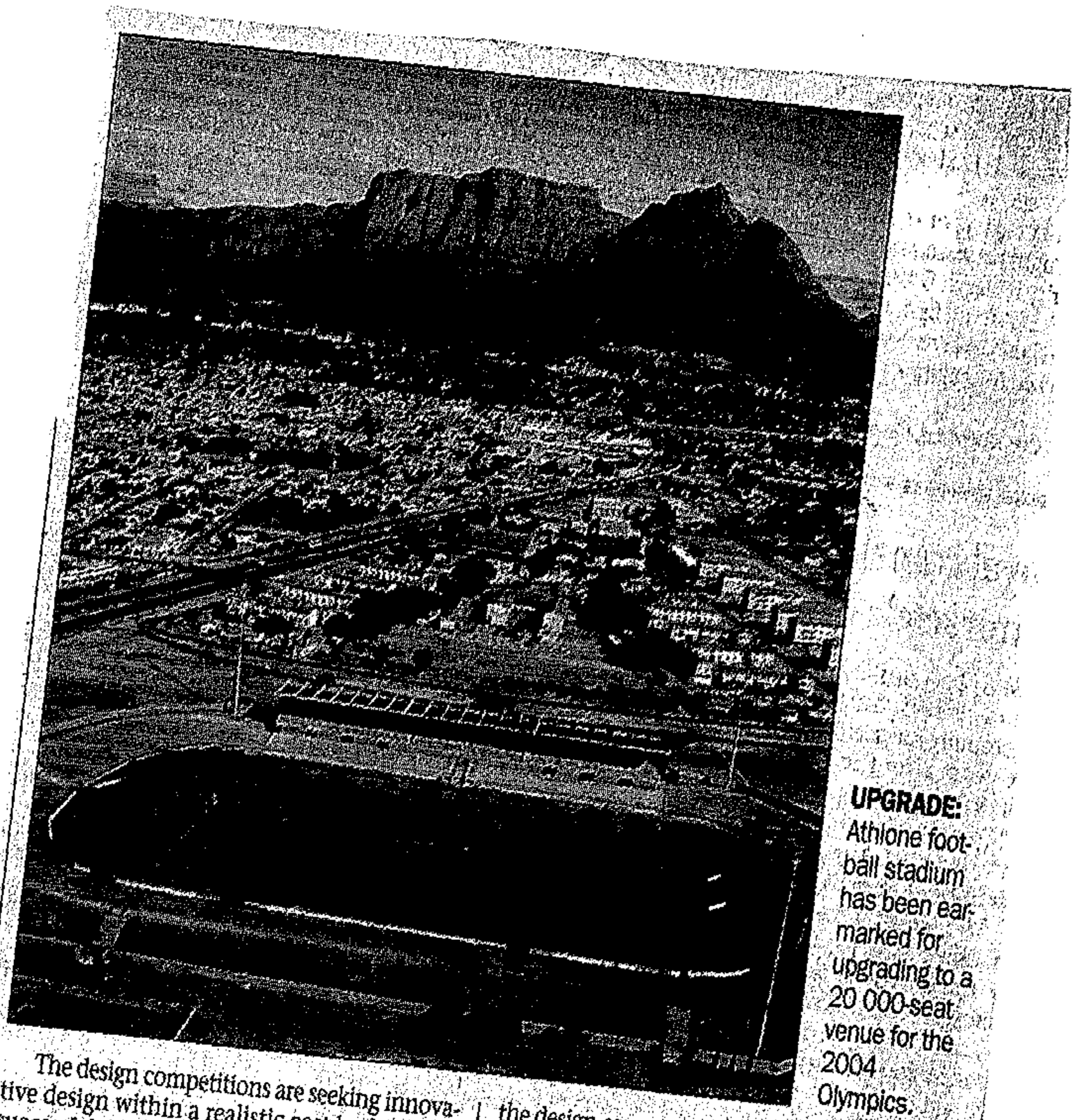
Question 2: Why were the projects not made subject to architectural competitions open to all SA architects, and in the case of the big projects, thrown open to international architects as well?

In the time available it would have been impossible to hold 25 architectural competitions. It was decided to put six of the elements out to limited design competition.

Complete architectural briefs were prepared for all the facilities. This included all the relevant International Sports Federation requirements and accommodation schedules. Most of the research has therefore been done.

In the case of the projects subject to design competition, a hypothetical design has been drawn up for budget purposes. A professional team of architects, engineers and quantity surveyors is in place. The function of the facility has therefore been fully defined.

18/3/96/248



UPGRADE: Athlone football stadium has been earmarked for upgrading to a 20 000-seat venue for the 2004 Olympics.

The design competitions are seeking innovative design within a realistic cost budget. The successful designers will be invited to join the professional team. The extent of their involvement will depend on their qualifications and resources. When the project is built they will be acknowledged as the designers and remunerated according to their contribution to the ultimate project.

There are two reasons why the competitions are restricted to people or firms with a presence on the African continent. First, we want to prove to the rest of the world that we have the capability to produce fine architecture. We need to get away from the feeling that "overseas is always better". We are consulting some of the best technical expertise in the world but believe that our architects who have been isolated for so long should be given a chance.

The second is that our bid is an African bid and we wish to encourage the rest of Africa to identify with it.

Barnett also criticises us for not restricting the design competitions to architects. There was debate on this issue within the Bid Company.

It was decided to open the competition for a number of reasons.

There is no reason why a structural engineer cannot come up with a better design for a stadium or a bridge where the structure is the predominant feature.

On the other hand the Vietnam Memorial in the Arlington Cemetery in the US is one of the most successful results of a design competition. This was won by a design student. She would have been precluded from entering if Barnett had set the rules.

Finally we would love Barnett's aunt to enter the competition. In the interest of transparency and inclusiveness we would like every person in Africa to feel part of the process.

If Barnett's aunt happens to win the competition we will welcome her aboard. If in the unlikely event she does not have the qualifications to implement her design she has a very strong professional team to back her up.

Forced removal victims claim Olympic site

(288)

ARG 19/3/96

Municipal Reporter

ABOUT 200 Langa families who were moved from Ndabeni in the 1930s have submitted a land claim for Wingfield – which has also been earmarked as the main Olympic site for Cape Town's 2004 Olympic Bid.

The claim, supported by the Azanian People's Organisation, will have to go before the Land Claims Court after mediation between the Olympic Bid Company and the families.

The court will have to ratify any agreements reached. The claim was submitted by the KwaNdabeni Land Restoration Committee, made up of former residents and their descendants.

The committee is asking for nearby Wingfield in lieu of the land they originally occupied, which now forms part of Epping Industria.

Under the Land Restitution Act, claimants can either get their original land back, or, where that is not possible, alternative state-owned land.

Failing this, they stand a chance of being paid out or benefiting from a state development.

The families were forcibly removed in the early 1900s under sanitation laws to Ndabeni, and in the 1930s from Ndabeni to Langa. Pre-1913 removals are not covered by the Land Restitution Act, but their removal from Ndabeni is.

The Olympic Bid Company has proposed Wingfield as the location of the main Olympic stadium, a 2,2km rowing course and the athletes' village.

It has to submit these proposals in their final form to the International Olympic Committee on August 15.

The bid document is likely to go before the Cape Town City Council for approval in mid-May.

Olympic Bid Company concerned at low level of public's interest

ARG 19/3/96 (288)

Environment Reporter

THE proposed rowing course at the Olympic village at Wingfield has been discussed publicly for several months, and a draft report of an "environmental critique" of the course - including its hydrology – will be available this week

That's the response of the Cape Town Olympic Bid Company to concerns about the course raised by environmentalists

The company said the hydrology of the Wingfield site had been identified as a key issue which required further investigation, and a preliminary feasibility assessment – involving an initial assessment of groundwater, water quality and geotechnical conditions – had been commissioned towards the end of November.

It said the estimated costs for constructing the course, based on the brief given by its Sports and Facilities Department to the engineers, were between R26 million and R37 million, which included excavation of the course, storm water control, provision of lawns on the banks and alongside the roadways.

But, Cape Town's city engineer Arthur Clayton did not agree with these estimates and commissioned independent consultants to produce another assessment of the costs.

The Bid Company said the design for the course took account of the technical requirements of the International Rowing Federation. Details included:

- A width of 135m, consisting of eight lanes of 13,5m.
- A depth below the lanes of 3,5m. The course slopes on a gradient of about 1:4 on either side of the lanes.
- A proposal that excavated material be used for landscaping as well as to provide an earth embankment for the main stadium.
- A 60-m verge on either side of the course to ensure wind patterns were not influenced by buildings and other structures, so that wind was uniform for all competitors.
- Landscaped areas as well as a roadway for TV camera vehicles and a cycling path for coaches to be incorporated into these verge areas, and,
- An island at the northern end of the course where facilities such as boathouses would be located.

The company said the level of public input into the bidding process was of concern.

The Wingfield proposal had been in the public domain for several months, and there had been several opportunities for public input.

A site-visit had been undertaken on November 15 as part of the "Environmental Scan" of all the potential new competition venues.

"An invitation to join this visit and review the conceptual plans for the respective sites was sent to the Coalition for Sustainable Cities, the Green Coalition and Development Action Group. None of these organisations was able to take part."

The Environmental Scan involved a brief site visit and a workshop session, the company stated. A draft report had been prepared and circulated to environmental organisations for comment.

"The impact on the hydrology of the Wingfield site was identified as a key issue which required further investigation.In addition, it was recommended that if the rowing course is developed, every effort should be made to provide a habitat for bird life, particularly waterbirds.

"As a result, the revised concept plan includes an additional island at the northern end of the site, specifically for the development of a habitat suitable for waterbirds."

A group of specialists had been commissioned to do a more detailed investigation than had been done by the Environmental Scan, for both Wingfield and Culemborg.

"This work has been completed and the draft report will be available this week," Bid Company spokeswoman Mary Jane Morris said.

Alternative rowing courses had been assessed on the basis of the International Rowing Federation requirements and included Zeekoevlei, Liesbeek River and the Berg River at Paarl.

"Given that the Wingfield proposal has been in the public domain for several months, that the relevant documentation has been available and that the Wingfield plan was on display at the Consultative Conference in November, I am somewhat puzzled as to why the issue is only being raised now."

THURSDAY
MARCH 21, 1996 ★

R45 MILLION TO BE SPENT

Qualified consent for cableway upgrade

THE COUNCIL'S Urban Planning Committee set conditions yesterday for the upgrade of the cablecar on Table Mountain, Environment Reporter **MELANIE GOSLING** reports.

THE City Council's Urban Planning Committee gave its conditional consent yesterday to the controversial R45-million .development project to upgrade the Table Mountain cableway.

The conditions include that:

● The National Monuments Council and the Provincial Premier first give their approval.

● The sewage and waste water system be modified to remove it from the mountain.

● The water supply be investigated and changed to the council's satisfaction.

● The unsightly overhead electrical cable be removed.

● No building start until a construction environmental management plan has been formulated.

The investigations into the sewage, water, and electricity will form part of an environmental impact assessment which will be submitted to the National Parks Board and the council for approval.

Co-ordinator of the Table Mountain Project, Mr David Daitz, told the committee tourism in Cape Town depended largely on the quality of the environment. He said the upgrading project should have been subjected to a full integrated environmental management (IEM) process which would have spawned several environmental impact assessments (EIAs) looking at specific aspects like sewage disposal.

"Instead this began with engineering designs and the EIAs came later. It's like taking medicine to ameliorate the affects of this design," Daitz said.

He said the impact assessment had not given inadequate attention to alternatives in the project.

Mr George Hofmeyer of the National Monuments Council said, given that Table Mountain was of national importance and that it was a potential World Heritage Site, approval to the project should be given only once all parties were satisfied with the IEM process.

"It would be premature to issue approval at this stage. The project must be able to stand up to international scrutiny," Hofmeyer said.

Dr Douglas Hey, chairman of the CPPNE's Management Advisory Committee (MAC) said: "Table Mountain is a priceless natural and recreational resource. Once degradation takes place, it can never be restored."

He said his committee supported the fact that upgrading was necessary, but questioned the need for three eating places on the summit.

"People who go up there should be there to enjoy the scenic beauty and the fresh air, not to eat five course meals. The take-away facility is quite unnecessary. They just generate litter," Hey said.

MAC had reservations about the extent and size of the buildings, the water supply and the disposal of sewage.

Hey said the provincial minister of environment, Mr Kobus Meiring, would call a meeting next week of all interested and affected parties to discuss the problems.

● The meeting was delayed for an hour because the Urban Planning Committee did not have a quorum. In a crammed board room, representatives from the architects, planners, National Parks Board, MAC, National Monuments Council, legal advisors, NGOs and council officials waited while committee chairman Mr Siviwe Matika dispatched people to round up enough councillors to make a quorum of five. Once they had arrived, three of the five councillors did not utter a word on the entire issue in the nearly three-hour-long discussion.

Association plans to develop hotel industry

(288) CT(BR) 21/3/96

By Maggie Rowley

Cape Town — A South African chapter of the Hotel and Catering International Management Association was relaunched in Cape Town this week by David Wright, the president of the British-based association.

Harry Murray, the executive director of Cape Sun Intercontinental and a member of the association, said previous attempts to launch a South African branch of the association had failed.

However, during the past 18 months there had been "unbelievable" growth in international tourism and South Africa was poised for a huge influx of tourists, said Murray.

In Cape Town alone, 31 new hotels were being planned for construction during the next five years and even at half that number, the industry would face a serious shortage of adequately trained staff.

This made it even more imperative to develop the hospitality industry through training and education and to gain expertise through the association to become internationally competitive, he said.

Wright said that South Africa was in the enviable position of being able to determine the way forward for the entire hotel and catering industry and, in so doing, could avoid other's mistakes.

"The association will help create a network of professional managers in this country," he said, as well as provide the industry with a single voice.

The association has branches in 16 other countries and promotes professionalism in hospitality in more than 90 countries.

The Cape Town launch is to be followed by similar launches in Durban on March 26 and Sandton on March 28.

Overseas arrivals likely to increase by 25%

TOURISM WRITER

THE tourism industry can expect a 25% increase in overseas arrivals this year, with forecasts indicating 1,4 million tourists will visit the country, the SA Tourism Board (Satour) said yesterday.

The African market is expected to increase by 10% to 3,6 million arrivals.

The latest review of foreign arrival statistics for 1995 shows that South African tourism grew by 52% in 1995, compared with 1994, with the surge in tourists largely ascribed to the peaceful political transformation since the April 1994 election.

Satour said one of the main reasons tourists were visiting was to see the "new South Africa".

Events such as the Rugby World Cup also generated extensive media coverage which stimulated growth in markets such as Australia, New Zealand and France.

Satour reported "encouraging growth" in the arrival figures from all the major overseas markets: Australasia (67,7%), Europe (56,8%), Central and South America (48,3%), Middle East (41%), Asia (40,8%), North America (38,5%) and the Indian Ocean islands (33,2%).

"All of South Africa's important Asian markets showed significant growth for this period."

Cape Point seas 'myth' to stop

STAFF WRITER

TOUR operators will be asked to stop perpetuating the "myth" that the Indian and Atlantic oceans meet at Cape Point.

This follows a meeting this week between Captour chief executive Mr Gordon Oliver and representatives of the Cape Overberg Tourism Association (Cota), who said they were being "deprived" of an important marketing tool.

The two oceans meet at Cape Agulhas, the southern-most point of the African continent, University of Cape Town oceanographer Professor F Shillington said.

Oliver said some tour operators had been marketing Cape Point as the meeting place of the two oceans but this was a "romantic myth".

MANY COMPLAINTS OF POOR SERVICE

288 CT 22/3/96

Cape's tourist industry often doesn't measure up

TOURISTS ARE DEMANDING value for money and many sectors of the industry are failing to measure up, judging by complaints received by Captour. **DAN SIMON** reports.

CAPTOUR has cancelled the membership of three city hospitality establishments because of poor service to tourists, it disclosed yesterday, but declined to name the establishments.

The city's tourism marketing body has received 33 written complaints and a number of verbal complaints from disgruntled tourists since January. Most concern Captour members, of which there are about 1 500 in the Peninsula.

One tourist complained of an unwanted prostitute in a city hotel room and another of human excrement in a city train, Captour's Ms Marion Kelder said.

Of the 33 written complaints, 19 criticised restaurants and places offering accommodation. Two of the restaurants are at the Waterfront, Kelder said.

She said most complaints were about restaurant and hotel management "attitudes" to bad service. When problems arose there wasn't the "initiative or urgency" to rectify them.

"This all comes back to basic training and service ethics," Kelder said, adding that in most instances complaints were resolved satisfactorily.

However, a number of Captour members had not had the courtesy to respond to complaints, she said.

Only two weeks ago a verbal complaint was received from a city resident on behalf of a tourist who claimed to have found "a prostitute" sleeping in the city hotel room he had just been booked into.

Captour was waiting for a written complaint before it could take up the matter with the hotel.

Kelder said there was also an unresolved complaint about a tour operator who had not refunded two Namibian women their R4 200 deposits paid for a tour that never materialised.

"People have complained about untrained waitresses and in some instances that they wait between one to two hours for a meal. In situations like this the management gets uptight when the customer gets uptight.

"What the trade has to learn is to respond to the problems in a non-aggressive manner. Many restaurant owners don't resolve problems in a satisfactory way, even when they are in the wrong."

A city letting agency was one of the three organisations that had their membership terminated because of many complaints about attitude problems, she said.

The complaints showed there was room for "massive improvement" in some sectors of the hospitality industry.

However, the complaints also showed that people were becoming more assertive when it came to value for money and service. "But I don't think the message has come through as to how important tourism is to job-creation.

"The trade must realise that if tourists don't like the service they will go elsewhere to spend their money," Kelder said.

Satour's latest survey found there had been a "slight setback" in tourists' perceptions to service in the country.

100-room Cape Grace set to open this year

The Waterfront is about to get a new addition close to the tank farm – yet another upmarket hotel, which will cost more than R70-million.

WILLEM STEENKAMP
Staff Reporter

23/3/96/288

THE popular Victoria and Alfred development at the Waterfront is to get yet another multi-million rand upmarket hotel – which is being constructed at a cost of R70 million – next to the recently flooded tank farm in the Waterfront.

V & A spokesman Maureen Thompson confirmed that a deal for the construction of the hotel had been signed between the proprietors of the Waterfront and the owners of the new hotel.

The hotel will have 100 rooms, including several apartments which will be sold to the public.

It will be known as the Cape Grace hotel.

Co-owner Charles Brand said construction of the hotel had already started.

It was expected to open to the public in December this year.

Mr Brand and his partners also own and operate the upmarket Mount Grace hotel in the Magaliesberg near Johannesburg.

This is the second major hotel deal concluded at the Waterfront in less than a year.

Construction work on Sun International's five-star hotel at the Waterfront is progressing well.

And construction of the new shopping centre – which will nearly double the size of the existing shopping centre, opened four years ago – is also on schedule, according to management sources.

23/3/96/286



□ **ULTIMATE LUXURY:** Work has started on a new five star luxury hotel next to the recently flooded tank farm in the Victoria and Alfred Waterfront. This is an artist's impression of what the hotel will look like on completion in December this year.

Tourist boom 'may not create any jobs'

BD 22/3/96 (288)

Renee Grawitzky

THE SA Commercial Catering and Allied Workers' Union (Saccawu) has cautioned that a tourism boom will not necessarily result in job creation.

This warning comes after government's growth and development strategy which highlights tourism as a possible sector which could drive job creation.

Addressing a media conference this week on centralised bargaining in retail and hospitality, Saccawu's collective bargaining co-ordinator Leonard Gentle said job creation often did not follow on from a boom in tourism as the increase in the number of hotels did not necessarily result in increased jobs.

Gentle said often these hotels were more capital-rather than labour-intensive and were run by fewer staff. It was crucial for unions to play an integral role in the job-creation process, and the need for a statutory council in the hospitality industry was thus essential.

The response of employers to the demand for a statutory council had been uneven and even hostile.

He warned that a "boom will lead to a bust", if a tourism policy was not directed at being labour and community friendly.

In the retail sector, the parties had agreed to the appointment of John Brand to act as an independent third party to facilitate the process of setting up a central forum. The union was in principle demanding a bargaining council while employers had agreed to enter into discussions on centralised bargaining without committing themselves to the type of structure.

Meanwhile, the union warned of an impending showdown with Southern Suns. Saccawu said Southern Suns had refused to enter discussions on the proposal for linking wages to skills grading, and had declared a dispute against the union for its refusal to negotiate. Saccawu said the company, without entering proper talks, tabled a final offer of 13%. The union was demanding a minimum wage of R1 700 a month while the present minimum was R1 288.

Southern Suns spokesman Steve Lonie said the company had declared a dispute and applied for a conciliation board on the basis of the union's failure to accept the offer.

Battle rages over two oceans tourism

By HERMAN WASSERMAN

A BATTLE is looming between tourism operators from Cape Town and those from the small Southern Cape towns of Agulhas, Struisbaai and Bredasdorp.

The reason? A dispute about where exactly the Indian and the Atlantic Oceans meet. A seemingly ridiculous matter, but, according to the residents of these small towns, a matter which is robbing them of their bread and butter.

The meeting place of the two oceans is a strong sales point for tour operators, and overseas visitors flock to the light house at Cape Agulhas to see the place where the oceans meet.

But in recent times allegations have been increasing that Cape Town tourism agents are also using the meeting place of the oceans to encourage people to visit Cape Point.

This week the matter came to a head when delegates from the Cape Overberg Tourism Association (Cota) went to see the chief executive officer of the Cape Town based tourism organisation Captour, Gordon Oliver. (288) CP 24/3/96

They presented him with a document of the International Hydrographic Association which certifies the meeting place of the two oceans at 20 degrees longitude, the line which runs through Agulhas.

Oliver undertook to inform local tourism operators in future "not to encourage misunderstanding" about where the oceans meet.

Stephen Brown, one of the delegates of Cota, said after the meeting that they are satisfied with the outcome, but would definitely watch closely for any wrongful use of what they see as a unique selling point for the Agulhas region.

Oliver denied however that Captour has ever used the meeting place of the two oceans as a feature in the marketing of Cape Town.

Moment of truth for cableway upgrade

BY CHARL DE VILLIERS

IT'S high noon for Cape Town's beleaguered cableway company, which has to meet a host of environmental and architectural measures by Thursday if its R45-million Table Mountain upgrade is to start on April 1.

"I believe we can have all the heads of agreement in place by the end of this coming week. There's an enormous amount of goodwill in trying to sort this out," Table Mountain Aerial Cableway Company managing director John Harrison said on Friday.

This week, the city council's Urban Planning Committee said the company had to sign a contract which stipulated 13 conditions in time for Thursday's full council meeting if the upgrade was to start on April 1.

"By then, the company must have redesigned its plans to conform with the recommendations of the Revel Fox architectural review committee, signed a contract, put up a financial guarantee and gained provincial and National Monuments Council approval," city planning official Steve Townsend said.

The NMC, like most commentators and authorities, has endorsed the need for the upgrade — but says approval now may be premature because the Integrated Environmental Management process and subsidiary impact assessments have not been properly finalised.

An upbeat Mr Harrison said he was confident that the project would still meet its construction deadline, which was being driven by tourism pressure and expensive contracts with dozens of foreign firms.

The National Parks Board had already appointed Gibb Africa to monitor the environmental impacts of the eight-month construction period on the basis of an environmental management plan to be phased in prior to all stages of work.

The parks board had proposed R5-million, but the company believed that R1-million would be more than sufficient. The amount was, however, negotiable.

Mr Harrison said he believed agreements with the parks board, which will take over eventual control of the city council's Table Mountain land, and approval from the National Monuments Council and Western Cape Premier Hernus Kriel would this week signal the green light for the project.

Western Cape Environment Minister Kobus Meiring met the company, NPB, official advisors and other affected parties on Friday and the City Planner has scheduled further talks for tomorrow.

ST (M) 24/3/96 (288)

Fresh plans for tourism in Gauteng

BD 25/3/96 (288)

Ingrid Salgado

GAUTENG should encourage the development of tourism facilities in underdeveloped areas in order to create job opportunities and a wider and more diverse range of tourist attractions, a draft policy document on tourism in the province has recommended.

The document, which emanates from the finance and economic affairs department and has the support of the Gauteng cabinet, says that tourism opportunities have to become an integral component of both land use and economic planning strategies.

Service infrastructure dependent on tourism, such as roads, rails and airports should be planned and located in rural and lesser advantaged areas and communities. The document recommends that the private sector become more involved in financing joint ventures with the proposed Gauteng Tourism Agency through development opportunities.

Other financing should come from fixed levies on car rental companies, a percentage of taxes on casino establishments, a food and beverage levy on restaurants based on seat numbers and flat rate charges on accommodation establishments. The regional services councils should also allocate a percentage of their levy income for tourism facilities.

The province needs to examine the feasibility of creating a large world class conference and exhibition facility in Gauteng while a convention bureau could be established to sell conferences and conventions in the domestic market.

A standard curriculum for tour guiding needs to be developed and a representative body should formulate a nationally-accredited training course at tertiary level and adult education should be built into informal training and taken to communities.

It says that the licensing of tourism businesses in Gauteng should follow similar considerations to casino licensing. This includes the extent to which the business enhances the environment and neighbourhood, promotes sustainable employment, and provides training and participation in ownership or profits by people disadvantaged through discrimination. A provincial tourism public protector needs to be created to police overpricing and tourism complaints while policy guidelines for tourists' safety and security have to be drawn up.

Gauteng should motivate at national level for an improved road signposting system.

IAAF official backs Cape's bid

CT 26/3/96 (288)

WILLEM STEENKAMP

CAPE TOWN'S bid to host the 2004 Olympics received a major boost yesterday when Mr Lamine Diack, senior vice-president of the International Amateur Athletics Federation (IAAF) and president of the African Amateur Athletics Confederation (AAAC), gave it his endorsement.

Diack, of Senegal, who was in the Cape to attend last Saturday's World Cross-Country Championship in Stellenbosch and an IAAF council meeting, told a press conference yesterday that Cape Town's bid for the world's greatest sporting showpiece would have the support of the people of Africa.

His endorsement was enthusiastically received by Olympic Bid Company chief executive officer Mr Chris Ball, who said the continent's support "adds considerable impetus to our efforts" and would spur the bid company on to justify Africa's "faith in us".

"Saturday's 24th World Cross Country championships in Stellenbosch proved that the city has what it takes to organise international events," said Diack, endorsing the bid on behalf of the AAAC.

Athletics South Africa (ASA) president Mr Leonard Chuene also pledged ASA's support for the Olympic bid and for Ball.

Chuene said that "if any doubters need proof", the cross-country event showed that "Cape Town and South Africa have the ability to successfully host major international sports events".

"The World Cross-Country Championships added to the growing list of major events South Africa has hosted with such distinction in the past couple of years," he said.

"When added up, these events, together show that South Africa has the capacity to stage the biggest event of them all — the Olympic Games.

"South Africa's time has come, and Cape Town has shown that it is the ideal city to carry the Olympic torch for South Africa and Africa."

Chuene said the ASA endorsed the concept of a developmental bid, saying it was "clear" the city's bid was not only for Cape Town but the entire continent.

R72,5m cash boost balances Cape budget

CHRIS BATEMAN

CT 26/3/96

THE Western Cape will start its new financial year with a clean slate — thanks to a last-minute R72,5-million cash injection from the central government that will go to operating RDP medical clinics and desperately needed hospital services.

The chances of receiving the cash — long lobbied for by Health and Welfare MEC Ebrahim Rasool and his finance colleague Kobus Meiring — were described as "slim" by Meiring in his additional appropriation adjustment bill speech earlier this month.

However, the money "landed" last Friday, much to the joy of the province's coffer-keepers.

Yesterday it was still being kept a closely guarded secret in anticipation of Meiring's trumpeting it in the legislature today when a special sitting takes place to approve the cash injection — but the Cape Times was able to get the figures in advance.

The money consists of R12,29m — which is to go towards the operating costs of RDP clinics set up over the past year — and R60;266m towards the operating expense of hospital services.

Until Friday, the province had a shortfall of R75,39m which was due to be carried through to the next financial year as "unauthorised expenditures".

Provincial sources were confident yesterday that Meiring would manage to adjust his books to cater for the remaining R2,84m shortfall.

Last night the province's health chief, Dr Tom Sutcliffe, said that the "real battle" lay in allocations for the upcoming financial year. "Before we have to scale our services down we must ask: If our services this year warrant that cash back-up then surely they merit the same treatment this coming year?"

Postage rise is in the mail

JOHANNESBURG: Postal rates will not be increased on April 1 — and that is no April Fool's joke.

The South African Post Office (Sapo) said yesterday that rates, which usually rise on April 1, would remain pegged at the present level until service had improved.

"It is unfair to expect the public to pay more while service levels are not yet up to standard," Sapo managing director Mr Frank Touwen said.

However, Touwen said he expected the service to improve by July when a rate increase could be expected.

Meanwhile a Durban schoolchild has also seen a glimpse of the benevolent side of the postal authority: An envelope, complete with a homemade stamp featuring a baboon, was posted in Durban this month and reached its Johannesburg destination without a single query.

Samuel Morris, 11, entered an Eco-Quiz competition and created his own stamp worth 50c with scalloped edges. But the post office did not spot the fake — or decided to turn a blind eye.

A Sapo spokesman said: "In this case we obviously saw the letter was from a child and let it through. But this does not mean everyone can try it."

Unfortunately Samuel's entry reached the organisers of the competition after the closing date and was disqualified. — Reuter, Own Correspondent

Crack*of*Dawn



"You want a tip? ... Okay. If you want tourists to come to Cape Town, try improving your service."

Tourists urged to take steps against malaria

Kathryn Strachan (288)

WITH the sharp increase in the number of malaria cases during the past two months, the health department has urged people to take precautionary measures over the school holidays when travelling to high risk areas.

More than 8 000 cases and 55 deaths have been reported over the last two months. The increase is attributed to the high rainfall in the malaria areas during the previous three months.

Because of the increasing number of reports of people contracting malaria despite taking adequate prophylaxis, the Medical Research Council is appealing to people who have recently contracted malaria in southern Africa to contact the council's centre in Durban.

This will enable it to piece together the geographic distribution of prophylaxis breakthroughs occurring in southern Africa. The highest incidences are being reported in the low altitude areas of Northern Province, Mpumalanga and north-eastern KwaZulu-Natal.

Since the risk of contracting malaria is at present very high, visitors to these areas are urged to protect themselves by taking antimalarial drugs. Since no prophylactic drug is 100% effective, people also need to take measures to prevent mosquito bites.

In the high risk areas chloroquine should be taken together with proguanil, which is available without a prescription. An alternative is mefloquine, which requires a doctor's prescription. The combination of mefloquine and chloroquine is not recommended, as it can give rise to side effects.

Privatisation, public sector cuts essential — De Klerk

BD 26/3/96

Nicola Jenvey

PORT EDWARD — Government had to push ahead with privatisation and public sector cuts in order to ensure funding for social and developmental needs and an internationally competitive SA, Deputy President FW de Klerk said yesterday.

Speaking at the Life Pensions Advisers' Institute national convention, de Klerk said government had three possibilities for cutting its debt: higher taxes, privatisation and a reduced public sector.

Raising tax was not "investor-friendly," de Klerk said. Public sector salaries and loans accounted for a far higher chunk of the GDP than in other developing nations.

"Government must progress with privatisation, ensuring that the capital raised through the sale of state assets either lowers government debt or finances state capital expenditure programmes," he said.

De Klerk blamed the unions' imposition of northern European labour standards for the economy's inability to create new jobs, particularly in small and medium businesses.

"These rigid (labour) standards, which make it increasingly difficult for exporters to compete in global markets, are simply not suited for a country rating unemployment as one of its most serious problems," he said.

Government had formulated new policies for the retirement industry including a consistent treatment of private and public sector funds, neutrality between forms of retirement provision, minimisation of opportunities for tax arbitrage, and incentives favouring lifetime annuities and taxation of income as it arose and not on payout.

Yet finding new revenue sources should not be an excuse not to find better ways to cut government spending.

The economy had improved due to stronger agricultural conditions, the upsurge in exports and export prices, an improvement in the terms of trade, strengthened consumer and business confidence, and higher capacity utilisation due to increased demand.

Also positive had been removal of non-residents' foreign exchange controls and government's undertaking not to raise the general tax burden, to reduce the fiscal deficit and dissaving, and to increase capital expenditure.

Government still needed to improve the investment climate and alleviate balance of payments constraints on growth. The economy's employment-creating capacity, and people's income-generating capacity, had to be boosted.

temporarily stopped selling hamburgers in its 660 outlets.

Robbery of student puts airport guides on agenda

BD 26/3/96 (288)

Theo Rawana

THE abduction of a Cuban student from Johannesburg International Airport to Carletonville, where he was robbed of possessions worth about R150 000, highlighted the need for the hospitality guides the tourism safety task group was introducing, the task group said yesterday.

Three men, who had offered to take Nico Baggio to his destination in Johannesburg yesterday morning, took him instead to Carletonville and robbed him at gunpoint, before leaving him stranded.

The task group, which consists of representatives of the environmental affairs and tourism department, the Tourism Business Council and the SAPS, was set up last November to develop a strategic framework for security measures and provide guidelines regarding security structures on provincial and local levels.

Task group spokesman Superintendent Eric Pelser said the group had approved, in principle, a pilot project to assist tourists at international airports.

"The project intends to recruit unemployed youths, provide them with police reservist and tour guide training and then deploy them to assist with the safety and information needs of tourists at airports," Pelser said.

A committee had been appointed to liaise with airport security staff and other stakeholders to develop criteria for the recruitment and selection of candidates, he said.

The task group also decided at its meeting last week that Business Against Crime would gain permanent representation on the task group.

A database, aimed at enabling detailed analysis of tourist flows to particular areas and crimes against tourists, had been established and would assist in the development of preventative policing activity. Quarterly reports, enabling detailed trend analyses, would be available from June for distribution to the tourism industry.

A project team had been appointed to streamline the flow of information to tourists on their arrival in SA and during their stay in the country.

"The SAPS has compiled a number of tips for tourists to be conveyed via interested tourism-related publications, brochures and the Absa Bank Travelphone Service. The SAPS will provide the Travelphone Service with the telephone numbers of all police stations in the country."

Hotels 'cannot afford to ignore working traveller'

BD 26/3/96 (288)

Reports by Andrew Gillingham

WHILE the SA hotel industry may become less dependent on business travel in the future due to the influx of foreign tourists, it cannot afford to ignore this important sector.

Furthermore, rising prices and a potential fall-off in standards could have an equally negative effect on the leisure traveller.

Kessel Feinstein Consulting CE Delano Caras says business travel constitutes an important part of the travel industry, particularly during the tough times.

"There are many hotels for whom business travel forms the major part of their business. Business travel occupancies vary according to season, and part of week — with the business market mainly mid-week — as well as the location and standard of the hotel.

"As we saw in the past recession, when times are tough it is business travel demand that keeps business going. However, the current upsurge in the travel industry is mainly being generated by overseas tourists."

Caras says the acceptance of SA back into the world community, and the resulting increase in tourism, could make the country's travel industry less vulnerable to dips in the local economy.

He notes that domestic business and leisure travel is subject to the effects of the local economy. In the future, however, should the economy cause a fall-off in local demand the industry can still expect an influx of foreign visitors.

"We estimate a growth rate of around 10% this year — due to a 15%-20% growth in the foreign component, with the domestic market growing at around 4%-6%. Business travel is growing more slowly than leisure."

Caras says rising occupancies have enabled the hotel industry to achieve large increases in room tariffs. This has been good for the industry as, after a decade of low occupancies, they are able to improve their financial positions.

However, there are signs of laxity creeping into the industry that could have a longer-term negative effect.

"During the downturn, occupancies were poor and hotels competed fiercely to sell rooms; they tended to invest more in training and maintaining physical and service standards.

"Furthermore, in this period a lot of trained people left the industry mainly as a result of retrenchments. As the industry recovers, so hotels are taking on more staff, but there is a lag between hiring and training."

Caras says there is a complacency that comes with high occupancies, standards become tomorrow's problem, and as a result service can slip.

"Higher prices may be more acceptable when you have high standards. In addition, it is not an industry in which you can continue to raise prices. SA is becoming an expensive destination.

"Already businesses are starting to look for alternatives. They are not simply staying in four- and five-star hotels and we are seeing a rise in the popularity of limited service hotels, serviced executive apartments and guest houses.

"The issue is value for money. Businesses are not insensitive to price, as they have to meet their own budget constraints."

'Tremendous wealth' in Games

(288) ARG 28/3/96

ESANN de KOCK
Staff Reporter

CAPE TOWN, through the 2004 Olympics, can show Africa to the world, says Andrew Young, co-chairman of the Atlanta Olympic committee.

Mr Young – an American civil rights leader, former mayor of Atlanta, colleague of Martin Luther King and former ambassador to the United Nations – addressed an audience in Newlands last night on the Atlanta Games and the Cape Town bid.

The Olympic Games were perhaps the greatest sport for economic development in the world today and the Atlanta Olympic bid had meant tremendous economic growth for the city and the region, he said.

In the case of the Atlanta games, he said, major businesses had moved their headquarters to Atlanta and there had been a steady infusion of new investment, new capital and new development – inspired by the Olympics.

CAPE TOWN 2004 CANDIDATE CITY

"In about 120 days, more than 80 percent of the world will look at Atlanta.

"We will be broadcasting in 66 different languages to 197 countries and more people will focus in on this one event than have ever shared an experience in common in the history of the earth."

Mr Young said everybody favoured Cape Town and South Africa as the "golden boy" of the 2004 Olympics.

"Everybody wants to see you win the bid because of what you stand for; because of what your president stands for, because of the dream of the Olympics, which is that people who are different can can stand together and prosper.

"A tremendous amount of wealth is going to be generated by the Olympic Games. Global capitalism has been desperate for new markets.

"If you look at this region, all it needs is confidence, technology and a little time to develop."

2004 Olympics bid gets nod from the State

CLIVE SAWYER
Political Correspondent

THE parliamentary committee on sport has warmly endorsed Cape Town's bid for the 2004 Olympics.

Some members of the committee have proposed putting a bill to parliament to cut red tape to ensure all levels of government assist the bid as efficiently as possible.

Bid chief executive Chris Ball, in a presentation to the committee yesterday, emphasised that the argument for the bid was backed up by cautious and sound business principles.

The preliminary operating budget, drawn up in September last year, estimated that revenue from television rights, sponsorships, ticket sales, local marketing and other sources would total about R4,2billion.

Funding for the preliminary capital budget was estimated at R1,761billion.

Of this, R504 million would come from the Olympic operating budget, R278 million from the private sector and R979 million from the public sector.

The economic impact from the increase in tourism up to the year 2 010 would include an increase of R25 billion in the gross domestic product.

The impact would be one-third in the Western Cape and two-thirds in the rest of Southern Africa.

Mr Ball said there was an incorrect perception that the influx of people into the area would be overwhelming.

The peak would be only about an extra 300 000 people, about the same number as visited Cape Town during the summer season.

Tourism blues in W Cape towns

ET 28/3/96 (288)

DAN SIMON

WHILE Captour prepares to negotiate a R5 million budget to promote tourism in the Cape Peninsula, many towns in the Western Cape are promoting themselves on shoestring budgets and cake sales.

This is unlikely to change over the next year, even though towns are establishing tourism bureaux to be funded by their respective municipalities in terms of new provincial legislation.

This emerged this week during a Western Cape Tourism Board workshop at which several tourism publicity officers spoke of the financial problems they have faced in securing funds to promote tourism in their towns.

Part-time Stilbaai tourism marketer Ms Anthea Rossouw said a lot of the tourism promotion work in platteland towns was being done by volunteers on small budgets.

"Tourism in the platteland is being developed by volunteers who are by no means employed to do this," she said.

Rossouw said her marketing budget for the southern Cape coastal town was R10 000 a year. A large portion came from the local authority and the rest through memberships and fund-raising activities such as cake sales.

"I am not paid to market Stilbaai," said Rossouw. "Neither is Jesme Read of Riversdale."

Ms Sonja Rautenbach of Vanwyksdorp, a hamlet near Riversdale, said she didn't get "a cent" from the town to promote tourism, adding: "The money is from cake sales."

Rossouw said Stilbaai now recognised that tourism was beginning to provide employment opportunities and the town's businesses and the local authority were to increase her budget.

However, she said that unlike Stilbaai, "other towns" would be unable to make it on their own and would seek alternative funding from the Western Cape Tourism Board.

Rossouw said if tourism did not create jobs in the platteland, people would migrate to the city and further exacerbate the squatter problem. "Tourism has got to work in the rural areas before it works in the city," she said.

Clanwilliam publicity officer Ms Hannelie Smit said the town also operated on a limited budget — even though tourism had increased by 35% since last year.

"Our biggest challenge is to make the community aware of the tremendous tourism potential that our town has," she said.

West Coast Publicity Association officer Ms Jolene Rabe said R100 000 a year was allocated to promote and market the region.

Cableway plans get green light

(288)

ANDREA WEISS
Municipal Reporter

AKG 29/3/96

THE TABLE Mountain cableway upgrade came a step closer when the full Cape Town City Council gave provisional approval for plans for the R60 million project at its monthly meeting – but only after several councillors expressed reservations.

Clive Keegan, an independent candidate in the May election, suggested the matter should be referred back until environmental studies had been fully completed.

Mr Keegan said nobody questioned the need for a "very expensive, very radical and very far-reaching upgrade" but this was being planned in an a very sensitive environment and studies should be of international standard.

"I can't help feeling this matter is being rushed through," he said.

Mr Keegan said he believed the public was entitled to more responsible and closer scrutiny than the council was willing to give it.

The most important entity in the debate was not the financial books of the Table Mountain Aerial Cableway Company, or the planning prerogative of the Cape Town City Council, but the mountain itself.

"That is all we should be concerned with. We are being bulldozed into this decision by commercial interests."

Urban planning committee chairman Siviwe Matika said the council had a responsibility to make a decision because the matter was being discussed at provincial level.

Ruth Ortlepp said she believed the upgrade should be facilitated as speedily as possible so as to look after the city's tourists.

She was backed by Leon Markovitz, National Party candidate for the election, and Chris Joubert, Democratic Party candidate, who both urged that the council get the project moving.

But Mzukisi Gaba, of the SA Communist Party, said there was public concern about the mountain.

Mr Gaba said a decision taken on a project of this magnitude at this stage would be treating the new council, to be elected on May 29, with contempt .

Clive Justus, of the National Party, also expressed his reservations against the upgrade on the basis that an integrated environmental management (IEM) procedure had not been completed.

He said the IEM procedure was a critical, accepted practice, which although not binding in law, was used by all leading developers in the country.

Cableway upgrade approved

CT 29/3/96 (288)

STAFF WRITER

THE full Cape Town City Council granted its conditional consent yesterday to the R45-million to R60m upgrade of the Table Mountain Cableway and its facilities.

Mr Clive Keegan opposed yesterday's decision because he felt it was being rushed through with "undue haste".

He said too much attention was being paid to "commercial interests" which wanted to bulldoze the application through before the required studies had been made in enough detail.

No other landmark had to be treated with as much sensitivity as the Western Table, he said.

The environmental impact study was "woefully inadequate", and it had been much criticised. Final proposals for the upgrade had not been subjected to proper public scrutiny, he said.

According to reports before the council, the upgrade involves replacing the existing cable cars with larger, faster and more stable ones. This will mean more than twice as many people will be taken to the top of the mountain, which in turn means more toilet facilities will have to be provided there, among other things. The existing toilets have septic tanks, but in future sewage will probably have to be taken off the mountain by pipe or in containers. Their issue has not yet been finalised.

Fewer than half-a-million people a year go up and down the cableway at present, but soon after the upgrade, the million-a-year mark is expected to be reached. On peak days, more than 8 000 people could be taken to the top.

Urban planning co-chairman Mr Siviwe Matika said the council would be abdicating its duty if it sent the report back to his committee.

"Either refuse, or give the go-ahead, but don't send it back. We know there are inadequacies, which we want addressed before we give full approval." These points had been addressed in the conditions, he said.

He noted that the final approval would be granted by the provincial authorities.

● See Page 9

(288) 30/3

All whale watchers welcome!

ARG 30/3/96

International tourist interest in Cape's route

(288)

WILLEM STEENKAMP
Staff Reporter

WHALE-WATCHING and the establishment of a whale route committee to promote the best whale-watching spots in the Western Cape, is set to add a substantial boost to tourism in the region.

Jolene du Plessis, spokeswoman for the newly formed whale route committee, said members of the committee were going all out to promote the route.

"We have attended several international tourism conferences where we have promoted our whale route and the reaction has been unbelievable.

"We have one of the best and most accessible whale routes in the world and the interest among international whale-watchers is growing by the day.

"We believe it is important that we promote the route, as any increase in tourists to our area will have a positive effect on job-creation."

Mrs Du Plessis said a new pamphlet had been printed and would be distributed among tourists and tourism organisations to promote the whale route.

■ Promotion of the Cape's popular whale route, which stretches from Lamberts Bay on the West Coast to Plettenberg Bay on the South Coast, could be increasingly important in generating tourism to the region.

Lauren de Wet, spokeswoman for Captour, said although the whale route fell mostly outside Captour's area of operations, the organisation was very much aware of the importance of the route to attract and promote tourism to the Cape.

The necessary information about the route and the best spots to watch whales from was available at the offices of the organisation,she said.

Greg Vogt, chairman of the whale route committee, said a meeting was held in October last year to formulate ideas to promote the whale route and to establish a committee to get the ball rolling.

Mr Vogt said since the establishment of the 11-member committee earlier this year, every goal the committee had set for itself had been met.

"We are providing a network within which local communities can operate," he said.

"We have defined the natural resource and packaged them together as a product, bringing an opportunity to many of the local communities along the coast to benefit from the increased tourism.

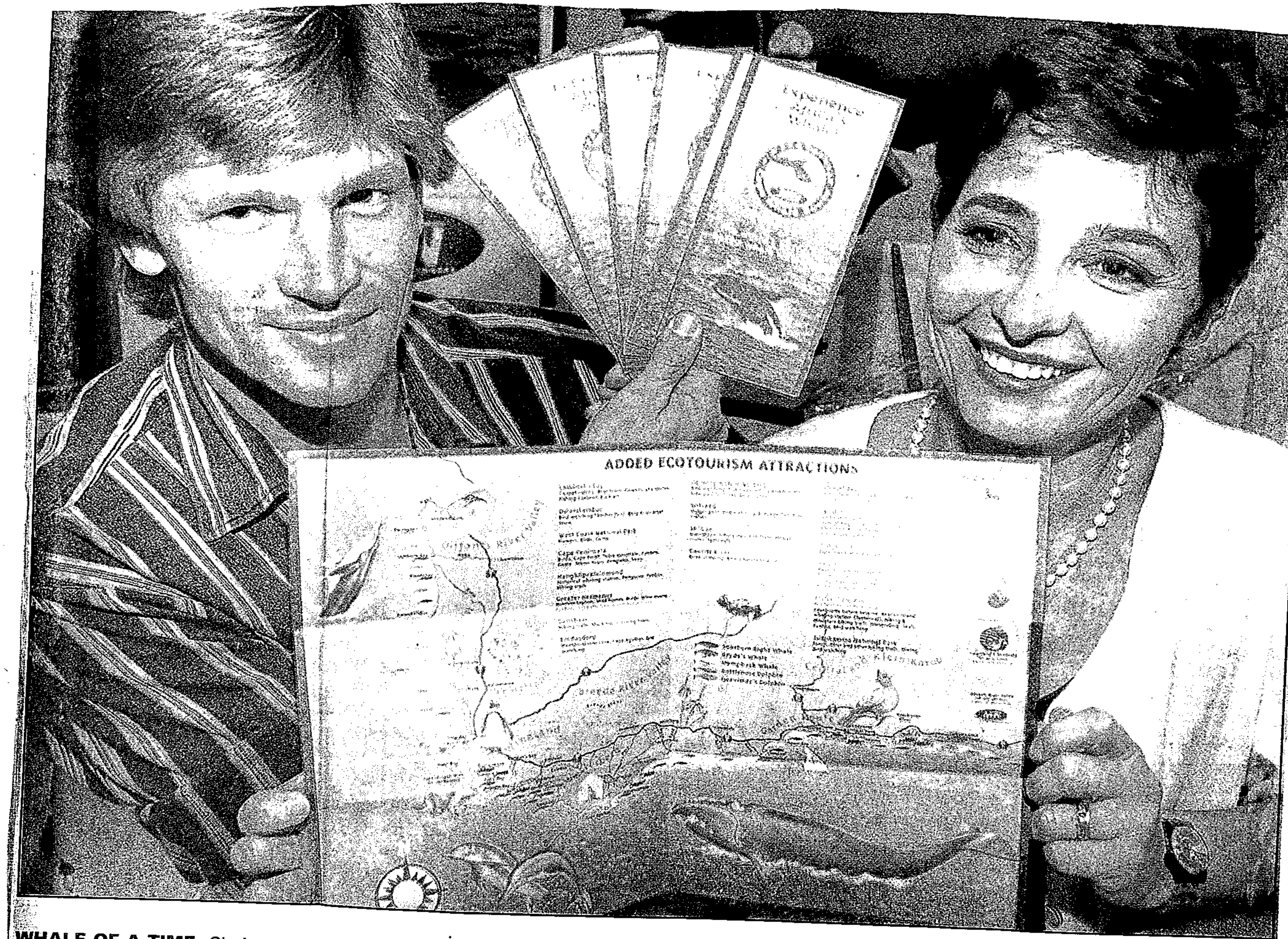
"The most important thing is the birth of a new tourism product. The international and local response has been incredible.

"We believe the whale route will grow into something huge, but it is important that we lay the right foundation for this tourism-generating industry.

"In 1994 more than five million people were involved in whale-watching excursions around the world.

"This clearly shows the enormous potential the industry has.

"But it is important that we get it right from the very beginning," Mr Vogt said.



WHALE OF A TIME: Chairman of the whale route committee Greg Vogt and whale route committee spokesperson Jolene Du Plessis, hold up the new pamphlets which are being distributed to promote the popular whale route.

Picture: LEON MULLER, Staff Photographer.

30/9/96/288

Bombshell ruling on cableway upgrade

(288)

By CHARL DE VILLIERS

ST(M) 31/3/96

IN A devastating blow to Table Mountain's cableway upgrade, the National Monuments Council on Friday ruled against the R65-million project which was due to start tomorrow.

The bombshell decision effectively rules out City Council approval of the Table Mountain Aerial Cableway Company's building plans and may lead to a costly, year-long delay for the project.

The National Monuments Council said it could consider approving the upgrade only once an integrated environmental management (IEM) process had been completed.

The company hit back immediately, saying it would take the decision on appeal to Arts, Science, Culture and Technology Minister Ben Ngubane.

"We'll be speaking to our attorneys on Monday on the grounds that Table Mountain is a national asset, not the buildings on top. We also believe that the procedure we set up in September has been an IEM process," cableway company managing director John Harrison said.

City Engineer David Bradley said the cableway company had stuck to "the spirit" of the IEM process.

But environmental bodies such as the National Parks Board, Cape Peninsula Protected Natural Environment management advisory committee and Mountain Club of South Africa said the decision of the monuments council supported their view that the IEM process had been flawed.

"Given the significance of Table Mountain as a national monument and potential World Heritage Site, any impact assessments must stand up to national and international review," NMC director George Hofmeyr said.

Expressing disappointment at the NMC's decision, City Council development co-ordinator Rod Young said the council had done its utmost to facilitate the upgrade.

Leading Cape Town architect Revel Fox, who headed a committee to review the cableway company's building plans, said the national monuments council's decision had not come as a big surprise.

The Provincial Adminstration this week conditionally approved a permit for the upgrade.

Reacting, Mountain Club spokesman Lester Coelen said: "We're setting a dangerous precedent if projects of this magnitude and impact get approved on the basis of a flawed process." City planning official Steve Townsend complained that the Department of Environmental Affairs' IEM guidelines would lead to a "nightmarish" situation if made mandatory.

St Lucia set for a boom

(288) (656) ST 10/3/96

By CRAIG DOONAN

NORTHERN Kwazulu Natal is getting ready for an ecotourism boom following this week's cabinet decision to protect Lake St Lucia from dune mining.

Investors and conservation bodies have been waiting to pour millions of rands into the St Lucia wetlands area — which could become South Africa's first World Heritage Site.

Environmentalists and tour operators said this would lead to a tourism boom in Maputaland.

The chairman of the Natal Parks Board, Pat Goss, estimates that ecotourism will generate as much foreign exchange as mining (about R8-billion), provide three times as many permanent jobs and generate more tax.

But there are several obstacles to ecotourist development. Tony Pooley, the chairman of the Campaign for St Lucia, said a law to protect the area was needed. The Wetlands Bill, brought before Parliament a year ago, has not yet been passed.

Mr Pooley said St Lucia had to be set aside as an area of international conservation importance in terms of the Ramsar Convention on wetlands.

South Africa also had to apply to the UN to register the St Lucia wetlands as a World Heritage Site, he said.

Red tape is hindering private-sector investment in parts of the region. Largely rural, the region is controlled by several authorities, including the Natal Parks Board, the Department of Forestry, various tribal authorities, the Department of Nature Conservation and the Department of Land Affairs.

This week the government announced an "integrated development and land-use planning strategy" to draw together the various sectors involved in developing the area.

It also agreed to set up a task team under the Minister of Environmental Affairs and Tourism, Dawie de Villiers, to co-ordinate the development of a land-use strategy for the greater St Lucia area.

The Natal Parks Board said it planned to build several new camps, luxury camps and bush lodges.

30/6/96/28

IRVING STEYN
Staff Reporter

WHILE Cape Town's mushrooming tourism boom has brought about the prospect of 30 new hotels in the next five years, it has also created a huge headache in finding trained people to staff them.

It has been estimated that the hospitality industry would need an extra 500 000 trained workers in those five years, a monumental task for South Africa's four hotel schools.

One of those schools is the Cape Technikon's School of Hotel and Catering Studies.

The school, in Beach Road, Mouille Point, offers a three-year diploma course in hotel management or food services management and is one of the few areas where graduates are virtually certain of a place in the job market.

According to a spokesman for the school, there is some concern at the lack of interest in the hospitality industry from young blacks and coloureds, even though the school has set aside 20 percent of its places for students from disadvantaged communities.

The school took in 42 new students this year – seven of them black – after having been closed last year for renovations.

The magnificent building, overlooking Table Bay, has all the facilities to provide top-flight training using the most modern equipment available.

Apart from the classrooms, the facilities include a reception area, such as you would find in hotels, a restaurant and cocktail bar, open to the public for lunch and run and staffed by senior students.

Two chefs, one British and the other Swiss, hired from the hotel industry in South Africa, are in charge of the spacious kitchens and are assisted by the students in training.

Other facilities include training kitchens, a computer room, a number of classrooms and a recreation room cum canteen for students.

The three-year course in hotel management costs about R16 000. Students will be taught how to communicate effectively in English and Afrikaans, culinary studies and techniques, hotel management, law, accounting, operation studies, food and beverage studies and cocktails, hotel practice and first aid.

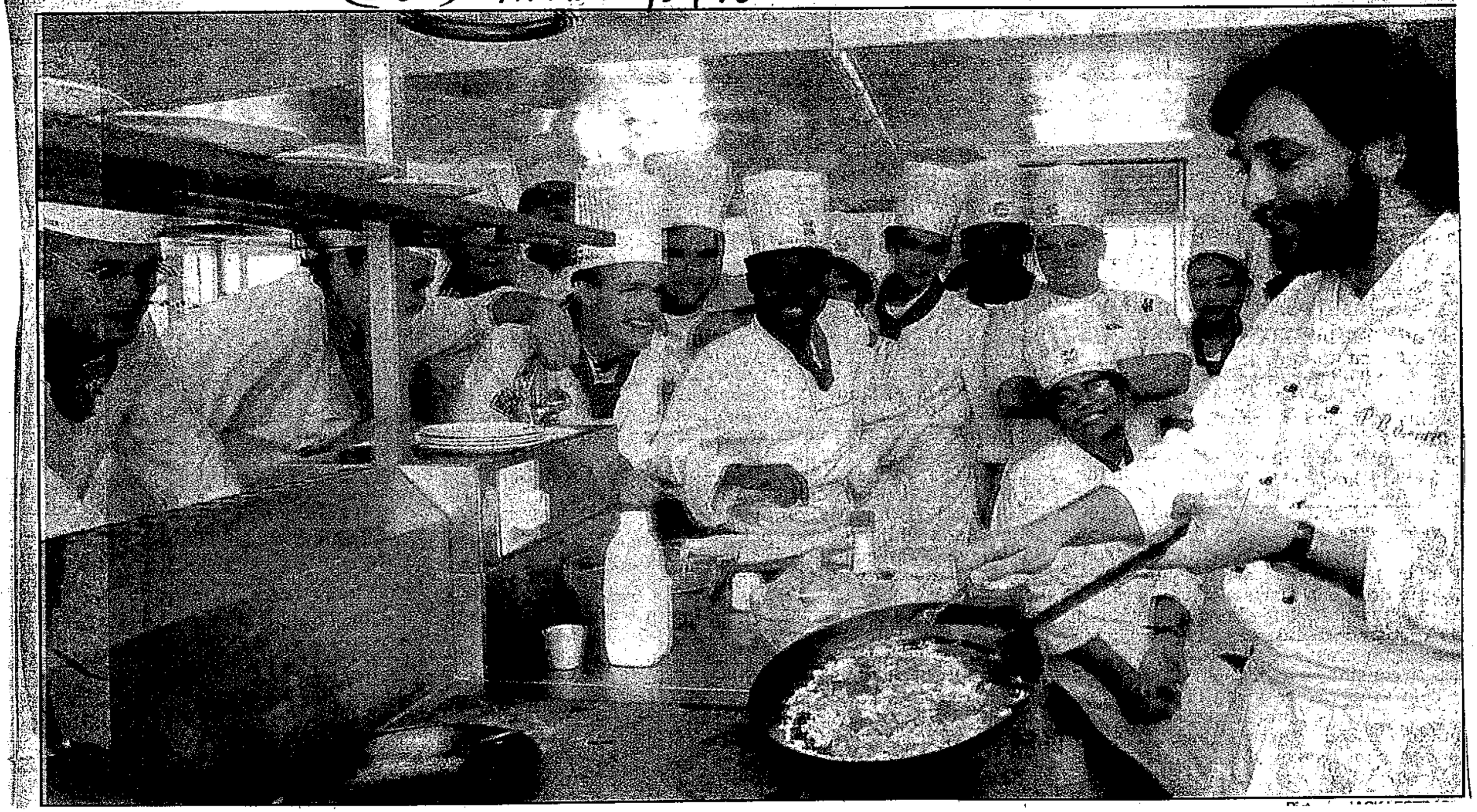
The diploma in food-service management concentrates more on food, communications – in either English or Afrikaans – elementary Xhosa, nutrition, microbiology, cocktails, diet therapy, sociology and psychology, food service training and first aid.

The practical side of their training includes service in hotels during the first six months of their second year.

The students will also be serving the 1 500 guests at today's Nederburg auction, a task they perform every year.

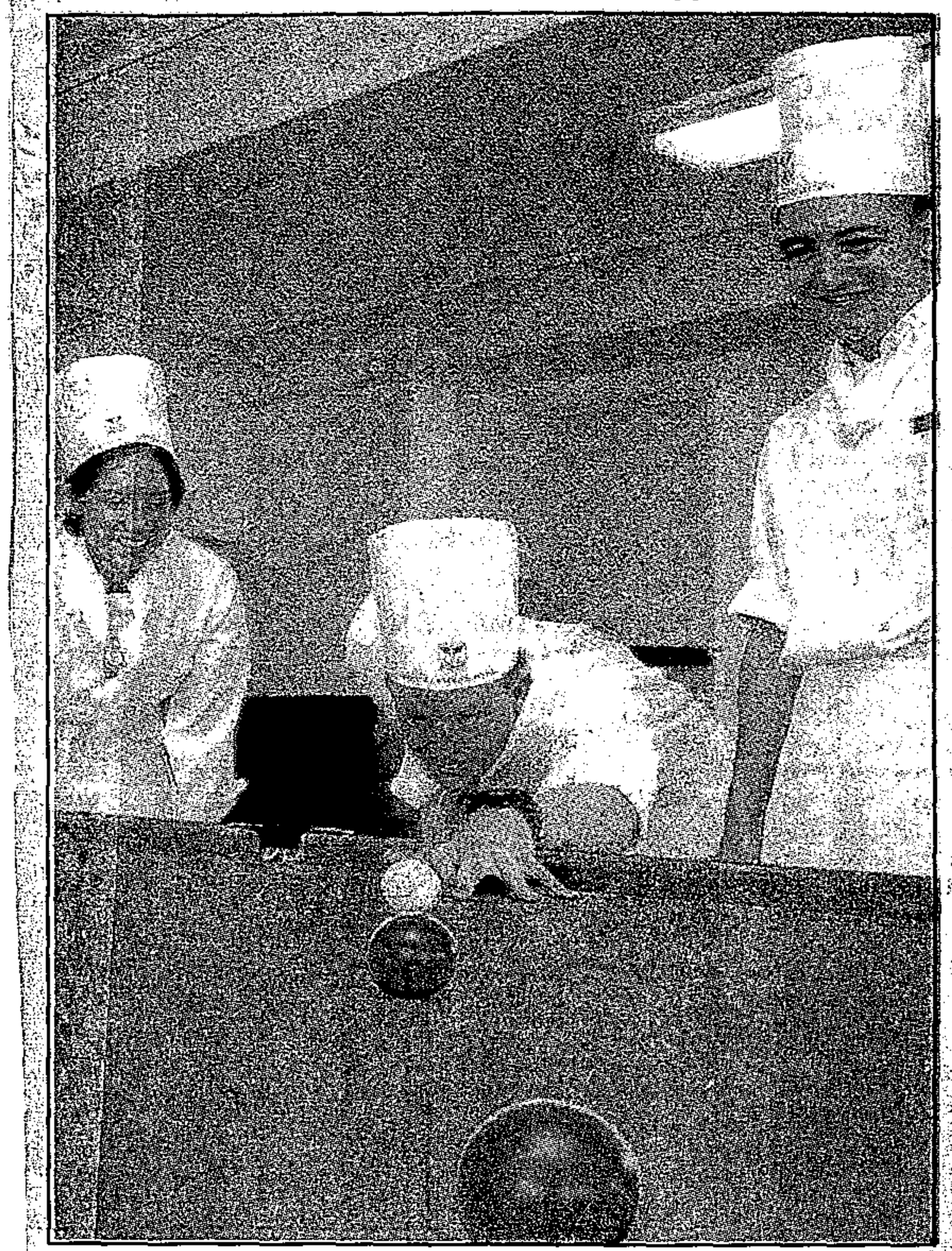
School caters for careers

(288) ARG. 30/3/96



Pictures: JACK LESTRADE.

❐ **WATCH CLOSELY NOW:** Chef P B Steinegger shows students in one of the training kitchens how to make an omelette.



❐ **POTTING IT AWAY:** *Students Nina Septoe, Anton Thomashoff, and Carl Penn relax around a snooker table in the student canteen.*



❐ **SEA VIEW:** The hotel school has a magnificent view of Table Bay virtually on the edge of the sea.



❐ **SCHOOL RESTAURANT:** Enjoying a meal in the hotel school's restaurant are the chairman of the Cape Technikon council, Gerry Ferry, right, hotel school director Angus Dodds, middle, and guest David Taylor.

30/6/94/288