

TRANSPORT, PRIVATE — GENERAL

1989

JUNE — DEC.

Motorists don't like tolls on existing roads

By HERMAN FOURIE *News 16/89*
Motoring Editor

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

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

Motorists in the Western Province tended to concur with this, although only 67 percent said they didn't mind paying, compared to the 73 percent elsewhere in South Africa.

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

HIGHER PETROL PRICE

WP motorists against toll financing feel new or upgraded roads should be financed by increasing the petrol price (18 percent against 20 percent elsewhere); higher licence fees got the nod from 14,5 percent (16,2 percent elsewhere), but only 1,4 percent were in favour of higher income tax (against three percent elsewhere).

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

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

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

MORE CONSISTENT

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

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

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

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

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

SURCHARGES

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

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

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

Reasons given for travelling on the toll road were:

- Convenience 23 percent;
- Time 20 percent;
- Road standard 18 percent, and
- Safety 15 percent.

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

A lot of WP motorists (79 percent) used toll roads mostly for holiday travel (66 percent elsewhere), with business travel second at 18 percent (30 percent elsewhere). Commuters made up 3 percent of the total (3,2 percent elsewhere).

The survey also shows that far fewer travellers used the alternative routes to toll roads: the Huguenot tunnel for instance was used by 24 percent of motorists polled, against two percent who bypassed it.

All's fare aggain — taxi war ends on festive note

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By BRONWYN DAVIDS
Staff Reporter

"NO more taxi wars in the Western Cape" was the chant echoed by about 5 000 people at the launch of the Southern African Black Taxi Association's Region 3 in the Western Cape.

The parking area of the Three Arts Theatre in Plumstead overflowed yesterday with hundreds of taxis from Langa, Gugulethu, Nyanga and other black townships, which became virtual war zones last year when taxi associations fought street battles and left thousands of commuters stranded.

With much ceremony former rivals the Western Province Black Taxi Association and the Western Cape Taxi Association united and were "officially blessed" by Sabta's deputy-managing director, Mr Jabu Mabuza.

Braai fires

Watching were Cape Town traffic manager Mr Wouter Smit and Brigadier G van der Wall and Captain P Nel of the police.

Festivities included marching brigades, drum majorettes and choirs. The foyer overflowed with beer and bowls of food, and the smell of braai fires thickened the air.

The giant taxi and commuter jamboree was hosted by the in-

terim provincial committee of the Western Cape Black Taxi Association, formed after the WP Black Taxi Association was disbanded by Sabta after the 12-day war.

Mr Mabuza said: "Sabta regrets the problems in the industry."

"There are more than 1 000 taxis on the roads and a lack of training in our taxi operation is cause for concern."

"This meeting is an opportunity to call on all the concerned people in the country to help us overcome one of our main problems, which is an escalating accident rate in the industry."

"Our little way"

"It is fact that this industry was not provided for in the past and this is because of a lack of infrastructural support."

Mr Mabuza called on authorities to bear with Sabta as it tried "to address our problems in our little way".

He explained that for blacks the taxi industry was their only strength, where whites had the advantages of education, the Land Act and job reservation.

"We have fought for this industry against all odds and it would be painful for us to see people who have historical advantages wanting to flood this little island of black economic empowerment."



TAKING OFF: The Western Cape branch of the Southern African Black Taxi Association is launched with a handshake by Mr Jabu Mabuza, deputy-managing director, left, and Mr Clement Ramatlakane, regional chairman.

Picture: DION TROMP, The Argus.

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Event 2/6/89

AIR TRANSPORT

Into the fray

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

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

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

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

Comair believes it could offer competitive services by August 1990. Although no jets have yet been bought, "arrangements have

been made and good second-hand planes are available on the international market."

Van Hoven adds that Comair has not negotiated with the SAA Pilots' Association's Air Crew Operating and Recruitment Network to provide pilots or aircrew. "As things now stand, we will train our own pilots."

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

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

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

"Comair's application is the result of the minister's recent invitation to the private sector. This is a step in the right direction,

good for SA and also good for competition. Even with only two competitors, there will be competition. But the next logical question is: 'Is this enough?'" says Safair executive chairman Piet van Aswegen. ■

Cape Town motorists escape controversial Third Party fines

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5/16/89

Staff Reporter

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

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

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

But Durban city police are among the authorities fining motorists.

A spokesman for the Durban traffic police said it was an "awkward" situation as legislation still existed requiring the display of

the tokens, "yet we are aware that this will be changed".

In fact, the legislation was passed on May 26 and makes token display unnecessary, retrospective to May 1. It is understood that the publication of the amended legislation will appear in the Government Gazette this week.

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

On cards

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

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

One Durban driver was fined

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

Advice from an Automobile Association spokesman is to discuss the matter with a public prosecutor before paying the fine or appearing in court.

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whites owning "black" taxis is increasing. A transport consultant says Sabta also felt that if the industry was deregulated overnight, "problems on the streets would have worsened."

"The man in the street isn't happy with what he sees — bad driving and frequent fatal accidents involving black taxis. Sabta felt it wrong to ignore those realities in the hope they would be sorted out by market forces," he says.

An important proposal in Louw's plan is that local taxi liaison committees be established immediately in metropolitan areas "to discuss and formulate solutions for problems in the taxi industry at local level."

He also accepts the need for urgent measures to control entry of white-owned taxis into services for black communities. ■

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sion to oppose complete deregulation of the black taxi industry.

Deregulation will be phased in over three years, after which the Black Taxi Association of Southern Africa (Sabta) will virtually control the sector. It will have to maintain discipline and encourage currently illegal operators to comply with regulations.

A relieved Sabta had been trying to convince Louw and the Department of Transport (DoT) for two years to adopt a more practical form of deregulation than that envisaged in the White Paper on Transport Policy accepted by government in 1987.

Qualified drivers

The White Paper proposed complete deregulation of all taxis with capacities of up to 16 people, demanding only that vehicles be roadworthy and driven by qualified, insured drivers.

Sabta feared such a process would legalise thousands of illegal taxis, to the detriment of its (legal) members.

It also argued complete deregulation would open the door to whites muscling in on a service intended for blacks. Subsequent events are proving it right. The number of

BLACK TAXIS

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Louw finds favour

Organised black taxi operators are celebrating what they consider a victory, following Transport Affairs Minister Eli Louw's deci-



Black taxis ... limited deregulation only

Taxi deregulation to be phased in

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Sowetan 6/6/89

RECOMMENDA
THE "combi-taxi" industry have had recommendations on deregulation approved by

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

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

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

Liaison

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

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

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

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

Mr Louw said the department would contribute R254 000 towards the Sabta 2000 research project being carried out by the Council for Scientific and Industrial Research on Sabta's behalf.

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Taxi plan
Cape Times 6/6/89
passed by
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Among the recommendations mentioned by Mr Louw was the formation of local taxi liaison committees in the larger metropolitan areas to discuss and formulate solutions for problems at local level.

He said the department would soon have talks with universities and technikons on a training programme for small transport operators. — Sapa

Wave of minibus taxi accidents: Traffic chiefs act

By SHARKEY ISAACS
Staff Reporter

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

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

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The survey from January to March showed 22 people had died, 42 were injured seriously and 171 slightly in 819 taxi accidents within the first three months of the year.

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

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

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

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

WARRANTS ISSUED

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

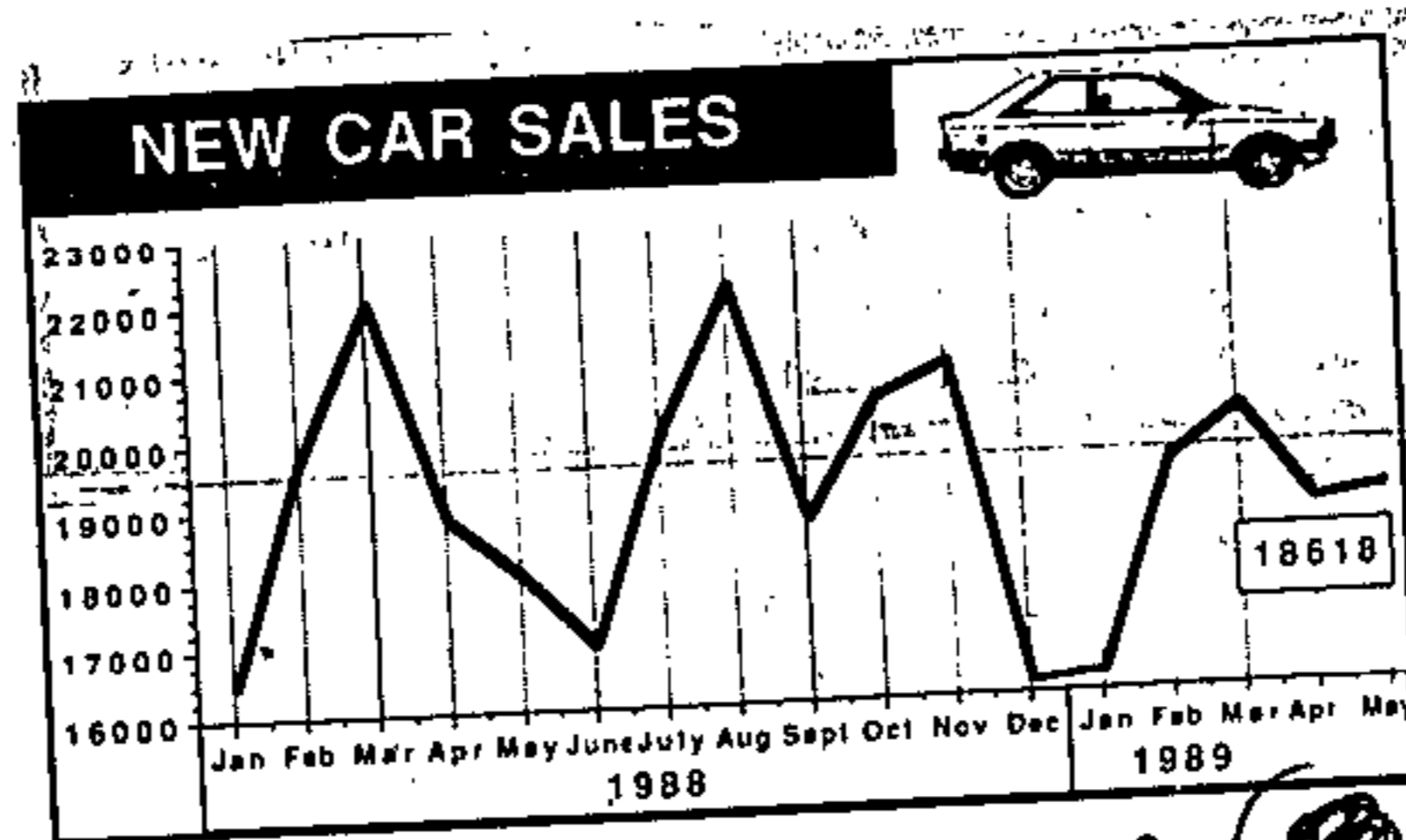
The committee would communicate with taxi associations and traffic personnel, he said. "We will coordinate discussions in depth on how to address the problem."

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

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

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

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



Strong surge in sales of buses and heavy trucks

Star 9/16/89

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

Total vehicle sales during May were 29 297, a 1,7 percent rise on the 28 813 units sold in April and 2,5 percent up on the 28 563 recorded in May last year.

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

Total sales for January to May were down by 1,7 percent at 144 018 units compared with 146 628 notched up during the same period last year.

EXPECTATIONS

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

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

try during the second half of 1989".

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

During May, new car sales were almost static, registering only a 0,3 percent increase to 18 618 compared with 18 557 sales in the previous month. For the period January to May the overall figure of 92 911 was 2,4 percent lower on the 95 206 recorded during the same period in 1988.

STATIC TREND

The same trend was evident in sales of light commercial vehicles, which were almost static at 9 393 from April to May, while the 45 760 units sold during the first five months of the year was very close to last year's 45 648.

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

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

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Minibus taxi operators pledge to improve industry

By SHARKEY ISAACS
Staff Reporter

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

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

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

819 ACCIDENTS

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

Mr Basil Nagel, chairman of

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

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

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

Members were encouraged to adhere to the code.

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

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

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

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

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

ENFORCE LAW

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

● According to a recent traffic department report to the City Council's utilities and works committee, there were 2 200 registered taxis in Cape Town and about 1 200 pirate taxis.

Now Sabta has a say in running the taxi business

By HILARY JOFFE

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

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

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

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

The committee's recommendations included:

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

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

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

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

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

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

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

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

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

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

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

Cops plan big blitz on minibus taxis

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By TYRONE SEALE
Weekend Argus Reporter

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

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

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

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

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

"We have already started an investigation into the tyres taxi operators are using, because a large number of accidents

seem to stem from defective tyres.

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

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

27 accidents a day

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

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

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

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

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

"Taxi organisations should get together and work out uniform controls for the industry without losing their specific identities."



Traffic chief gunning for the taxi 'cowboys'

By SHARKEY ISAACS
Staff Reporter

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

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

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

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

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

Courtesy code

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

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

"We have great difficulty tracing drivers."

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

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

Roadworthy campaigns

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

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

Other steps to be discussed were:

- The need for a special "lookout" for defective tyres during vehicle inspections as these were believed to be one of the major causes of accidents;

- The education of drivers on the hazards of overloading;

- An education programme on road safety through the media; and

- The extension to other areas of the Cape Town traffic department's taxi driver training programmes. This would, if possible, be done with help of private sector sponsors.

The committee was "fully aware that the minibus taxi service is here to stay".

Separate listing plans for Imperial's trading division

B/D Day 14/6/89

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

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

The new company will be financed by reducing the group's share premium account by R11,9m and awarding Imperial shareholders an additional 100 shares each in Imphold for every 100 held.

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

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

EDWARD WEST

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

Before the reduction in its share premium account, Imperial forecasts earnings for the year to June 25 of 99,6c a share. Management forecasts a final dividend of 21,8c a share for the year. This means Imperial's total dividend for the year is forecast to be 39,8c a share, almost 60% higher than the 25c achieved a year ago.

Earnings

Imphold would have pro forma earnings of 24,9c a share on the basis of forecast earnings of 99,6c a share for Imperial, MD Bill Lynch points out.

When this is coupled with Imperial's earnings of 74,7c a share (on reduced share capital) it leaves the Imperial shareholder in the same financial position as before the listing, except he now has two listings in place of one.

The forecast final dividends of the two companies are 16,3c a share for Imperial and 5,5c as share for Imphold. Shareholders would receive the same income (21,8c an Imperial share) had Imperial's share capital not been reduced.

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

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

Somerset West gets tough on taxis, reckless driving

By MICHAEL DOMAN
False Bay Bureau

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

Two Macassar residents, Mr Jan-
nie Roberts, 30, and Mr Gerald Pie-
tersen, 20, who were in the taxi, died
when it collided with a car at the cor-
ner of Andries Pretorius and Victoria
Street about 7am on Sunday.

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

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

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

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

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

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



Road Safety Council warns of taxi 'carnage'

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The Argus Correspondent

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

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

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

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

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

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

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

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

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

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

Death of taxi over factory

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By HENRY LUDSKI

STOP the minibus taxi deaths.

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

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

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

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

'Don't care a damn'

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

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

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

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

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

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

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

'Put house in order'

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

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

Spokesmen of taxi associations could not be reached for comment.

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

However, he agreed the time was overdue for taxi owners and drivers to "put their house in order".

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ROAD TRANSPORT

Having no truck with unity

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

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

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

Chairman Phil Erasmus says the PCA is not touting for members, "but it won't chase them away either."

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

Unity talks have been going on for some months (*Business* February 3). Walters does not like the idea of a full merger of Saboa, Napto and the PCA. He prefers a federation. "Many support this point of view, including some prominent PCA members."

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

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

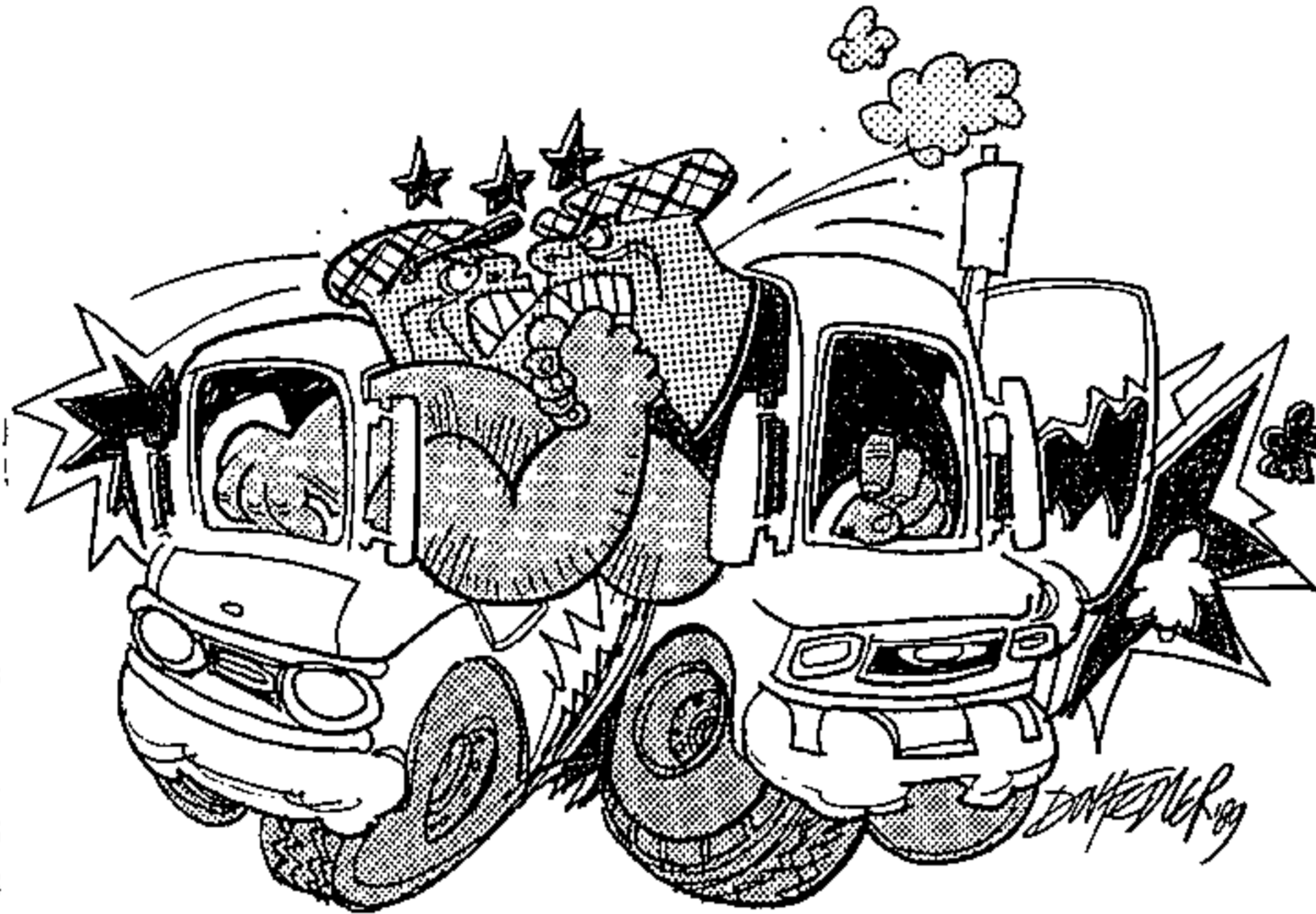
"One suggestion was that there should be a trial marriage: that we share offices and facilities, our executive directors should sit in offices next to each other and, if that worked, we should formalise it. I objected and my board supported me. If it doesn't work, we'll all have to start at the beginning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

He says the PCA suggested creation of sub-committees to deal with specific problems, such as vehicle loading and passenger

services. But "that wasn't acceptable either. "There wasn't any real common ground. We couldn't see ourselves belonging to an umbrella body until we compete fairly with

The dispute must be delighting Sats which is moving slowly towards privatisation and eventual equal competition with the rest of the industry. The thought of rivals ganging up to oppose it, was not a welcome one. Government, too, would like the free market transition to be an easy one.

"Government would like nothing better than that we continue as splinter groups," says Saboa's Walters. ■



SA Transport Services (Sats), which we can't do."

The Sats issue has always been a stumbling block to unity. Sats is a member of Napto, and the idea of co-operating with their biggest rival (to their mind an unfairly assisted rival, at that), did not go down well with many PCA officials.

Napto executive director André Jacobs says though he is in favour of private sector transport unification "if it benefits Napto's members," he is not prepared to allow Sats to be expelled as a Napto member.

Erasmus says talks broke down even before the Sats issue came up for discussion.

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ried no formal insurance cover.

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

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

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

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

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

Pushing rates up are:

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

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

- Violation cover — for policyholders who

violate the terms of the policy;

- A credit agreement shortfall — to cover lessees should market value of a vehicle fall below the amount owed for it because of high mileages travelled, often in excess of 10 000 km per month; and

- Absconson cover — when the taxi owner disappears and reneges on his loan.

"In the past three months, losses in these benefits have about trebled," says Hackett. "We've had claims in excess of R1m."

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

If draft legislation, now with the State law advisers, is promulgated, taxis will have to carry special insurance to indemnify passengers against injury, on top of the R25 000 Motor Vehicle Accident (MVA) cover. ■

INSURANCE

332 Final

Taxi cover

16/6/89

Between last July and December an estimated 19 000 black taxis were involved in accidents, excluding the homelands. Most car-

Minibus taxi 'hotline' proposed

Staff Reporter

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

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

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

partment, city council and taxi associations.

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

"There are 3 500 legal minibus taxis in the wider Peninsula area alone — something must be done soon or more people will be killed. Commuters need a safe journey," Mr Barak said.

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

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

slightly injured in 819 taxi accidents.

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

In April this year there had been 2 224 prosecutions for minibus traffic violations, of which 393 were driving violations such as running red robots, making prohibited turns and overtaking faults.

Mr Nagel said he was attending a Sabta executive meeting in Johannesburg on Monday and that the accident rate was "high on the agenda".

Taxi command on the run

By SOPHIE TEMA

Victims fleeced in vehicle finance scam

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Waver 12/6/89

THE owner of a fly-by-night taxi finance organisation - Excellent Negotiators and Distributors - this week had his possessions attached by a Johannesburg court for being indebted to the First National Bank for R20 000.

EA Ali, alias Ali Andy Erickson, who is also wanted for taking huge deposits from people wanting to buy taxis, is reported to have fled overseas. He lived at Queen Anne flats on the corner of Bruce and Claim streets in Hillbrow and is suspected of having taken large sums of money collected from people who wanted help to start small businesses.

This week his possessions were attached after First National Bank operations revealed that several creditors were after the elusive conman. One of them, Thomas Mogale of Soweto, gave Ali R5 000 on April 13 as a deposit on a 15-seater R50 000 minibus. He was then to pay between R450 and R500 a week to Ali for 42 months. When Mogale went to Ali's offices to collect his minibus, the place was deserted and Ali was nowhere to be found.

Investigations also revealed that Ali had operated from several office suites - in Selby, the city centre and in Rosebank. However, people contacted at the offices said Ali had left. Excellent Negotiators and Distributors is one of several bogus groups which have been ripping off people wanting to buy taxis.

A police spokesman said this week that such groups had mushroomed recently and that many people had lost large sums of money. Most of these groups operate from hired premises for a few months and collect huge sums of money. They then disappear. Witwatersrand SAP liaison officer Col Frans Malherbe said police had recently been inundated with reports from people who had been swindled. He said the multi-million-rand racket involved people taking deposits of up to R15 000 to act as go-betweens for blacks who wanted to buy taxis but could not easily get finance. The taxi operators then pay between R300 and R450 a week for 48 months but seldom get the vehicles.

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

(332)
The service results from negotiations with Unicorn Lines. Containerised goods will be shipped in both directions between Walvis Bay and Durban, with calls at Cape Town, Port Elizabeth and East London.

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

The ships have been call-

Shipping link with Namibia

ing at Walvis Bay for the past 10 years.

Swakop Lines will find additional cargoes for the route, and investigate opportunities for increasing trade with Africa.

Unicorn Lines has been appointed managing agent for Swakop. Grindrod Shipping, which is agent for Unicorn, will represent Swakop in SA.

Swakop Lines 18/1/67

'Dash for cash' blamed for taxibus crashes

By VUYO BAVUMA, Staff Reporter

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

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

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

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

SURVEY

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

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

Last year a three-month survey by his association showed there were about 30 taxi-drivers "hiring" combis from people to ply the lucrative route between Cape Town and Transkei and Ciskei.

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

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

"When they come to Cape Town they are forced to work day and night to re-

couple their losses. In most cases this leads to accidents because drivers are tired behind the wheel.

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

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

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

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

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

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

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

"These law-enforcement measures should be intensified at strategic points during peak hours and high-profile education should be launched to reach every possible minibus driver," he said.

CAP: Times 20/6/89

Taxi war sniper kills 3

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DURBAN. — A sniper has sent shock waves through the taxi community of Stanger, where three people were shot dead and five others injured at the weekend.

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

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

Major Du Toit said the shooting began at 7.20 on Friday evening when the sniper, armed with a 9mm automatic pistol and

travelling in a motor car, fired at and killed an unidentified man and injured four others at a taxi rank near the Luthando Hotel.

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

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

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

Anyone with information is asked to contact Lieutenant Erik Marais or Warrant Officer Egam Baram at Stanger (0324) 21-706.

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

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

He warned them to stop and when they ignored his warnings he fired two shots, wounding two of the youths in the leg. The third suspect fled. — Sapa and Own Correspondent

Cape Times 22-06-89

Cont ->

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Minibuses 'ignore the rules'

By RONNIE MORRIS

MINIBUS taxis were found during a two-day Cape Times investigation to openly disobey stop streets, ignore red traffic lights, fail to indicate when moving off to join traffic lanes and overload by as much as four people in a 14-seater bus.

This was done despite a high visibility by patrolling traffic police who were often seen stopping overloaded minibuses.

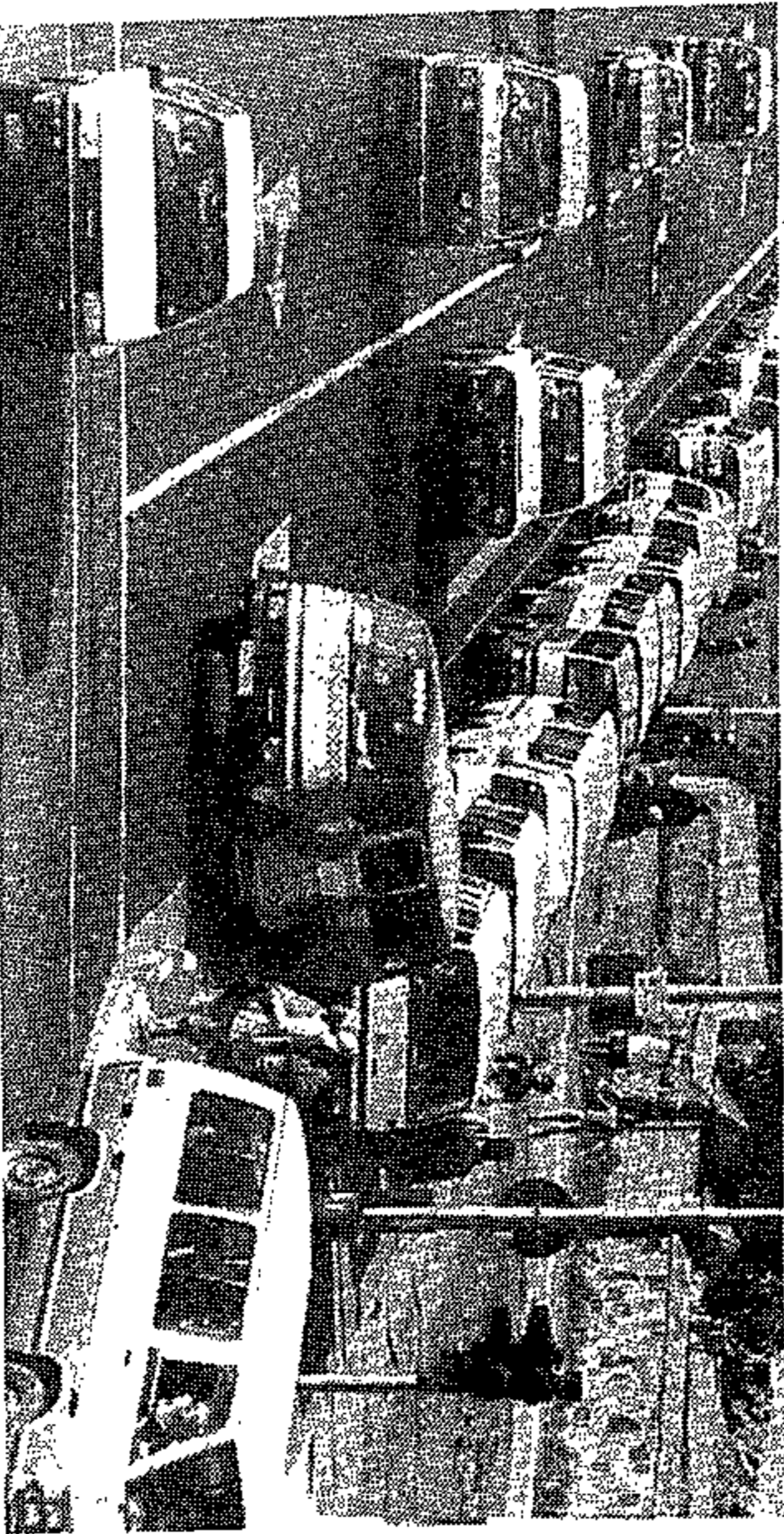
Mr Wouter Smit, Cape Town's traffic manager, said yesterday that additional manpower had already been allocated to address driving problems by minibuses taxis.

Overloading

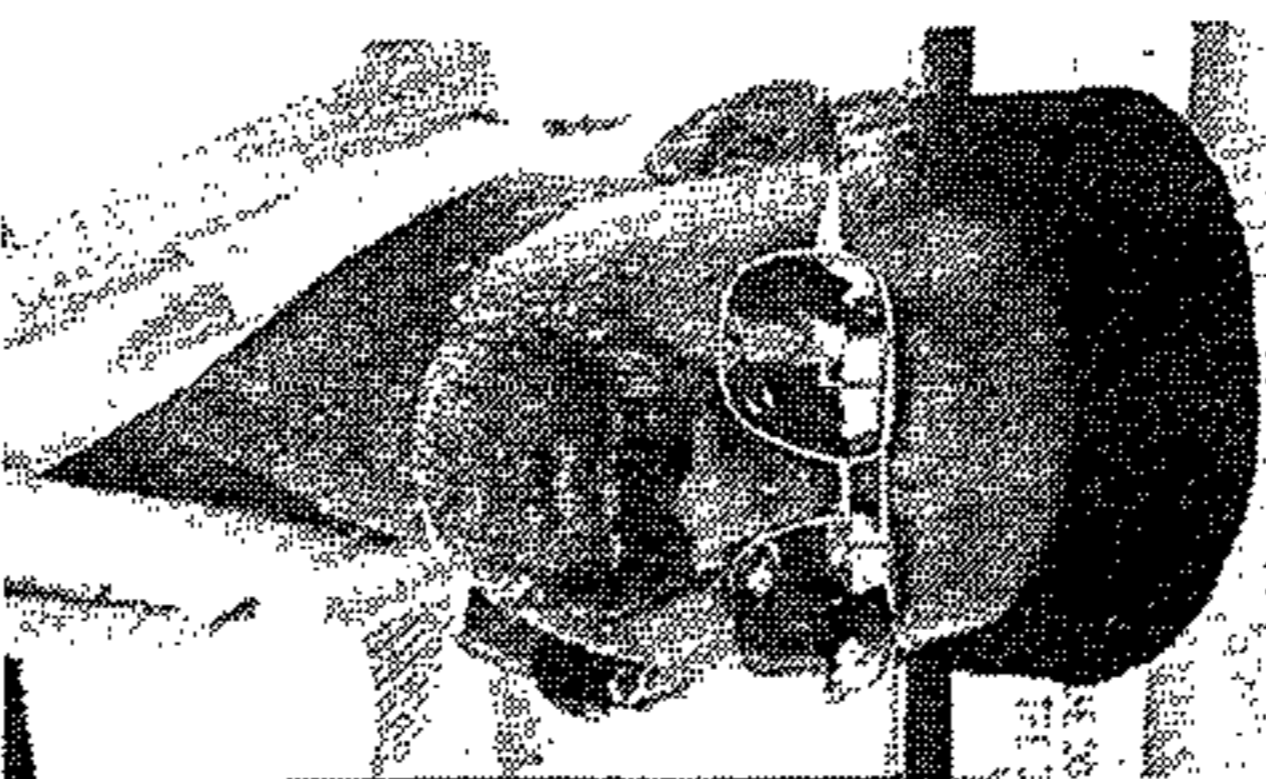
The traffic department is determined to address these problems by law enforcement, discussion and education with taxi associations. But, warned Mr Smit, "we are adamant we are going to do something about it now!"

The Cape Times reporter took several of the minibuses on the popular and well-used routes and some of the driving violations observed were: Disobeying stop streets; ignoring red traffic lights; failing to indicate when moving into oncoming traffic; failing to indicate when turning, and overloading by as much as four people in a 14-seater bus.

The routes surveyed were: Cape Town - Gatesville (Rylands); Rylands - Mowbray; Mowbray - Cape



RISKY MOVE... A fully loaded minibus taxi moves into the face of oncoming traffic



Owner-driver Mr Ali Saïe

Town; Cape Town - Bonteheuwel; Bonteheuwel - Athlone; Athlone - Hanover Park; Hanover Park - Cape Town; Cape Town - Sea Point.
Some included return trips.
Many of the taxis have clearly placed signs saying that they are licensed to carry 14 passengers but that provision is ignored. In some instances where

seats are designed to hold three, four passengers are crammed in.
One issue which clearly caused much irritation is that passengers who arrive early and who have to get off along the way have to be seated on the back seat. Once they arrive at their destination they have to squeeze past already seated passengers — some

of whom have to get out too.

When approaching intersections where a traffic light has turned amber, many drivers pick up speed and often drive through a red light across traffic which has already entered the intersection.

In minibus taxis which have been converted from delivery vehicles, seats are built on both side which, when the driver has to brake suddenly, cause passengers to slide along or be forcefully thrown forward with little protection.

One of the drivers whom the Cape Times interviewed — he did not want to be identified for fear of reprisals — said his employer set targets of as much as R150 a day during the week, R170 for a Saturday and R80 for a Sunday. The "target" differed between taxi owners, he said.

Any fares collected over and above the target went to the driver who not only had to pay his "guard" but also had to return the minibuses to the owner with a full petrol tank.

This system caused drivers to speed during morning and afternoon peak hours to get as many passengers as possible and make a living.

Traffic fines — R80 for every passenger over the required limit and fines for stopping in a loading zone — had to be paid by the driver and not the owner.

He admitted that he was sometimes overloaded but said it was necessary to have a guard because drivers could not take fares while driving or open the door when passengers were getting off.



of road

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

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

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

Different drivers

In addition to third-party insurance, many minibus taxis had taken out special cover which amounted to about R900 a year, Mr Salie said.

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

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

Mr Achmat Diedericks, of the same rank, said he had been driving minibus taxis for about 10 years and although he normally works a 14-hour day, he is a careful driver and knows how to drive a fully-laden taxi.

No more taxi wars, Sabta launch told

CAPT TINKS 1/6/89

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Staff Reporter

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

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

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

Problems

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

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

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



BIG LAUNCH . . . Mr Jabu Mabuza, Sabta's deputy-director, at the launch of the Western Cape region of Sabta with Cape Town's traffic manager, Mr Wouter Smit, next to him.

because of a lack of training.

There was a state of deregulation in the taxi industry and Sabta had been quoted as saying it was against deregulation.

"Before we deregulate, let's level the playing field. We have fought for it at great cost."

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

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

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

Wasteland

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

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

Mr Wouter Smit, Cape Town's traffic manager, and a police brigadier spoke on law enforcement.

N Tvl fares up

BUS fares in the Northern Transvaal region, including the homelands in the area, are to increase by an

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average of 18 percent as from July 3, Putco bus company has announced.

Sowetan 23/6/89

Man with a plan for tightening up taxis

By MALCOLM FRIED

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

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

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

"The drivers and their passengers are extremely important to our town. However, if something's not

done, there are going to be more deaths."

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

The association would promote courteous, careful driving in clean taxis, with incentives to comply.

Drivers would be trained by a Killarney-based motoring school at a special tariff and course graduates would receive cuts in insurance premiums.

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

pirate taxi operators.

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

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

He has arranged an open meeting in the town hall for tomorrow night to explain his proposals, and expects 95% of taxi drivers to attend.

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

Cape Times 27/6/89
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FALSE BAY

Strict check on the taxis

AKG 27/6/89

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By MICHAEL DOMAN
False Bay Bureau

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

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

Most common faults were brakes, lights and worn tyres.

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

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

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

Sowetan
29/6/89

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Putco increases fares

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

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

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

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

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

The last increase was in October last year.

Township meetings on taxi accidents

By VUYO BAVUMA
Staff Reporter

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

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

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

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

ROOT CAUSE

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

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

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

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

"The council has had several talks with the Cape Town City Council but nothing has yet been finalised," he said.

Safair seeks licences for air services

CAF Temp 30/6/89 332

By AUDREY D'ANGELO
Financial Editor

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

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

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

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



Mike Finlay

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

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

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

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

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

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

He said Safair already had enough aircraft if the licences it had applied for were granted. There was a waiting list to buy new planes but it would be possible to lease some if the airline expanded its activities.

Taxi groups fear deregulation may 'pave way for whites'

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Journal 8/6/81

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

The Southern Africa Black Taxi Association

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

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

They were reacting to

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

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

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

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

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

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

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

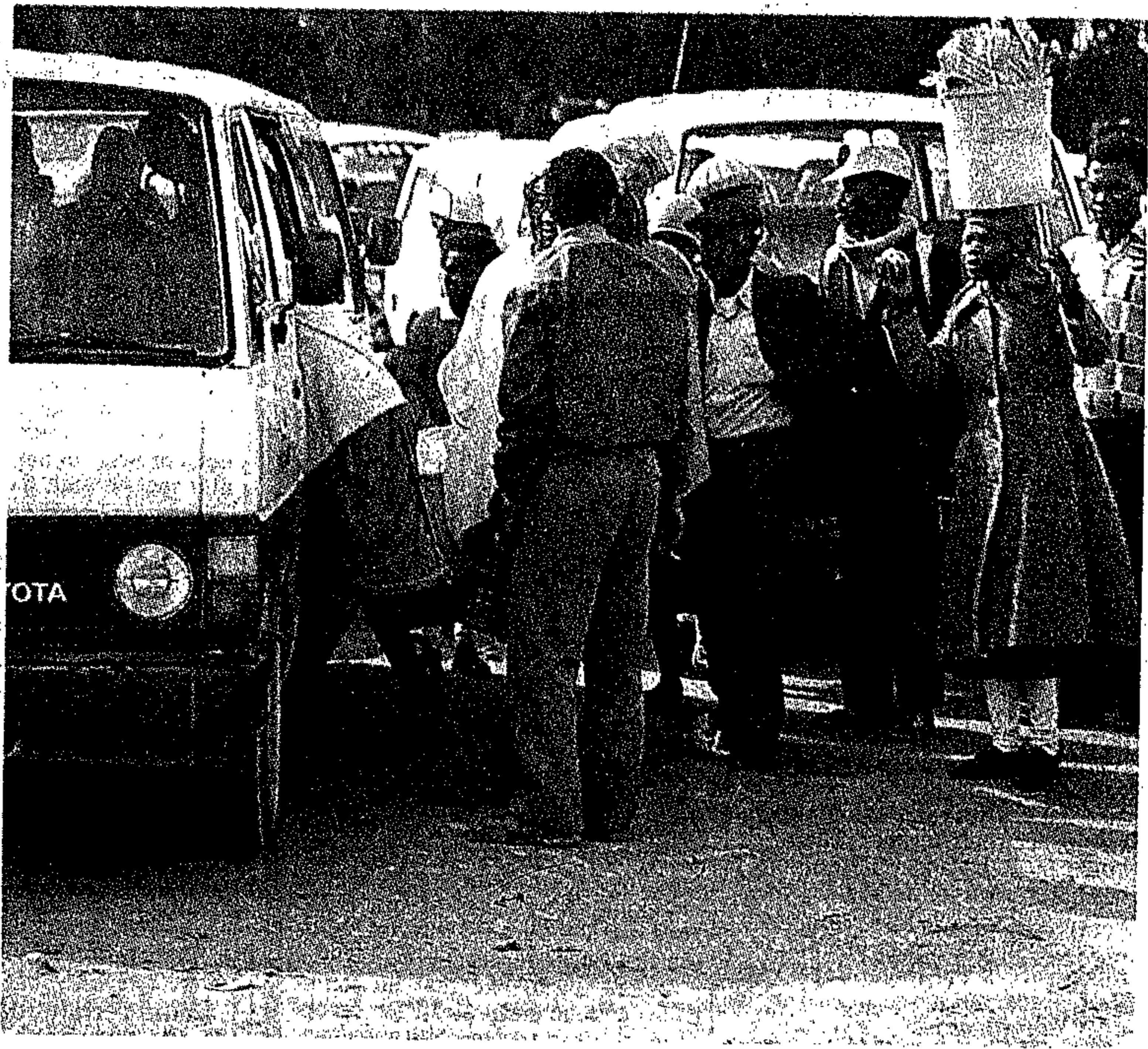
Saldta's president Mr Peter Rabali also welcomed the move and said it would help restore order and faith in the black taxi business. However, he also feared that whites will infiltrate the industry.

Sabta plans to call a special meeting of its regional and provincial representatives in Bloemfontein soon to discuss the department's announcement, taxi scams and other matters of interest. It has been supported by the Foundation for African Business and Consumer Services.

Cont →

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Queuing up for a ride on South Africa's fastest gravy train.

Cont

Problems abound as taxi industry booms

By TYRONE SEALE
Weekend Argus Reporter

ECONOMISTS call it the Third Wave. Many say it's one of the fastest growing industries since the discovery of gold and diamonds and since economic clout was vested in white South Africa when the National Party came to power in 1948.

The public calls it the Death Wave. Ambulance sirens wail and headlines scream carnage as the mushrooming enterprise takes its daily toll on the streets.

Trapped between the definitions is the estimated R4 000-million-a-year minibus taxi boom which employs some 300 000 people on 100 000 taxis and it's growing all the time.

In Johannesburg taxis cut the Putco bus company's operation by 180-million passengers between 1983 and 1988.

The Cape Town effect was less damaging.

City Tramways had a 9,3 percent drop in its passenger load during the same period and the company partly ascribed this to the estimated 10 000 independent minibuses trips competing against 800 peak-hour bus rides.

But oblivious to the statistics and economic forces behind them, most people simply regard minibus taxis as death traps on wheels.

Cape Town's 2 000 registered and 1 200 unregistered or pirate taxis present a powerful microcosm of the problems facing the industry all over South Africa.

"Let's face it. There's nothing else for us to do. You can only do shopping once a week or go the doctor once in a while, and then you sit around for the rest of your time doing nothing.

Drivers denied that some operators maintained their businesses in Mafia fashion, but nevertheless refused to be named.

What do the operators say?

"I don't believe in excessive targets, because it places the driver under stress and that's bad for our passengers," Mr Igshaan Abrahams, owner of one of the biggest taxi fleets in Cape Town, said.

"The drivers have a problem as they think the more they can squeeze out of it, the better. Many waste their money and so they're always looking for more. The only way to do that is to squeeze in extra trips."

On owners who refuse to pay fines, Mr Abrahams said: "As an operator, I shouldn't allow the taxi on the road if it isn't roadworthy, but sometimes you don't see the driver for two weeks, which is when things could go wrong. The driver has a responsibility too."

A driver hit back: "How can a boss say he doesn't see his vehicle for a week or two when he expects to see his money every day? I'll tell you what happens — he simply takes the fine, puts it in a bin and forces you to pay up when the cops come around with a warrant of arrest."

Ruthless operators

Roadworthiness and strict but fair control over drivers is a priority for many of the city's long-standing taxi operators who worked the streets be-

"The public also needs to be informed about the role of taxis in South Africa today. This is the transport of the future.

"There are many people who criticize taxis all the time, but you'll find that they will sell their second cars so a taxi can pick them up at their homes in Constantia and take them to a railway station."

Behaviour first

The traffic department believes driver behaviour and the condition of taxis should be addressed before problems like permits and zoning are examined.

The Pretoria-based director-general of road transportation was unavailable for comment.

● Yesterday a Hanover Park taxi driver told how the owner of a large taxi fleet had personally smashed the

windows of a taxi in the township.

The operator was interviewed by Weekend Argus a few days ago.

The driver said he feared for his life after the incident which he reported to the Phillippi police. He gave Weekend Argus the docket number.

"Two years ago this same man smashed the windows of a taxi I was driving. My wife, who was pregnant at the time, was in the van. Our child was born with a deformity that was caused by the shock my wife suffered.

"That man told me then that I was just a drop in his ocean and that they would bury me alive. He says this while many of his taxis which are supposed to be working in Manenberg only are running between Hanover Park and Cape Town.

"He walks around with a gun. He had it on his hip when he smashed the windows on the van?"

Daily accidents

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

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

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

They pocket the rest of the day's takings and add this to their wages which range from R50 a week to R20 a week.

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

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

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

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

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

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

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

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

Rushed off

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

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

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

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

fore minibuses came along.

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

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

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

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

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

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

Small chance

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

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

Sabta's Western Cape secretary, Mr Billy Daniels, has complained to the Advertising Standards Authority and the Local Road Transportation Board about a company which claims it will obtain permits for drivers for a fee of R250.

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

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

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

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

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Taxi group plagued³³² by lack of payments

By EDWARD MOLOINYANE
Staff Reporter

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

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

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

DISAPPEAR

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

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

The journal says huge sums are owed and the bank has a "large number" of absconders on its list.

"These people must realise their absconding constitutes fraud. They will be prosecuted if Sabta Marketing decides to take up the cases. We appeal to members to pay up because if they don't they will cripple the foundation," says the spokesman.



Taxi drivers vow to 'behave'

'Commission system, lack of licences to blame'

Msus 332
4/7/89

By VUSI KAMA, Staff Reporter

TOWNSHIP taxi drivers, notorious for reckless driving and overloading, have vowed to "behave" after widespread allegations were levelled against them by community groups.

Taxi organisation officials also made an undertaking to ensure that drivers abided by the traffic regulations, but also noted that for them to do a good job of it they would need about R200 000.

Drivers interviewed admitted the allegations and said they were doing their best to remedy the situation.

Some attributed the problem partly to a shortage of licensed taxi drivers.

Drivers' licences

"Most of us do not have valid drivers' licences and that causes serious problems," said Mr Mabandla Sani, a taxi driver plying the township-suburb route. "Some taxi owners employ people without checking if they have licences or not."

Mr Sani said he often saw other taxi drivers driving recklessly while their vehicles were overloaded. He said they often discussed the matter with other drivers and taxi owners and now it seemed as though drivers had improved.

Punitive measures applied by the Western Cape Black Taxis Association (WCBTA) since last year were partly responsible for the improve-



Pictures: WILLIE DE KLERK, The Argus.

THUMBS UP TO ROAD SAFE-

TY: Mr Clement Ramatlakane, chairman of the Western Cape Black Taxis Association, says the group hopes to collect about R200 000 in its bid to ensure passenger safety.

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

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

"Dash for cash"

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

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

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

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

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

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

Mr Ramatlakane also said his organisation was concerned that the drivers were "not improving the repu-

The drivers



Mr Makhaya Tom: "The commission system is partly to blame."

Mr Mabandla Sani: "Most taxi drivers do not have valid licences."



Mr Mbuyiselo Mduyulwa: "Drivers should be paid standard wages."

Mr Kadefunwa Mayedwa: "Some passengers make the drivers speed."

tation of the South African Black Taxis Association (Sabta)" and said the WCBTA was in touch with the police and the traffic department.

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

They had not yet contacted the AA. Mr Ramatlakane said he was positive about the prospects of securing sponsorships and hoped they would get the project off the ground before December, when many taxi owners started plying the Cape Town-Kei route again.



COMMITTEE FOR SAFETY: Members of the Western Cape Black Taxis Association executive committee who are "very concerned" about allegations against taxi drivers: from left, Mr Simon Komeni, Mr Morris Gadluma, Mr Nkosinathi Bongwana, Mr Japan Roro, Mr Clement Ramatlakane, Mr James Mafuya, Mr Raymond Bomseni and Mr James Mtheli.

'Business better than share price shows'

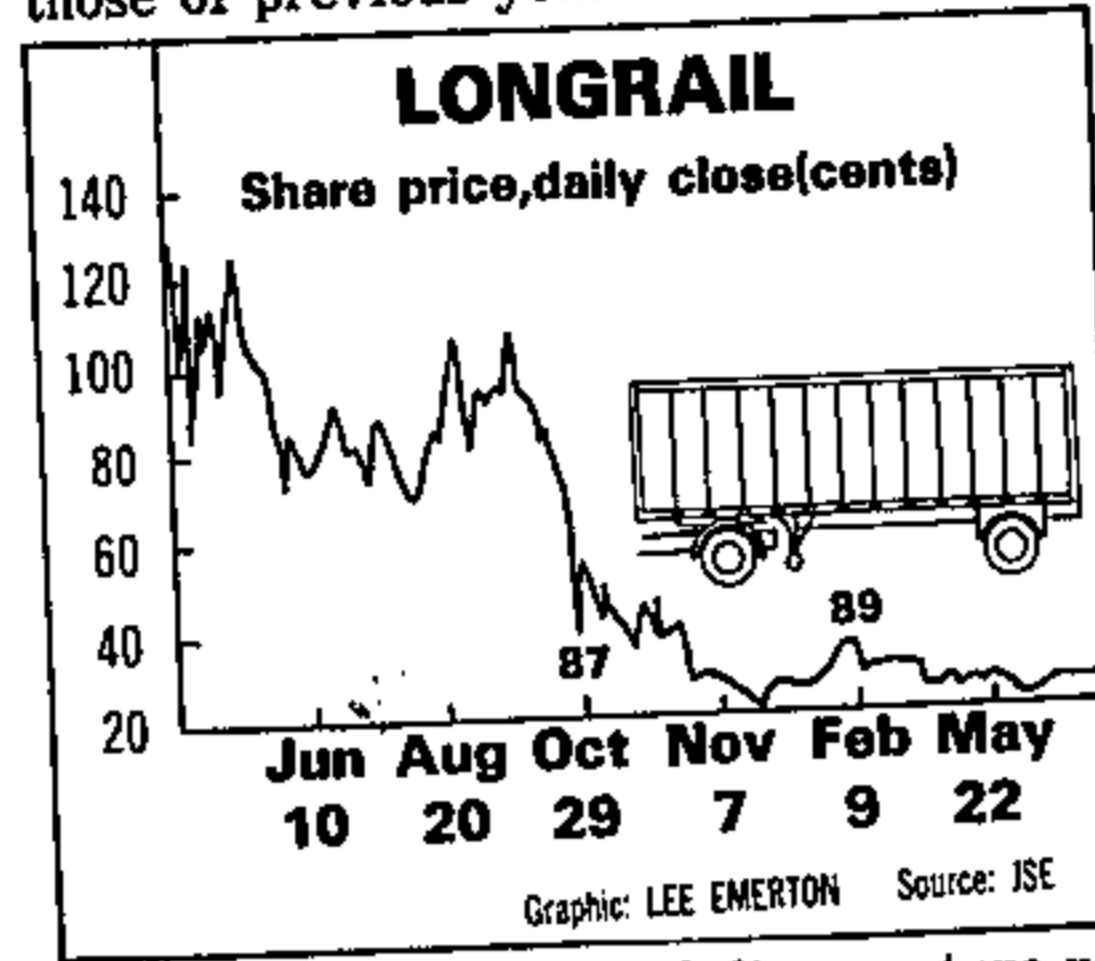
TRANSPORT group Longrail's present share price of about 26c does not adequately reflect the soundness of the business, say directors in their annual review.

Net asset value at the end of February 1989 was 25,2c a share. Longrail chairman Reo Laurens comments that market values of the group's capital assets — vehicles, land and buildings — are much higher than book value.

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

Positive factors in the year ahead are strong demand for air freight services from Railit's customers, which it is well placed to meet and which has the potential

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LIZ ROUSE
to restore the company's profit margins to those of previous years.



Longrail will establish its own tyre re-treading plant — initially to meet its own

needs but in the medium term to be exploited commercially.

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

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

Longrail's long-term liabilities were more than R10m at the end of February, with interest-bearing debts to total assets at 38,8%. Earnings growth slowed down — earnings a share were up at 10c from 1988's 7,4c and the dividend stuck at 3c.

Storm of protest over Putco's fare increase

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THEO RAWANA

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

In announcing the increase, effective this week, the company would not give a percentage, but said the rise would be "in line with the 20% and 22% fare increases effected by the Johannesburg and Pretoria city councils' transport departments".

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

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

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

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

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

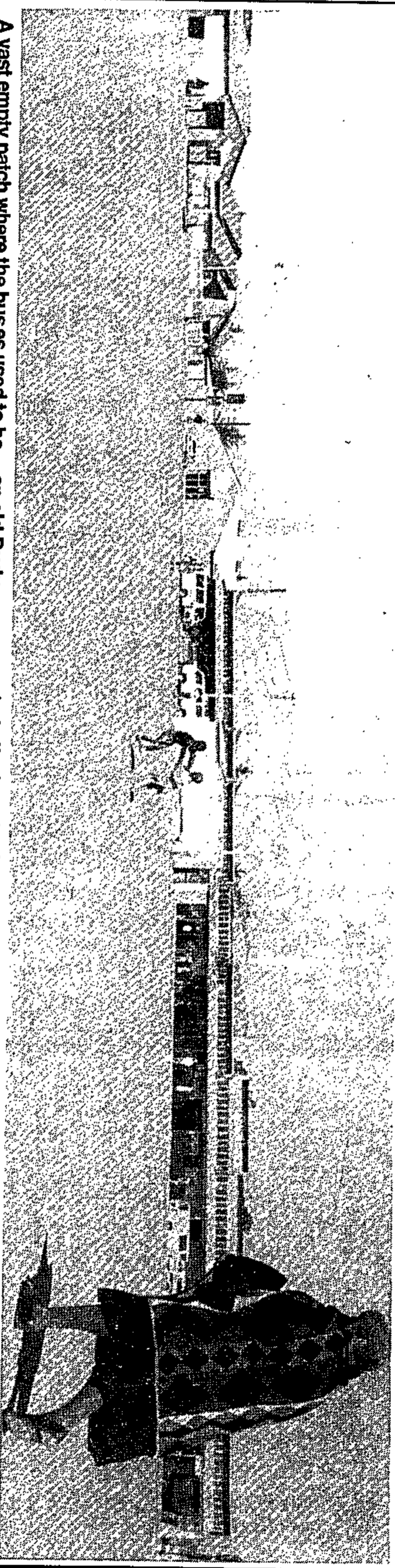
Black Consumer Union spokesman N Rampomane said Putco had no reason to be raising fares when it was subsidised by government. "We too are faced with increases in basic foods. About 75% of our pay packets goes to transport costs because of the distance we have to travel to work.

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

Putco could not be reached for comment.

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A long, long, walk in the no-bus town of Duduza



A vast empty patch where the buses used to be ... an old Duduza woman starts the long trudge to work

Picture: CEDRIC NUNN; Afpix

RESIDENTS of Duduza face an unpleasant choice as the bus boycott in the East Rand township starts to bite — to walk kilometres to work in neighbouring Nigel or wait in long queues for taxis or private cars.

Commuters began refusing to use the local buses after the Nigel municipality increased fares for trips between Duduza and the white town by 25 percent at the beginning of this week. Passengers were required to pay 75c a trip instead of 60c. When the *Weekly Mail* visited Duduza this week, there was not a bus in sight. The bus-stop looked more like an unused football ground.

Across the road from the bus-stop many commuters stood waiting for taxis or lifts from private cars. According to a representative of the boycott committee, the action was taken because the 25 fare percent increase would be used for the benefit of the white community of Nigel, rather than township residents.

Weekly Mail Reporter

The boycott, initiated by the Congress of South African Trade Unions' local council, has been successful despite problems encountered by residents, who have to get up two hours earlier to walk the enormous distances to their workplaces. The action is being supported by the civic association and youth and student organisations.

According to the representative, the boycott is almost 100 percent successful — only elderly people who can't afford to wait long periods for taxis or walk long distances are using the buses.

On Tuesday, Bus 106 arrived in Duduza with only 15 passengers, all of them elderly. One bus driver said he had only had 11 passengers since his shift started that morning. According to the committee representative, there is no intimi-

dation of commuters. "We are prepared to make sacrifices, even if it means waking up early every morning. We cannot afford these hikes," said a couple waiting for a taxi.

According to E de Bruyn, a representative of the Nigel municipality transport department, the increase of fares was not the cause of the boycott because "the majority of the community would like to use the buses".

"This is evident with the increase of the numbers using the buses since Monday, despite the fact that they are being intimidated."

On the question of meeting community representatives on the fares issue, De Bruyn said the transport department was prepared to discuss the matter.

"I have faith and hope that the people will use the buses, because it's cold and they can't afford to walk to work," said De Bruyn.

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SAAF struggles to keep fighter pilots

Defence Correspondent

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

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

He said that whereas the pilots had acquired the right to feel proud of SAAF successes, "you must also assume co-responsibility for its failures, and one of our failures is certainly our inability to keep the majority of our per-

'Too many' men going to private sector

sonnel for those critical 10 to 12 years after qualification".

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

"Of equal importance is the time spent in training him. It takes a minimum of six years from his first solo flight on a Harvard before we consider him a

fully-fledged operational Cheetah fighter pilot. Money cannot buy that experience."

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

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

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

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'Smart card' will be help to black taxis

By Sue Olswang

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

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

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

OVERLOADING

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

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

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

Spokesmen for the National Road Safety Council were not available for comment.

OPERATORS GESTURE

By JOSHUA RABOROKO

TAXI operators all over the country have volunteered to transport pensioners and disabled people free of charge to pension payout points.

They will also ferry them to do shopping in town free of charge.

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

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

Sympathy

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

The spokesman for Sabta, Mr Jabu Mabuza, said their executive committee had asked all the provinces to consider

Free rides

for old

folks and

disabled

the matter very seriously and to plan actions.

"We are doing this particularly to show our sympathy with elderly people," he said.

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

Saldta's president Mr Peter Rabali said the move was a novel idea and should be welcomed.

He said the national executive would look into the matter at its meeting this week.

Meanwhile in Tokoza on the East Rand the local taxi association transports pensioners and the disabled free of charge on a daily basis.

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

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

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

Listing

The number of tourists visiting South Africa last year increased by 14%, and the figure is expected to rise by 12,5% this year. The average annual increase is 8,5%.

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

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

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

Apart from the growth in foreign visitors, the mickey

Coach travel on high ride as costs rise

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

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

Growing

It is estimated that Greyhound coaches will carry about 200 000 passengers this year and its fleet will travel 3,6-million kilometres. These figures have been achieved in four years, and Mr Morton believes the potential has hardly been scratched.

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

The parallels with America are inescapable — long distances, competitive prices

and South Africans' love of travel. Mr Morton says Greyhound coaches provide comfortable travel.

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

Banner

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

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

Mr Morton says aggressive marketing is increasing demand and the fleet, which has a replacement value of R15-million, will be enlarged and new routes investigated.

5/7 June 16/7/87 (332)

Laser shows strong growth

Financial Editor

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

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

The interest bill rose by 87% to R1,6m (R871 000) and tax by 25% to R4,3m (R3,4m).

But earnings were 25% higher at 43,1c (34,6c) a share and the interim dividend is 18% higher at 13c (11c) a share.

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

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

The Laser group includes Stuttafords Van Lines, Pickfords Removals, Frasers International, Jack Wellsted and J L van Nijmegen.

Kaye said there had been a noticeable drop in emigration from SA in the past two years.

But this had largely been compensated for by an increase in immigration. "A lot of technical and engineering people are coming here on contract.

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

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

"Most of these people are settling in the Cape or in Natal."

(332)

LASER UPS ITS PRE-TAX EARNINGS 32%

LESLEY LAMBERT

CAPE TOWN — Laser Transport Holdings, SA's largest mover of household goods which recently secured a contract to move the goods of UN personnel into Namibia, continues to show strong growth with untaxed earnings increasing 32% to R10,25m in the six months to June 30.

This is based on a 22% improvement in turnover to R55,8m, which MD Denis Kaye attributes to growth in market share and thus increased utilisation of its transport vans.

The substantially higher earnings, which translate into 43,1c (34,6c) a share, have enabled Laser to boost its interim dividend by 18% to 13c a share. Dividend cover has also improved to 3,3 (3,1) times.

Kaye forecasts that the group, which includes Stuttaford Van Lines, Pickfords Removals, Frasers International, Jack Wellsted and J L van Nimwegen, will continue to experience similar income growth over the second half of the financial year.

61 Day
26/7/84 Firm

Transporting the household goods of families emigrating from and immigrating to SA makes up under 30% of the group's business. While income from emigrations has continued to decline in line with the trend, Kaye says a marked upturn in immigration has compensated.

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

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

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

The group has also recently expanded its network by opening a new branch in Queenstown.



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Bus boycott over

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

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

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

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

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

BUSINESS

Long-distance drivers expect open rules to restart feuds

By MZIMKULU MALUNGA

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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CP scraps taxi terminus

By Therese Anders,
Highveld Bureau

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

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

The management committee chairman, Mr John Carlile, said

the previous council had not notified the nearby residents about the terminus.

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

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

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

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

810am 28/1/87

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Sats competing unfairly, say road hauliers

EDWARD WEST

SATS has come under fire from public hauliers who accuse the service of competing unfairly and disrupting normal market conditions in the road-transportation industry in a possible attempt to grab market share ahead of privatisation.

Unitrans MD Eduardo Gutierrez-Garcia said yesterday laws regulating Sats defined it as a "consumer user service" and should prescribe the same conditions of service to all consumers.

However, transportation tariffs and discounts were decided by Sats on an ad hoc basis. These prices were usually well below normal commercial prices, he said.

Another example of unfair trading involved transportation to Sats-controlled ports. Harbour dues were higher if freight was not transported by the railways.

RAU transport economics lecturer Vaughn Mostert said the issue had not

been subject to much academic scrutiny. It had, however, come to his attention that Sats was using its financial muscle to underquote on container traffic tariffs.

This was possibly to gain a large market share in preparation for privatisation, he said. Sats also offered discount tariffs for longer term transport, he said.

Trencor chairman MD Neil Jowell said in his annual report the industry remained in a state of transition and uncertainty due to deregulation. However, the Trencor trucking company continued to have to contend with unfair competition from Sats.

National Association of Private Transport Operators CE André Jacobs said yesterday public hauliers had some legitimate gripes about unfair competition

from Sats, while there were also some unfair gripes.

He said Sats obtained benefits from the state that private hauliers did not. No tax, GST or levies, lower fuel prices and cross-subsidisation.

Jacobs said Sats, with more financial muscle, sometimes quoted lower tariffs to obtain a greater niche in the transportation market. Garcia, however, said Sats should not compete in the market until after privatisation.

Jacobs said rail transportation would remain the most economical form of long-distance transportation. Market forces would determine who obtained the larger share of the short-distance market.

People who wanted short-distance transportation would resort to the sometimes more expensive, but faster, public hauliers, said Jacobs.

R470 and that fees for third year courses would go up from R600 to R840 for future teachers who had to be sports orientated. The students also complained nothing. "We will boycott classes until our demands are met".

Soweto 28/7/87
Bus fares will not increase
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PUTCO has assured commuters in Mamelodi that fares will not be increased because of the recent hike in the price of fuel, according to Mamelodi's mayor, Mr. Zikhali Ndlazi. The mayor made this announcement during the Mamelodi City Council's monthly meeting when reporting on a meeting held between the council and Pico officials on July 6.

In a letter addressed to Ndlazi, Putco's public relations officer in Pretoria, Mr. Bruno Mauda, stated that his company was aware of the financial problems the community was facing.

By TYRONE SEALE
Weekend Argus Reporter

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

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

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

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

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

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

The Act would lay down a national traffic code with a built-in road transport quality

system — a move away from permit regulation.

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

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

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

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

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

"I've had a series of discussions about this with a variety of people and organisations. There are people violently opposed to taxis and the whole

black taxi industry, because of so many malpractices.

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

The major problem was the rapid growth of the industry.

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

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

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

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

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

FORGERY-PROOF TAXI

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African trade shipping line launched

GM TMS
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By BRUCE WILLAN

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

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

New line

The new shipping line, launched at a function at a city hotel last night was born from the lack of an efficient shipping service to the West African coast.

CE and group MD Paulo Dos Santos said at the launch that often the infrastructure in Africa, and in particular in west and central Africa, does not cater for normal arms length transactions.

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

The new shipping line, which will

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

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

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

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

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

World service

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

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

Taxi safety is the target of new company

Staff Reporters

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accidents being conducted by the CSIR.

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

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

Speaking at the launch in Johannesburg, deputy managing director of Sabta Marketing Mr Jabu Mabuza said an education and training programme was planned to improve the standards of operation and profitability of taxi operations. "The company will provide training for taxi owners to help them improve their business and operating skills. We hope this will also reduce the number of accidents," he said.

Star 2/8/89

AT least 505 passengers and 174 drivers have died in accidents involving minibuses on South African roads in the past five months and the toll is likely to reach a frightening 1 600 by the end of the year.

In its publication, *Robot*, the National Road Safety Council blames carelessness, overloading, old or defective vehicles, speeding, ignoring traffic signs and making sudden decisions on the road.

According to the NRSC another 1 051 drivers and 2 331 passengers were seriously injured while minor injuries were suffered by 583 drivers and 4 467 passengers.

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

Concern has also been voiced by commuters, pedestrians and traffic departments who all blame taxi drivers.

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

Last year the number of registered minibuses on the road increased by 6,7 percent from 136 834 in 1987 to 145 967 in 1988 and, according to the NRSC, most of them are taxis.

This means that taxis account for most of the accidents.

The number of



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

679

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



By JOSHUA RABOROKO

minibuses involved in collisions increased by 19 percent from 40 174 in 1987 to 47 952 in 1988.

While minibuses are responsible for most of the accidents on the road, big buses still accounted for most. The death rate for minibuses in 1987 was 11,7 percent for every 100 000km travelled while the figure for buses was 15,4 percent.

Taxi organisations have blamed frequent overloading and the human factor as the major

causes. Commuters interviewed blamed overloading, bad road manners, drivers not signalling their intentions to turn on time, racing through red lights and making sharp U-turns with screeching tyres.

Sabta, with an estimated membership of 50 000 members, says while it is trying to combat the problem it had to be taken into account that what it could do was very limited.

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

Sabta's president, Mr James Ngcoya, said the accidents on the roads could be reduced if as a first step pirate taxis were legalised which would result in greater control over their operations.

He also hoped the government would speedily approve recommendations made by a committee of the Department of Transport and Sabta on deregulation in the trans-

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

As there is no control over the amount of cash collected by drivers, taxi owners insist on a minimum amount to be cashed in by the driver. Most drivers then work towards getting more than this minimum knowing that the extra cash or part of it is his.

Sabta is thus looking at the payment of taxi fares by what it calls a "smart card" - cards with built-in microchip memory. It is hoped that

these cards will be bought at specific points by commuters and that the passengers will use them in taxis.

At the same time the system can be programmed to control overloading and speeding and any other functions necessary to improve service to commuters.

However Ngcoya insists that death on the road is not a responsibility of Sabta alone.

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

Busato chairman Mr Andrew Makwakwa says the number of minibus taxi accidents is disturbing.

His association has embarked on a training scheme for members. Some of the taxi drivers were impatient and often lost control of the vehicles they drove.

He said: "The growing number of whites infiltrating this business contributes to the rising number of accidents. Taxi operators, in a bid to make a fast buck, are careless on the roads. This causes accidents."

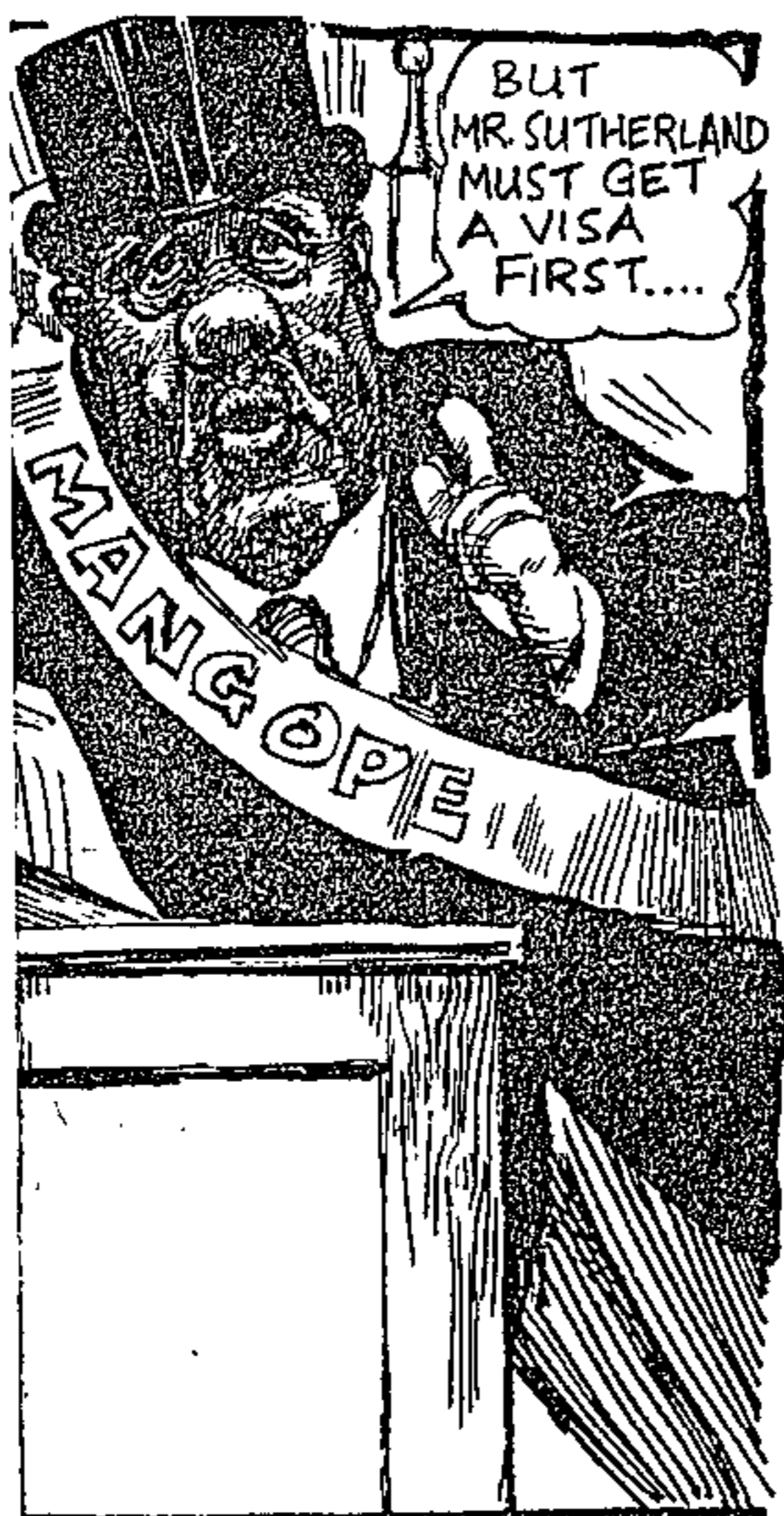
"We usually hold talks with our members regarding safety and we hope to address this problem. There is a great need to consult with other taxi organisations on this burning issue."

Sabta's president Mr Peter Rabali says safety is one of the biggest headaches in the transport industry. Statistics show a significant rise in the number of accidents involving minibuses.

Sabta is doing all it can to promote road safety," he said. He added: "We are concerned about the matter, and are in the process of instituting a number of programmes to increase our members' awareness of road safety."

Commuters have expressed fears that unless taxi operators take note of their driving more people will die on the roads. "We need protection from our drivers. We are family people and have children to support. Getting into a taxi these days can be a health hazard," Mr Zukile Msomi of Zola in Soweto said.

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



Political comment in this issue by Aggrey Klaaste and Joe Tholoe. Sub-editing, headlines and posters by Sydney Matlhaku. All of 61 Commando Road, Industria West, Johannesburg.

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TRUCE IN TOKOZA

TALKS between rival taxi organisations in Tokoza which were held at the weekend could pave the way for a single taxi association in the area soon, a spokesman for the Tokoza Taxi Organisation (Toto) said yesterday. 332

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

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

Meanwhile, Toto will hold a general meeting at Tshirela section on Sunday. 318184

The meeting will be at 7898 Motumisi Street starting at 8.30am.

Taximen's fight

VAAL Triangle taxi owners have formed a new association aimed at stamping out corruption, combating the high accident rate and protecting operators rights. improve the driving standards of our members."

The secretary of the Vaal Taxi-Owners Federation, Mr M J Marokoane, yesterday said the association was formed by more than 250 taximen at the Sharpeville hall. "The association will also start a provident fund for members as well as apply to join the Unemployment Insurance Fund. (332) "We want to protect our drivers in the same way as they should safeguard passengers in their daily operations."

He said they intended to uplift the standards of black taxi operators in the area. The rate of accidents caused by minibus taxis was increasing, he said, adding, "our concern is to taxi industry had been infiltrated by whites who used blacks to make profit. "We have reported such cases to the police who are investigating several cases," he said.

Sowetan 4/8/87

Cul de sac?

(332) *fraser* 4/8/89

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

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

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

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

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

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

The council obviously reasons that these are essential services — but public transport, which will cost R71,1m to operate this year

and generate R43,1m, leaving a deficit of R28m, is apparently not regarded in the same light.

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

This had a domino effect. Passengers who



Jo'burg bus ...
better to walk?

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

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

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

But the promotional budget this year is only R50 000 — 0,11% of anticipated revenue, or hardly enough to promote a neighbourhood shopping centre.

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

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

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

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

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

So either it gets its act together, or Johannesburg ratepayers will still be called upon to fund the future results of current mismanagement.

4/8/89

(337) Finance



Brady

World Bank's general quota increase of new capital.

The Mexican share of the World Bank capital increase is \$14bn, of which 97% is something called callable capital — that is, the US need not actually put up the money in hard cash,

but pledges to do so should some economic disaster make it necessary. This enables the World Bank to go into the international money markets and borrow funds at favourable market rates.

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

While the old Brady Plan was suspect in Congress, the new plan is doubly damned as being too little, too late. Altogether, the plan offers Mexico about \$1.5bn a year in reduced debt burden and \$1.5bn in reduced interest payments if all the banks go along with all or most of the options.

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

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

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

Totals being bandied about put the result at a one-time reduction in Mexico's debt of roughly \$3.8bn and a cut of \$1.5bn in interest payments each year.

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

All that presupposes that Congressman Charles E Schumer (a New York liberal Democrat) abandons his threat to attach an amendment to upcoming foreign aid legisla-

tion to discourage banks from lending new money by requiring them to set aside reserves against these new loans. ■

THIRD-WORLD DEBT (337)

Domino effects

If the Bush administration cannot rescue its contribution to the World Bank from the US Congress for the second year running, how does it expect the World Bank to help rescue Mexico?

There is no answer so far. Indeed, it is one of a number of unanswered questions about the new Brady Plan on Mexican debt which was announced last week as a major breakthrough in the seven-year crisis over the roughly US\$384bn in foreign debts owed by the leading Latin American and other Third-World nations.

After months of heavy negotiating, Nicholas Brady, the Treasury secretary who has lent his name and reputation to the Third-World debt plan, was able to announce a rescue agreement vastly different to the one first proposed.

But the key difference of Brady Plan 2 is that it shifts from the commercial banks to the World Bank and International Monetary Fund (IMF) the task of providing the flow of new up-front money necessary to finance the subsequent stages of rescheduling and reduction. And where is the bulk of that new money to come from if not largely from the budget-strapped US Congress?

The commercial banks — owed a whopping \$53bn of the \$107bn Mexico owes to foreigners — will have three options, none very pleasant for bankers to contemplate.

Each bank could take an outright 35% reduction in the principal owed it; cut the current average interest rate on loans; or provide new money for Mexico. Those writing down loan principal will swap their debt for new Mexican bonds due in 30 years, which will be guaranteed by \$7bn worth of US Treasury zero coupon bonds purchased by Mexico with funds loaned by the IMF.

But, at the same time the revised Brady Plan was taking its bow, key Democratic leaders in the House of Representatives sent an unmistakable signal to the Treasury and the White House. The House voted a Foreign Aid Appropriations Bill for this year which provides not a penny of the already pledged American annual instalment of the

Not enough going back into roads — hauliers

By DALE KNEEN, Staff Reporter

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

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

"Of the R6-billion the government derives from the transport industry every year, only R1.6-billion goes back into roads. The government then says it does not have any money for roads and tolls almost every major road in the country."

BATTLE TAKEN TO COURT

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

The battle was then taken to the Supreme Court in Maritzburg, where the PCA and the National Association of Private Transport Operators — which together represent 100 percent of the road transport industry — challenged the lawful operation of toll roads.

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

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

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

United States statistics showed trucks had a better safety record than cars and truck defects did not cause a major percentage of accidents there.

Taxi facilities shortage at Claremont rank

By TYRONE SEALE
Weekend Argus Reporter

A POTHOLED gravel field, which turns into a morass in rainy weather, serves 60 000 taxi commuters who travel between Claremont and townships daily.

The taxi rank, on the Lansdowne side of the Claremont railway station, is part of one of Cape Town's biggest public transport interchanges, but its status pales against the misery it causes commuters.

In wet weather taxis splash through potholes and spray queues of commuters with gravel-cooled water.

Unlit and unsheltered, the site is an ideal hunting ground for muggers preying on late-night commuters. Many people have turned to taxis since City Trams slashed its night services.

And the lack of toilets has landed commuters and taxi drivers with another stinker — many simply squat on the perimeters of the site instead of heading for the toilets on the other side of the railway line.

Operator

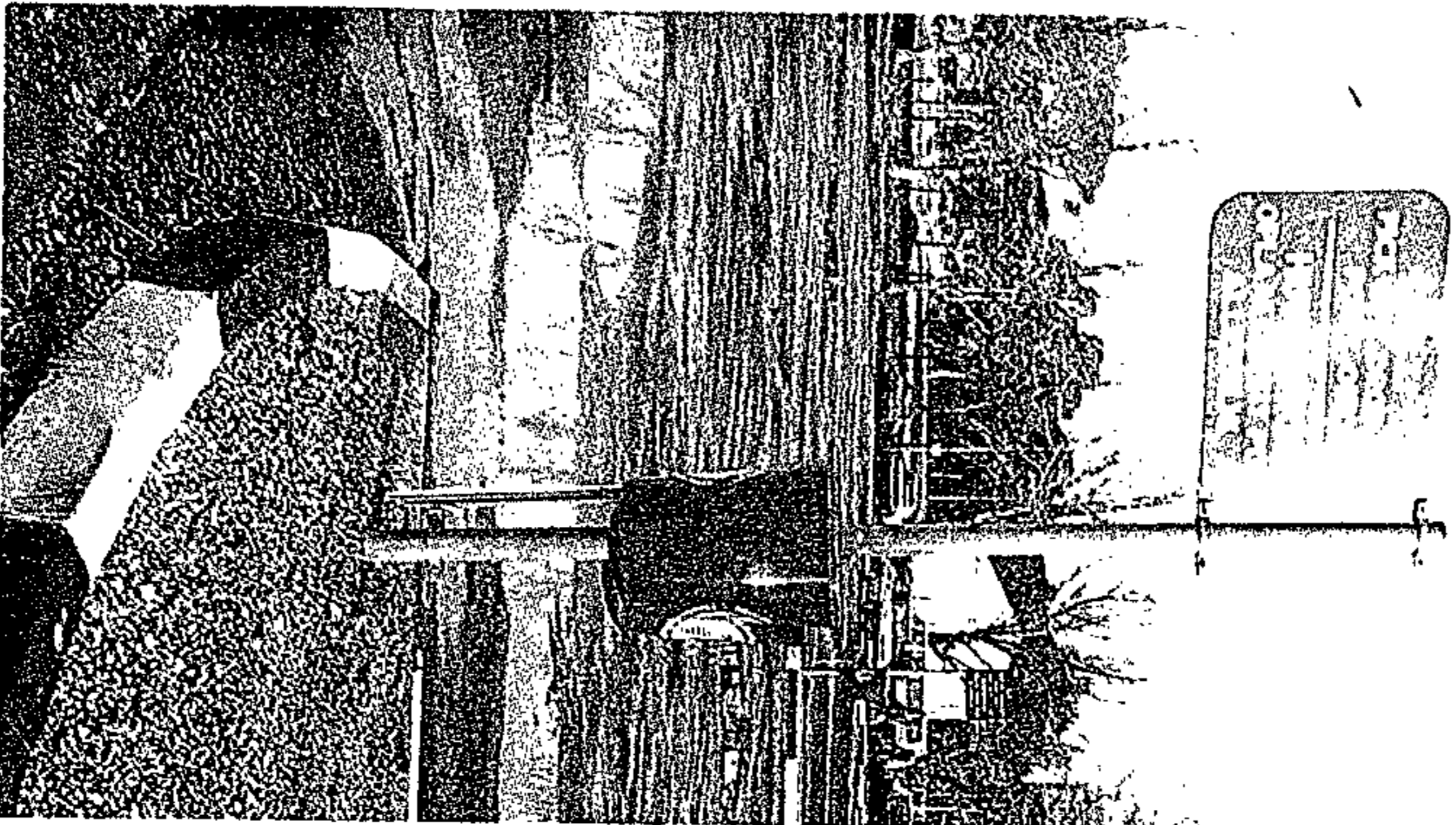
"If the bus company can have properly-equipped termini, why can't we?" asked Mr Basil Nagel, taxi operator and spokesman for the Western Cape branch of the Southern Africa Black Taxi Association.

"Ignoring our commuters' needs is not going to make taxis go away. The authorities must provide facilities.

"The Claremont rank, for example, is unsafe but we cannot employ security officers until a proper structure is put up there.

"We are performing a service for which there is a great demand. That's something the authorities can't wish away. Our commuters deserve the same services bus and train commuters get."

Taxi operator Mr Phila Mahangu said: "In 1986, when we were given permits to operate from this (Claremont) rank, we asked the City Council if



The official "taxi stop", surrounded by muddy pools.



Pictures: LEON MULLER, Weekend Argus

Khayelitsha-bound commuters queue among the potholes a day after it rained heavily.

we could put up structures for commuters at our own expense.

"They said we couldn't because the plot did not belong to us. I think they feared we would claim it once we put structures up, but all we wanted to do was upgrade it.

"On rainy days, drivers can't really bring people to this site, so they are forced to go into the central shopping area, and that's illegal. What do we do?"

Mrs Elizabeth Bethela, 50, of Khayelitsha, said: "Even when it's not raining we have to wear rain-boots because the water takes a long time to dry

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We are very unhappy about this. We rely on taxis because they are slightly cheaper than the bus, but no-one's doing anything about this place. We've been coming here since people moved into

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



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

Sabta to launch plan for better services

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

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

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

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

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

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

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

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

The second is the creation of wealth

Taximen hold key to black economic progress

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Make sure the black community becomes the majority shareholder in privatised state corporations, says **PAUL BROWNING**, mass transit consultant.

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

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

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

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

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

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

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

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

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

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

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

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

● (Paul Browning is the author of "Black Economic Empowerment: Shaping South African Business for the 21st Century", to be published on August 17).

Minibus deaths average 3 a day

By Jacqueline Myburgh

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

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

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

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

In the May/June issue of *Robot*, an NRSC publication, it was suggested that the reason for the tremendous number of pirate taxis was the inability of road transportation boards to cope with licence applications.

Mr Ngcoya said death on the road was not the responsibility of Sabta alone, and he hoped the Government would approve recommendations by a committee of the Department of Transport and Sabta on deregulation.

A spokesman for Eagle Insurance, which has close dealings with Sabta, said premiums for black taxis were the same as for any other public hire vehicles. But there was more risk with a minibus which is on the road all the time.

Shooting sparks fears of city 'war'

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

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

He was shot in the head and chest by a gunman, who ap-

parently ambushed him.

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

Colonel Chris Oosthuizen, commander of the Soweto Murder and Robbery Unit, is investigating and can be reached at (011) 980-8108 during office hours or at (011) 902-4265 after hours. — Crime Reporter.

Soccer referee stabbed

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

The referee in the game between Mbabane Highlanders and Denver Sundowns, Mr Sport Dlamini, was stabbed six times. Witnesses reported at least one player stabbed, as well as numerous spectators. — The Star's Africa News Service.

Journeys of fear

ENTREPRENEURS call it the "taxi miracle".

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

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

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

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

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

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

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

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

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

"It's certainly time to change drivers' attitudes," said Mr Basil Nagel, a Western Cape executive member of

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

the South African Black Taxi Association (Sabta).

"The whole industry is sitting with a bad image because of the behaviour and attitude of certain drivers."

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

More than half of the 3 000 taxis operating in the Western Cape are unregistered.

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

They realise that the taxis are performing an essential service and are usually cheaper than the buses.

Communities also understand that due to widespread unemployment, many of the drivers have no other ways of making a living.

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

Said Nagel, before leaving for the meeting: "The industry must be purged of bad drivers."

"Everyone raves about the taxi miracle which has taken place in the informal sector, but nobody is giving a thought as to how we are going to ensure the provision of a safe and proper service to our communities."

Nagel proposes that the taxi industry starts a register of drivers who would be required to adhere to a strict safety code.

However, the plan will only succeed if taxi associations have the full co-operation of drivers and owners.

A driver at a Cape Town taxi rank is also proposing that the authorities introduce a fixed speed limit for taxis similar to that applied to buses.

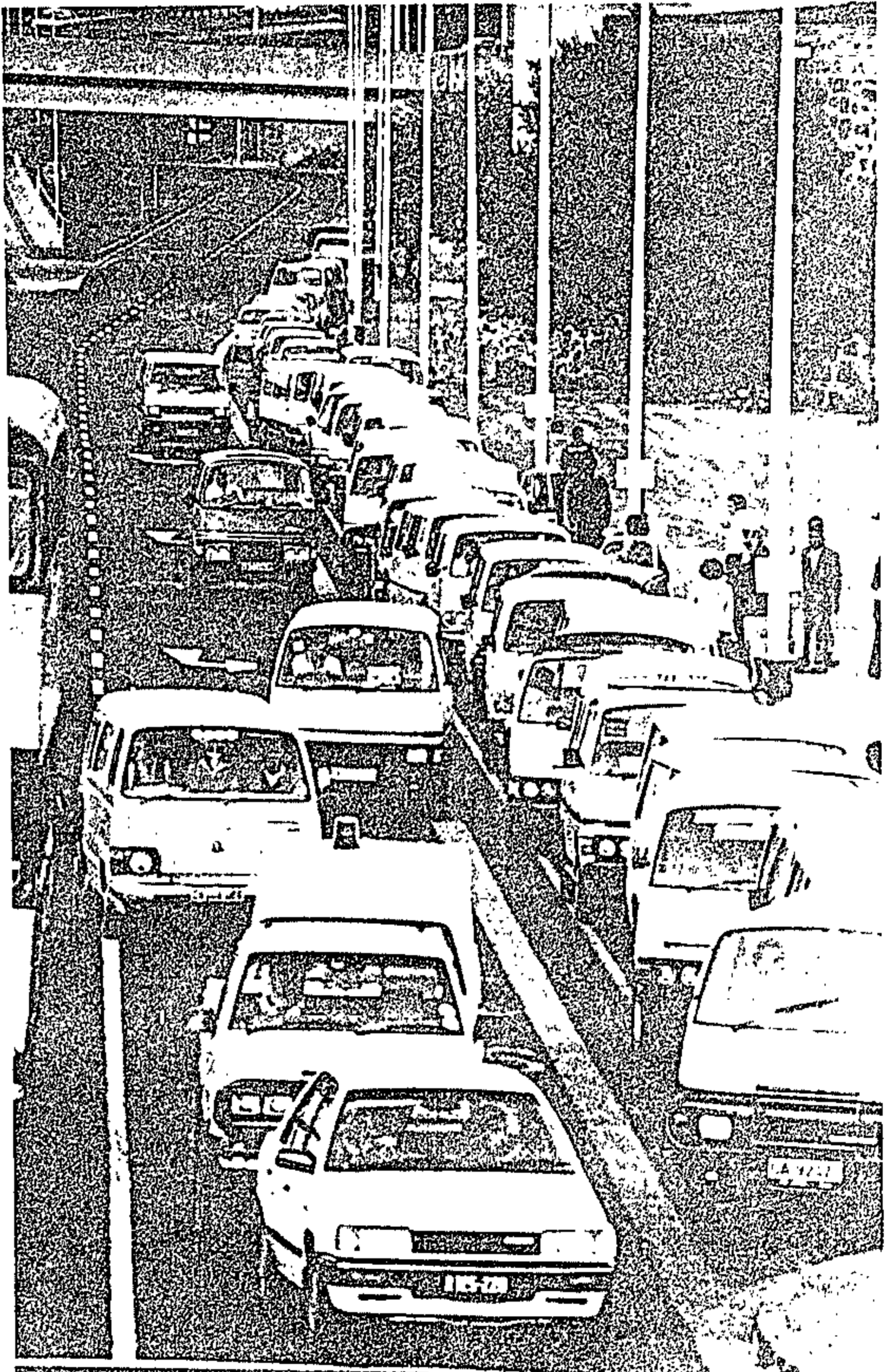
Community organisations, in turn, are insisting that the industry "plays its part" by ensuring a decent and safe service.

After numerous complaints from passengers about overloading, reckless driving, and the rudeness of drivers towards passengers, the Mitchells Plain Co-ordinating Committee agreed this week to hold a meeting with the Mitchells Plain Taxi Association to discuss grievances.

Many of the drivers sympathise with passengers.

Said driver Mr Nazeem Majan: "I know some people are scared to get into the taxis of certain drivers because of the way they drive."

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



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

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

Mr Moegamat Benjamin said there would be less pressure on drivers to rush for passengers if the targets of up to R150 a day were lowered.

In a random survey conducted by SOUTH, many passengers suggested that reckless drivers be banned from the roads.

For those forced out of necessity to use the taxis, each ride is often a "journey of fear".

Mrs Cecilia Haarhof of Atlantis complained that many drivers treated passengers contemptuously.

"They don't realise, that peoples' lives are at stake, or if they do, many of them just don't care."

Mrs Beauty Mbadlanyana of Guguletu also spoke of her apprehension about travelling in taxis.

"But I have no choice as it is all I can afford," she said.

Mr Richard Baholo of Rondebosch said he was often "scared" when he rode in certain taxis.



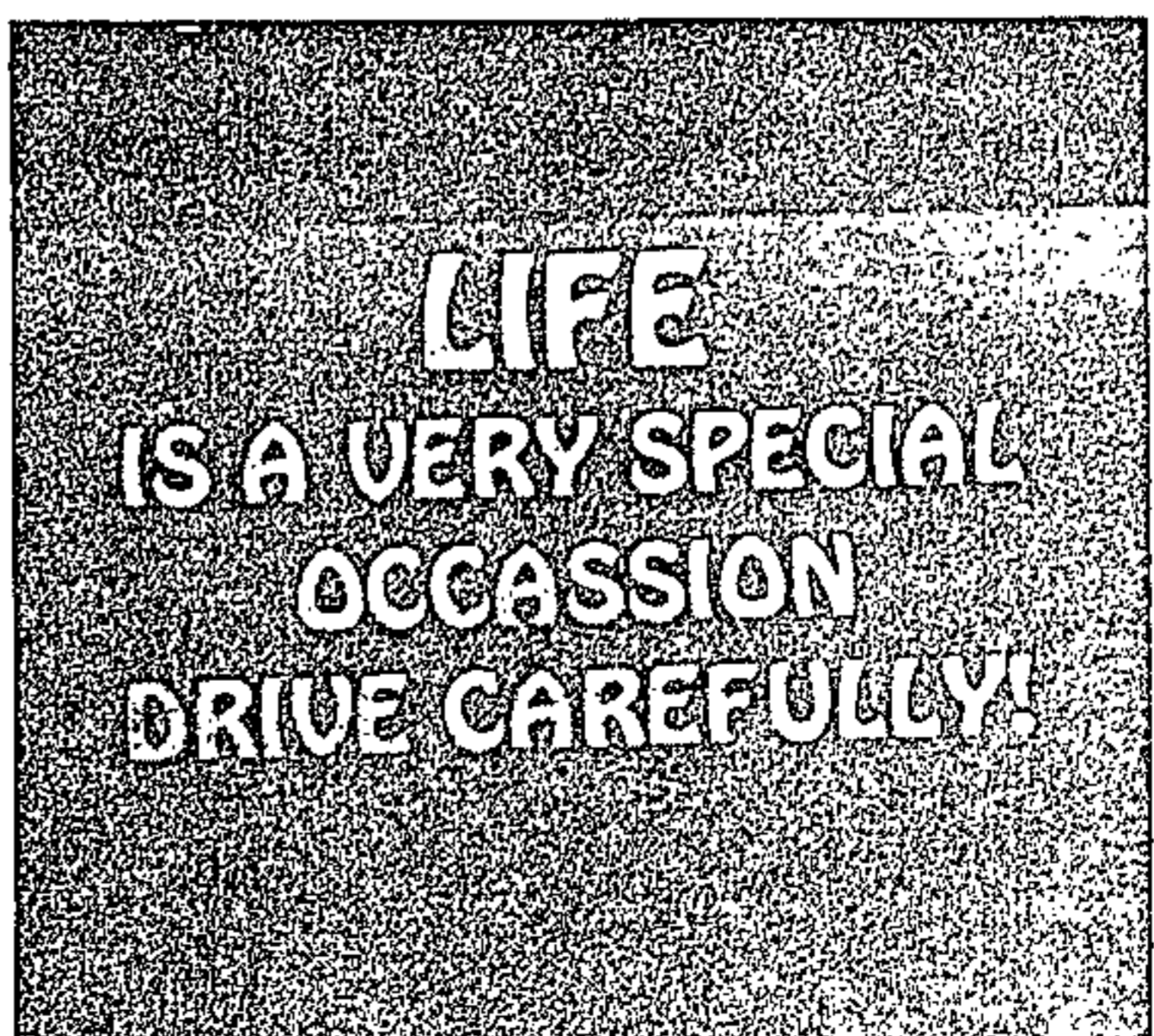
Mrs Zubeida Achmat
"I'm nervous to travel."



Mr Moegamat Benjamin
"Targets are unrealistic."



Mrs Beauty Mbadlanyana
"I can only afford taxis."



An ironic sticker on one taxi's window

PICS: HENRY LUDSKI

Sabta links up with Lesotho Taxi Association

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Sowetan 8/8/89

By JOSHUA RABOROKO

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

Swaziland and Namibia have already joined and talks are underway to establish links with the taxi industry in Mozambique.

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

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

"We look forward to assisting the LTA."

Happy

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

His association was happy to have joined forces with Sabta.

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

The joining of LTA brings the number of Sabta affiliates to 10.

Black operators robbed of millions of Rand

HUGE TAX SWINDLE



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

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

In an exclusive interview with a Sabta team appointed to investigate the exploitation of blacks, it has emerged that black entrepreneurs were each

Govt men involved

Sowetan 8/8/89

By **JOSHUA RABOROKO**

robbed of about R8 000 before they got the vehicles.

Police have confirmed they are investigating various allegations.

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

"We have found that some of them cannot work or are outright fraud."

He said some of the schemes were advertised in the Press with impressive guarantees of a taxi permit within 24 hours with finance and insurance available.

A prospective taxi owner is expected to pay R8 000 as deposit.

The company, which

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

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

The company does not pay the deposit to the bank but pockets it.

After collecting four weekly instalments totalling R2 400 a month from the taximan, the company then pays the bank about R1 600 a month on the lease - pocketing a monthly difference of

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BIG TAXI SCAM

• From Page 1 **332**

R800 for 42 months.

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

Some operators, through various contacts actually manage to register the vehicle in the name of the operator.

This way a taximan pays a total of R117 000 for his taxi and the scam operator makes a net profit of R50 000 on each vehicle.

"We know of a syndicate of three whites and two blacks who have 100 such vehicles on the road.

"If they can continue for 42 months they will have made a clear profit of R5-million without any capital outlay," he said.

Ntlatleng said that as a result of deregulation,

whites were now flocking into the taxi industry.

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

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

He said the schemes were very carefully planned and researched.

"In many cases they are quite legal until our people find that they have been taken for a ride by some of them or they have paid twice what they should have."

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

sub judice. *Sowetan 8/8/89*

Taxi clubs, motor groups and taxi hire were other forms through which blacks were exploited.



SAA privatisation: Draft law due soon

The Argus Correspondent

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

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

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

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

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

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

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

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

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

He said the practice of applying British and American axle limits of 8,2 tons to this country was under reconsideration.

"In some countries of Europe the permissible axle loads have now been increased to 11 tons and 13 tons. Some of South Africa's neighbouring countries have also agreed, together with European countries, to increase their permissible axle loads."

Two private airlines to merge

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

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

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

It is believed the rationale for the move is financial.

The National Transport Commission (NTC) reinstated Citi Air's operating li-

cence for its scheduled routes with effect from Sunday, White said yesterday.

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

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

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

He said he had told the NTC he would resort to Supreme Court action if a satisfactory explanation was not forthcoming. The NTC said White had been "verbally informed".

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MANDY JEAN WOODS

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Sabta keen to run city bus services

Special Correspondent

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

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

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

Said Mr Mabuza: "Project Spear has targeted loss-making municipal transport services as an early opportunity. Johannesburg subsidises its bus undertaking by R28 million a year for a ser-

vice which is increasingly recognised as no longer meeting the needs of all the population.

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

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

Drive to cut road deaths

By MZIKAYISE
EDOM

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

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

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

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

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

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

The deputy managing director of Sabta Marketing, Mr Jabu Mabuza, said the first priority was to train taxi drivers on the safe use of the road.

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Gloomy figures on SA price rises

Special Correspondent

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

Figures from the International Monetary Fund show that from 1983 to 1988 prices here have risen by 100 percent compared with 48 percent in New Zealand, 27 percent in Britain, 6 percent in Germany and 5 percent in Japan.

When it comes to economic growth, South Africa lags behind most other countries. Between 1980 and 1986 it recorded 0,8 percent growth compared with Japan's 3,7 percent, New Zealand's 2,6 percent, Britain's 2,4 percent and Germany's 1,8 percent.

These gloomy statistics were revealed at yesterday's conference of the Southern African Bus Operators' Association (SABOA) in Johannesburg by the

managing director of Group Co, Mr Norman Blem.

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

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

OPPORTUNITIES

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

He said a truly marketing-guided strategy was the only answer for the industry's individual operators, who had to learn to understand the real needs of their customers and fulfill them. They also had to learn to listen to their passengers, and talk to them in their own language.

"In South Africa, the majority of the population has an IQ that

is average or below average. Only 30 percent are above average. Many have problems reading official forms or newspapers or even street signs, apart from the fact that the average adult's reading abilities start declining the moment he leaves school.

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

"You have to get out there and talk to them, and keep talking to them."

Size was no guarantee of future survival.

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

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

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

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in training and promoting black businessmen."

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

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

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

BLACK TAXIS (332)

Impossible dream

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

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

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

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

Quoting from the *FM (Business August 4)* which highlighted the Johannesburg bus services' R28m loss, he promised Project Spear would:

- Offer a turnkey service to reduce the loss by 50% within three years; and
- Provide services which would meet the needs of the entire population and "provide new business opportunities for large numbers of independent transport subcontractors and franchisees as part of black economic empowerment."

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

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

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Violence is feared from white inroads

By Joe Openshaw

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

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

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

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

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

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

HIGH COSTS

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

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

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

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

50 pc share 'increasing'

By Joe Openshaw

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

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

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

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

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

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

He said the association had a vehicle purchase finance scheme for people wishing to enter the taxi business.

Taxi operators launch clean-up

Sowetan
16/8/87
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THE Black Union of South African Taxi Operators (Busato) is to launch a campaign to improve the image of taxi drivers by being neat and adhering to hygienic standards on a daily basis.

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

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

By JOSHUA RABOROKO

standards in the best interests of the transport industry."

He said it was important for operators to improve their image to passengers by washing and keeping themselves clean on a daily basis; adopting correct attitudes in addressing their customers; refraining from smoking and

lowering the volume of tape players and observing road signs.

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

He said the essence of the code was to service the public. It was only by maintaining an

outstanding public image that the taxi industry would retain the respect

and support of the public it served, and maintain a competitive edge in the market place.

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

"We also want to put an end to the escalating violence among taxi operators," he said.



Sabta chairman vows to improve safety

AKGUS 332
16/8/89

By EDWARD MOLOINYANE
Staff Reporter



Mr Basil Nagel, new Sabta provincial chairman

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

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

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

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

Fastest growing

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

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

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

Combatting this would be a

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

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

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

Deregulation

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

He said Sabta considered itself a non-racial organisation with a membership of about 55 000. Fifteen percent was coloured and Indian and white members were being attracted in large numbers.

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

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

"I was elected by Africans who are in the majority on the committee. I after all represent the taxi industry and not the coloured community," he said.

Court backs bus move with ban on 25 unlawful taxis

Supreme Court Reporter

TWENTY-FIVE minibuses taxi drivers were yesterday indicted in the Supreme Court and restrained from operating between the Western Cape and Ciskei and Transkei.

Mr Justice P H Tebbutt granted the order after an application was brought by Transkei Blue Line Bus Service, Motale Bus Service, Konchose Eagle Transport, Elite Bus Service, Broadway Bus Service and Chilwan's Bus Service.

The action against five taxi operators was with-

drawn.

In papers before the court the companies alleged that many of the taxis operated unlawfully on the route.

The bus companies employed 500 people between them, and if the minibuses taxis were allowed to continue their unlawful activities, the companies would be forced to lay off a substantial number of people, they said.

Mr Justice Tebbutt ordered that the taxi drivers, with the exception of those who had permits, be

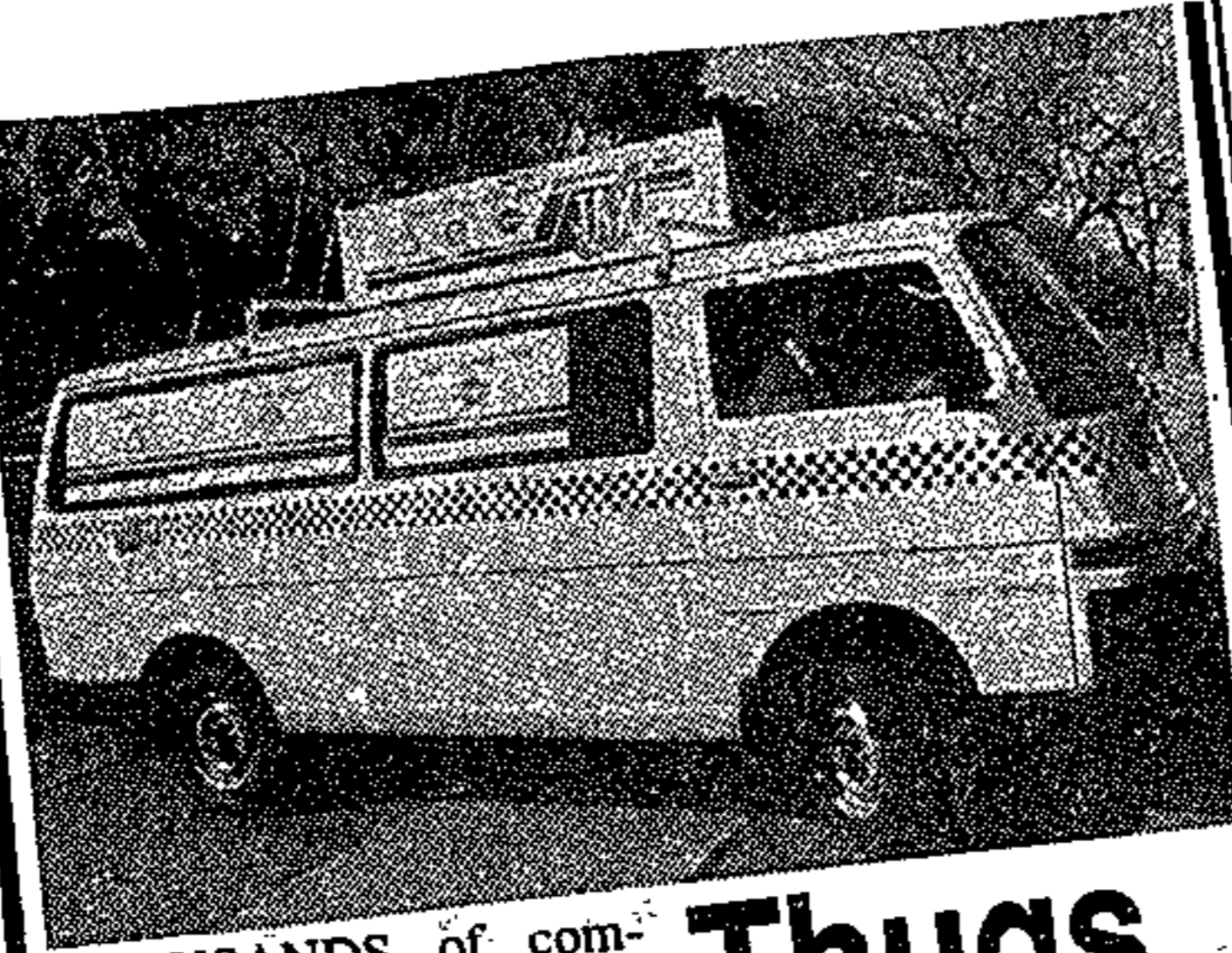
indicted and restrained from operating any motor vehicle for the purpose of carrying passengers on the route.

They are also prevented from permitting anyone to convey passengers on their behalf.

They were ordered to show cause on September 27 — the return date for a final order — as to why they should not pay the costs of yesterday's proceedings.

Mr Gavin Woodland, instructed by Mr Stephen Kriger of Raup, Wacks, Kamler and Kriger, appeared for the bus companies. Mrs R Williams, instructed by N J Vekiso and Associates, appeared for Mr NM Mshana and Mr J Davey, instructed by Dippenaar, Van der Westhuizen and Van der Merwe, appeared for Mr JH Vissor. Proceedings against them were withdrawn.

Case Title 17/8/89 332



THOUSANDS of commuters in Soweto may be left stranded should the Witwatersrand African Taxi Association decide at a meeting tomorrow to withdraw their taxis from the ranks early in the evenings.

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

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

He said one driver, Mr Nicholas Mthembu(30) was robbed and shot twice by gunmen in Orlando East on Monday.

He is recovering at Baragwanath hospital where he was admitted.

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

Mthembu was attacked by the gunmen who ear-

Thugs spark taxi rank revolt

lier boarded his taxi as passengers and waited until most of the passengers had alighted when they demanded money. Moncho said the robbers took almost all the day's takings.

Moncho said this was the second attack on his drivers.

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

He was aware that if this decision were to be taken many people would be affected, adding that it was up to the commuters to put pressure on the police to act against the robbers.

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Sowetan
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Transport

and wrong views



Staw 17/8/89

332

As in other parts of the world, transportation in South Africa is either ignored completely or totally overwhelmed with the wrong kind of attention.

Nothing revealed this more than the past week, when there were five major conferences and two exhibitions.

There was the Government-organised Annual Transportation Convention (ATC) in Pretoria; there was the International Materials Handling conference at Sandton Sun; and the three big industry conferences at the National Exhibition Centre (Nasrec) outside Johannesburg. They were the Institute of Transport of Southern Africa; the Southern African Bus Operators' Association; and the Public Carriers' Association in conjunction with the Institute of Road Transport Engineers.

At the same time — and in the same place as the industry conferences — was ITEC, the international transportation exhibition, and its materials handling counterpart, Matex.

To call the week a clash of interests would be an understatement. What it did, however, was highlight yet again the complete lack of communication between the State — at the theoretical, some would say the blunt end of the industry — and the operators, at the practical or sharp end.

ATC was organised by the Department of Transport. It is supposedly the transport get-together of the year, originally designed to attract those associated with all modes of transport for an exchange of ideas and to thrash out the burning issues confronting a beleaguered industry.

It was also a clever way of reducing the State's payout for officials, quasi-officials and general hangers-on who had made quite a thing out of attending transport conferences all over the country.

The thinking might be good, but the execution has become progressively more inept. This year the ATC was mostly a waste of time and money.

Over the years ATC has moved further and further away from the nuts and bolts issues of practical transport operation. Now it has become the domain of academics, researchers and engineers. Any connection with real issues is purely coincidental.

Transportation is undergoing fundamental changes which will decide the shape of South Afri-

Transportation in South Africa has been debated widely for the past week, and many people and organisations have voiced opinions, but what is really being achieved? **MARION DUNCAN** reports.

ca's industry in the 21st century. It is confronting deregulation, re-regulation, privatisation, restructuring — and an onslaught by a Government desperate for money which has targeted the industry as an ideal source.

Yet ATC tackled little or none of this. It offered 19 sessions with more than 175 papers over five days, on the theme "An Appraisal of the Southern African Transportation System". Why it needs a "theme" is inexplicable. It is not a matric dance, after all. Surely a transportation convention already has a more than adequate theme: transportation.

What made it even more ludicrous was that most of the papers did not even relate to the theme. How does "management of road financing" or "pre-feasibility economic evaluation — a relatively low-cost method of indicating the economic worth of a transport infrastructure project" help assess the subcontinent's transport system or contribute to the raging debate surrounding the industry?

The physical organisation of ATC also left much to be desired. Of the 19 sessions, one attracted more attention than most of the others put together: combi-taxis. It attracted all that attention because it was a relevant, important issue in the transportation world right now.

Yet the organisers put it in one of the smaller conference halls in the centre, while the main hall had only a small part of its space taken up by the Interurban and Rural Transport Infrastructure talks.

There was standing room only at the combi-taxi presentations, with the press warned that they could not take up valuable room until all paying delegates had their seats.

Organisers announced that the session was "over-booked", but made no attempt to do the sensible thing and move it into a bigger hall.

Meanwhile, the people who could have got the

most from that session — the bus-operators — were happily conducting their own conference more than 100 km away.

Where was the interchange of views so vital to any conference? Where was the valuable meeting of the two major protagonists in the passenger transport industry?

Come to that, interchange was the last thing the ATC promoted. Questions were not permitted at the end of each paper. They were restricted either to a panel discussion after lunch, or a half-hour "discussion" at the end of some of the days. Several sessions were devoid of any scheduled discussions, however, which meant nobody was allowed to ask any questions at all.

Journalists covering the ATC had to try to corner speakers during tea breaks, or perhaps — if they were prepared to pay R35 a day — over lunch. Nor could they even be sure of getting the papers presented to the convention. A complete set was pegged at R500 and was unavailable to anyone without the money. Individual papers could be requested, but quite a few just could not be found when they were needed.

The ATC was originally designed to be the "C" in ITEC — the International Transport Exhibition and Convention. These days it has fallen out of the alphabet.

ITEC, however, was exactly the opposite: superbly organised and beautifully presented. For the first time, South Africa put on a show that could be compared with the big transport exhibitions overseas.

The stands were well designed and manned with people who could answer questions with expert knowledge, making the event both an exciting visual spectacle and an excellent source of information.

The industry conferences which coincided with ITEC were equally well organised, concentrating on important and relevant issues and actively encouraging questions and debate.

Operators who attended the conferences and the exhibitions went away with knowledge and information they could apply to their daily work. Few of them even knew what the ATC was — never mind where or when it was taking place.

And that is the ultimate indictment.

Mr Geoff De Jager, managing director of RND International, worth \$110 000 as at 31/12/88. The dividend yield on leading

Talks on (332)
Soweto
service 10/1/59

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

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

Offshore boost for Trencor

Improvements in Trencor's foreign operations and export businesses, together with the weaker rand, helped the company to post a 33 percent increase in attributable income for the year to June. *Stw 18/6/89*

Turnover rose to R689,7 million (R514,1 million), boosting attributable income to R48,4 million (R36,3 million). This translates into earnings per share of 337,8c (253,7c).

A final dividend of 47c (40c) has been declared for a total of 67c.

The directors say the strong contri-

bution from exports and foreign operations should continue.

As a result they are forecasting an improvement in profits in the coming financial year. *332*

Mobile Industries, whose main investment is its 48 percent holding in Trencor, increased attributable income to R23,8 million (R17,9 million).

Earnings per share were accordingly higher at 83,9c (63,1c).

A final dividend of 13,7c (11,40c) has been declared for a total of 18,4c (13,75c). — Sapa.

Black empowerment and taxis



Paul Browning is the author of *Black Economic Empowerment - Shaping South African Business for the 21st Century*, published this week by Fontein Publishing.

In the past year, the term "Black economic empowerment" has become widely used in the context of the search for a new political dispensation.

The goal of black economic empowerment is to assist (but not replace) the political process of dismantling apartheid and creating a nonracial representative government in SA.

This encouraging scenario can be made reality only with the support of both the public and private sectors. Government must offer sensible and practical support in the form of appropriate legislation — and it must be prepared to be actively involved in the management of the process of change.

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

There is a need for an intermediate level of economic activity populated by the *semi-formal* businessman. In this area, the successful informal sector entrepreneur can be assisted to build on his experience and turn it into genuine capitalist business skills.

Recent moves announced by the SA Black Taxi Association (Sabta) are a step in the

right direction. Sabta has joined with a First-World company, which, apart from its general knowledge of business, also has specialist skills in education, training and transportation. The two have formed a joint development company, Project Spear (Pty) Ltd.

Education in basic business skills, together with driver training, will be carried out at residential training units. Training courses will, however, be sold at taxi centres throughout the country. These will be trading as profit centres in their own right, and will also be the social focus of the local taxi industry. The taxi centres will be operated by independent franchisees. In this friendly environment, training can be sold as just another service to the industry, rather than some strange new First-World technique.

At the same time, Project Spear (Pty) Ltd will develop new business opportunities enabling the taxi operator to use his new skills by becoming a transport sub-contractor or franchisee. He will be able to gain actual business experience in an environment where there is all the support he needs. In due course, he will move out of the support system, fully equipped to compete in a world of deregulation and competition.

The new business opportunities envisaged by Project Spear include parcels and freight operations, tourism and the privatisation of municipal public transport. This latter venture does not mean, as was suggested in last week's *FM*, that 100-seat buses will career down Eloff Street in the hands of an untrained driver with a forged licence. The operation will remain in expert hands; the

ownership will change colour. And smaller-scale services such as local trips in, say, Randburg, might well be operated by minibuses owned by a sub-contractor.

Project Spear is a typical example of the way in which the new economy of our country will develop. It will be nonracial business showing the way to a nonracial SA. The emphasis will be on commercial prosperity throughout. There will be a need for seed-funding, but the vast majority of the financing must come from investors.

The sums are not small. The capital requirement of Project Spear (Pty) Ltd in its first phase alone is R490m. This is needed to purchase and operate the taxi centres and residential training units. Given the current state of the economy, this kind of new capital must come at least in part from abroad.

This provides the opportunity which so many overseas investors have suggested they have been waiting for — a sound business venture, untainted by racism, yet at the same time contributing to the process of political change in our country.

SA has seen two great business movements. The first was that of the English-speaking Randlords. The second was that of the Afrikaans-speaking business community. The Nineties will see the emergence of the third great business movement — that of the black people.

The significance is that these three distinct business movements will be operating in a nonracial country. This will have come about at least in part as a result of the process of black economic empowerment begun in the early Nineties.

Handwritten notes: a scribble, the number 197, and the word "removal".

Root causes of 'taxi war' not tackled, operators say

MR645 24/8/89

332

By EDWARD MOLOINYANE
Staff Reporter

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

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

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

They blamed Sabta for lack of interest in the causes of the conflict. Mr Maxwell Nonkonyana, chairman of Langunya Taxi Association, which claims to represent 80 percent of taxi operators in the townships, said his members were "disgruntled" because none of the root

causes of the fighting have been addressed by Sabta.

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

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

"The situation hasn't changed from what it was before the conflict because these people are still adamant that we shouldn't operate in certain routes such as Bellville and Mowbray even though we are legal permit holders for these areas.

"We made numerous representations to the national body but have been ignored," he said.

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

Mr Nonkonyana added that his association would only co-

operate with the new body on national issues but would follow an independent line on regional and local matters.

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

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

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

There were many issues facing the new executive committee which needed to be addressed. Mr Nagel added that it wasn't time for "sour grapes" and if people wanted positions

they should be prepared to work hard for them.

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

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

Mr Nagel had played very important roles in Sabta since 1982. He said the constitution required that an impartial Sabta executive member should conduct the elections.

"In this case an executive Sabta member from the Orange Free State conducted the elections in which Mr Nonkonyana participated and Mr Nagel won. We as Sabta cannot interfere with such a democratic process," Mr Chapman said.

Minibus taxis corner city commuter traffic growth

Cape Times

26/8/89

332

MOST commuters in central Cape Town still prefer to travel by car, the latest study of peak-hour commuter trends in the CBD shows.

While there was little change in bus and train passenger volumes in late 1988 compared with 1987 the study, conducted by the City Planner's department, shows that minibus taxis now account for 4,4% of inbound and 6,4% of outbound commuter traffic.

While City Planner Neville Riley describes the growth of the minibus taxi industry as "dramatic", the percentages relating to this sector in his survey are not comparable with previous years.

Minibus taxis were quantified separately in the annual survey for the first time in 1988. Before that they came under a general motor vehicle classification.

The 1988 commuter study shows that buses have lost a substantial proportion of inward-bound passengers in the CBD in the past decade.

It also shows that while white commuter preference remains firmly with car travel, non-white commuter preference remains with trains.

Meanwhile the burgeoning minibus taxi industry in the Cape Peninsula is to gain new impetus from a R35 m terminal at Mitchells Plain.

The Mitchells Plain businessmen behind this venture say it will be a first major step towards regularising and controlling minibus-taxi operations, "and to change the poor public image the industry is giving itself, to one of genuine service to the community".

The terminal, scheduled to be completed by next year, will provide for 500 taxis and will incorporate maintenance and repair workshops and a driver training centre.

Barry Gie, MD of City Tramways, maintains the impact of taxis on public transport operations in greater Cape Town is by no means as marked as is popularly supposed.



ON THE INCREASE: The kombi taxi — an increasingly common sight on Peninsula roads, with the rapid increase in the number of commuters using this free-ranging form of transport.

Cars, trains and buses continue carrying the bulk of Cape Town's peak-hour commuter traffic but the latest survey by the City Planner's Department shows interesting trends in the modes of transport, in which for the first time the minibus taxi looms large. ROGER WILLIAMS reports

He says the private car is by far the biggest single factor in the decline of public transport usage, which has seen City Tramways carrying 9,3% fewer passengers in 1988 than in 1983.

"Only when the physical means for improving public transport services — especially speeding them up — is made available by the powers-that-be, can operators do anything really significant to

ensure that it's smarter to use public transport because it's quicker, cheaper and more efficient than sitting in a car in a traffic jam."

Asked about steps to improve Cape Town's bus services, Gie says: "The experimental return of conductors on the Sea Point buses, which has resulted in an initial 7% increase in the number of passengers on that route, is just one of them."

at Dollar earnings boost Grincor's shipping profits

CMT Times 25/8/89 (332)

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By AUDREY D'ANGELO
Financial Editor

THE GRINDROD Unicorn international shipping and transportation group lifted operating income by an impressive 89% in the six months to June 30, on a 17% increase in turnover. And it reduced borrowings by R36m.

The directors explain that it was helped in this by foreign exchange profits due to the weakness of the rand. They expect further improvements in dollar earnings — although these may be offset by a fall-off in import trade.

Attributable income rose by 31% to R4,7m (R3,6m) in the first half of the year. Earnings at share level were 18,9c (14,4c). The interim dividend is 21% higher at 8,5c (7c) a share, with increased cover of 2,2 (2,1)

times earnings.

Turnover was R187,3m (R160,1m), operating income R19,5m (R10,3m) and pre-tax income R13,2m (R7,6m).

However, the tax bill rose by 217% to R4,4m (R1,3m), leaving after tax income of R8,8m (R6,2m).

The net asset value per share has risen to R206 000 (R198 000) and interest bearing debt has been reduced to R57,7m (R93,8m).

The directors say they expect the growth in earnings to be maintained in the second half of the year.

Chairman Murray Grindrod said that "the recovery in the international shipping market continued throughout 1989. Satisfactory results have been achieved from all the group's international activities."

He expects results from international business to continue to improve in the second half of the year although he warned: "The current import curbs may cause volumes to reduce and offset the results of the international freight and ships agency divisions."

Grindrod said that in the face of increased competition, the group had "achieved limited growth in its domestic activities" in the first half of this year.

He said the group had contracted to buy a second hand 34 000 ton ship for international trade, which would be delivered this year. "The financing of this expenditure will not present any problems as the strength of Grincor's cash flow is evident from the R36m reduction in loans in the first six months."

M & R profits

CMT Times 25/8/89

Election lobbying

Lobbying from a major power base has never been a South African strong point, but hauliers can derive some satisfaction from the knowledge that the Public Carriers' Association (PCA) has tried to lobby election candidates on behalf of the road transport industry.

Org's fuel figures anger truckers

cont → Star 4/9/89 332

Hauliers are up in arms about statements made by Deputy Finance Minister Dr Org Marais in a four-page paid advertisement feature in the *Financial Mail* magazine.

They are accusing him of "juggling numbers", of "making deliberately misleading statements", of "ignoring the real issues facing road transport and the national economy" and of "downright lies to score points before the election".

Chief executive Ian Moss of the Public Carriers' Association (PCA), the major industry body, has said complaints about the article have been "positively vitriolic".

Entitled 'Steering through economic storms to prosperity', the piece included a separate section on "fuel levies and road tolls" that has infuriated transporters.

Marais stated: "Although the weakening of the rand and oil price increases since September 1988 have resulted in sharp petrol price rises, over the five-year period 1983 to 1988 the petrol price rose on average by only 9,8 percent a year — a rate considerably lower than inflation and the nominal increase in income.

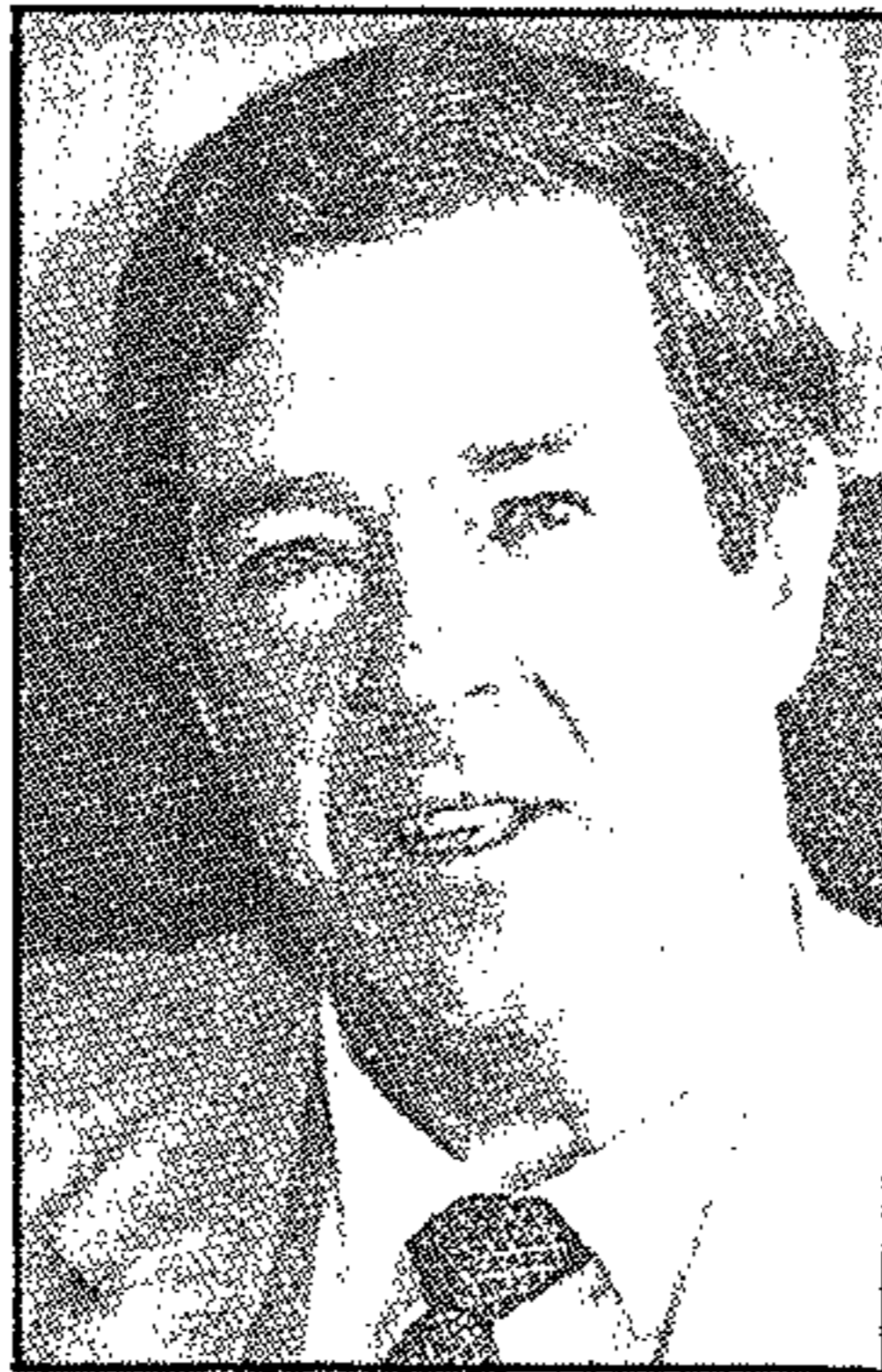
Petrol tax

"Contrary to some opinions, both the price and tax on petrol are still among the lowest in the world. Tax forms only 32 percent of the petrol price compared with 75 percent in most European countries."

Accompanying this was a graph of international pump prices in South African cents/litre. It showed SA at the bottom of a series of gradually lengthening bars representing the price (in ascending order) in Australia, New Zealand, West Germany, Switzerland, Belgium, Holland, Portugal, France, Ireland, Japan, Denmark and Italy.

Said Moss: "We at the PCA are still trying to work out where the Deputy Minister got his figures.

"In February 1984, fuel cost



ORG MARAIS — "A cheap election trick."

57,7 cents at the coast and 61,4 cents on the Reef. It now costs 104 cents on the coast and 111 cents up here, increases of 80,2 percent and 80,8 percent respectively. In fact, diesel fuel has increased in price by 48,5 percent over the last 12 months, and there is another increase due after the election.

"From February 1984 to January 1985, prices rose 47,5 percent at the coast and 46,4 percent on the Reef (there were three price rises in between); January 1985 to March 1986 - 3,4 percent on the coast and 9,0 percent on the Reef (with four price rises and one inassive price reduction in between); March 1986 to July 1987 — a reduction of more than 14 percent; July 1987 to September 1988 - no change (with one reduction in between and then a rise); September 1988 to July 1989 - 48,5 percent at the coast and 46,0 percent on the reef (with three rises between).

"That is working from the dates of increases or decreases in the fuel price, rather than on calendar or financial years.

"Now, where does he get his figure of 9,8 percent a year from? We have no doubt it is an accurate mathematical calculation of some kind, but it bears no relation to the truth: that fuel has been used as both a political

and a tax pawn as and when needed.

"With regard to saying that we have among the cheapest fuel in the world, we challenge that as well. His graph uses January 1989 exchange rates (eight months out of date) with current fuel prices, but we still can't work it out.

"The pump price of fuel in the UK is 26,81 pence/litre, of which 17,29 pence is the tax component. That is exclusive of VAT. No matter how hard we fiddle it, we can't get it to the total shown on Marais's graph of 160 SA cents/litre.

"That immediately casts doubt on the rest of the prices which, by the way, omit the States. Fuel there ranges in price from 87 cents/gallon on the west coast to more than 98 cents/gallon on the east.

"In any event, the mere conversion of a pump price into SA cents is not a valid comparison. It is a trick government has been using for years to persuade South Africans that everything in our garden is rosy. Now Dr Marais is doing it on the eve of an election with the price of fuel. It doesn't work any more."

Road construction

Dr Marais also said that "the net revenue accruing to the fiscus from fuel levies amounted to R2,66 billion in 1988/89. Although this was not earmarked for road construction nearly all of it - R2,39 billion - was spent directly or indirectly in this area."

Said Moss: "Once again, we disagree with the figures. In the 1987/88 financial year, government accrued R2,08 billion from fuel taxes alone. With a more than 40 percent increase in the fuel price, are we expected to believe that only an additional R0,58 billion was collected? Total collections from fuel alone should have been close to R3 billion.

"If you take road user charges into account, they produced more than R4 billion in the 12 months January to December

1987. We estimate that to be over R6 billion now. We also note the Deputy Minister conveniently forgot to mention them.

"The PCA would also like clarification from Dr Marais on 'indirect' spending on road construction, and what percentage of the R2,39 billion is made up of these amounts. Vague statements on such an important issue are unacceptable."

Marais also raised considerable ire among hauliers by calling toll roads "an imaginative, practical and far-sighted means of ensuring a modern road network in the future."

Said Moss: "Toll roads are impractical and short-sighted. They are also inflationary.

"Our calculations, checked by economists, show that a brand new N3 could have been financed by an additional 1c on the fuel price. How does that compare with tolls, which are a considerable additional expense to the trucker and therefore inflationary.

"Dr Marais's own governor of the Reserve Bank has publicly committed himself to fighting inflation. How can Dr Marais justify a policy of toll roads and soaring fuel prices in that context?"

"South Africa does not have the traffic volumes necessary to make toll roads pay. That is why the private toll consortia are being allowed to toll existing roads — to get them the return they need to make a profit, which they could not do on the new roads they are building.

"Government is lying to the country about toll roads, as it is about the fuel price and a lot of other things."

Dr Marais was unavailable to comment on the accusations of the PCA.

Several hauliers, however, were not. They agreed vehemently with the Association's arguments. Said one: "Marais's ad in the magazine is a mass of carefully doctored statistics that deliberately conceal the true picture. The whole thing is a cheap election trick."

The PCA has written to and faxed nearly every candidate from every party, sending them information designed to stress the importance of the industry and a list of demands.

In the role of educator, it has pointed out that "transport typically contributes between 10 percent and 40 percent of the total cost of producing goods and services. More than 80 percent of all tonnage conveyed in South Africa moves by road - only 16.8 percent moves by rail.

"Non-governmental road transport for gain makes a significant contribution to the economy. For instance, the industry employs more than 65 000 people and indirectly supports at least four times as many. The annual wage bill of the industry exceeds R650 million. In 1988, the industry moved 312 million tons of goods."

It then points out that cost-push inflation within road transport is currently running close to 30 percent.

"Government has applied its policy selectively to disadvantage road transport through excessive cost increases. This has not only led to less viable and attractive investment opportunities in road transport, but has artificially assisted in making road transport less competitive with rail.

"The industry furthermore receives no sympathy from the Minister of Transport Affairs because of his executive position with SA Transport Services."

The Association has also listed its demands from the new MIPs. Our own Minister. Immediate

agreement to changes in legislation to allow for productivity improvements in road transport. A liberalisation of economic controls on road transport."

Among the examples of urgent action required, it includes reviews of: the toll road policy; the local content programme; uncontrolled customs and excise duties on new vehicles as well as on spares and components; and the policy of using the fuel price as an instrument of taxation.

PCA chief executive Ian Moss is not, however, overly optimistic of the results of the exercise.

"Not one candidate from any party has bothered to address the transport industry and its problems. In fact, one party - the Democratic Party - does not even have an official transport spokesman.

"None of the opposition candidates has bothered to suggest alternatives to the government's current transport policy, or to point out to voters how a new policy could benefit both the national economy and the individual consumer.

"None of them has bothered to take government to task for its mismanagement of transport, and how that has contributed to our high inflation rate.

"It's quite obvious that they either don't understand the issues, or they don't care.

"With a general election around the corner, it's hard to believe the apathy of candidates about one of the most important sectors in the economy."

Going down like ninepins

Failure rates among transport businesses are far higher than the national business average, which is causing great concern in the industry.

Said Public Carriers' Association (PCA) chief executive Ian Moss: "It's the same around the world. Transport is far more vulnerable than other industries during economic recessions and downturns, and with the current condition of our economy there is no doubt that the transport sector is suffering tremendously.

"There is another problem too, of course, which is a lack of reliable statistics in this country. Nobody really knows just how many transporters have gone bust, or how many are on the brink.

"We know purely from experience that the situation is serious, but to back it up with figures is another story."

Dun & Bradstreet in the States, in conjunction with American Trucking Associations, has shown that the failure rate in transport has diverged increasingly from that of "all businesses" since 1980.

At the start of this decade, the

"all business" liquidation rate was 40 per 10 000 companies. In trucking it was 59. By 1983 the gap had widened: 110/10 000 for all businesses by comparison with 140/10 000 for trucking companies.

The most recent statistics are even worse. As the 80's near their end, businesses in general in the US are failing at the rate of 120/10 000 while trucking businesses are going under at the rate of 180/10 000.

Those figures are still average. Detailed breakdowns show that linehaul companies are prone to disaster, while local transport and storage companies are least vulnerable.

Said Moss: "We, and other industry associations, are deeply concerned that the current adverse economic climate is taking a huge toll of transporters. We have lost members, and we know there are others who are very close to disaster - general hauliers in particular, which again reflects the international trend.

"For a country like South Africa, which is supposed to be a developing nation, this is serious."

STAR 4-9-89

'Highway robbery' by traffic officers

KAIZER NYATSUMBA

Star 11/9/89
BLACK taxi drivers claim they are being blackmailed by traffic officers in the PWV area who are demanding bribes said to run into millions of rands. (332)

Persistent allegations to this effect have resulted in the Southern African Black Taxi Association (Sabta) launching an intensive investigation.

The head of the Sabta investigation team, Mr John du Preez, this week told Saturday Star the taxi association viewed the problem in a serious light and would soon approach the appropriate traffic authorities.

The problem, Mr du Preez said, was com-

● TO PAGE 2.

SATYR

**NEWS
DEMOS**

Taxi men 'blackmailed'

Star 11/9/89 ● FROM PAGE 1. (332)
pounded by the reluctance of taxi owners and taxi drivers to speak about this exploitation or to lay charges with the police since they feared this would expose them to further harassment, Mr du Preez said.

According to Mr du Preez, taxi-owners and drivers are required to pay bribes before being issued with taxi permits.

In June this year Sabta established a special department to handle the investigations.

Some traffic authorities who had already been approached informally in the PWV had promised "to hit hard at any members of their staff involved in this kind of blackmailing", according to Mr du Preez. For the time being he was loath to give further details.

A spokesman for the SAP media liaison division in Pretoria yesterday said his department had stated repeatedly that if Sabta members had any complaint against the police they should come forward to make a full statement. Investigations would then be carried out, he said.

"The taxi driver knows that all he has to do is to keep a folded R50 note in his identity document. When the particular traffic officer stops him to check if his vehicle is roadworthy and if everything is in order, the driver merely produces his ID and hands it to the officer.

"The R50 note will simply 'disappear' and the driver will not be ticketed for any violation of traffic rules," said Mr du Preez.

He said it was difficult to expose the culprits because taxi-drivers were generally reluctant to make affidavits.

"The drivers know only too well they would never again be able to do business in that particular region," he said.

A spokesman for the Johannesburg Traffic Department, Mr Eric Hall, said: "We are not aware of anything like that, but if there were any irregularities, necessary investigations would be made by the department and appropriate action taken against those involved."

S/ Times 10/9/89

Focus on trucking (332)

THE ninth annual Outlook for Trucks conference will be held on October 18 and 19 at Eskom College, Midrand.

The theme of the conference, organised by Transport Management, will be improving road transport's share of the freight market.

Discussion will be on market uncertainties, the impact of new vehicle and transport technologies, transport legislation and intensified competition.

Speakers will include Ronnie Meyer, Director-General of the Department of Transport Affairs; Tony Twine, managing director of marketing environment at Econometrics; Ron McLennan, managing director of Tolcon; Ernst Gohring, head of the heavy-vehicle test department of Daimler-Benz AG; Wally Rautenbach, marketing director of ADE; and Hugh Sutherland, technical manager of the Public Carriers Association.

Taxi rank a threat to security, say residents

Shirley Woodgate, Municipal Reporter

Plans by the Johannesburg City Council to create a black taxi rank and hawkers' market in Illovo have been condemned by some residents as "ill-conceived" and a threat to security.

They are heading for confrontation with their councillor Mr Christopher Newton Thompson and their local residents' association, who have approved the proposals, which are apparently in line with the development plan for the area.

The move envisages the closure of Cecil, Reform, Jameson and Tyrwhitt avenues at residents' request and the development of the park site bounded by Corlett Drive, Oxford Road and North Street for the taxi rank.

Several Illovo, Dunkeld, Melrose and Rosebank residents decided at a meeting in August to lodge an objection with the town clerk.

Committee convenor Mr C E W Hagley said the proposed rank would become a gathering point for taxis in the area.

The committee felt that, together with the hawkers' market, it would threaten security and bring with it a flood of vagrants, muggings, theft and litter with no compensating advantages. It also felt the police would not be able to control the situation.

The proposed market was "not only unnecessary but undesirable" as the area was already adequately served by convenience stores, he said.

The council has not commented on the objections voiced by the committee which will decide on further action after studying the official viewpoint.

Plans to upgrade ailing transport department

Sabta negotiates bus service

By Shirley Woodgate,
Municipal Reporter

Far-reaching plans for a combined combi-taxi/double-decker bus service to upgrade Johannesburg's ailing transport department have been detailed by Sabta in a privatisation package.

Transport expert Mr Paul Browning, adviser to Southern African Black Taxi Association and author of "Black Economic

Empowerment — Shaping South African Business for the 21st Century", said frameworks were being presented by Sabta to municipalities with loss-making bus departments.

"The initial reaction that in Johannesburg it would mean double-decker buses hurtling down Eloff Street driven by untrained drivers with forged licences, should be immediately squashed," he said.

The plan aimed to improve the

city's transport service through Sabta's 50 percent-owned development company, Project Spear.

Managing director Mr Henry Serfontein said he aimed to provide a wide range of cost-effective nonracial market-related services, rather than the council's "take it or leave it" service.

"Main routes will be serviced by big buses to give a very frequent service like a light rail system, but without the cost of

construction. Elsewhere we would offer a variety of 'taxi-bus' services using small vehicles.

In the absence of roving taxis, the company planned an "inner-city distributor" using combis to link Diagonal Street, the Carlton Centre, mid-town shops, the rail station and Rotunda, Braamfontein and Parktown with a service every few minutes.

"We have already approached the Central Business District Association to ask them to take part in development and promotion of the inter-city distributor," said Mr Browning.

Typical services outlined by Mr Serfontein included single-hire — similar to a taxi service where people prepared to pay the highest rate can have a vehicle sent to their front door.

Shared-ride meant booking 24 hours in advance to be picked up in a shared taxi.

Subscription entailed booking the same trip each day for a big discount, or employers could arrange a contract whereby staff would be picked up from their homes and transported to work.

"Charter — our fleet of 10-16 seat vehicles will be ideal for many small groups such as sports teams or say, office parties to Sun City."

Mr Browning said all these services would have a modern new corporate image and livery, promoted and sold through a marketing arm very much like a travel agency.

Time to free Mandela

US President

By David Braun
The Star Bureau

WASHINGTON — One of the first things President George Bush would like to see Mr F W de Klerk do when he becomes State President is to free jailed ANC leader Mr Nelson Mandela.

Mr Bush said this in a TV interview with David Frost broadcast in America at the weekend.

Speaking from his Kennebunkport holiday home, he said the release of Mr Mandela "would help things a great deal".

"I'd like to think that he would do that," he told Frost.

Mr Bush said he had heard good things about Mr de Klerk.

REACH OUT



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Moves to airlines' merger

Blom 149/89 (332)

THE proposed merger between Durban-based Citi Air and Johannesburg-based Magnum Airlines is still on the cards, with a third, Border Air, and possibly others being brought into the deal.

Neither Citi Air co-owner Doris White nor Magnum Airlines chairman John Morrison would confirm other airlines were involved.

Citi Air MD David White confirmed in an earlier interview negotiations were going on for the merger between Citi Air and Magnum Airlines.

Morrison said in a telephone interview yesterday the negotiations "could involve other airlines. There are negotiations going on and they may not be restricted to Citi Air."

He said negotiations could be completed within the next 10 days.

Asked if Border Air formed part of the deal, Morrison replied: "I'm not saying it is not involved."

MANDY JEAN WOODS

Doris White, in an interview yesterday, said the deal between Citi Air and Magnum was a "very big deal. It is not ready yet."

Asked if the deal between Citi Air and Magnum included other airlines, she said: "Let's leave that for news later on. There are other things going on."

She refused to say whether or not this meant other airlines were not involved.

Morrison also declined to confirm the buyer was from overseas.

"It is not necessarily an overseas buyer," he said, and would not elaborate.

In January this year Pretoria-based Brownlees Holdings, headed by MD Ivan Brownlees, was involved in negotiations to purchase Magnum, Citi Air and two other private airlines.

But, according to Morrison, the deal fell through because Brownlees could not meet the terms of his contract.

Talks to be held after Tvl border attack

Blom 1219/89
THE SA Trade Mission's representative in Zimbabwe has been instructed to hold urgent talks with the Zimbabwean government and military authorities, following a terrorist attack on a northern Transvaal farmhouse early yesterday.

An SADF spokesman yesterday said the farmhouse of a J Erasmus, situated 50km west of Beit Bridge in the Weipe district in the far northern Transvaal, was attacked early yesterday by suspected terrorists who infiltrated from Zimbabwe.

"Small arms, fired at the house, caused only very slight damage and no injuries", SADF spokesman Cmdt Riaan Louw said. ~~the terrorist group fled back~~

DANIEL SIMON

across the border after the attack, leaving seven RPG7 rockets, one RGD5 handgrenade, one F1 hand grenade and an AK47 magazine. He added that the Department of Foreign Affairs had been asked to take the matter up through diplomatic channels and that no further information would be made available.

Foreign Affairs spokesman Madelaine Gericke said last night that SA's Zimbabwe trade representative, Nico Nel, would meet Zimbabwean government and military authorities to to impress upon them the need to stop the incursions.

Shareholders' faith in Micor is vindicated

BRENT MELVILLE 332

AFTER its announcement last month that it had acquired an additional 49% in Meadows Airfreight for a consideration worth roughly double its presiding share price, Micor shareholders have seen the value of their shares increase by 10% to 450c.

And Micor has vindicated its shareholder confidence with the announcement today of its year-end results to June. The industrial holding company has, in fact, posted sterling results.

Post-extraordinary-item earnings jumped by a hefty 63% to 140c (86c) allowing a dividend, 78% improved, of 49c (27,5c) to be declared — covered 2,9 times.

The results put the share on a dividend yield of 10,9% and a p/e of 3,2 times compared to 4,5% and 8,6 respectively.

With turnover climbing by only 15% to R425,1m (R369,5m) pretax profits improved by 53% to R4,5m (R3m) and, following a more lenient tax man who more than halved the tax charge to R200 000 (R432 000), profit after tax jumped a dramatic 72% to R4,3m (R2,5m).

On the balance sheet gearing increased slightly to 82% (79%) and the current ratio was reduced to 34% (47%). Executive chairman Cecil Kaplan says the increase in earnings and net asset value — to 802c (675c) — a share reflects the Meadows Airfreight purchase. *Business, 2/9/89*

"The proposed restructure of the group referred to in cautionary announcements is proceeding and will be fully detailed in a separate announcement towards the end of the month," he says.

Full steam ahead at blue-chip Safren

By Magnus Heystek
Finance Editor

Safren, the holding company of Kersaf, Safmarine and Rennies, has handsomely beaten its conservative forecast at the halfway-mark with a set of sterling results for the financial year to end-June with attributable earnings rising by 38 percent to R213,1 million.

True to form, chairman Mr GA Macmillan, is again coy about growth prospects in the current financial year, prepared to say only that "the company will produce satisfactory earnings."

Turnover for this large shipping, gambling, stevedoring and forwarding company increased at near-breakneck speed of 35 percent to R3,807 billion (1988:R2,799 billion) with operating profit rising by 45 percent to R635 million.

A further increase in operating margins from 19,3 percent during 1988 to 20,3 percent contributed largely to this improved performance.

The tax bill rose sharply from R136,2 million in 1988 to R197,3 million, mostly as a result of an increase in the tax burden of Rennies. This was the result of assessed tax-losses being used up, said Mr Macmillan.

There has been an increase in net interest cover from 14,1 to 29 times.

Earnings per share rose by 38 percent from 293c to 404c a share while a final dividend of 135c has been declared to bring total pay-out to 180c a share.

These results clearly indicate a high level of buoyancy in the domestic economy, with imports and exports as well as gaming activities still recording real growth. But Safren is expecting some slowing down in the growth rates during the current financial year, says Mr Macmillan.

Star performer

Star performer during the year was Safmarine, adds Mr Macmillan, even outpacing Kersaf which was no slouch, after having posted a surge of 40 percent in profits last month. Reason for this was the healthy state of the international shipping market, coupled with the fact that Safmarine is now concentrating on the "things it knows best".

Several operations which fell outside the mainstream of Safmarine's business, like the cruiser ship Astor, were disposed of during the year. The de-

cline in the dollar value of the rand also boosted the bottom line.

Safmarine has proved to be quite able to protect itself against the sanctions threat and is today very much an invisible business. An office was recently established in Switzerland which will be used to disguise its country of origin even better.

With great plans for Kersaf, which include yet another casino-complex at Babelegi, north of Pretoria, this subsidiary is once again expected to record real growth in the current year.

"The gaming and entertainment market in South Africa is far from saturated and several other schemes, including the sixth hotel at Sun City and another golf course in the Pilanesberg, are close to finalisation," Mr Macmillan said.

The balance sheet of Safren is in great shape, indicating substantial scope to gear up if necessary. Shareholders' funds at end-June amounted to R1,398 billion compared with R1,165 billion a year ago.

Long-term borrowings declined from R716,4 million to R688,3 million at end-June this year.

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Exceptional growth sees increased Safren earnings

B/Dwy 14/9/89

332

CAPE TOWN — Safren, the parent company of Safmarine, Rennies and Kersaf (76%), has posted a 38% increase in attributable earnings to R213,1m, reflecting exceptional growth in its diverse shipping and leisure related activities.

Earnings a share of 40c (up 38% from the previous year's 293c) and a final dividend of 180c (up 33% from 135c) exceeded analysts expectations for the year to June and should please shareholders.

Operating profit before depreciation increased by 44% to R779,4m on turnover which grew by almost R1bn to R3,8bn.

While the group managed to reduce its interest bill by R9m to R21,9m, its tax commitments grew by 76% to R203,4m. Rennies's significantly higher tax rate appears to have contributed to this burden.

Nevertheless, taxed profit attributable to outside shareholders in subsidiaries and preference shareholders grew by 41% to R410,4m, leaving ordinary shareholders with R213,1m before an extraordinary item of R7,6m.

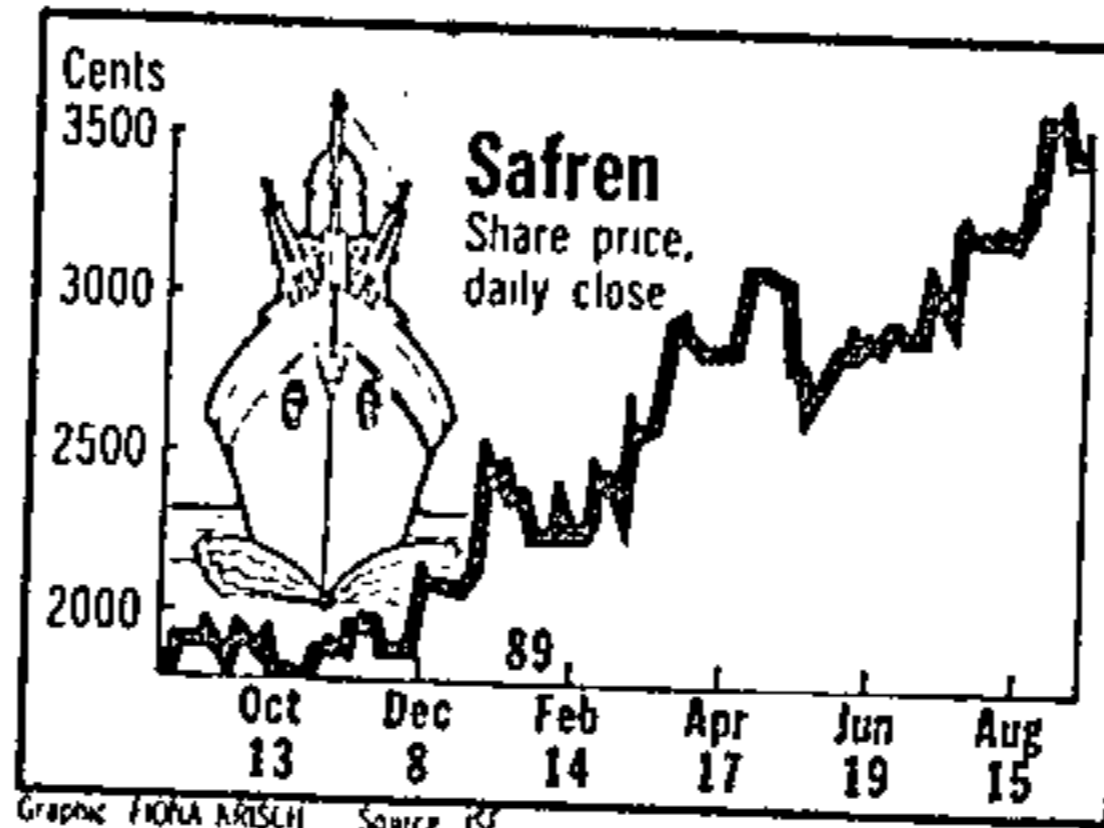
Safren's 76% stake in the leisure sector through Kersaf contributed a marginally improved 41% to bottom-line profits, with Kersaf reporting 40% growth in attributable earnings to R115,4m.

But, given the sensitivity of the group's

LESLEY LAMBERT

shipping activities, directors are reluctant to provide a break-down of the contributions of Safmarine and Rennies which merged in 1984 and are not quoted as separate companies.

The most they will say is that Safmarine had an "excellent year and continues to



Graphic: FOKA NISSEI Source: ISL

expand its activities in the international shipping field," and that the Rennies Group performed "satisfactorily" despite a significantly higher tax rate.

Calculations suggest that Safren's earnings, excluding those of Kersaf, grew by almost 37% and continued to contribute the lion's share to profits.

With Rennies's growth only satisfactory, Safmarine's performance must indeed have been excellent in flourishing import and export markets.

Safren is very import sensitive. The imported goods it ships tend to be of a higher value-added secondary and tertiary nature than the lower value-added primary products it exports. Thus, it thrives in economic upswings when imports are stronger.

The opening of an offshore operation in Switzerland earlier this year and general expansion into international shipping appears to be aimed at ironing out problems related to the cyclical nature of the domestic economy.

While Kersaf's share closed 25c down at R22 yesterday, Safren's was unchanged at R35,50. This puts Kersaf on a p/e of 14,3, compared with a sector average of 15,1 and Safren on a p/e of 8,8, compared with 8,5.

The market appears to underrate the shipping interests, by rating Kersaf's contribution to NAV at almost 67%, when its contribution to attributable earnings is only 41%. Analysts say this could be the result of a lack of information about Safren.

SA's black capitalists

19645 7/8/87 332

By PAUL BROWNING, a mass transit consultant

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

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

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

Movement

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

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

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

Black economic empowerment has been a buzz phrase for the past year. At its simplest it can be defined as a means to assist in the pro-

cess of dismantling apartheid and creating a non-racial representative government in South Africa. The empowerment strategy has two quite distinct elements.

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

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

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

Empowerment

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

The government clearly has a vital role to play. Current government policy lays great emphasis on privatisation and deregulation. These can be used as powerful tools to assist black economic empowerment.

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

come majority owned by the black community.

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

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

Skills

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

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

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

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

(Paul Browning is the author of "Black Economic Empowerment: Shaping South African Business for the 21st Century", to be published on August 17).

ECONOMICS

CAPE TOWN 14/9/89

Taxi riots: 332 73 arrested

BUTTERWORTH. Seventy-three people were arrested here yesterday when violence between the warring factions of two taxi associations broke out.

The fighting took place at the local taxi rank between Ncedo Taxi Association and Sabta taxi operators, who were armed with bush-knives and sticks.

On Monday 56 people were arrested when a similar clash occurred.

In another incident, police used teargas to break up a fight between members of rival taxi associations Uncedo and Sabta in King William's Town yesterday morning. — Sapa

SAFCOR

Domestic focus

332
15/9/89
Finnell

Activities: Freight forwarding, clearing, road transport and related activities.

Control: 51% held by Curfin.

Chairman: M H Brodie; managing director: J P Desilla.

Capital structure: 21,86m ords of 1c each.
Market capitalisation: R54m.

Share market: Price: 245c. Yields: 10,2% on dividend; 20,1% on earnings; PE ratio, 5,0; cover, 2,0. 12-month high, 260c; low, 145c. Trading volume last quarter, 485 805 shares.

Financial: Year to June 30.

	'87	'88	'89
Debt:			
Short-term (Rm)	nil	0,4	0,9
Long-term (Rm)	0,1	1,1	2,4
Shareholders' interest	0,37	0,31	0,26
Int & leasing cover	38,5	46,3	17,7
Debt cover	136,6	6,6	3,4
Performance:			
Return on cap (%)	18,6	17,2	19,7
Turnover (Rm)	395	583	824
Pre-int profit (Rm)	12,0	14,5	23,8
Pre-int margin (%)	3,0	2,5	2,9
Taxed profit (Rm)	6,4	6,9	10,5
Earnings (c)	30,5	33,9	49,3
Dividends (c)	15	16	25
Net worth (c)	102	116	140

When a company increases turnover by more than two fifths, it's generally safe to assume its markets are burgeoning. Unfortunately, in Safcor's case, that is not necessarily a logical deduction. Last year's turnover figures were boosted by the imposition of import surcharges which, in turn, led to greater disbursements on behalf of clients reflected in the trading figures.

Nevertheless, the turnover advance does include a significant real growth element, though volumes probably registered a greater increase on the domestic front than for the foreign trade divisions.

Safcor's main foreign business is centred on imports — SA's exports of minerals and agricultural products are generally handled by the exporters themselves. According to preliminary figures from the Department of Customs & Excise, the country's total imports were 28,5% higher in rand terms dur-

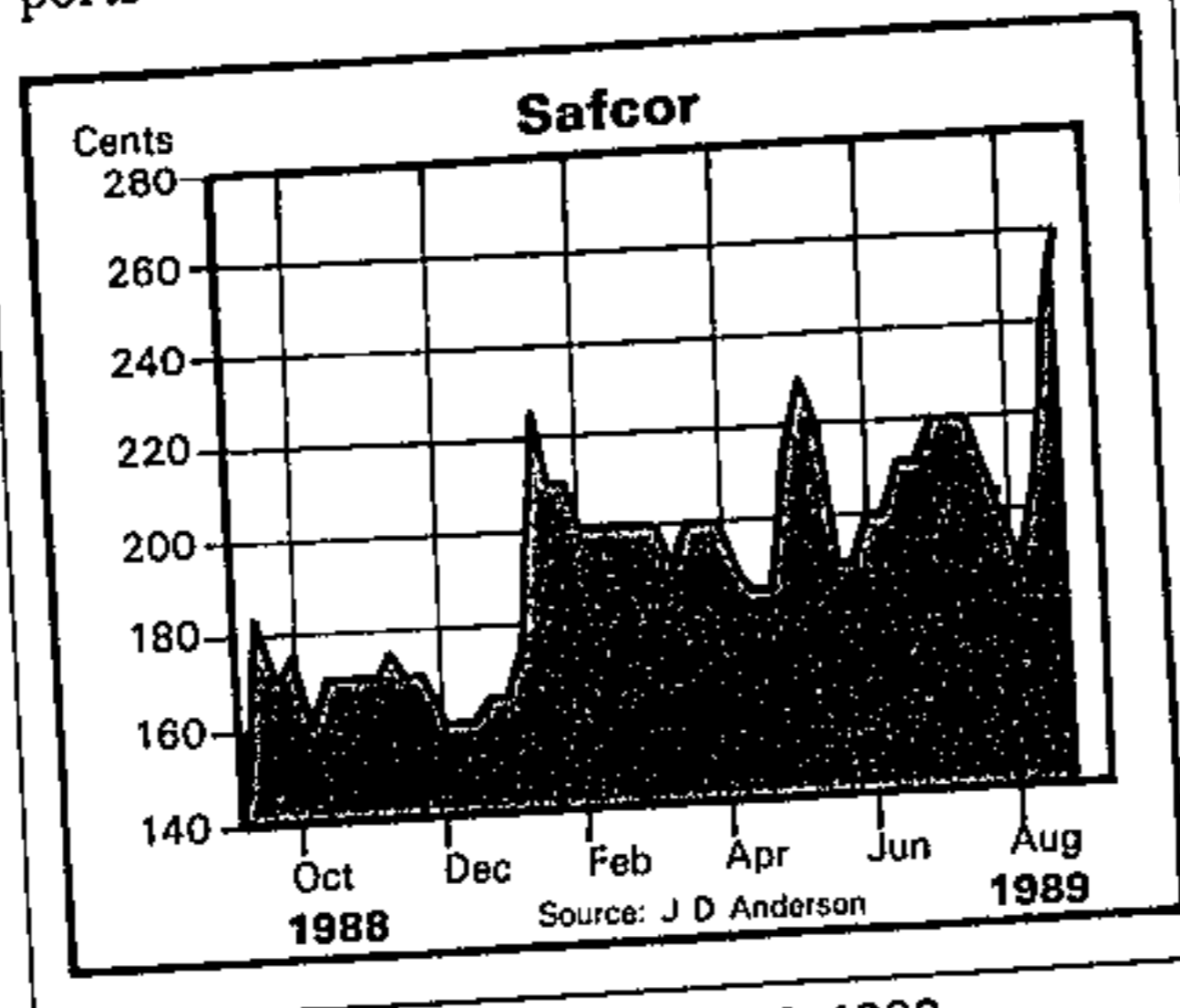
ing Safcor's past financial year than in fiscal 1987-1988. And that indicates the company has gained market share, at least on the domestic front.

Domestic operations, says chairman Max Brodie, is where Safcor will be concentrating its efforts — implying the expectation of slower foreign trade growth. As Brodie sees it, higher import surcharges, hire purchase restrictions and punitive interest rates are combining to depress imports and cargo movements. Even so, Safcor could be faced with higher disbursements for clients if the rand continues to decline, Brodie warns.

Safcor is no different from other companies in the Curries group — it has precious little gearing and has spent the past few years building cash resources. By year's end, cash holdings totalled R22,4m (1988: R12,7m) against a total debt of R2,4m (R1,1m). This, Brodie believes, will generate sufficient interest income to offset any trading profit downturn caused by lower import volumes.

This year's costs are likely to be boosted by the move of Alex Carriers' head office to Pinetown from Maritzburg. They are also likely to be affected by higher maintenance charges for the firm's vehicle fleet — a decision appears to have been taken to extend the life of vehicles through better maintenance rather than incur the cost of earlier replacement.

At 245c, the share is slightly below its 12-month high, yields an historical 10,2% on dividend and is rated on a five times earnings multiple. These cautious ratings are probably justified until there is greater clarity on this year's likely business trends. *Jim Jones*



City bus fares up 14%

CMT Tmt's 16/9/89

332

Staff Reporter

CITY bus fares will increase by as much as 28c a trip from Sunday, September 24 — the third increase in fares in the past 12 months.

City Tramways announced the price increase yesterday and a company spokesman said the new fares were on average about 14% higher.

The last Tramways' price increase was an 8% hike in April this year. This increase was, according to Tramways, to cover a 55% rise in the price of diesel fuel.

"The last adjustment to fares was on 30 April, 1989, and covered only the January and April increases in the price of diesel fuel," a spokesman said yesterday. "Since

then, normal wage increases, the continued weakness of the rand — which has ensured that the cost of spare parts continues to soar — as well as other general cost increases, have made it imperative that we increase our fares."

Subsidised 10-ride clipcard holders would face, on average, increases of more than 12,26%. But the 80% of Tramways commuter passengers travelling no more than 20km per journey would pay an average of about 10c more, the spokesman added.

Subsidised clipcard holders journeying between 20km and 50km will pay a maximum of 20c more per trip. And thereafter, fares will cost around 28c more.

For cash-paying passengers, the major-

ity of tickets will cost between 2c and 15c more, depending on the distances involved. Sixty-six percent of these passengers will pay no more than 5c extra per trip and another 24% will face increases of between 7c and 15c.

Students under 13 will now pay R5 for a 10-ride ticket and students under 17 will pay R7,50. Clipcards bought before September 24 will be valid for the normal two-week period.

The special 12-ride pensioners' clipcard will now cost R3 and remains valid in pensioners' week for people between 60 and 65. The special concession available to senior citizens over 65 still applies during the off-peak period on Mondays to Fridays and on Saturdays after 2pm.

The report shows that the million. benefits for employers.

Unicorn coaster ⁽³³²⁾

UNICORN Lines has bought a \$17-million oil and chemical carrier for the delivery of refined petroleum products on the South African coast. The 33 900-ton vessel, to be renamed Royal Sphere, will replace foreign carriers, says

Unicorn executive director Fred Harper. ^{17/1/89}
"The acquisition is strategically important and it will have a positive effect on the SA shipping industry."
There are now 11 vessels in Unicorn's fleet.

Sectional merger

Business Times Reporter FAST-GROWING sectional title, which now accounts for about 25% of all residential property transfers in the Transvaal, is placing tougher demands on management companies.

Two of the largest sectional title management companies, Urban Townhouse Management and a division of Northwest Estate Agents, have merged to form a company with a portfolio of 8 300 units worth nearly R1-billion. "Northwest Urban will be in a better position to negotiate improved insurance rates and bank charges and to develop new services," says general manager Kevin Immelman.

R20m Usco plant

CIVIL design work for the R20-million Usco vanadium pentoxide plant at Vereeniging has been completed by Civemech Design & Engineering Services.

The design includes the leaching, precipitation, crystallisation and filtration facilities as well as piled foundations and structural steelwork.

Tractor sales up ⁽¹⁰²⁾

SALES of tractors in August rose by 15,5% on the previous month from 502 to 580, says the SA Agricultural Machin-

ery Association. ^{17/1/89}
Sales for the year to date are 3 761 compared with 3 606 in the same time last year.

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A new company which aims to eliminate "fly-by-night" operators by providing financial help to black taxi drivers was launched in Johannesburg yesterday.

Taxico (Pty) Ltd. which finances minibus owners in conjunction with Allied Bank provides all the benefits of recognised finance schemes and several others which the directors say are new to this type of

FINANCE FOR BUYING A TAXI

Soulton 15/9/84

operation. Speaking at the launch. Taxico's managing director Mr Hankie Venter said the scheme which will have the support of local black taxi associations provided an easier method for the prospective owners to achieve their goals while

safeguarding their investment in the company.

He said: "Taxico utilises their buying power to obtain a cash discount from recognised motor dealers and adds this sum to a minimum investment obtained from the prospective owners to meet the initial capital require-

ments."

Venter said he believed that the time was ripe for the introduction of the taxi finance scheme in which the owners could participate fully while achieving their desire to become part of this billion rand industry.

Unfortunately the industry was infiltrated by many "fly-by-nighters" who were interested in making a quick buck, he said.

Magomola to work in taxi industry

By SOL MORATHI

FORMER African Bank chief executive Gaby Magomola is back in financial business.

Magomola, fired by African Bank in March, has joined the Foundation for African Business and Consumer Services (Fabcos) as advisor to Taxi SA Marketing.

Taxi SA Marketing is the marketing arm of the Southern African Black Taxi Association (Sabta).

Magomola will work in the areas of small business, financing, banking and insurance, said Fabcos media liaison manager, Terry Mphahlele.

"We are extremely proud we have been able to attract the services of Magomola.

"He is a man with influential contacts abroad and unquestionable financial and administration expertise."

Magomola, an MBA graduate of Ball State

University, said he was pleased about his appointment. He indicated he had received lucrative offers from various companies.

"I accepted this particular one because of the track record of the black taxi industry in South Africa's economy and the potential this holds."

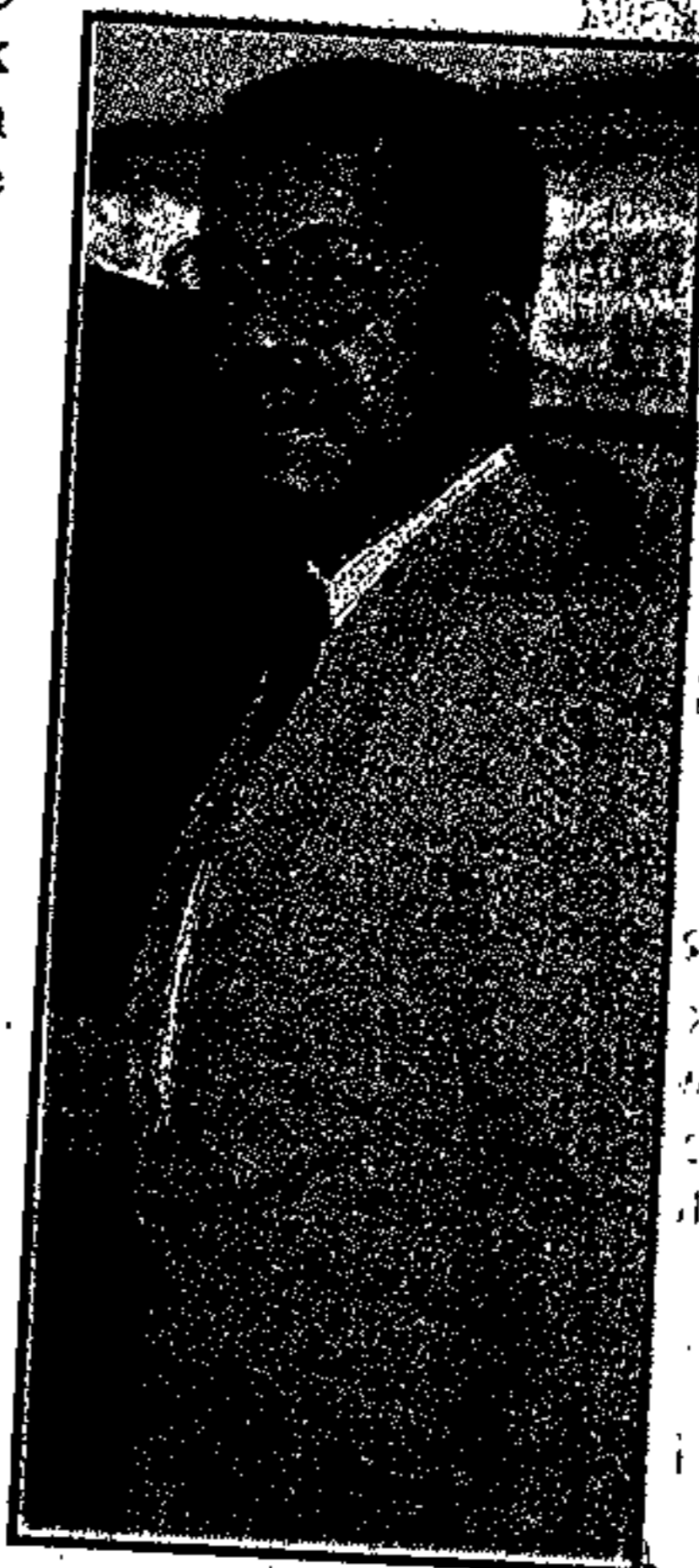
Magomola was appointed African Bank chief executive after a multi-million rand foreign exchange swindle by three senior African Bank staffers in 1987.

It is believed his tough approach to the rationalisation and cost cutting programme which followed, caused certain staff to demand the board of directors remove him from the position.

Before he joined African Bank, Magomola was a senior manager at First National Bank and Citibank.

Previously he was a financial analyst for Cum-

mins Engine Company in the US, a financial accountant for Geigy Pharmaceutical and an internal auditor for Paper and Packaging Industries in Pretoria.



Gaby Magomola... now a Fabcos advisor.

17/9/89

332
CP news

Local content measures are a national disaster

Star 18/9/87 (332)

The Board of Trade and Industry's recent decision to enforce additional local content measures on heavy commercial vehicles, has put the road transport industry at risk of reduced safety and economic stagnation.

This is the view of Phil Erasmus, chairman of the Road Freight Association (the newly renamed Public Carriers' Association).

Speaking at the organisation's AGM last week, he told members that the BTI's decision to include heavy commercials in Phase Six (a move from local content by mass to local content by value) "has placed considerable doubt on the prospects for future investment in the road transport industry."

"Obviously, neither the BTI nor the National Association of Automobile Manufacturers of SA (NAAMSA) has taken cognisance of the fact that the products produced under the now succeeded Phase Five programme are not economically viable in a motor carrier business.

"By further aggravating this situation with the introduction of Phase Six, NAAMSA members are jeopardising not only their future business opportunities but are, in fact, contributing to inflation and a deterioration in road safety as the ability and willingness to invest in new vehicles declines.

"One thing is certain: our industry cannot continue to invest in vehicles which inflate in purchase price at the rate we have experienced since 1981 - an annual escalation of over 24 percent"

Erasmus stressed that road transportation is not an earner of foreign exchange. It is rather "a strategic service industry" that provides a cost-effective logistics link for the country's exports.

The RFA, he said, could not accept a policy that actually encouraged vehicle



While hauliers bemoan the fact that prices have risen on average 24 percent since 1981 SA Transport Services has ordered 170 truck-tractors worth R34 million from MAN. Scheduled for delivery by February next year, the order consists of 60 specially-developed 15.170's (for minicontainer cartage), 30 6x4 30.380 DFT units with double bunk sleeper cabs (shown in the photo) and 80 4x2 19.280 FT's for fast freight 20t container transportation. Looks like SATS is out for blood - if it takes every MAN it has.

manufacturers to increase prices to achieve a higher local content.

Hauliers at the meeting were also told of the association's continued opposition to toll roads, although efforts to discuss privatised toll roads with Government had so far been "impossible or fruitless".

Erasmus sounded another warning: about moves from Government to restructure SA Transport Services (SATS) without consulting the industry.

"In recent months it has become quite obvious that Sats intends to increase its road transport involvement to improve the viability of its rail services. We must insist that Government adheres to the undertakings which were given that the road transport services of Sats will be privatised, and that expansion of the road transport section will not be allowed until privatisation has become a reality.

"Government cannot be seen to allow a monopoly which controls five modes of transport in South Africa."

Suregro sure to grow after rights offer

FAST-growing Suregro intends to raise R6,147m through a rights offer on September 29 to finance further expansion.

EDWARD WEST

This will be achieved through the listing of 10 246 236 convertible debentures at 60c each on the basis of 35 convertibles for every 100 ordinaries held on September 22, says Suregro's rights offer announcement.

The debentures will be convertible on a two for one basis from 1994-98. Interest is capped at 19% to be paid biannually. In the past five years, turnover has grown eight times and taxed profits 12,7 times. At the group's year end in March, the

3/04 20/9/69 trucking, truck parts, materials handling and transport group increased attributable income by 89% to R3,9m when compared with the previous year. Turnover increased 99% to R40,7m. (332) Increased profitability in all divisions and contributions from offshore subsidiaries contributed to the companies growth. Earnings growth of not less than a 20% increase in earnings a share is anticipated during this financial year.

3 Feb 20/9/87 (332)

More talks on Melrose taxi rank

Municipal Reporter

Residents of Johannesburg's Ward 6 will meet on Saturday morning to discuss the implications of city council proposals to establish a taxi rank and hawkers' market in Oxford Road.

The parksite which is being eyed for the development is north-east of the Oxford Road/North Street intersection in Mr Paul Asherson's Ward 7 (Melrose) but will mainly affect residents in blocks of flats in Mr Christopher Newton Thompson's Ward 6.

Mr Newton Thompson said that after the initial meeting, he had expressed sympathy with residents' fears and suggested a second meeting.

Mr Asherson said the residents had never approached him. The council had "merely done some thinking about the problems in the suburbs" and there was no chance of losing the park they claimed would be converted into a taxi rank, he said.

Row over cattle prods in prisons

CMT. 716/11
21/9/89

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By CHRIS BATEMAN

A ROW over the alleged use of cattle prods to control prisoners in "unmanageable situations" erupted yesterday when it was learnt that the practice was being conducted on an experimental basis.

Mr Huxley Joshua, of the National Association of Democratic Lawyers (Nadel), said that youths at Victor Verster Prison were recently electrically shocked with cattle prods when they refused to return to their cells.

Half-hour of exercise

Speaking at a press conference called to discuss the plight of hunger-striking human-rights lawyer Mr Willie Hofmeyr, Mr Joshua said a group of Victor Verster prisoners refused to return to their cells when it became clear they would not be granted their full daily hour of exercise.

The prisoners had not been allowed their normal half-hour of exercise that morning. When it became clear that their afternoon exercise period would be only 30 minutes they had refused to budge, he said.

This had resulted in the use of the cattle prods and one youth falling and "badly damaging" his knee, Mr Joshua said.

Behaviour and treatment

Major Elsa Jones, a spokesperson for Prison Services in Pretoria, last night would not respond directly to reports of the use of cattle prods but said that in terms of the law heads of prisons were authorised and required "to use lawful means with the minimum force to control unmanageable situations which may arise".

It was Prisons policy not to comment on the behaviour and treatment of specific prisoners, Major Jones added.

However, in general "it should be pointed out that the prisons service is responsible for the safe custody of prisoners and for the maintenance of discipline and order in prisons".

Dir

Taxi drivers still subject to obnoxious laws, Tager 332

By JOSHUA RABOROKO

Sowetan 22/9/89

DESPITE the removal of many racist laws which inhibited the taxi industry, some authorities still enforced these obnoxious laws, the executive officer of the law review project at Wits University, Professor Louise Tager, said yesterday.

Addressing a meeting of taxi operators organised by the South African Long Distance Transport Association (Saldta) in Johannesburg, Professor Tager said that while deregulation was fashionable throughout the world, because of the heavy racial content of the law in South Africa, it was more far-reaching and important than in any other country.

She called deregulation the "means whereby socio-economic apartheid can be dismantled", adding that "only when all South Africans are subject to the same laws will apartheid be legally dead".

She urged the Saldta to negotiate with the government to abolish restrictive laws that hamstrung the taxi industry from growing. Taxis provided wealth and jobs for hundreds of people in the country.

Yet mini-bus taxi operators, like hawkers, feared harassment and intimidation from the authorities. Consultation between the parties must become a priority, Tager said.

Taxi rank violence and negligent driving still formed major problems facing the industry and these were sparked by lack of facilities for blacks, she added.

Pre-paid (337)
cards for
Sabta taxis

Sowetan 22/9/87

PORT ELIZABETH -

The South African Black Taxi Association's minibuses will be fitted with gadgets whereby pre-paid cards will be used to minimise the paying of fares to drivers.

The scheme will be launched in Pretoria within the next two weeks.

Sabta's marketing manager Mr Ashley Mabogoane addressed the Port Elizabeth branch of the Institute of Marketing Management on Wednesday on the latest developments in the taxi industry. He said that in the Sabta's 10-year development plan emphasis would be laid on driver training, passenger safety and the development of own vehicles.

Through involvement with the recently established Foundation for African Business and Consumer Services (Fabcos), the organisation would establish 18 regional offices, he said. - Sapa.

CMC 7/15/84 22/19/84
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Container monopoly terminated

Own Correspondent

JOHANNESBURG. — Government yesterday acted to dismantle Safren-controlled SA Container Depots' (SACD's) long-standing dominance of containerised cargo handling.

The decision follows five years of intense lobbying by competitors of Renfreight, which holds 65% of SACD, to persuade government to implement a recommendation by the Competition Board in 1984 that SACD's monopoly be terminated.

Commissioner of Customs and Excise (C&E) Daan Colesky said an extra depot would be commissioned for each of the major entrepôts handling containerised cargo in Cape Town, Port Elizabeth, East London, Walvis Bay and Johannesburg.

Trade and Industry Minister Kent Durr has confirmed the Competition Board's recommendation and the commissioner's suggested licences.

They are Grindrod for Durban and Cape Town; Aquamarine Container Depots for East London; Wesbank Transport for Walvis Bay; and Presto Transport Holdings for Johannesburg and Port Elizabeth.

Approval is subject to the condition that depots become operational within four months from today. Licensing is no longer on condition that SACD applies a uniform tariff to all facility users.

An interdepartmental working group chaired by C & E deputy commissioner Izak Coetzee was formed to consider the board's recommendation. It comprised the Department of Transport and SA Transport Services, with members of the Competition Board present as observers.

The committee drew up a set of conditions for applicants and left it to the commissioner to decide.

Coetzee said the inclusion of Grindrod — a 12,5% shareholder in SACD — was made provisional on the condition that it satisfied the Competition Board with the sale of its SACD holding.

Finance scheme for taxis

By SHARON SOROUR
Tygerberg Bureau

A NEW company is to provide finance to taxi-drivers in the hope of eliminating fly-by-night operators.

Taxico, launched in Johannesburg, is to finance minibus owners in conjunction with Allied Bank, providing all the benefits of recognised financial schemes.

According to managing director Mr Hankie Venter the scheme is to have the support of taxi associations and offers an easier way for owners to achieve their goals while safeguarding their investments.

DISCOUNT

"Taxico uses their buying power to obtain a cash discount from recognised motor dealers and adds this sum to a minimum investment obtained from the prospective owners to meet the initial capital requirements," he said.

He believed the time was right for the introduction of a taxi finance scheme in which owners could participate "while achieving their desire to become part of this billion-rand industry".

Western Cape regional manager Mr Kobus Jacobs said a low insurance premium was one of the advantages offered.

"We will obtain deals with minimum deposits and have negotiated with American international insurance for a low premium of 10 percent — a drop from normal premiums of between 15 and 20 percent."

Whites muscling in on black taxi industry, say experts

18/10/89 25/1/89

MANDY JEAN WOODS

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ABOUT 30% of all black taxis are owned by whites and the numbers are growing, black business consultant Paul Browning said at the weekend.

"My observation is if the position continues, as it is now, then in the next three years the majority of taxis serving black areas would be owned by whites," he said.

Sabta media liaison manager Terry Mphahlele put white ownership of black taxis at between 40% and 50%.

The R3bn a year black taxi business was "very lucrative" which is why increasing numbers of whites sought to become owners, she said.

A taxi owner could take in more than R3 000 a month, often tax free.

Mphahlele said on average a taxi could take in about R130 a day.

Taxi owners usually settled on a fixed return with drivers who, in turn, sought

to take in even more.

Browning said black taxi associations were concerned whites would take over a business, essentially built by black entrepreneurs against all odds.

"Word is getting around that this is a good way of making money and whites have unhesitatingly used their influence to get permits and capital while blacks have had to scrape up the money, and beg to get permits," he said.

Blacks in the industry see the grow-

ing numbers of whites entering the business as just another way the authorities are trying to make sure the success created by blacks is not contingent!

"This has caused an enormous amount of suspicion and a great deal of uncertainty by the blacks," he said.

He said because of poor business-accumen, blacks in the industry tended to call for protective measures rather than develop new markets and improve service.

Annual report ends years of Safren company silence

B/Dun 26/9/89

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CAPE TOWN — Safren has broken with tradition in its newly released annual report, to provide a five-year breakdown of its diverse operating company's individual contributions to bottom-line profits.

The disclosure suggests a change in attitude from past years when the giant parent of Safmarine, Rennies (75%) and Kersaf (76%) disclosed as little information as possible about its separate companies, largely because of the sensitivity of its international shipping operations.

The break-down shows that wholly-owned shipping company Safmarine contributed R1 568,5m, or 41,2%, to turnover for the year to June 1989, leisure group Kersaf R1 309,1m (34,5%) and freight and transport company Rennies R855,8m (22,5%).

But, while Kersaf achieved more operating profit from its turnover, contributing 51,2% to an operating profit of R779,4m, Safmarine moved ahead of it at the bottom-line, contributing 43,8% to taxed earnings of R213,1m against Kersaf's marginally improved 41,1% contribution.

Safren chairman and CE, George Alastair Macmillan, confirmed in his statement that Safmarine had had an excellent

LESLEY LAMBERT

year with the development of trading opportunities outside the core SA operations contributing substantially to the improvement.

He said plans to establish an operating base in Switzerland had been completed and that the company continued to expand its activities in the international shipping field.

With the planned unification of the European Community coming up in 1992, Macmillan said management was concentrating its efforts on ensuring that Safren remained at the forefront in the transport of cargo to and from Europe.

Dampening

Internationally, he said all trade routes were experiencing strong competition. But, the charter market had managed to hold its ground with the result that freight rates had increased and were expected to maintain higher levels in the year ahead.

A strong performance by Rennies had been offset by a higher tax rate which had reduced growth in attributable earnings.

While both companies benefitted from an increase in imports during most of the period under review, higher duties and surcharges began dampening demand and reducing volumes during the final quarter.

Macmillan warned that this trend was expected to continue, slowing Safren's growth during the current year.

Safren is import sensitive. The imported goods it ships tend to be of a higher value-added secondary and tertiary nature than the lower value primary products it exports.

This means it thrives in economic up-swings when imports are stronger and will rely on its international bases to assist in ironing out problems related to the cyclicality of the domestic economy.



● MACMILLAN

Macmillan said the group's investment in the leisure sector through Kersaf had achieved another set of record results. However, while the rapid expansion of the past few years was expected to continue, Kersaf's earnings growth was expected to slow down if trading conditions were affected by restrictive monetary and fiscal measures already introduced.

"The next 12 months are not going to be easy for the SA economy," Macmillan said in his statement.

Fire-damaged Matus & Co moves in with Tarry

TERRY WILKINS

the company is importing large consignments by air. B/Dun 26/9/89

Matus is in the process of being acquired by major tool wholesaler the Tarry group, which is part of the FSI group, subject to certain conditions being fulfilled.

filled.

The directors have decided to merge the two operations in Johannesburg and will immediately trade as Matus out of the Tarry complex in Eloff Street Extension. Tarry MD Lindsay Ralphs was optimistic that a much larger Matus would be effectively operating soon.

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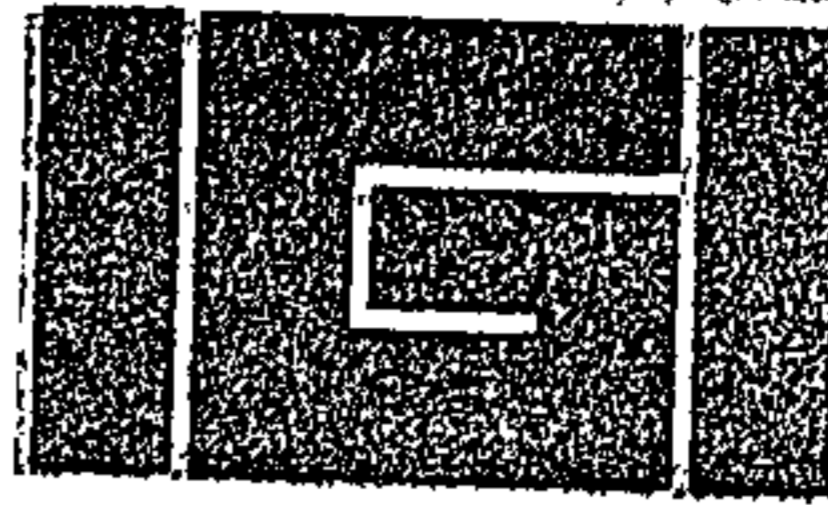


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60c (53c + 7c tax)



A TIMES MEDIA PUBLICATION



Insurance

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Road transport permits to be scrapped

BIDAM 26/9/87

DEREGULATION of road transport will be finalised early in 1991 when regulations scrapping the permit system come into effect, effectively allowing free entry into the road transport market.

The deregulation will precede the introduction of Road Transport Quality Systems (RTQS), designed to replace the permit system which has irked private transporters for a decade due to the alleged manipulation of permits by Sats.

Leader of the Inplan team — a consortium of consultants working for the Department of Transport (DoT) planning deregulation legislation — Hennie van

EDWARD WEST

Tonder, said last night RTQS would finally allow free entry into the road transport market.

RTQS is a system based on the quality of the transport service and will replace the commodity based permit system.

RTQS will entail laws that regulate aspects of the industry such as professionally trained drivers and overloaded vehicles.

Formerly, transport permits had to be fought for by the private parties and were only issued where Sats did not have an alternative service.

The structuring of a new information system called the National Traffic Information System to implement RTQS is expected to begin by August 1990, said van Tonder. This entailed development of an information system replacing the outdated systems of the four provinces. (332)

A senior Sats official recommended the DoT implement the legislation according to the recommendations of the National Transport Policy Studies group as he believed the DoT did not have the manpower to staff the weighing bridges necessary to

Road transport (332)

enforce RTQS.

The weight control stations, necessary to police vehicle loads, will be constructed on routes around major centres in SA. The preliminary designs for these structures have already been completed, van Tonder said.

The Road Freight Association's Hugh Sutherland (formerly the Public Carriers Association), said private carriers were experiencing fleet growth problems because of shortened planning horizons.

BIDAM 26/9/87

From Page 1

This was due to confusion and uncertainty concerning Sats' deregulation. They were initially told RTQS would be in place by January 1990. Now they recently heard RTQS would only be in place a year later.

Sutherland described the delays in implementing RTQS as a smokescreen enabling Sats to throw away tariff books and undercut market prices giving Sats time to gain market share as it moved towards commercialisation.

B/Dan 27/9/89

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Interim profits slip through Natrawl nets

NATAL Ocean Trawling has netted dismal results for the six months to June following poor weather conditions and the absorption of the Quintas group — acquired last year — into a single management structure.

The group, which trawls for crustaceans off the Natal coast and in the Mozambique Channel, has posted a drop in earnings a share to 4,85c from 7,05c on an increase in the number of shares in issue.

While turnover is 119% up at R7,9m (R3,6m) and operating income has improved to R1,5m (R1,1m), interest paid has surged to R574 000 from R82 000, reflecting the borrowings incurred in financing the Quintas acquisition.

Accordingly, attributable profits are R11 000 lower at R946 000.

No provision has been made for current or deferred taxation. MD Jack Walsh said in a statement accompanying the results that the company had adopted the partial method of providing for deferred taxation and had determined that no liability was thus likely to materialise.

Earnings a share were lower after a 5 500 rise in the number of shares currently in

SYLVIA DU PLESSIS

issue, and no interim dividend has been declared.

Walsh described results for the period as disappointing, but said the complexities of the absorption of the Quintas group had been overcome.

In addition, fishing in Natal waters was showing a welcome improvement, and fishing in Mozambique remained excellent.

He said the company's marketing association with Irvin and Johnson, which acquired an 18% stake in

Natrawl in January this year, had proved beneficial to both parties.

Further, negotiations for a joint venture based out of Maputo in partnership with the Mozambican authorities were proceeding and the venture was expected to reach fruition in the current year.

Year-end results would be in line with those of last year, given reasonably consistent fishing, he said.



star 27/9/89

White owners driving Sabta to 'flashpoint'

(332)

DURBAN — The Southern Africa Black Taxi Association, which represents about 40 000 minibus taxis, today warned that growing white ownership of black taxis is "heading for a flashpoint".

In a blunt statement that "confrontation is looming" Sabta warned that if white domination of the industry continued, "it could be a tragedy for race relations". At the same time Sabta has launched a training and education plan to reduce public concern about safety and road behaviour standards as the black minibus taxi "was almost universally disliked and even feared".

Sabta national adviser, Mr James Chapman, said that in some areas whites owned up to 30 percent of black taxis and the number was growing. Statistics suggested about 45 percent of new minibus registrations were in white owners' names.

He asked whether it was right that the industry, developed by blacks, should now pass into the hands of whites. "There has to be some protection while the imbalances of the past are tackled."

SOWETAN BUSINESS

THE South African Black Taxi Association, which represents about 40000 mini-bus taxis, today warned that growing white ownership of black taxis is "heading for a flashpoint".

In a blunt statement claiming that "confrontation is looming", Sabta warned that if white domination of the industry continued, it could be a "tragedy for race relations".

Sabta has also launched a multi-million rand education and training plan to reduce public concern about safety standards and road behaviour, as black minibus taxis were "almost universally disliked, and even feared".

Confrontation looms in taxi industry - Sabta

332

Sabta national advisor Mr James Chapman said that once before Sabta had warned the Government of "pending violence and disorder at taxi ranks with white domination of the industry".

In some areas whites owned up to 30 percent of black taxis, and statistics suggested that about 45

percent of new mini-bus registrations were in white owners' names, he said.

Protection

He questioned whether an industry developed by blacks should pass into the hands of whites.

"There has to be some protection while the imbalances of the past are tackled," he said.

"Sabta has warned the Government of the consequences of this situation and pleaded for self-regulation. Taxi owners are afraid an uncontrolled

flood of new entrants to the market will simply make all operators unprofitable and allow whites to take over the industry."

Mr Chapman pleaded for the industry to be able to control itself.

"The Government is

only too willing to allow white organisations to control industries or professions. Why is it so reluctant to allow a black organisation the same opportunities?"

"Is it because of fiscaldom simply cannot get out of the frame of mind that says blacks must have things done for them by whites?"

Sabta predicted that by 1995 old monopolies would have broken up with privatisation and

deregulation, and black passengers and freight would be a major force in the economy.

In the past financial year Taxi SA Marketing had arranged more than R75 million for members, and only 0.2 percent had been written off.

Sabta's strategic plan put development costs of training and educating owners at R88 million over the next few years, said the statement. - Sapa.

Challenges for SA with single European market

LESLEY LAMBERT

6/20/89
27/1/89

CAPE TOWN — To succeed in a single European market after 1992, SA exporters would have to control the delivered price of their products by arranging their own transport rather than shipping on an fob (free on board) basis.

This was the advice of new Safmarine MD Tony Farr, given to delegates at an Exports and Europe 1992 conference here organised by the SA Federated Chamber of Industries in conjunction with Barlow Rand and Deloitte, Haskins & Sells.

He said changes in the distribution patterns within Europe and the services provided by transport operators, together with a more competitive marketplace, made it vital for shippers to control the delivered price of their products.

"Too many SA exporters ship on an fob basis, leaving the European importer to control up to 25% of the final delivered price of his product."

Global

A first step in this direction would be for SA exporters to change their selling terms from fob to cif (cost of insurance and freight) where they negotiated their own transport.

Farr told delegates the ability of SA shipping and transport companies to compete in Europe after 1992 would depend on their being able to remain abreast of current global developments and trends.

Farr said the major SA transport operators would undoubtedly base their future strategies on the provision of a total logistics service to their customers.

An important trend, linked to the development of logistics services, was the increasing use of information technology, he said.

'Flashpoint' taxi warning

CAT Temp
28/9/89
332

DURBAN. — The South African Black Taxi Association, which represents about 40 000 minibus taxi owners, yesterday warned that growing white ownership of black taxis was "heading for a flashpoint".

In a blunt statement that "confrontation is looming", Sabta warned that if white domination of the industry continued, "it could be a tragedy for race relations".

At the same time, Sabta has launched a multi-million-rand training and education plan to

reduce public concern about safety and road behaviour standards as black minibus taxis are "almost universally disliked and even feared".

Sabta national adviser Mr James Chapman said Sabta was once again warning the government of "pending violence and disorder at taxi ranks and white domination of the industry".

In some areas, whites owned up to 30% of black taxis and the number was growing. Statistics suggested that about 45% of new minibus registrations were in white owners' names.

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"There has to be some protection while the imbalances of the past are tackled.

"Sabta has warned the government of the consequences in the industry and pleaded for self-regulation.

"Taxi owners are afraid an uncontrolled flood of new entrants to the market will simply make all operators unprofitable and allow whites to take over the industry." — Sapa

Policeman victimising us, say taxi-drivers

By ANDREA WEISS
Staff Reporter

M643
27/9/89

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authority of the Wellington investigating officer.

A DEPUTATION of Paarl taxi-drivers travelled to Cape Town to complain that they are being victimised by one of the town's traffic officers.

The 10 members of the Paarl and Wellington Taxi Associations walked unannounced into The Argus newsroom yesterday, and alleged that the traffic officer was conducting a one-man vendetta against "coloured" drivers.

They claimed the man frequently behaved in a way that went beyond the bounds of his authority.

Among their complaints was that he swore, called them "hotnots" and pulled taxis off the road or out of the rank at rush hour, causing passengers to miss trains.

They also alleged he "made his own laws" by imposing petty fines for combis being "untidy" ("onnet"), removed licences from the windows of vehicles without authority and threatened some drivers with his revolver.

Mr Les Beukes, chairman of the Wellington association, said the traffic officer ignored the

Mr Solomon Thomas of the Paarl association said his four vehicles were often delayed at peak hour.

He said it was a problem to maintain peace between the traffic officer and passengers who were becoming increasingly angry with him.

"When they are delayed, it puts us in a difficult position. This could lead to serious assault. We are not prepared to carry responsibility for his behaviour."

Mr Thomas claimed that he sometimes received fines at the rate of R600 a day.

NO COMPLAINTS

The town clerk of Paarl, Mr H.D. Liebenberg, told The Argus he had not had any complaints from taxi-drivers.

He said he was prepared to listen to grievances but suggested that a complaint should be made to the police.

Mr Liebenberg confirmed that he had received notification from an attorney of a civil claim against the municipality for an alleged assault by a traffic officer on a taxi-driver.

Jo'burg prepares for switchover (332) 21

Bus shake-up planned after desegregation

B/Dam 28/9/89

A MAJOR revamp of Johannesburg's transport system will get under way following the council's decision to desegregate all the city's facilities.

Applications by the Johannesburg City Council to carry black passengers and by Putco to carry white passengers have been lodged with the Transportation Board.

Transport Department director Ed Curtis said the applications would be heard simultaneously within six to eight weeks. Johannesburg's application went to the Board last week, he said.

Putco applied in June to the Transportation Board for permits to carry white passengers in the Witwatersrand on 2 055 "black" buses.

While the desegregation of the municipal bus service would cut costs, it was doubted whether the move would stop the buses running at a loss.

● Comment: Page 12

The municipal bus service ran at a loss of R21m in the 1987/88 financial year and was expected to lose up to R28m this financial year, Curtis said.

Putco director Vic Coetsee said objections to the company's June application were received from the Johannesburg City Council as well as from other councils on the Witwatersrand.

However, Putco was in negotiation with the council's Transport Department and he was sure a compromise would be reached. Putco could oppose the council's application.

There could be an overlap and competition between the two bus services along common routes. However, it was in the pipeline that the Central Witwatersrand RSC would take full responsibility for

EDYTH BULBRING

transport services, Coetsee said.

It would therefore not be economically viable for the RSC to subsidise two competing bus services, and routes would be put out to tender.

At present, the Johannesburg City Council subsidised the municipal bus service while Putco was subsidised by central government.

Curtis said a survey conducted this year showed that 4% of all daily passengers on white buses were black. This occurred at the discretion of individual bus drivers. However, once permits were granted bus drivers could not refuse to carry black passengers and would be disciplined if this occurred.

Curtis expected that desegregated buses would run more economically, as improved bus loads would be achieved with members of both races being carried in both directions.

It was possible that routes would have to be changed to accommodate the requirements of all passengers.

Another cost-saver would be the closure of the black depot in Fordsburg and a relocation of buses to the new multiracial depot in Milner Park.

Standardised seats would have to be put into some of the black buses, while the department would have to look at extending season tickets to black passengers, Curtis said.

Racial bus stops would come down after the permits had been granted by the board, and all races would have the same facilities, for instance benches and bus shelters.

Curtis said he believed the municipal service would win black custom from

□ To Page 2

Shake-up

B/Dam 28/9/89

Putco and the combi taxis, while losing white passengers in the initial period.

Violent reaction from white passengers in conservative areas could occur, but this would be closely monitored. Any abuses of passengers would be dealt with by the law.

Curtis did not expect any problems with the permit application to the Transportation Board. Any objection would come from Putco, he said.

He did not know how the streamlining of the service would affect bus fares, which

went up 20% in July.

There were, however, 11 black routes which had operated at 60% of the white bus fare and this would be retained.

Putco GM, operations, Mike Oldham said there would be fairer competition between the bus services if Putco's permits were granted. The desegregation of the municipal bus service meant there would be three-way competition between the municipal bus service, Putco and the combi taxis, especially in the afternoon.

□ From Page 1

Getting organised

The fast-growing Southern African Long Distance Taxi Association (Saldta) is planning to take action over four problem areas which heighten the safety risk for taxis and their passengers — especially over peak holiday periods.

These are taxi-rank violence, negligent driving, commuter safety and taxi association control over its members.

Saldta, formed in July 1987, today boasts a membership of 13 700 linked to 57 affiliate, long-distance taxi associations throughout southern Africa, including Lesotho, Botswana, Swaziland and Zimbabwe.

Taking its lead from its urban counterpart, Saldta was the first organisation formed to protect the interests of long-distance operators. These include both taxi and freight operators.

Most of Saldta's freight operators, who haul goods in trucks, also run taxi operations.

29/9/89.

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(332) Fuel 29/9/89

Saldta president Peter Rabali says goods transportation has been carried out informally for years, but was organised properly by Saldta for the first time in 1988. Taxi operators moved into the freight business to cater for the needs of rural dwellers who bought goods, like furniture, in the cities and needed it transported home. Their service is usually cheaper and faster than transport through other means.

Mainly minibuses

Saldta is beginning to show its muscle. Rabali estimates that, in 1988, Saldta members' 16 000 vehicles — mainly minibuses, larger midi-buses, as well as 14 trucks — consumed close to 200m^l of fuel, 900 000^l of oil and R20m worth of spares. Their total contribution to the economy is estimated at R200m.

On the question of taxi-rank violence, Saldta's solution is its system of queue marshals. When there is trouble, they radio head office and members of the organisation's disciplinary committee are called in to defuse the situation.

To limit negligent driving, Saldta plans to work hand-in-glove with traffic officers to assist in disciplining drivers who ignore traffic rules and drive negligently. And, to safeguard passengers, Saldta is working on a prototype roll-bar design which, when fitted, will prevent the body from caving in and crushing passengers in the event of an acci-

dent.

The bar is in the process of being manufactured and will be taken to the SABS shortly for approval. The organisation is also schooling its members on how to take care of passengers' luggage, comfort and safety. Unsavory elements frequently hang around taxi ranks and passengers need protection from them.

Other investigations include a centralised computer system to control taxi routes and drivers.

This is to pre-empt, deregulation, when a measure of "control" will be necessary over

NAMIBIAN OIL DRILL

The seismic survey ship, *Patrick E Haggerty*, will soon conduct what is the biggest ocean survey ever undertaken off the Namibian seaboard.

The comprehensive off-shore survey for oil-bearing deposits will start after the Namibian election in November. A UK organisation associated with ocean seismic surveys, Halliburton Geophysical Services (HGS), on behalf of UK-based Exploration Consultants Ltd on contract to Swakor (Pty), plans to obtain about 10 000 line-kilometres of data.

Acting on information provided by the

Patrick E Haggerty, it is expected that international oil companies will be invited to apply for prospecting and drilling licences during 1990.

A scientific report should be issued early next year.

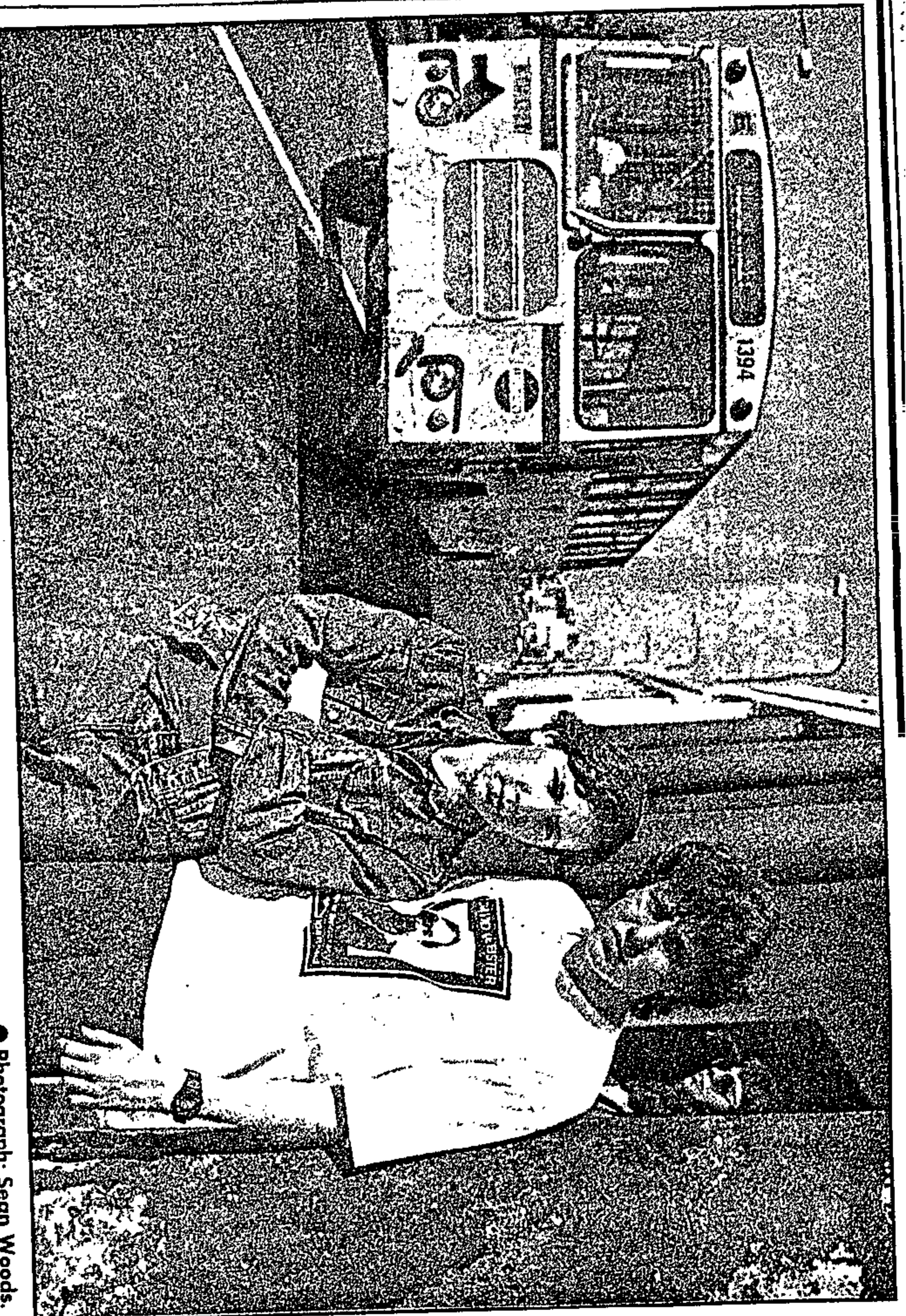
There has already been a 820 line-km survey and in the light of gem finds off the Namaqualand seaboard and gas finds further south, there are hopes that seismic research will uncover important oil deposits off the Namibian coast.

The survey vessel is expected to use Walvis Bay as a base during its research.

drivers. Every taxi will have a code number which will appear on customers' tickets purchased through the computer. Rabali says this will enable passenger recourse in the event of complaints or luggage losses.

More competitive

The organisation is also planning to make its product more competitive. A first-class taxi service is to be introduced next year for people who wish to avoid queuing and overcrowded taxis. This 10-seater service will have air-conditioned combis and will be pre-booked.



NO TICKET TO RIDE: Michael Santa Rita (left) and his friend Jared Singer.

Pressure, threats end mixed-race couple's affair

A MIXED-RACE couple, whose love affair has caused a storm of controversy in the Eastern Transvaal towns of Groblersdal and Marble Hall, have parted. After mysteriously disappearing earlier this week, Marble Hall traffic officer Mr Gerard Buys (35) resurfaced later in the week, saying that he had last seen his fiancée Esther Pogole (23) two weeks ago in Lebowa on the day they became engaged.

The engagement, he said, was off. The couple's engagement, which was at first denied by Mr Buys, has caused great controversy in the two Conservative Party-controlled towns. Inquiries in the early part of the week,

PAT DEVEREAUX

as to the whereabouts of the couple, drew blanks all round. After the engagement became known, pressure on Mr Buys forced him to take leave.

People in the town were openly saying he should, if need, be "physically removed from the community".

Mr Buys returned to work on Thursday. He said: "She has gone. I don't know where she is. The engagement is off."

According to Mr Buys there had been heavy "political pressure" on him. "We were intimidated from the moment the en-

● Photograph: Sean Woods.

couple's affair

agement was announced," he said. "This was the reason for calling off the engagement. I was even threatened with lynching. They threatened to hang me."

Still intimidated

According to Mr Buys he is still being intimidated. He is, however, not planning to leave Marble Hall, even though at one stage the CP-controlled town council is believed to have recommended he be fired as "an embarrassment to the town".

Mr Buys does not plan to resume the relationship and get engaged to Miss Pogole at a later stage. "Never again," he said.

GO C||ER ORC E||S
white boys off
a black bus

Spencer
 24/1/89 PAT DEVEREAUX

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TWO Johannesburg teenagers who regularly take Putco buses to the city centre have been told they are not allowed to ride on black buses. Last Saturday they were stopped from doing so by a uniformed SADF soldier.

Jared Singer (16) and his friend Michael Santa Rita (15) have for the past eight months been catching Putco buses from Orange Grove, where they live, to central town on Saturdays — because they are more frequent than municipal buses.

But last Saturday, after boarding the Putco bus at Noord Street, they were hauled off by a young SADF serviceman.

"We had paid for our tickets and were sitting on the bus when the soldier jumped on and told us we were not allowed to ride on the bus," said Jared.

"We asked him why not and he simply said he had his orders and dragged us off the bus," said Michael. The pair were told by the soldier that whites were not allowed to ride on black buses.

Two friends

"He then told us to get a refund from the driver. But the driver told him we were allowed on the bus and said he could not give us a refund or give the tickets to other passengers as each fare differed according to the distance," said Jared.

"We didn't put up too much of a struggle because he had two friends with him who waited outside the bus at the terminus," said Michael.

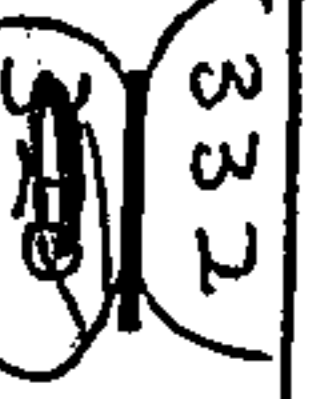
The two boys said the three men were in SADF uniform but they did not know their names or rank. Jared added: "I found it strange because I have been riding on these buses for almost a year and no drivers or policemen have stopped me. This is the first time we have had hassles."

Queried on the incident, SADF Colonel Hans Stempfler asked whether "it was normal for whites to ride on black buses in Johannesburg?"

Asked whether soldiers had orders to remove whites from black buses he said: "It depends on the circumstances. The Defence Force has removed people off buses at road blocks."

After making enquiries Colonel Stempfler said no such incident was reported and that members of the SADF may have acted of their own accord. "Before this matter can be investigated more information is needed about the said troops," he said.

Travel perks



What's legal and what's not

Star 30/9/89
THE use of travel incentives has become an important and more widely accepted part of remuneration packages, but these carried income tax consequences for both employer and employee, says Aiken & Peat partner Pat McGurk.

He said that the lure of an overseas trip had proved to be an important tool in securing and motivating staff for the benefit of employers.

The incentive can take various forms, including visits to foreign countries to obtain knowledge of foreign markets, to participate in trade fairs, or simply holiday incentives granted for reaching specified sales or budget targets.

"It is not uncommon for employers to encourage, or even sometimes require, their executives to travel overseas in order to 'broaden the mind' and remain abreast of all foreign technical and market developments. For this reason the employer will meet the costs of airfares and, on occasion, all or portion of the executive's accommodation and subsistence costs.

"In the hands of the employer, the costs will be generally regarded as a 'salary related' expense and should thus qualify for deduction.

"Whether this ground will be sufficient to avoid tax in the hands of the executive will depend on the facts of each case, but in particular the nature of the company business.

"Executives working for companies involved in marketing, high technology and similar industries are more likely to be successful in avoiding tax as the trip could be regarded as work related.

"The case of the executive would be strengthened further if the requirement to travel was incorporated into the employment contract.

In certain cases, the costs of the spouse are also paid by the employer when the executive travels on business. The justification is usually that the executive is required to attend important social functions at which business entertainment is anticipated. The spouse is thus performing a service on behalf of the company and no 'benefit or advantage' arises for the executives.

"Again, the success of this argument would depend on the facts of each case, but it is likely to have more prospect of success in a large and prestigious company. The Receiver of Revenue will also need to be satisfied that the entertainment is for the purpose of benefiting the business and does more than satisfy ordinary 'social needs'.

Incentive scheme

"A travel incentive scheme is frequently regarded as a major form of motivation for sales staff. In the hands of the employers, the costs clearly should be deductible since they are incurred in promoting the business of the company and in retaining a 'happy and contented staff', Mr McGurk said.

The salesman's case is somewhat more difficult.

"As the benefit or advantages arises because of services rendered, the cost of the trip to the employer is usually subject to taxation in the hands of the salesman, unless the trip can be classified as a business trip. This can be done, for example, where the salesman is required to call on overseas clients or principals in order to conduct company business.

"At least, in this manner the cost of the airfare should be free of tax in his hands.

"Clearly if the employer pays the salesman's per-

sonal subsistence while he is on holiday, these costs are taxable in his hands.

The deductibility of costs incurred in attending a trade fair outside the Republic would depend largely on the reason for the fair, said Mr McGurk.

"If attendance is so solicit orders for goods to be exported or to purchase stocks, the costs would qualify for deduction.

"Disallowance, however, could arise if the trip is undertaken for the purpose of creating or improving or acquiring capital assets. The costs of trips to acquire fixed assets, new agencies, or to negotiate long-term capital finance could be subject to disallowance.

"Employers may wish to send their employees to participate in conferences to study the latest methods and techniques, or to attend training courses.

"Although on occasion, the Receiver has been known to attempt to disallow the costs in the hands of the employee (on the basis that the expenditure is capital in nature), such attempts should be resisted by taxpayers.

"There is not necessarily any 'enduring benefit' for the employer since employees tend to come and go.

"It is not uncommon, however, for employees to be provided with travel perks 'under the counter', of which no mention is made in either the employer's or employee's return of income. Clearly such practices constitute tax evasion and should be discouraged.

"With proper planning, travel incentives can be structured in such a way as to minimise any adverse tax implications while at the same time maintaining the integrity and honesty of both employer and employee," said Mr McGurk.

Taxi man gunned down in Orlando East

By SOPHIE TENA

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1/10/89 C. Press

arrival at Baragwanath Hospi-
tal.

VIOLENCE rocked black taxi ranks again on Friday night when Johannesburg Taxi Association (JTA) member Thomas Kgetsi was shot at close range by unknown gunmen in Orlando East.

Kgetsi, of Diepkloof, died on

Johannes Kgetsi said the family was told that his brother was flagged down by a group of people he thought were passengers. When he stopped, the killers opened fire.

After the killers fled, he was helped by people who lived near-

by

JTA officials have called on police and the government to intervene in the simmering taxi war, which has claimed dozens of lives.

Kgetsi's killing comes two weeks after taxi driver Elliot Kunene died in a similar shooting near Phefeni Station.

JTA official Alfred Minkulu

died in a hail of heavy-calibre automatic pistol fire in an Orlando East ambush two years ago.

Last week the Southern African Long Distance Taxi Association (Saldta) identified violence and corruption as the biggest problems among taxi-operators.

B/Dan 4/10/89

Overseas work cushions our firm — Trencor

332 LIZ ROUSE

TRENCOR'S overseas operations and exports will cushion the downward trend in the group's more cyclical business, particularly in the trailer market, says chairman Neil Jowell in his annual review.

Tyre and transport areas will be affected to a lesser extent.

Exports of containers from Hönred-Fruehauf and products through Indian Ocean Export Company, as well as



● JOWELL

Trencor's overseas operations, did well in the year to June 1989.

Together they contributed just over 40% of attributable income and account for a substantial portion of working capital.

The strong international container market should continue for the next year which should benefit Trencor's exports of containers and other products.

Jowell does not foresee any material change ahead in the sanction and exchange rate risks, and says that the new export incentives will at least be as favourable as previously.

Trencor showed record profits in the year to June with attributable income up 33% to R48.4m, earnings a share up from 254c to 338c a share and dividend total up to 67c from 50c.

Offshore arm is expected to boost Uniserv

332

CHARLOTTE MATHEWS

UNITED Service Technologies (Uniserv) had acquired offshore interests which were expected to contribute more than 20% towards its earnings for the year to February 1990, executive deputy chairman Barry Saxton said in releasing the group's interim results to August.

Uniserv came close to doubling operating income to R6,5m in 1989 compared to R3,3m for the six months to August 1988. This translated into attributable income of R4,3m, 129% higher than the previous period's R1,9m.

The number of shares in issue was increased to 45-million (27-million) in order to finance the acquisition of Sky Couriers and the overseas interests, causing earnings a share to rise more modestly by 36% to 9,5c (7c). Company policy is to declare a dividend at the end of the financial year.

Uniserv is a service organisation specialising in handling freight.

Presence 8/Day
4/10/89

Saxton said the foreign companies acquired by the group with effect from March "conduct business in fields allied to those of Uniserv."

"For obvious reasons we will not be disclosing any specific details of these acquisitions as agreed with the JSE.

"This should be seen as the first step towards acquiring a substantial offshore presence."

In the period since the purchase these companies contributed 12% towards Uniserv's EPS and NAV.

Saxton explained that the company's results were affected by the higher than expected cost of rationalising Sky Couriers into Sun Couriers. In addition the growth in volume of trade made it necessary for management to take steps such as relocating to bigger premises in all four of SA's major cities.

"Significantly, however, the rationalisation is now virtually over and most of the associated costs have been expensed in the accounts for the six months under review," he added.

Uniserv's income statement shows a near quadrupling of the interest bill to R851 000 from R220 000. Bottom line profits are rescued by a cut in the tax rate to 12% from the previous period's 30%.

Saxton said the group's freight division, Burlington, returned a strong performance. It exceeded its budgeted contribution in spite of the worsening exchange rate and the import surcharge.

SA ad promises more change

81049 5/10/87
LONDON — More fundamental change in SA is imminent, SA's Department of Foreign Affairs (DFA) says in a full page, anti-disinvestment advertisement in yesterday's Daily Telegraph.

Headlined "How to finance the South African revolution," and displaying pictures of products mainly sold by black entrepreneurs, like home-brew beer, snuff, razor blades and various tonics, the advertisement's theme is that disinvestment robs blacks of economic power — their most effective means of negotiation and political leverage.

"To say that disinvestment hurts the people it's meant to help, is to obscure the truth. In reality it's much worse than that. If anything it robs SA blacks of their most effective means of negotiation and political leverage: their economic power."

Quoting Unisa's Bureau of Market Research, the DFA says: "Consider that in seven years from now — unless the economy is crippled beyond repair — black spending will represent way over 70% of the GNP."

Black rand

There are 20 000 black-owned backyard shops in townships of Johannesburg and Pretoria that have achieved a combined turnover equal to that of SA's largest supermarket chain.

The advertisement refers to the Black Taxi Association (Sabta) as another example of the power of the emerging "black rand", saying it had in under 10 years become the country's

largest private consumer of fuel, motor oil and accessories.

"As a transport company it is 20 times larger than its state-subsidised equivalent, directly providing work for 300 000 people, transporting two-billion passengers a year and supporting a mushrooming informal business sector so large no-one has dared to estimate its size. This is the economics of change. The revolution which is putting apartheid out of business."

By supporting the many SA companies and organisations fighting for a free economy, rather than supporting the systematic destruction of the economy, Daily Telegraph readers would help SA achieve its goal, the DFA says.

This goal was the creation of a free and democratic society for all. — Sapa.

Flying towards 1992

It's taken Jan Smuts Airport years to acknowledge it has a problem. Yet even now, as officials congratulate themselves on plans to bring SA's tatty air gateway up to the standard of international airports, others around the world are already looking even further ahead.

In Western Europe, particularly, airport authorities are planning frantically to cope with the dual challenge of ever-increasing air traffic and the uncertainty stemming from the continent's political future. In that respect Jan Smuts planners may find reassurance in the fact they are not alone in facing change.

However, the reality is that while Jan Smuts acts to solve problems that official indifference has allowed to build up over the years, most other airports are acting before they are overwhelmed.

In Europe authorities are working out how to deal with issues likely to arise from the breaking-down of EEC national barriers in 1992.

Not all discussions are bearing instant fruit: in particular, national authorities are proving obstinate in the face of pleas for common regulations concerning minimum distances between aircraft.

According to Karl-Heinz Neumeister, secretary general of the Association of European Airlines: "It is absurd that the minimum separation distance between aircraft over one part of our continent is five nautical miles and 30 nautical miles over another. Where two zones with different regulations converge they create a bottleneck. No wonder massive jams result every day."

He is campaigning for a single European air traffic control system which, he says, will ease congestion through more efficient management of the skies. Without it he predicts one-third of airports will be unable to accommodate additional traffic by 1995. West Germany, crossed by all major European air traffic routes, will be worst affected.

Frankfurt Airport, Europe's second busiest after London's Heathrow, hopes he's overstating the case. The airport, a major destination and transit point for South Africans, is already speeding up major expansion projects.

Last year Frankfurt handled 294 000 aircraft movements, 25,2m passengers, over 1m tons of cargo and 146 000 tons of mail. Airport authorities have committed DM7bn towards expansion by 2000. The eventual figure could be considerably more.

FINANCIAL MAIL OCTOBER 6 1989

Frankfurt Airport Authority chairman Horstmar Stauber voices the uncertainty being experienced by all Europe's major airports before 1992. For instance, no decision has been taken yet on whether passengers arriving from outside the EEC must go through official entry and customs procedures at the airport of entry or at final destination. Depending on the decision, passenger transfer systems at Frankfurt alone could cost more than DM250m.

One fact is known: the scrapping of borders within the EEC will double the percentage of domestic passengers. This is bad news for all major European airports. The opening of borders will hit duty-free sales as what are now international flights become internal. Stauber predicts his airport will lose at least DM10m a year. The total for European duty-free shops as a whole could be staggering.

With Europe's skies becoming more congested daily new ways are being investigated to reduce delays as aircraft wait their turn to take off or land. Executives of some European airlines openly admit published timetables are already bearing little relation to reality. Unless decisions are taken soon the situation will deteriorate.

SA passengers, used to often haphazard flight times in this country, will sympathise. It would be nice if SA air authorities could learn from the trauma their European cousins are starting to go through.

But don't bank on it. ■

Black taxi wars spread from SA to Swaziland

500K 7/10/89

AFRICA NEWS SERVICE

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MBABANE — South Africa's taxi wars have spread to Swaziland with recent clashes between local and Swazi mini-bus taxi drivers.

Recently six Swazi taxi drivers who ventured on to South African soil were beaten up by local taxi drivers — and in retaliation a South African driver was severely beaten by Swazi drivers at Manzini.

Talks on the spread of the taxi war have been held between the Swazi Minister of Transport, Mr Wilson Mkhonta and the South African Trade Representative in Swaziland, Mr Etienne du Toit, without result.

According to Swazi taxi drivers, the source of the friction is an agreement between the South African and Swazi governments that allows Swazi taxis to operate in South Africa, while barring South Africans from operating in Swaziland. But the violence has meant that no Swazi taxis have been able to cross into South Africa in the past two weeks.

No Edenvale bus subsidy, so commuters use Jets

STW
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JANET HEARD
7/10/89



TEETHING PROBLEMS: Commuters at the rank expressed confusion about the time-table.

PUTCO'S 30 years of service to Edenvale residents ended this week and commuters — angry that the town council stopped its subsidy to the bus service earlier this year — are now in the unusual position of catching costly minibus taxis from Putco bus ranks to travel to Johannesburg.

Putco terminated its service on Monday after it could not continue operating effectively without a subsidy from the town council.

The minibuses — owned by a small black-owned company, John Edén Transport Services (Jets), will also be operating without financial assistance from the council.

Explaining the changeover, Putco's Operations Executive, Mr. Keith Brighton, said the buses had for years been under-utilised and frequently carried only 30 passengers. Over the past 10 years, the company had been running at a loss of between R300 000 and R400 000 a year, which the council had until this year subsidised.

of the majority of ratepayers," Mr Brighton said. The subsidy was withdrawn.

"We did a lot of reorganising to keep our losses down but at the end of the day found it virtually impossible to continue the service. We sold the permits to John Edén," he said.

It is hoped that Jets, whose minibuses are easier to fill with passengers, will not suffer the same losses as Putco, although the lack of subsidy is reflected in the fee, which is R3,50 an adult for a single trip to Johannesburg.

This week, Edenvale commuters waiting for the minibuses at the Putco rank in Krulis Street, Johannesburg, said they could not understand why the town council had stopped supporting the transport system.

high rates to the council and they can afford to subsidise the service. We are now also forced to pay high fees for transport," said Mr Tony Hovard, who travels daily to the city.

In its first week of operation, Jets has experienced teething problems. Commuters at the rank expressed confusion about the exact route and the time-table the taxis followed.

However, most were willing to wait a few weeks before complaining, and said a drawback was that the taxis departed as soon as they were full, and they reached their destination far quicker than the Putco buses.

Jets manager, Mr Nat Horwitz, said the company battled to operate with no subsidy but hoped that once commuters got used to the change-over, the number of passengers would increase.

The Edenvale town clerk and the acting town clerk were unavailable for comment this week. Mr F. Palm, the deputy-town clerk, said although the council realised residents required a reliable transport service, it decided it could not continue to subsidise for the losses of a privately owned company.

"If they can spend R4 million to reshape the library, why can't they subsidise the transport service," said one.

"I am annoyed the council cannot help us out. They pulled out altogether and left us to it. We pay

Taxis are giving us the

BY SANDILE MEMELA

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8/10/89. C. Press

TOMORROW is an important date for Transvaal taxi drivers. The Transvaal Taxi Association (TTA) holds its annual general meeting at the Eldorado Hall from 10am.

According to Sabta's media liaison manager, Terry Mphahlele, one of the highlights of the meeting will be the launch of the Taxi Driver of the Year Competition (TDOTY).

Another highlight is the Miss TTA beauty pageant. Three winners of the competition will emerge tomorrow evening to compete with other provincial winners at the Sabta AGM to be held at Sun City on November 15.

"Sabta feels that the TDOTY is a critical element in efforts to address issues of road safety consciousness and proper use of the country's roads by taxi drivers," Mphahlele told *City Press*.

But will problems experienced by commuters be addressed at the meeting tomorrow?

Commuters have expressed anger at how they are treated by some taxi drivers. Most of the problems commuters experience begin when they are still outside the taxis.

This is admitted by Mphahlele.

"It is probable that allegations of abuse by marshals and taxi drivers are true. Sabta condemns this kind of behaviour."

"In cases where a local association is our affiliate, a disgruntled commuter can report a case of abuse to that local association for action."

The Parkie taxi rank, as the Johannesburg taxi terminus is known, demonstrates the growth in the number of city commuters.

The problem of coping with soaring commuter demand is recognised in Sabta's executive circles. Mphahlele said the body has noted that taxi operators can cope with the transportation of commuters during the day.

"However, during rush hour in the mornings and late afternoons, we have seen that the number of taxis on the roads is not sufficient."

There are approximately 100 000 taxis operating in the country. Sabta has a membership of 55 000. Of the "legal" taxis, who hold permits, 95 percent of them are Sabta members.

Travelling by taxi has become a fearsome experience for thousands of commuters.

This is one of the reasons for the launch of the TDOTY competition.

Mphahlele said Sabta has also embarked on Project Spear, a programme of education and training of member taxi drivers.

"Among other education and training schemes that



Sabta's Terry Mphahlele . . . programme of education and training launched for taxi drivers.

involve road safety consciousness and management, Project Spear aims to train taxi drivers and queue marshals in public relations."

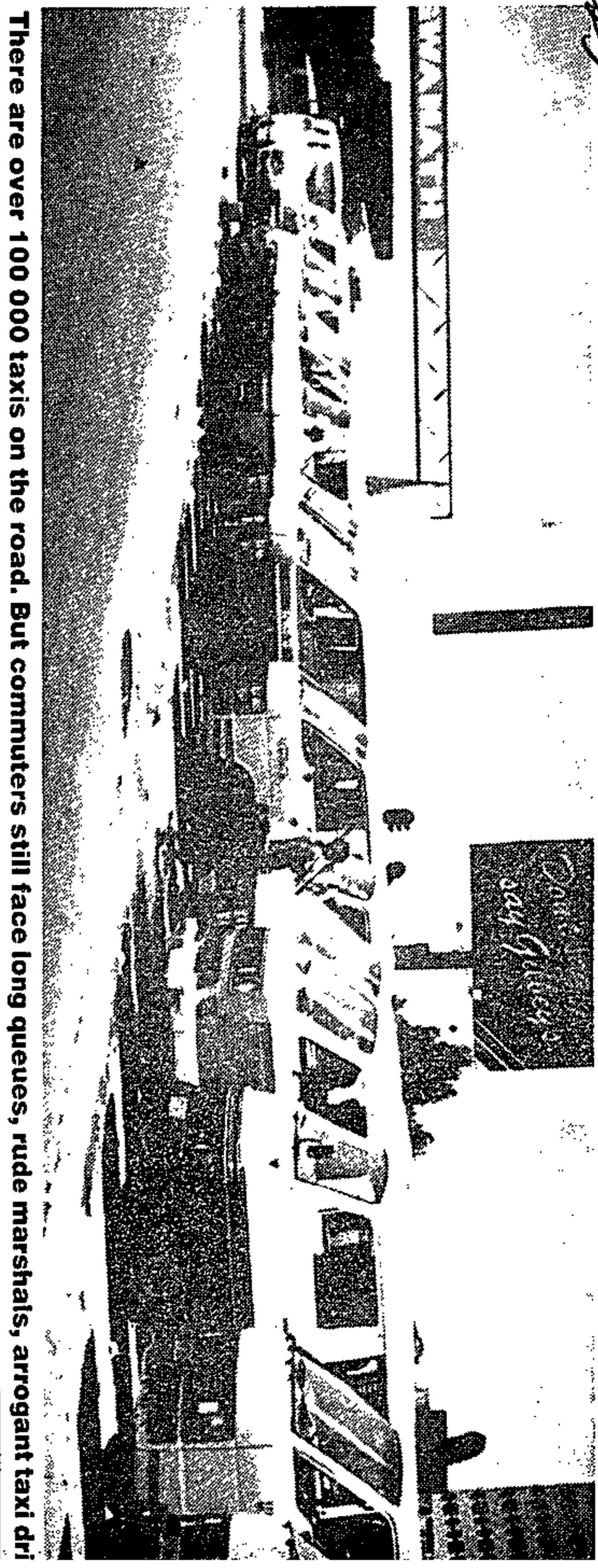
Meanwhile, most commuters have resigned themselves to the fast and dangerous driving of taxi operators.

Commuters also face long queues, rude queue marshals, overcrowding and arrogant taxi drivers.

Weekends, especially those that coincide with month-end, seem to be the worst.

Mphahlele insists that Sabta maintains a strict code of conduct to enforce rules that promote mutual respect between taxi operators and customers.

"The executive committees of the various local, regional and provincial branches of the association periodically address such crucial matters as insolence and disrespect.



There are over 100 000 taxis on the road. But commuters still face long queues, rude marshals, arrogant taxi dri

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adopting... efficient and hence most cost sensitive and also because they were easier to identify and survey.

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ers and dangerous driving. What is the sc'ution?

"It is hoped that resolutions filter down to the patrol squads, taxi drivers and queue marshals."
It appears the taxi industry does not have the facilities to meet soaring passenger demands.
"We have so many passengers that unfortunately we are unable to keep statistics of commuters that we transport daily, weekly, monthly and annually," confessed Mphahlele.
There is no doubt that travelling by taxi is the quickest way to get into the township or out of the city. The other side of the coin is that commuters have to endure a certain humiliation.
Just securing a seat is an ordeal.
Arriving at the taxi terminus in town at 5pm or in the township at 6.30am has become a nightmare.
It is customary for commuters to budget at least an hour of waiting before travelling home.
Township commuters have no alternative to this queuing.
Only a few commuters and passengers have the courage to challenge harassment by marshals.
Those who dare stand their ground stand the chance of being ejected from the queue and refused permission to board any taxi.
At the taxi ranks themselves, there are no information signs to help commuters identify the correct queue.
A stranger can easily find himself in the wrong taxi headed for a totally unknown destination. Nevertheless, the taxi driver will still insist on his fare being paid before ordering the commuter off.
Some taxi operators try their best to be helpful, but no-one has made it their duty to provide commuters with vital information.
However, the issue of the behaviour of marshals is one of the crucial issues facing the taxi industry today. It will need more than a public relations exercise.

CM: Trgts. 9/10/89

Imperial, Avis in R390m fleet injection

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Own Correspondent

JOHANNESBURG. — SA's two largest car-hire groups will be investing R390m to replace their vehicle fleets in an industry which has up to now remained immune to the downturn in the economy.

Imperial Car Hire MD Carol Scott said yesterday Imperial had shown 23% to 28% real growth to September 1989 when compared to September 1988.

The company was optimistic about future business and the industry had not yet seen any indication of dampening demand due to the downturn in the industry.

Reflecting this optimism, Imperial is to increase its fleet by between 500 to 1000 vehicles in the coming year. Imperial has 4 500 vehicles available for rental.

The company will invest R140m in the coming year to replace and increase its fleet size, Scott said.

Avis Car Hire Group CE Glenn van Heerden said yesterday Avis had shown 23% real growth in the past year to September 1988 using the num-

ber of transactions as an indicator. The industry was looking at a bumper festive season, but the high cost of new cars, a growing black market, increasing numbers of overseas tourists and large numbers of domestic tourists were other factors contributing to the industries growth.

Avis's vehicle fleet is replaced and increased on a rotational basis. Its fleet will peak at 8 300 vehicles this year. Next year the group would invest R250m for new vehicles, he said.

However, the economic downturn could affect the group's sales next year because the tightening of monetary policy would affect cash and credit facilities to corporations, Van Heerden said.

Imperial's Scott said high interest rates had made the capital investment for new vehicles expensive. Another big thorn in Imperial's side at present was the hijacking of its vehicles, she said.

About 10 to 15 of Imperial's vehicles were being hijacked a month. Each vehicle represented a capital loss to the group because Imperial ran its own insurance scheme.

Taxi drivers upset over permit row

By HELENA PATTEN, Staff Reporter

"GROSSLY unfair" allocations of taxi permits continue, say taxi drivers, despite loud deregulation noises being made by the government.

Some taxi drivers have had application after application refused, while others, usually the bigger operators, have obtained several at a time for the same areas.

Deregulation involving scrapping the permit system is on the cards, say the authorities.

However, it will take two to three years to introduce new legislation and to phase in the large numbers of taxi operators expected.

Disgruntled feelings

This does not soothe the disgruntled feelings of Mr Arthur Myburgh who has driven a taxi on his partner's permit for about five years. His regular applications in the past three years for a permit of his own have all been refused.

"Two more years is a long time to wait."

He said many operators abused the present system, illegally forcing those who could not obtain a

permit of their own to pay up to R150 a week to hire them.

Operators also sell permits for up to R10 000, he claimed, although the cost of acquiring a permit through official channels is only R10.

He did not know why some operators were continually successful in their applications, while others like him were not.

He said one operator he knew had received three permits last year, two of which he sold, and a further three this year. This man boasted about his "contacts" and told smaller operators not to bother applying anymore.

Some operators are known to have up to 40 permits, an official in the Cape Town Traffic Department said.

A senior source in the Department of Transport said permit applications had to be well-motivated before they were accepted under the current system. Applicants had to prove a need for their service.

Chief director of the Department of Transport Mr Malcom Mitchell said that after deregulation there would be no conditions other than safety conditions to comply with.

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Fare increases 'crippling' city's domestic workers

By ANDREA WEISS
Staff Reporter
DOMESTIC workers are being "crippled" by the recent 12,5 percent increase in bus fares, according to the South African Domestic Workers' Union (Sadwu).

With an average wage of around R150 a month or R10 a day (according to Sadwu) and a roundtrip from an area like Mitchell's Plain or Khayelitsha costing up to R7 a day, domestic workers are battling to take home even R5 a day.

Also, many domestic workers are unable to make use of the cheaper clipcard system because they char for different employers and often have to take connecting buses and trains to get to their work place.

Described by Sadwu as "the lowest paid group in South Africa", the union objected to the

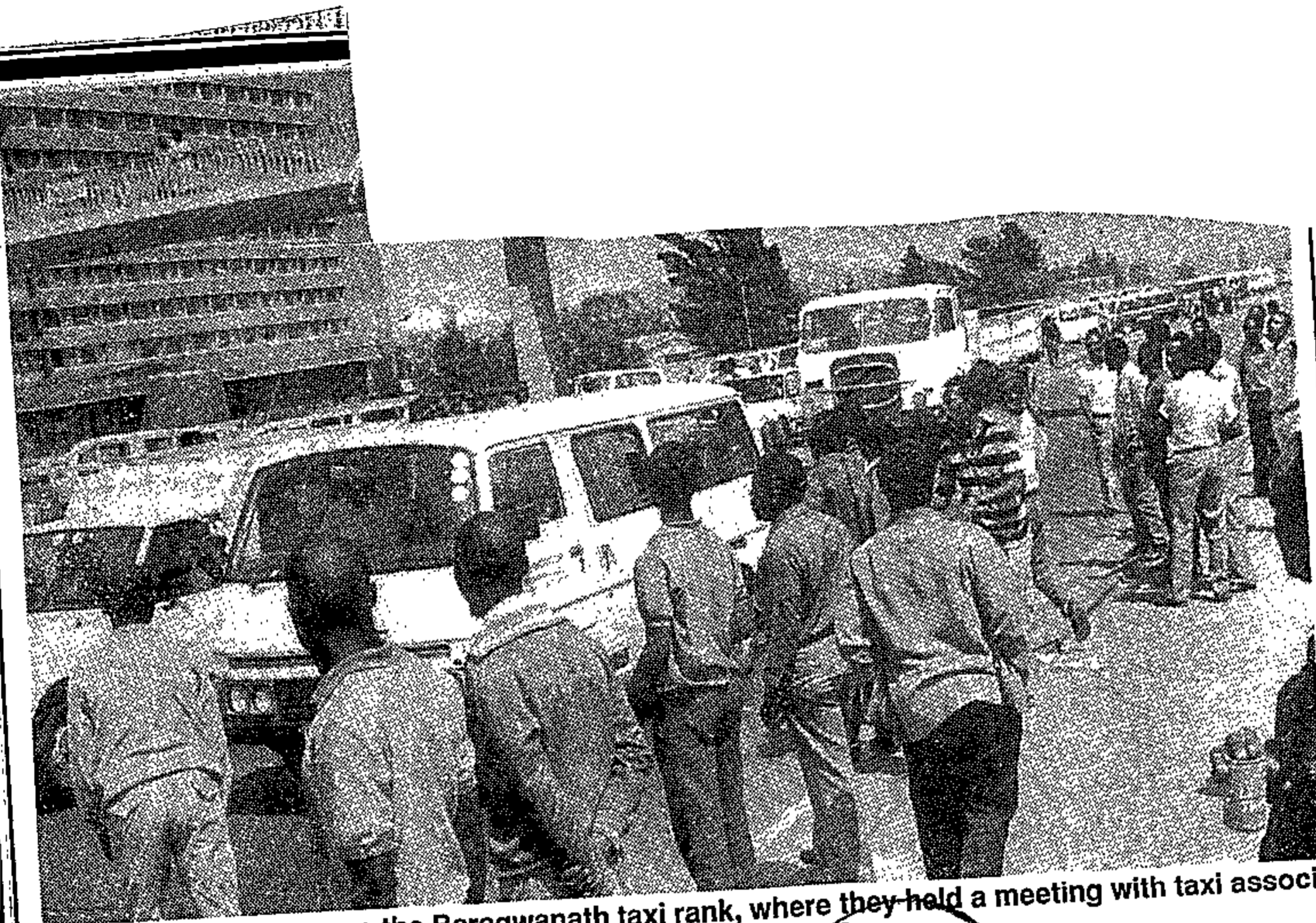
increases implemented on September 24.

"Many are not able to meet the cost of supporting even the most basic needs of their families. The result of this is poverty, hunger and related diseases like tuberculosis," it said in a statement.

"We feel a commission of inquiry should have been established before these new fares were implemented to look into the basic expense and income of the domestic workers."

Examples of the new fares are:

- From Khayelitsha to Cape Town, R2,60 single.
- From Khayelitsha to Elsie's River, R2,55 single.
- From Khayelitsha to Wynberg, R2,55 single.
- From Mitchell's Plain to Cape Town, R3,55 single.
- From Nyanga to Bellville, R1,20 single.



Taxi drivers converge on the Baragwanath taxi rank, where they held a meeting with taxi association officials.

Commuters are stranded after Soweto taxi strike

9/10/87 SOWETAN REPORTER
SOWETO taxi drivers went on strike on Friday morning, leaving thousands of commuters stranded in the area.

Commuters who turned to railways for alternative transport discovered it was just not their day - trains were running late, thanks to a technical fault in the South African Transport Services' rail system.

Townships affected by the one-day strike were Senaoane, Protea, Tshiawelo, Dlamini and Naledi.

The drivers, who parked their kombis near Baragwanath Hospital, Diepkloof, were protesting

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against what they termed "bad working conditions". Their grievances included ill-treatment by taxi owners, who they claimed often called them "boys".

The strike was suspended after Soweto Taxi Association officials, addressing the drivers at the AME church in Tshiawelo on Friday, promised to investigate the complaints. The two parties will hold another meeting on Wednesday.

"One of our grievances is that whenever there is a disciplinary case against a driver only the complainant and taxi association officials are allowed to attend the hearing," a taxi driver told the *Sowetan*.

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Micor still riding crest of the wave

BRENT MELVILLE (332)

AT 701c Micor Industrial Holdings is still riding the crest of its recent restructuring, vindicating deputy chairman Mark Kaplan's confidence in the manoeuvre.

In terms of the restructuring, Micor will move its local operations in airfreight, seafreight, travel and industrial-related activities into cash-shell Adco — to be renamed Micor Industrial Corporation.

Micor's offshore activities last year contributed 48% to attributable earnings.

Reflecting strong managerial faith, Micor purchased the remaining 49% of its airfreight business from its UK forwarding associates for a consideration of 210 000 shares at R9,84 a share — a 30% bonus on the prevailing share price.

Kaplan says that if exporters' allowances are maintained at the same levels, earnings should continue to be substantially sheltered and results should benefit accordingly during the coming year.

B/Daw
16/10/89

Black taxi owners want own airline

ARGUS
17/10/89

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The Argus Correspondent
DURBAN. — The Southern Africa Black Taxi Association is planning to branch out into air travel and is investigating obtaining landing rights in the United States and other countries where SA Airways is banned.

This was revealed today by Sabta president Mr James Ngcoya, who said Sabta had the support of the giant Anglo American Corporation and planned to hire the aircraft.

"That is how far we are thinking," he said in an interview in Durban.

"We're in the transport business and have made it into the 1990s with all the problems."

"We will run a non-racial airline and might even hire aircraft from SAA and paint them in Sabta colours."

He said Anglo American had helped Sabta's 40 000 members with the massive training and education programme, "Project

Spear", and once this was completed the organisation would be set for further expansion.

Commenting on doubts expressed by the Durban Transport Management Board general manager Marshall Cuthbert that Sabta would not be able to run the city's loss-making bus service, Mr Ngcoya said: "If Mr Cuthbert thinks we will fail if we take over the Durban bus service, he is talking out of turn.

'Not wanted'

"I do not like to appear dissident, but his service is running at a loss and that money is needed elsewhere.

"All those big buses are not wanted by the public. We will use mostly minibuses and large buses only on some routes.

"We have the skills to compete successfully in all spheres of the transport industry and have people seconded to us from the highest professions in the industry.

"If we take over Durban's bus service, we will not fail."

Project Spear is a massive drive to improve the driving skills of the taxi driver. Its estimated cost is R88 million over the next few years, which includes education and research into the needs of the black taxi industry.

The scheme also aims to open up further business opportunities for the taxi industry and improve and aid taxi owners and operators with the profitability of their businesses.

The project also intends to create a whole new image for the black taxi industry.

Project Spear is an operational company set up between Sabta and Associated Training Resources (Pty) Ltd and will be run on standard business principles.

As part of the scheme to improve road safety, Sabta has floated radio commercials which have been aired on Radio Metro and other stations.

Project Spear aims to train black taxi drivers

B/D am 18/10/89 THEO RAWANA

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A HUGE training drive for black taxi owners and operators is underway with more than 300 centres being set up over the next few months.

And Project Spear, the education and training joint venture started by taxi organisation Sabta and Associated Training Resources two months ago, has also set up a development board which big companies and institutions are invited to join.

Spear will establish the 300 taxi centres mainly at service stations, which will be developed into both social and trading centres, says chairman Gideon Malherbe.

"The taxi centres will be acquired by Project Spear, but the operations will be carried out by franchisees ... In this atmosphere, training courses for both owners and drivers will be offered as a natural extension of the many services and facilities," says Malherbe.

The development board has been established to ensure the Project Spear development company carries out its mission — to help the black taxi industry to become the established transport business of the 1990s — efficiently and effectively.

Malherbe says Spear's mission is to "create the new economy of SA and, through education and training and the development of new business activities, to improve the image, reputation, business acumen, profitability, and economic growth of black business".

Project Spear, comprising specialists in business planning, transport and education and training, aims to transform black enterprise from its predominantly informal-sector status into a significant part of SA business.

Profit orientated

Education, training of the taximan and the development of new opportunities in transport-related matters will be conducted at the strategically located residential training centres.

"All Project Spear activities are intended to be profit orientated. The company must, like any other, meet all its costs from the sum of its sources of income," he says.

Malherbe says the company will need funding from business for the costs of its development phase, in return for access to opportunities it offers.

The development board, which will receive and assess project proposals from the company, will have a continuous programme of advice and assistance. "The members of the board may also put forward proposals of their own for consideration by Project Spear."

Malherbe adds: "Membership of the development board is no sinecure; there must be no question of token involvement. Members must be fully committed to the mission of the company.

"This includes the provision of services for all the population. Project Spear is the first 'new economy' company. It provides the means by which established business can invest in the future of SA business, and secure their place in it."

The political changes taking place should be accompanied by equally significant changes in the composition of SA business and the "new economy" would complement the new constitutional dispensation.

"The expansion of the black taxi industry will provide fields of profitable activity to suppliers of a wide range of products and services," he says.

Bloody city street battle

Argus 19/10/89

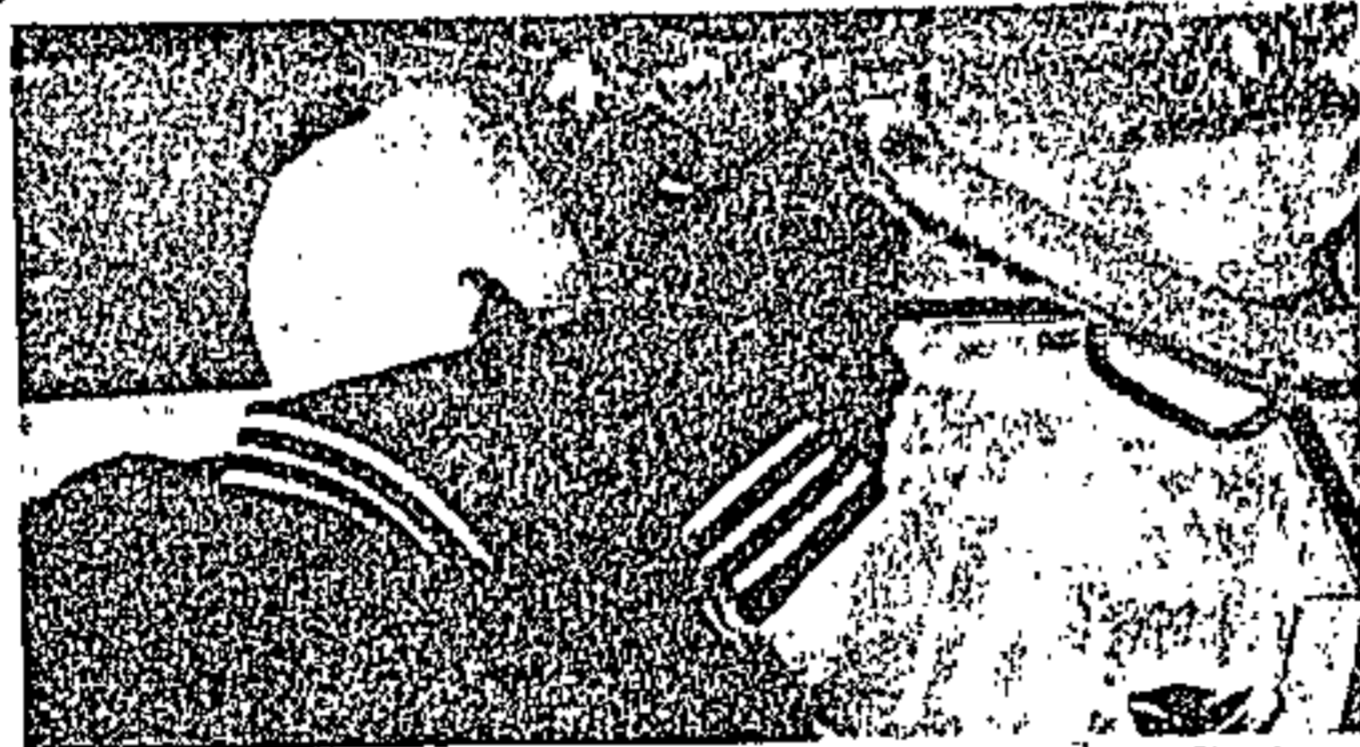
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19/10/89
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By DON HOLLIDAY, GRAEME LIZAMORE and SHARKEY ISAACS
Staff Reporters

RIVAL gangs of armed skollies and commuters fought a bloody battle for control of a taxi rank in Elsies River last night, leaving two dead and scores injured according to eye witnesses.

A witness associated with the International Taxi Association (ITA), Mr Andre Ferreira, said the fight started in Second Avenue when a driver refused to pay "protection money".



KNIFE VICTIM: A man stabbed in the head in the battle between rival gangs of skollies and commuters in Elsies River last night hides his face.



CHASE VEHICLE: One of the taxi guards, Gabriel (right) talks to a man who was stabbed in last night's fighting. The guard was stabbed in his left hand. The combi in the picture allegedly knocked down a man who was being chased.



DEATH SCENE: Mr Basil Smit, who saw the battle, points to where a man was stabbed and hacked by rampaging skollies. In the background is the new taxi rank for the ITA.

He said he had been told the driver who was threatened drove off and returned with a load of "skollies". This, in turn, led to other gangs becoming involved.

"The next moment a bloody running battle erupted all along 16th street right up to and past our premises. It was shambles" Mr Ferreira said.

He said he heard tyres squeeling and suddenly gunshots were heard.

Mr Ferreria ran out and saw two policemen chasing a "skollie". A Toyota combi joined the chase and knocked the man down.

"We heard the bump and then the man got up and ran away. It was amazing"

But the taxi drivers in Second Avenue say anything The Argus heard from the ITA taxi rank was a "downright lie".

New rank

A Mrs Stevens, who said she was a spokesman for the "legal" Elsies River taxi rank in Second Avenue, said the trouble lay with the new taxi rank.

"ITA are trying to bully us away from our rightful spot. We have been here for years, but then they started to steal our customers. They want to close us down here and force us to join them because we have got the prime spot," she said.

"But they want us to pay R200 a month to use their rank," she said.

A so called guard for Second Avenue, known as Gabriel, laid the blame squarely with ITA.

Gabriel and another "guard" Izak were both attacked and cut up by skollies whom she said worked for the ITA rank.

According to Gabriel, a taxi was stopped and its commuters forced out outside the ITA offices. A fight ensued and then spilled to Second Avenue.

"They get skollies to cause fights here so that people will go to their taxi's," he said.

Mr Ferreira denied they were involved.

"We are simply trying to

Bloody battle

(Cont from page 1)

help these people get a proper taxi rank with facilities, including security against the very big skollie element. The fight is all about protection money and rival gangs who want to get into the act," he insisted.

"This type of fighting is very bad for business and for the taxi business as a whole," he said.

A police spokesman said about 150 people were waiting at a taxi rank at the corner of Second Avenue and 16th Street at about 5.30pm when the gang of about 100, armed with pangas, garden forks, spades, knives and other weapons, approached.

The men told a taxi driver that unless they were paid the people would be assaulted. They refused and the gang attacked. Several people were stabbed.

Policemen, Sergeant R Small and Constable D C de Kock, arrived and tried to stop the battle. They were ignored and, against a background of hooting, shouting and fighting, the policemen fired three shots into the air. Some of the attackers fled.

FIRED SHOT

The taxi driver started his car and tried to run down one of the gangsters. Sergeant Small warned him to stop and when he refused, the policemen fired a shot into his left rear wheel. The driver ran away.

The situation was brought under control and the injured were taken to Tygerberg Hospital, mostly in private vehicles.

Two spades, two pangas, two garden forks and a sword were recovered.

About 9pm police discovered the body of an unidentified 28-year-old man in Lantana Road. The body had numerous cut wounds on the back, stomach and chest. The body of a 20-year-old man with similar wounds was discovered in Dobson Street.

Two murder charges and several of assault are being investigated.

Mr Basil Nagel, Western Cape chairman of the South African Black Taxi Association (Sabta), described the attack on innocent commuters as deplorable.

"Sabta is considering its own security and law enforcement at taxi ranks throughout the country," he said.

"We are obviously first looking to the police and a law enforcement agency such as the

(Turn to page 3, col 7)

LICENCED 1

W/E ARGUS 21/10/87 332 Cont J
By MARK STANSFIELD, Weekend Argus Reporter

HUNDREDS of mega-ton truck drivers in control of killer machines have false driving licences.

To make matters worse, Western Cape traffic authorities this week admitted that unless South Africa's licensing laws and procedures are tightened, traffic officers' hands are tied when it comes to tracing the culprits.

Both Cape Town City Council's traffic chief, Mr Wouter Smit, and the Western Cape Regional Services Council traffic chief, Mr Les Kirk, likened allowing such drivers on the roads to "giving a toddler a loaded and cocked revolver ... these forgeries and false licences are nothing but murder, giving a man a licence to kill."

Mr Smit estimated that about 4,5 million South African drivers carry false or forged licences but said that traffic authorities were confiscating only "a drop in this ocean of dishonesty" because licensing laws and procedures are not foolproof.

According to statistics released by the Road Safety Council, 15 759 heavy-duty vehicles crashed in South Africa in 1987, killing 186 and seriously injuring 1 615 people.

This week Mr Kirk and Mr Smit handed Weekend Argus documentary proof of the number of forged and false licences already recovered in the Western Cape — thick dossiers on hundreds of men and women who bought driving licences, "legalising" them to drive anything from light to extra-heavy duty vehicles — and placing society at risk.

Printing press

Recently several Peninsula people were arrested and charged with issuing false or forged drivers' licences. A printing press was also seized. It is not known how many licences these people issued.

Some forgeries are so good that even experienced traffic officers are fooled, Mr Smit said.

"A Transvaal traffic authority (he declined to be specific because investigations are continuing) recently decided to change its rubber-stamp design, which appears on all drivers' licences, because of the number of forgeries. Three weeks before the new stamp was officially used for the first time forgeries of it were circulating. Some of the forgers are real experts," he said.

Traffic cop jumps for life

A TRAFFIC officer jumped for his life when a truck carrying five tons of sand bore down on him while he was directing peak-hour morning traffic in Landsdowne Road this week.

On examination at the Western Cape Regional Services' Council's Ottery testing centre the truck was found to have no brakes, badly worn tyres, loose wheel nuts and studs, no indicators, no brake or front lights, no warning chevron, no number plates, no reflectors and a host of other more complicated defects.

Mr Les Kirk, Western Cape RSC traffic chief, described the incident as "horrific".

"The traffic officer was almost killed by a man too irresponsible to realise that driving a loaded truck in this condition is tantamount to murder," he fumed this week.

Both the driver and the owner of the truck are to be charged and will appear in court soon, he said.

"Such irresponsibility must be stopped now. We are losing too many people in accidents which could have been avoided," he said.

He made a plea to the public to become more aware of the danger of unroadworthy vehicles and to report such to their nearest traffic authority as quickly as possible.

"We cannot be every-

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21-10-89

Twelve years ago it was estimated that the sale of illegal drivers' licences netted R80 million for forgers and those engaged in issuing false licences.

"This year alone, in our area of jurisdiction, we have managed to prosecute 847 drivers who had false or forged licences but I'm afraid that this is just the tip of the iceberg. Laws and procedures will have to be changed before we stop it completely," Mr Smit said.

Mr Smit, who sits on the committee for transport policy, said the committee was lobbying for several changes to laws which could help stop false and forged licences and improve driver-ability in South Africa.

"A new Traffic Act — to come into effect early next year — has been drafted with a revised system of driver examination. It will be a more objective, standardised test and will carry a clause making re-evaluation over a period of time compulsory," he said.

where at the same time. A bit of public co-operation would go a long way towards eliminating incidents such as the above before something serious happens," he said.

UK buys SA boat ⁽³³²⁾

CAPE Town yacht- and ship-
building company, Farocean
has won a contract to build a
high-speed luxury fishing
craft for a British buyer.
The contract is backed by
Credit Guarantee Insurance

Corporation, which has in-
sured it for R3,1-million.
The vessel has a local con-
tent of 73% and is the largest
to be built from aluminium.
It is also the first to be fitted
with triple water-jet propul-
sion.

By S. Times 21/10/89

Shots fired in new taxi war

Staff Reporter

ARGUS 30/10/89



TWO shots were fired and people ran helter-skelter as another "taxi war" for control of a rank erupted at the Nyanga terminus today.

About 50 heavily armed men invaded the busy terminus and brought taxi services to a virtual halt about 9am. No one was hurt.

A taxi operator who did not wish to be named said the "war" started late yesterday after a minibus belonging to a Western Province Black Taxi Association member was ordered off the road by members of the Langunya Taxi Association.

He said Langunya members objected to WPBTA members using a rank at Crossroads for loading Khayelitsha passengers because the rank "belonged to them".

He said a meeting between representatives of the warring parties was held after the incident and the issue of the controversial rank resolved.

HUNDREDS RUN FOR COVER

However, there was confusion today as some commuters were told there would be no taxis.

After The Argus arrived at the Nyanga terminus about 8am today, more than 50 heavily armed men stormed the terminus. Two shots were heard and hundreds of commuters waiting to board buses ran for cover.

Police arrived promptly and tried to speak to the men, who said they were going to "talk among themselves".

Mr Maxwell Nonkonyana, chairman of the Langunya Taxi Association, said though he was not aware of yesterday's incident, the basic cause of the taxi feud was the refusal by the WPBTA to allow other taxis to operate on certain routes.

"The restructuring of the provincial association by SABTA earlier this year has left many people dissatisfied as basic problems have not been attended to by the national body," he said.

By EDWARD MOLOINYANE,
Staff Reporter

SEVERAL people have been injured and a number of vehicles damaged in clashes that today brought the black taxi service to a standstill in many parts of the Peninsula.

Eye-witnesses at Nyanga terminus said there were "ugly incidents" yesterday afternoon when some of the warring factions clashed and stoned the vehicles of rivals.

Earlier, shots were heard and terrified people at the normally busy terminus scattered when a group of about 50 men brandishing pangas and axes invaded the terminus.

Today there were no minibuses at the major township taxi ranks and thousands of commuters had to use alternative transport to get to work.

Members of the Langunya Taxi Association (LTA) were allegedly assaulted with pangas when they went to a meeting called to resolve the taxi dispute between two township associations.

According to the chairman of the LTA, Mr Maxwell Nonkonyana, a group of operators from his association went to Zolani community centre in Nyanga about 1pm yesterday to attend the meeting.

"A group from the Western Cape Taxi Association had already assembled when our guys arrived," he said.

He said an argument ensued and Langunya members were attacked with pangas and their minibuses were damaged.

Tyres slashed

Mr Nonkonyana said some of his members were seriously injured and received medical treatment.

He said one of his members was also shot at a filling station in Khayelitsha by members of the rival association.

At Nyanga terminus yesterday hundreds of on-lookers watched as minibuses were shot at, stoned and had their tyres slashed.

According to a resident, who wished to remain anonymous, an "ugly incident" occurred when five shots were fired from a moving vehicle at a minibus with five men on board.

When The Argus arrived on the scene at least six vehicles, including two vans, were windowless and all their tyres had been slashed.

Groups of armed men could be seen among the huge crowd.

There was a heavy police presence.

A taxi operator interviewed said the "taxi war" started late on Sunday after a minibus belonging to a Western Cape Taxi Association (WCTA) was ordered off the road by members of the Langunya Taxi Association.

He said Langunya members objected to WCTA members using a rank at Crossroads for loading Khayelitsha passengers because the rank "belonged to them" (LTA).

A spokesman for the ambulance services said no casualties were taken to hospital by ambulance from either Nyanga or Guguletu.

Monitored

The spokesman said he assumed the injured were taken to hospital by private transport.

Police have received no reports of shootings or injuries and no complaints were laid at any of the police stations in the area, said police liaison officer Lieutenant Denise Benson.

She said policemen monitored the situation at one stage and were aware of incidents of stone-throwing, but were not aware of shots being fired.

EMERGENCY UPDATE

Vehicles damaged in Nyanga clash

PRETORIA. — Two groups were involved in a fight at Nyanga in the Western Cape, police said in their latest unrest report.

Three private vehicles were damaged in the incident yesterday. The groups were ordered to disperse. When they refused to do so, tearsmoke was fired, the report said.

The groups dispersed. Shortly afterwards, the police again used tearsmoke to disperse a group which had gathered illegally. It appeared that the dispute was about taxi routes, the report said. — Sapa.

Mr. Tint 1/11/89 (332)

Taxis stay home as war continues

By CHRIS BATEMAN

AT least one person has been shot, several others beaten up and dozens are in hiding as Cape Town's township taxi war yesterday continued to disrupt the lives of hundreds of thousands of Peninsula workers.

Early today all black township taxis were still immobile as drivers elected to stay at home for the third consecutive day rather than expose themselves to attacks from either of the two warring factions.

At least two drivers, one from each faction, were abducted yesterday, sources said.

City Tramways buses plying the township routes are being filled to capacity as the service tries to compensate for the public transport shortfall.

Tramways managing director Mr Barry Gie said there had been a "substantial increase in patronage", adding that the situation is being closely monitored.

Sources in the Western Cape Black Taxi Association, WECBTA, and their rivals, the

Western Province Black Taxi Association, WPBTA (or Lagunya Taxi Association), said two people were shot on Monday night.

One victim, identified as WPBTA taxi operator Mr Phillip Mquinshi, 28, of Khayelitsha, was gunned down in his car at a Khayelitsha service station.

He was admitted to Conradie Hospital where his condition was described as "satisfactory" last night.

The second alleged victim could not be identified.

Police confirmed using teargas twice to disperse rival factions at the Nyanga taxi rank on Monday. They said three private vehicles were damaged when the groups clashed over rights to taxi routes.

One angry Langa commuter, Mr Zolile Zembe, urged the factions to "bury the hatchet so that we don't have to explain every day to our bosses".

WPBTA chairman Mr "Mac" Nonkonyane said long-standing enmity boiled over on Sunday night when a WECTBA driver passed a traditionally WPBTA Crossroads taxi rank carrying passengers.

"Our guys gave chase. He stopped, produced a panga and slashed one guy on the leg before breaking the windscreen," he said.

Word spread fast that "the war was on" and conflict escalated.

Yesterday top officials of the umbrella South African Black Taxi Association, SABTA, met briefly in an unsuccessful attempt to resolve the impasse.

Mr Mike Ntlatleng, director of public affairs for SABTA, appealed for restraint and urged the factions to negotiate.

"The community is suffering and our image is suffering," he said.

A comparison of taxi and bus return fares between Nyanga and Cape Town (purchased daily) revealed taxis to be 90c cheaper. Commuters are forced to travel via Mowbray where they must change buses for their end destination.

Several crisis meetings are scheduled for today.

● Mr Clement Ramlatyane, WECTBA chairman, could not be traced for comment by late last night.

Taxi 'war' forces commuters to use buses, trains

Staff Reporter

TOWNSHIP taxi ranks were deserted for the third day today, with no end in sight to the "taxi war" that has left scores of taxi operators injured and many vehicles damaged since the fighting started on Sunday.

The feud is placing a severe economic strain on thousands of commuters who are being forced to use alternative transport, such as buses and trains, which in many cases is more expensive and less convenient than the taxis.

Today, the two warring factions, the Langunya Taxi Association (LTA) and the Western Cape Taxi Association (WECTA) levelled accusations and counter-claims against each other.

DRIVERS AFRAID

Spokesmen for the two associations, both South African Black Taxi Association (SABTA) affiliates, said they "didn't know" when the taxis would be back on the road as drivers feared for their lives.

The two, Mr Maxwell Nonkonyana, chairman of the LTA, and Mr Clement Ramatlakane, chairman of WECTA, blamed each other's associations for the impasse and the outbreak of the "war".

Mr Nonkonyana said certain routes, which WECTA did not want LTA members to ply, were the root of the problem and had been a "sore point" for the last three years.

He said the problem had never been addressed by SABTA and many members were embittered when SABTA claimed, some time ago, that it had resolved the "taxi war" in the Western Cape.

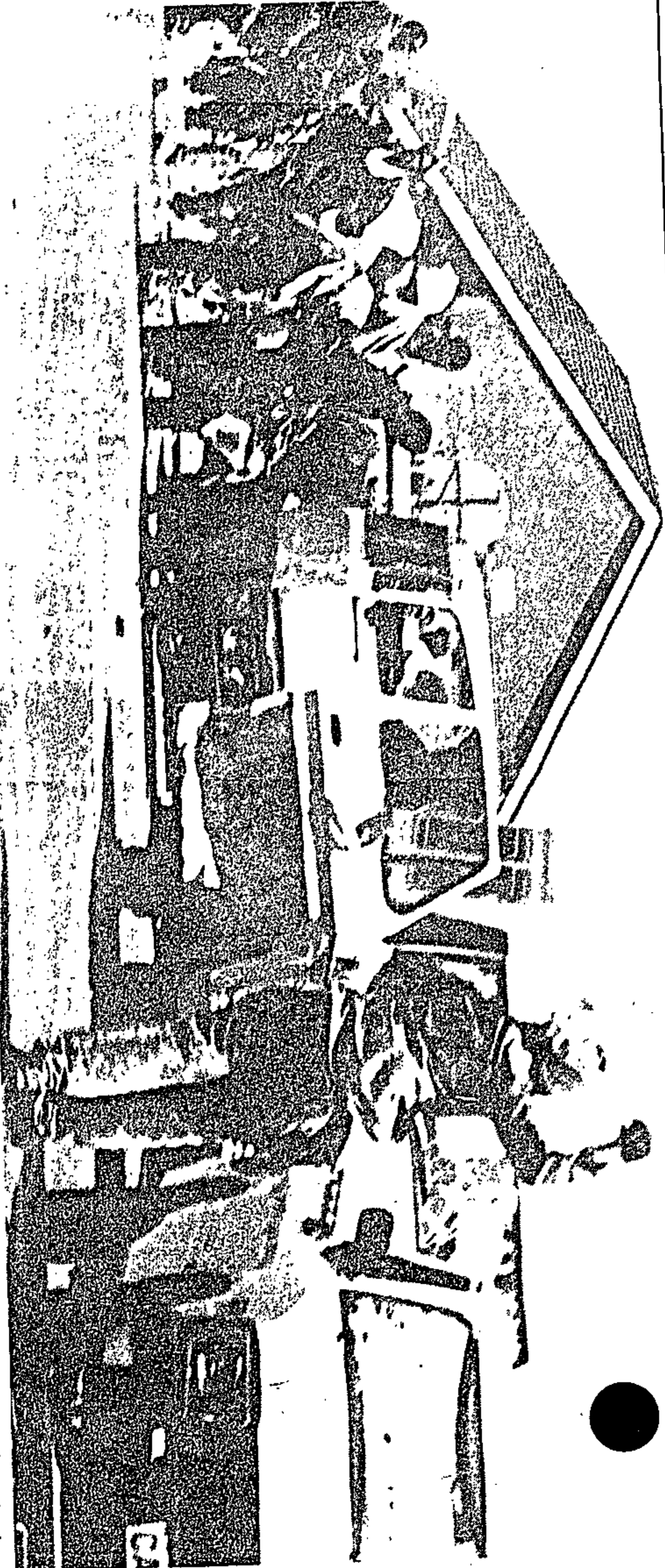
MEETINGS "DID NOT HELP"

"Though this is purely a domestic matter which even SABTA cannot resolve, we have reached a stage where even holding meetings with these guys will not help. We have done this for the past three years to no avail," he said.

Mr Ramatlakane also ruled out a return to normality "in the present circumstances."

SABTA's provincial chairman, Mr Basil Nagel, could not be reached for comment.

But the UN was mystified by Mr Botha's claims, while But in New York the secretary-general's spokesman, were not genuine.



Revenge

CPK 2/11/89

Attack

332

in city

taxi war

By CHRIS BATEMAN

SCORES of heavily armed taxi drivers severely damaged at least nine vehicles in Khayelitsha belonging to Lagunya Taxi Association members yesterday, plunging the Peninsula's township taxi service into deeper crisis.

The attack by the Western Cape Black Taxi Drivers' Association (WECTDA) was in apparent retaliation for yesterday's early-morning Nyanga East firebombing of a mini-bus belonging to one of their members, it was claimed.

Hundreds of thousands of regular taxi commuters entered their fourth day of catching trains and buses at greater expense and inconvenience as the war continued.

Yesterday's drama began after a Lagunya Taxi Association (LTA) crisis meeting at Ikwezi Community Centre in Guguletu was mysteriously moved to Khayelitsha.

A Cape Times reporter and driver arriving in Green Point in Khayelitsha were met by the sight of herds of armed men smashing the wind-screens and slashing the tyres of nine parked vehicles. At least a dozen shots were heard being fired during the attack.

To page 2

P.T.O.

ATTACK... A man with an axe smashes a Lagunya Taxi Association bakkie. In the background others try to set fire to a minibus.

Picture: CHRIS BATEMAN

TONILE & MOTIS
PHOTO DISCOUNTERS




SAVE R100

IN CHINON

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NORMAL PRICE R349

OUR

Medical aid fees to soar

by 20%

Staff Reporter

MEDICAL AID members will have to pay an average R200 to R300 a year more in 1990 when medical scheme pay-outs will increase by 20% to R4,8 billion.

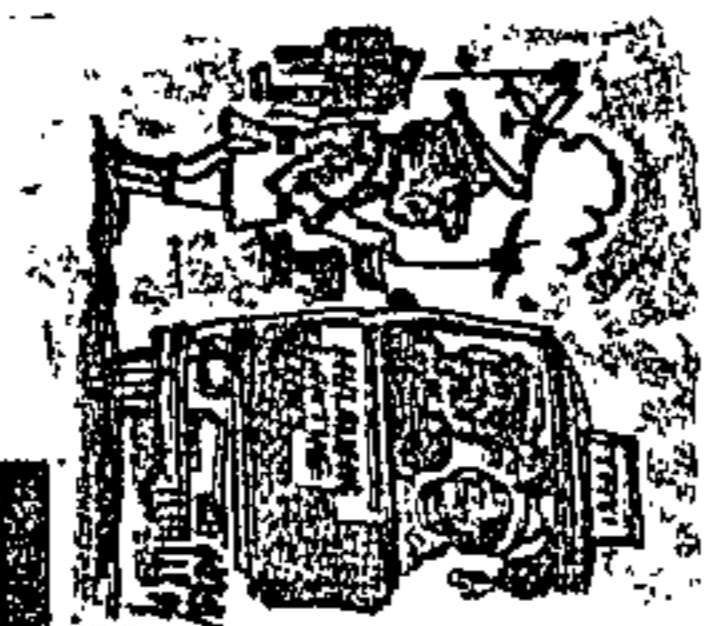
The Representative Association of Medical Schemes (RAMS) earlier this week announced increases in scales of benefits for various health services. Medscheme managing

Ranger held after Kruger rhino killings

Own Correspondent
JOHANNESBURG. — The skulls of at least 25 white rhino, with their valuable horns cut off, have been found in the Kruger National Park, park warden Dr Salomon Joubert said yesterday.

on white rhino, spotted rhino skulls hidden under bushes.
"He went to inspect them to collect ecological data and then he saw the bullet marks. That started our investigation."

Crack of dawn



Licence? Which licence? Driver's, taxi or firearm?

Syrets Cape Times Share Challenge

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From page 1

Taxi war

Thousands of Green Point residents watched as the attackers tried to set the vehicles alight before retreating to their own vehicles parked less than a kilometre up the road. No injuries were reported.

Within minutes another large group of armed men — who identified themselves as Lagunya drivers — arrived to inspect the damage and then called a hasty "war conference".

Among the weapons on the scene were pangas, spears, sharpened metal rods and knobkerries.

One angry Lagunya driver said: "This is all-out war now. You can forget about peace talks."

Several police riot vehicles arrived on the scene afterwards.

About 80 armed WECTBA men were seen gathered about their parked vehicles, many of them remonstrating with riot police. They eventually returned to their vehicles and drove off in convoy, hooting.

The convoy, including dozens of armed men on board bakkies, then patrolled around sections of Khayelitsha.

By late yesterday no further violent incidents had been reported.

● Senior officials of the South African Black Taxi Association (SABTA) and Shell yesterday met local taxi drivers to outline a taxi-driver's share-scheme service station proposal for Guguletu and Nyanga.

The meeting went ahead with little or no reference to the dramatic fighting nearby and the long-standing factional enmity.



A taxi driver carries a panga during the taxi "war".



NIGHT ATTACK ... Mrs Angelina Mayeki inspects her husbands minibus taxi, burnt out during an early morning attack in their Nyanga East front yard yesterday.

Pictures: OBED ZILWA



SMASHED ... One of the Lagunya Taxi Association vehicles after the WECBTA attack in Green Point, Khayelitsha yesterday.

Fierce fighting as taxi war rages on

By EDWARD MOLOINYANE
Staff Reporter

SCORES of people have been injured and many minibus taxis and cars have been damaged in the escalating taxi war between two rival associations.

Most of the damage and injuries were caused in fierce fighting which broke out in Green Point, Khayelitsha, yesterday afternoon.

The running battles spilled over into the residential streets of Khayelitsha and were witnessed by horrified pupils at the nearby Luxolweni Primary school and Good Hope College of Education.

They said they saw heavily armed men stopping and smashing vehicles. During the "fearful battle" at least two men were shot, said a pupil.

He said one "big man" was shot in the back. The bullet came out "through his stomach."

The shooting victim was helped by a man who had blood on his face to a house, where a car took him away.

The other man, the witnesses said, was shot in the left leg and taken away in the same car.

RAN FOR COVER

The children said the fighting was so "fearful" that they ran for cover. Although it was time to go home, their teachers told them to stay until the fighting was over.

Describing events leading up yesterday's incident, Mr Maxwell Nonkonyana, chairman of the Langunya Taxi Association, said his members had been visited by members of the Crossroads Town Committee, who told them that a meeting to bring the factions together had been arranged by Mayor Mr Johnson Nxgobongwana and Mr Mali Hoza at Site B about 2pm yesterday.

"They assured my people that police had undertaken to be present to ensure the meeting went smoothly," he said.

His men left for the meeting, but before they reached the they met more than 100 heavily armed Western Cape Taxi Association members who attacked them.

"Shots were fired and my men abandoned their vehicles, which were badly damaged with pangas and axes."

A taxi operator, who did not wish to be named, said the situation had become so "bad" that many taxi operators have gone into hiding. Scores had left the Peninsula. He said he was living in fear of his life because his area was inhabited by most of his rivals.

Commuters hit back in taxi war

By CHIARA CARTER

South 2-8/11/89

ANGRY township residents, left stranded by a taxi war which erupted in Cape Town's townships this week, have decided to hit back at the feuding taxi operators.

Residents said they would refuse to travel in the taxis until the warring groups agree to settle their dispute and the taxi-war ends.

But taxi operators have warned that there is "no end in sight" in the dispute which has left at least two people shot dead and scores injured or missing.

The decision to boycott taxis was taken at a meeting in Nyanga on Tuesday night — the first of several planned for the Western Cape this week.

Residents have appointed a committee to meet the two feuding groups, the Western Province Black Taxi Association and the Western Cape Black Taxi Association.

The committee also plans to approach City Tramways to supply more buses and to discuss lowering busfares which are considerably more than taxi rates.

Violence continued

A prominent community leader said people were "up in arms" about the taxi warfare.

He confirmed that representatives from community organisations had spoken to drivers in Nyanga and Khayelitsha on Monday after the violence erupted.

"We had to duck for cover when taxi drivers opened fire at the Nyanga terminus on Monday. Now there are no taxis and we must either walk or pay high fares on buses and trains," said Guguletu resident Mrs Sarah Misizi.

Western Province Black Taxi Association (Languya Association) chairperson, Maxwell Nonkonyana, said there was no way of protecting drivers and commuters and that unless a mediator could be found the chance of a solution to the conflict seemed "remote".

Western Cape Black Taxi Association chairperson, Clement Ramatlane, said there was "little chance of a settlement".

City Tramways spokesperson Bob Krause said the company was prepared to meet any increased demand for services in the townships.

Krause said there had been a substantial increase in the number of passengers on Tramways buses since the war broke out. The company was monitoring the situation and would adjust services to meet demand.

● Picture on Page 3

Cape taxi war intensifies as Gugelutu houses are set alight

232
Gang 3/11/89

Own Correspondent

CAPE TOWN — The Cape Town Fire Department said yesterday that houses were set alight in Guguletu in what appeared to be a new turn in the peninsula's escalating taxi war.

Stones and other missiles were thrown at firemen when they arrived to put out the fires.

Some fire vehicles were already using motorised pumps when they were attacked and forced to withdraw from the townships, a fire department spokesman said.

Surrounded

"They are setting houses alight all over the place. We can't get near them to put out the fires," said a fireman.

The fires were in NY76, NY91 and NY 61, Guguletu.

Police stations in the townships were surrounded by hundreds of minibuses from early yesterday as owners feared further violence from their rivals in the ongoing taxi war.

At Khayelitsha police station, less than 5 km from the scene of yesterday's "fierce" fighting, about 60 minibuses, six with their windows smashed and tyres slashed, were drawn up outside the police station.

A taxi operator, who is also a member of one of the warring factions and who lost one of his two minibuses when it was attacked on Tuesday, said it was no longer safe to keep vehicles at home.

He said he had been fortunate to escape with his life when his vehicles were attacked.

In Nyanga and Langa, scores of empty minibuses — many severely damaged — were parked outside the two police stations.

The situation was tense in all major township ranks yesterday with long queues of people boarding buses. There was not a taxi in sight and commuters in-

terviewed said the inconvenience caused by the "war" was becoming unbearable.

Said Miss Nothemba Koti, of Nyanga: "If taxis were operating I'd have been gone now without queueing. Now I have to wait in the long queue in this terrible wind."

She had been a regular taxi commuter to Cape Town for the past seven years, she said.

She, like others, felt "taxi people" should sort out their problems by talking instead of fighting — "we are, after all, the ones who keep them going and they should think of us," was the general feeling.

In Khayelitsha more than 80 minibuses were parked in an open space with a large group of men standing guard.

The men, armed with pangas and other weapons, said they were waiting for their "leaders" who had gone to town to attend a meeting with a senior police officer.

Postponed

Police confirmed representatives from various taxi associations had paid a brief visit to the riot squad chief, Brigadier G Van de Wall, yesterday morning to discuss the outbreak of violence in their business.

The meeting was postponed until yesterday afternoon when police were to address the warring factions in Khayelitsha.

Two taxi ranks in Guguletu and Nyanga, where taxi operators from the "coloured" area were loading passengers, were quite busy.

One operator, who did not want to give his name, said an appeal had been made to his association by the community in the township to "bail them out".

He said he had six minibuses loading from Nyanga railway station to Mowbray and from NY1 to the same suburb.

TAXI

GM + Taxis
3/11/89
332

TRUCKS

The wheels are back on

By VETTE VAN BREDA
WARRING taxi factions in the townships have called a truce and are expected to be back in operation today after a meeting with police yesterday.

The agreement followed recent violence between members of the Western Cape Black Taxi Association (WECTBA) and the Western Province Black Taxi Association (WPBTA) which broke out five days ago after disputes over routes.

The recent violence left at least one dead and three injured, and caused extensive damage to many taxis. Groups of taxi drivers used pangas, guns and other weapons in attacks on each other and vehicles.

Yesterday Brigadier Gillus van der Wall, the senior deputy regional commissioner of the operational and reaction unit in the Western Cape, called a meeting attended by about 300 people from both taxi organisations, to discuss the recent trouble.

Brig Van der Wall said that, according to police records, there had been three injuries but "I have heard that one person was killed".

WPBTA spokesman Mr Mac Nonkonyana

said a taxi owner affiliated to his organisation had died. Mr Clement Ramatlakane, spokesman for WECTBA, said he had heard of deaths but could confirm none.

Both men said there had been extensive damage to vehicles but gave the assurance that their organisations would stop the violence and would be operational today.

Hundreds of minibuses parked outside police stations yesterday as their owners sought protection from further violence.

At Khayelitsha police station, metres from the Lingeletu West community centre where the meeting was held, scores of taxis — several damaged — stood outside the yard.

Brig Van der Wall reminded the meeting that similar incidents had taken place last November.

He said police could not allow the mayhem to go on. "We are here to sort it out and get the taxis on the road again."

The town clerk of Khayelitsha, Mr Graham Lawrence, appealed to the group to put aside their differences and said that in January R5m was being spent on upgrading the roads "so that you can travel with your taxis".

The mayor of Lingeletu West, Mr Mali

To page 3

IN THE LONG ARM OF THE LAW . . . Brigadier Gillus van der Wall smiles as Mr Mac Nonkonyana of WPBTA and Mr Clement Ramatlakane of WECTBA shake hands and agree that the violence between their organisations should stop.

Picture by RICHARD BELL

P.T.O.



Truce in city taxi war

By *CAE TMS 3/11/89* 332

Hoza, and the deputy mayor of Crossroads, Mr Alfred Ageli, also spoke.

Mr Ageli said there were too many people, many innocent, in hospital because of the taxi war. "When you start warring, everyone in the township is unhappy. Have you forgotten the promise you made to convey people to work and home when your licences were allotted?"

Mr Ramatlakane said WECTBA wanted to settle the matter amicably "and I would appreciate it if conditions could revert to normal".

"Fighting, shooting, pangas and killings is no way to solve the matter. The fighting over the last four years has proved that. I blame the taxi operators for failing to keep proper control over the drivers," he said.

A working committee had been appointed after enmity in August

and irregularities were supposed to be reported to this committee, which in turn was meant to report to the operators.

Concern about money

"The outbreak of violence came about when the working committee was made ineffective by both organisations.

"We are the people that have invested in taxis, not the drivers. Many of us is more concerned about money and not disciplinary action," Mr Ramatlakane said.

He said the president of the SA Black Taxi Association, expected in Cape Town today, had appealed for the fighting to stop.

Mr Ramatlakane sympathised with families who lost loved ones and property in the violence.

Mr Nonkonyana said: "I am ashamed that I could have contributed to a crisis of this nature.

"The taxi industry came into our folds when we were not ready for it and I identify with the immaturity and incompetence of the people running it."

He said people should be responsible to procedure, constitutions and policies and there was room for education and improvement in the industry.

There had been a breakdown in communication between the owners, operators, drivers and commuters and he expressed the wish for "gaps to be bridged".

Brig Van der Wall said police would undertake to see that no harm came to those who operated their taxis. He said he would go on to the working committee "to ensure that everyone gets a fair deal".

● According to yesterday's police unrest report, covering the previous 24 hours, two opposing groups attacked each other in Khayelitsha, damaging several vehicles. The battle was "due to a taxi route dispute rather than unrest", police said.



PEACE MEETING About 300 people associated with warring organisations in the black taxi industry attended a meeting with police yesterday and agreed to stop the violence.

Traffic officers hope computers will solve problem of false driving documents

The Argus 3-11-87

The licenccce racket

By HELENA PATTEN, Staff Reporter

TRAFFIC officers are pinning their hopes on a new computer system to purge the country of hundreds of thousands of forged drivers' licences, including a large proportion of false documents for mega-ton trucks.

The problem of forgeries has become an increasingly embarrassing one for the traffic authorities and a dangerous one for all people on the roads of South Africa.

Cape Town City Council traffic chief Mr Wouter Smut recently estimated the number of South African drivers carrying false or forged licences at between 400 000 and 500 000.

Only a fraction are ever confiscated. A further nearly one million drivers are believed to have no documents at all.

The Department of Transport has employed the services of management consultants to help design a real-time on-line computer system with a comprehensive nationwide database providing details of all licensed drivers in the country, as well as all accidents and traffic transgressions.

Mr Gerrit Fischer, a spokesman for the consultants, said traffic officers would be able to check the validity of licences from the roadside by radioing their base, where access to the required information would take about five seconds.

"If the authorities decided to man a major roadblock, temporary computer access could even be arranged at the roadside itself."

He said the database would probably be ready by mid-1991, but for it to be used with optimal effect, the Department of Transport would have to make the carrying of drivers' licences compulsory. This is something the Department of Transport is considering along with the possible introduction of "credit-card" type licences separate from the identity book some time in the future.

Mr Malcolm Mitchell, a chief director of the Department of Transport, stressed that the "credit-card" was still just a proposal. "It would be much more expensive to produce, but would be a lot more difficult to falsify and smaller than the ID document to carry around."

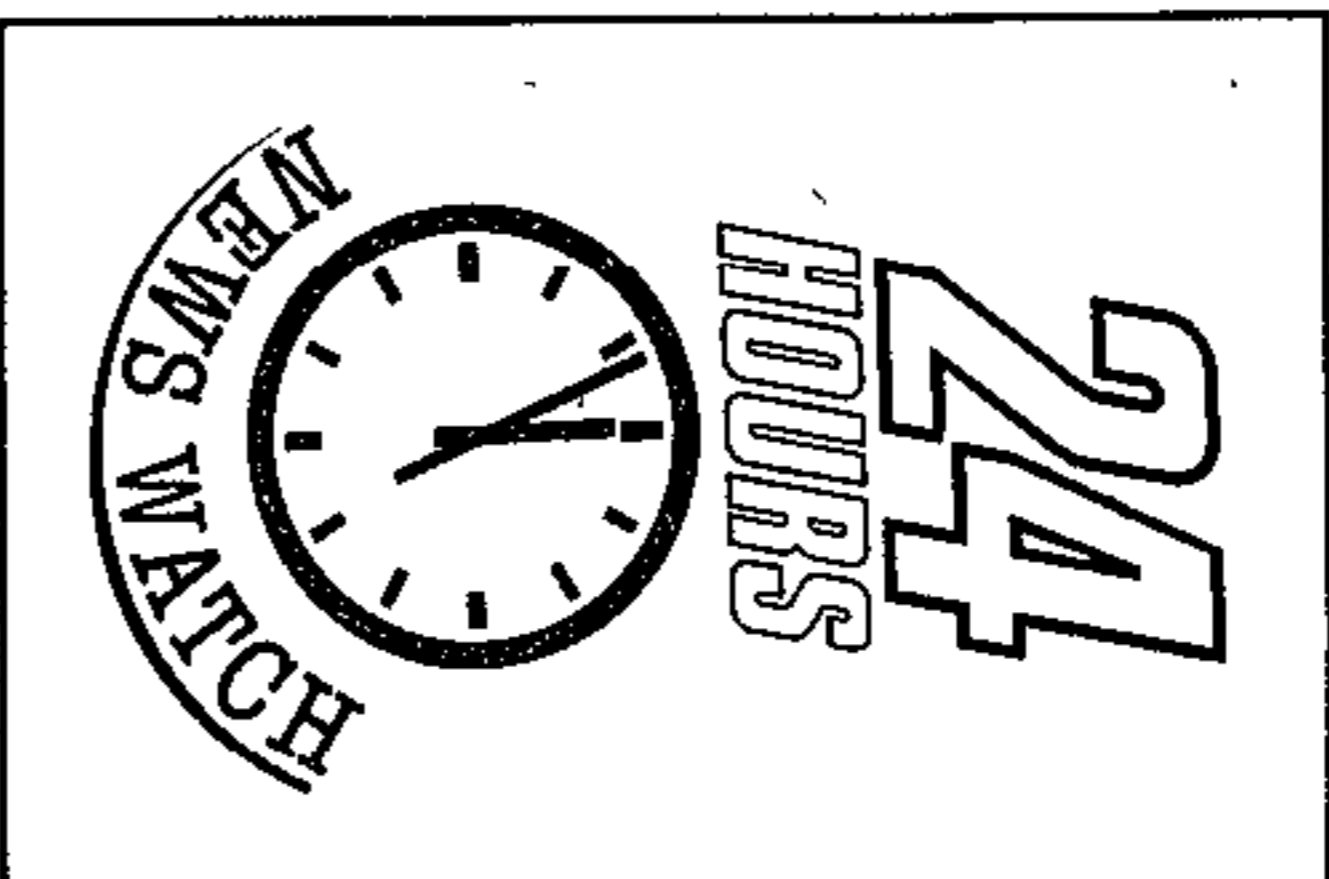
Several factors conspire to encourage the current proliferation of forgeries. The system of having the licence in the identity document was slammed in a CSIR report early this year as "more falsifiable than it has ever been."

Scores of forgers operate around the Peninsula alone. They ask between R250 and R800 for licences for vehicles ranging from light cars to heavy-duty trucks.

The ID system has also changed so often that traffic officers have to deal with a wide variety of books, making it much more difficult to spot a forged licence among the genuine ones.

"The new-look approach to monitoring traffic in the country will first be tested in the heavy-duty section. With the new Road Traffic Act coming into force next year comes a much stricter quality control system of such vehicles — all drivers of vehicles of a gross mass exceeding 3 500kg will require a professional driver's permit renewable every two years.

The permit will be a "credit-card" type, and in conjunction with the computer database will include a demerit point system, whereby sufficient traffic transgressions — even "minor" ones — could lead to the confiscation of the licence.



REV. INC. P. 88
 IIPHABUKI YE TRABUSKEI
 IIMHETINGI YAKSI TRABUSKEI
 IYIZHAKAMA, NDL-EM 1987

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DRIVER'S LICENCE
 IYAVISENSI YOKUQUUBA
 (Section 55 (1) of the Road Traffic Act, 1967)

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ORIGINAL/YOKUQUUBA
 IIPHABUKI YE TRABUSKEI
 IIMHETINGI YAKSI TRABUSKEI
 IYIZHAKAMA, NDL-EM 1987

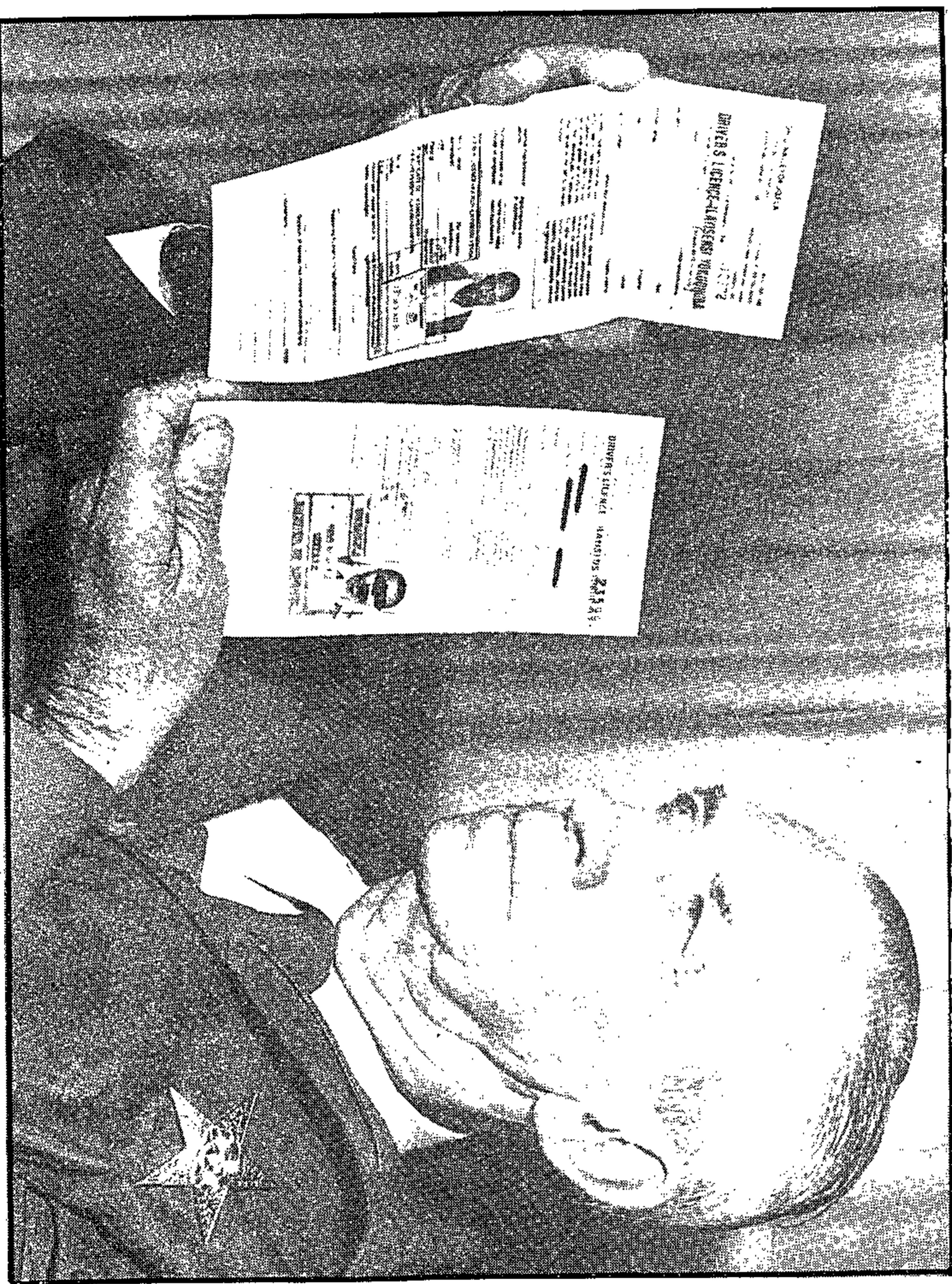
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 (Section 55 (1) of the Road Traffic Act, 1967)



THE TRUE AND THE FALSE: Chief Traffic Officer for the Western Cape Regional Services Council Mr Les Kirk can tell the difference between the genuine thing in a flash. For those less sharp-eyed, the one on the right is false, the other is authentic.

A false driver's licence and (right) a valid one

DRIVER'S LICENCE—IYAVISENSI YOKUQUUBA
 (Section 55 (1) of the Road Traffic Act, 1967)

Picture: ANDREW INGRAM, The Argus

Boycott 'will kill taxis'

By JOCELYN MAKER
Weekend Argus Reporter

332
W/E ARGUS
4/11/89

THE South African Black Taxi Association (Sabta) is to appeal to the Western Cape community not to go ahead with its six-month boycott of taxis.

The president of Sabta, Mr James Ngcoya, made the appeal before a meeting at Cosatu House called to discuss the boycott today.

Mr Billy Daniels, secretary of Sabta in the Western Cape, said a boycott would kill the industry.

A five-day "war" erupted in the Peninsula this week when factions of the Western Cape Black Taxi Association (WECBTA) and the Western Province Black Taxi Association (WPTBA) clashed over routes. A man was killed, three people were badly injured and numerous vehicles were damaged before a truce was reached on Thursday.

Speaking for the two organisations, Mr Daniels said the community seemed to have the attitude that the truce had been called only because "the big boys waved their big sticks".

"This is not so. We stopped because we wanted to put an end to the war. We realised it was harmful to ourselves and our businesses."

Taxi service on Flats resumes

Cape Times
4/11/89
332

Staff Reporters

THE Peninsula's disrupted taxi service resumed yesterday — but scores of commuters remained uncertain whether the "war" had ended.

After five days of internecine strife during which a man was killed and three people were badly injured, drivers and commuters said yesterday that the situation was still "tense".

Factions of the Western Cape Black Taxi Association (WECBTA) and the Western Province Black Taxi Association (WPBTA) clashed over taxi routes. The two organisations, both affiliated to the SA Black Taxi Association, called a truce after meeting with the police on Thursday.

At the Guguletu taxi rank yesterday, one driver, Mr Ernest Baliso, said things had still not settled down completely and were "still a bit tense". "We are doubtful as to what will happen."

He said his organisation, WECBTA, was operating "because of the passengers, but we still cannot go to Claremont because WPBTA will not allow us there".

Another driver, Mr Zuko Danisa, said: "The war is not over, there might even be fighting tonight."

A spokesman for the Western

'But war may start again'

Cape Civic Association (WCCA), Mr Rose Sonto, said yesterday that Cape Flats residents were "deeply concerned about the unnecessary loss of life" and had resolved to stop using taxis for six months because of the injuries sustained by residents who were on the taxis when fights broke out.

"Some people were forcibly removed from taxis while others were victimised inside them," he said. "We are desperately trying to reach a solution to permanently diffuse the situation."

He said communities in all areas condemned the fighting.

A meeting between the taxi owners, drivers and community organisations had been planned with the aim of finding a permanent solution and to promote better understanding between the warring factions.

The Nyanga taxi rank and cen-

tral terminus was a hive of activity yesterday, teeming with taxis. Two police vehicles were parked on the outskirts.

Commuters said they were grateful that taxis were back on the roads. Many said they suffered and it had been "very difficult" to use alternative transport.

Ms Priscilla Gebetwane said she regularly commuted by taxi. "Over the troubles I had to take a bus from Khayelitsha to Nyanga. It was difficult and it cost more.

"But now I'm scared to take a taxi again because the fighting could start up again at any time."

Some saw City Tramways as an alternative means of transport, but said the fares were too high and the buses came infrequently.

In the city yesterday afternoon, a crowd of chanting women demonstrated against the taxi war.

About 25 women gathered outside Newspaper House in St George's Street shortly after noon. Watched by police, the women chanted freedom songs behind a handwritten placard asking for help to stop the violence.

When asked to leave the area by a Newspaper House employee, the women walked towards the Parliament buildings.

Police said that when the women were stopped in Albertus Street, they dispersed peacefully.



DEMANDING PEACE ... Some of a group of about 25 women from Guguletu, Nyanga and Khayelitsha who protested about the taxi war outside Newspaper House yesterday afternoon.

Picture: RICHARD BELL

'Tough time' for traders during taxi driver war

332

CAP TINTS 7/11/87

SCORES of traders in Mouille Point Sea Point have had a "tough time" during the war among taxi drivers in the townships, said City Councillor Chris Joubert, chairman of the Green and Sea Point Traders Association.

He said many in business had been forced to a standstill because their staff could not get to work.

"As chairman my phone was going day and night from traders requesting help. It has now been brought to light how essential this taxi service has become.

"The bus company obviously cannot cope and one can understand that with all the stone-throwing and violence it would have been dan-

gerous for buses to enter the townships.

"Consequently the large number of workers now employed in our areas found it impossible to get to work, and this includes my own staff."

Proof that Sea Point traders value the taxi driver highly was shown at a recent meeting of the Traders Association when it was decided to give an award to the best taxi driver of the month.

Mr Joubert said he had received many complaints regarding bad driving, such as pulling over to the pavement suddenly and without warning, and failing to give proper signals when changing direction.

Stickers would also be displayed on taxis whose

drivers had agreed to a code of conduct agreed by the Taxi Association.

The Chief Traffic Officer, Mr Wouter Smit, agreed it was a good idea and welcomed anything to improve driving standards.

Two regulations required were that vehicles should be road-worthy and the driver competent.

He said there was a move afoot to increase

the number of taxi permits on demand but the traffic department had opposed this.

The Western Black Taxi Association and the Western Province Taxi Association have agreed to the competition being held in Sea Point to choose the taxi driver of the month and to issue an award, and feel it may lead to an improved standard of driving.

Commuters fail to heed boycott call after taxi-war truce

Staff Reporter

THE call for a taxi boycott by the Western Cape Civic Association has gone unheeded as thousands of commuters continue to use taxis.

The boycott call was made after the taxi war left commuters without taxis for a week.

The call for a six-month boycott of taxis was made only two days after senior police officers secured a truce between the two rival taxi associations whose feuding left at least one person dead and scores of minibuses damaged, some beyond repair.

LITTLE SUCCESS

A meeting at Guguletu on Saturday, reportedly attended by hundreds of residents, called on the community to boycott taxis until the two associations, the Western Cape Taxi Association and the Langunya Taxi Association agreed to form one association.

However, the call seems to have met with little success, as it was business as usual for taxis at most township ranks yesterday.

Some commuters interviewed at Nyanga rank said

they had not heard about the boycott, while others said they would suffer more if the service was boycotted.

According to a source in the civic body, who declined to be named because the "issue is still at a delicate stage," the existence of two opposing associations was responsible for the frequent outbreaks of violence.

He said: "We feel the so-called peace is no solution. It has proved ineffective in the past." He added that because the taxi operators are fighting to control territory a "peace" would not be necessary if there was only one association.

SUPPORT CANVASSED

He said that the boycott call had not been officially made as residents' views and support were still being canvassed and more meetings were planned.

He said the two associations, both South African Black Taxi Association affiliates, would be called to a meeting and asked to form one association "so that we do not have a repetition of the senseless killing".

Another meeting was planned for Langa in the next few days.

EMERGENCY UPDATE

**12 hurt as
mob attacks
taxi-drivers**

(332)

PRETORIA. — Twelve people have been wounded in a fight between taxi-drivers and bus passengers, a man has been hacked to death, a youth has been shot and wounded and four policemen have been injured in a stoning, according to the police unrest report.

It says the policemen were injured when they intervened to stop a group stoning private vehicles at Eersterivier, near Cape Town. The group stoned them, before being dispersed with tearsmoke.

The report says the taxi fight started when a group of taxi-drivers yesterday intercepted buses at Osizweni in Kwazulu and ordered the passengers out.

The passengers threw stones at taxis and buses, eventually forming a mob which set fire to a bus and attacked and set fire to a number of taxis. Police used tearsmoke to disperse them.

The report says shots were fired during the incident, "possibly by vehicle-owners" and that a woman was wounded. Eleven people were injured during the melee.

In other incidents in Natal, a group hacked a man to death at Hlanzeni near Inchanga and another group attacked a youth, who was shot and wounded, at Ntuzuma, near Durban before police dispersed the attackers with birdshot.

At Kleinskool in the Eastern Province, a group waylaid a beer lorry and stole crates of beer. Police have arrested three women and a youth.

At Elliot in the Border area, a group stoned and damaged a police vehicle before being dispersed with tearsmoke. In another incident in the area, a group of youths gathered illegally and rushed at police who arrived to break up the crowd. Police used birdshot and arrested a man and 13 youths. — Sapa.

Taxi heads call for peace

By Janet Heard

The heads of three rival taxi associations joined forces yesterday and made an urgent appeal to their members to stop violence in the taxi industry.

At a press conference in Johannesburg Mr. T J Ngcoya of the Southern African Black Taxi Association, Mr Peter Rabali of the South African Long Distance Taxi Association and Mr S Mathysen of the Black Union of South African Taxi Organisations said they had come together as leaders in the industry.

The conference comes in the wake of violence at various ranks and in townships around the country.

Several taxi officials have been

killed in the PWV region over the past few months, and houses were set alight in Guguletu last week in what appeared to be a new turn in the Peninsula taxi war.

"We are concerned about the lives of our commuters and our members. Lives have been lost because of fighting. We call on all our members to stop the fighting," Mr Ngcoya said.

He said that if members failed to heed the call, the taxi associations had no option but to take action through the disciplinary committees and, failing that, the matter would be taken to the police.

Mr Rabali said it was significant that the three associations had come together to call for peace.

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Move to start Sabta bank

GABY MAGOMOLA, chairman of Sabta marketing arm Taxi SA Marketing, is to set up a new national bank for the black taxi organisation.

Magomola, who is former African Bank CE, confirmed this week that there were moves afoot to establish such a bank, saying: "There is a need for a second bank for blacks."

But he refused to give details, saying it was still too early.

"There won't be anything worth talking about until the first quarter next year," he said.

Magomola was dismissed by AfBank earlier this year amid rumours of staff discontent over his management style, and complaints that he had tried to implement a cost-cutting programme.

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On joining Sabta about two months ago, Magomola said in an interview he saw his appointment as another opportunity to pursue his vision of creating a major financial resource within the black opportunity. This vision had been frustrated when he was sacked.

Positions Magomola held before joining Afbank were: serving on senior management of First National Bank in Johannesburg and Citibank in Johannesburg and the US; as financial analyst for Cummins Engine Company, US; financial accountant for Geijy Pharmaceuticals in Johannesburg; and internal auditor for Paper & Packaging Industries in Pretoria.

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Sabta salutes Swapo victory

SABTA wrapped up its successful 1989 annual meeting by hailing Swapo's victory in the Namibian elections, deputy marketing MD Jabu Maduza said yesterday.

The two-day conference, held at Sun City, had the highest attendance, with 3 500 delegates from all over southern Africa.

Mabuza said: "The Sabta AGM acknowledges and salutes the victory of Swapo at the elections, and now sees the end of suffering and strife for the Namibian people."

"We wish Sam Nujoma and the party he has led over the past decades all the power and success in the task that lies ahead."

Mabuza said this year's conference also showed that Sabta members had matured, since they had sat and listened to speakers criticising them on issues such as road safety and violence, and had decided to act on recommendations given.

Sabta president James Ngcoya said in an interview that Sabta would create a safety department, headed by a member chosen from its executive committee, to look into the whole question of road safety.

Ngcoya said the department would be assigned the task of researching, acting on and working to prevent accidents involving its members throughout southern Africa.

THEO RAWANA

"In areas where the authority of a local disciplinary committee is undermined and in cases where an operator is found to have had too many accidents, the department will, with the authority vested in it by the Department of Transport, have the power to withdraw licences," Ngcoya said.

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On claims that the accident rate was high because taxi owners were using youngsters from the homelands and underpaying them, Ngcoya said he had stressed to members that this had to stop and that drivers would be upgraded through training.

Ngcoya said he and the leaders of other taxi associations had agreed to work for an end to the violence gripping the industry.

At the same time, Sabta would use its influence, through its membership in liaison committees in local authorities, to get more taxi ranks in every city and town.

He said one of the most important developments was that government had agreed not to go ahead with further deregulation without consulting Sabta.

Business Report

HK gold easier in quiet trade

HONG KONG. — Gold closed easier at the weekend in quiet trade and brokers said they expected a slight consolidation to continue this week in reaction to the US dollar rise.

Gold closed at \$385,70/386,20 an ounce down from New York's close at \$385,75/386,25 and its previous close here at \$386,20/70. — Reuter

Taxi men to hold unity talks

Own Correspondent

JOHANNESBURG. — Long distance taxi operators associations, who have been plagued by violence among their members, will hold unity talks with a view to forming a blanket long-distance organisation today.

SA Black Taxi Association (Sabta) communications director Mike Ntlatleng said yesterday his long-distance wing's executive would be introduced to the operators at the meeting at Don Mateman Hall, Eldorado Park.

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Discussions would be held with the Long Distance Taxi Association (Saldta) and Black Union of SA Taxi Organisations (Busato) with a view to forming one long-distance association.

Sabta already had plans for a long-distance wing. "But we are now changing the focus from that idea to a blanket long-distance operators organisation," said Ntlatleng.

He said this was a continuation of peace efforts for an industry that has seen friction among members of the three major

long-distance taxi associations — Sabta, Busato and Saldta.

At a Press conference in Johannesburg last week, leaders of the organisations, James Ngcoya of Sabta, Peter Rabball of Saldta and Simon Mathysen of Busato, jointly called for an end to the violence in the black taxi ranks around the country.

Several taxi officials have been killed in the PWV region over the past few months, and houses were set alight in Gugulethu last week.

Black taxi industry ^{13/11/89} set to spread its wings

The Argus Correspondent

JOHANNESBURG. — Wheels are turning to transform thousands of taxi-owners into sophisticated transport businessmen.

The industry appears to have reached saturation and its largest national body, the Southern Africa Black Taxi Association (Sabta), is investigating other transport services.

In the next decade it should lead the informal sector into the mainstream economy, said transport consultant Mr Paul Browning.

Formed in 1979 by 21 taxi-owners, Sabta's membership

has grown to about 55 000, said communications manager Mrs Terry Mphahlele. There are an estimated 100 000 taxis.

Sabta members are to meet at Sun City this week for their annual conference at which they are to discuss safety and the crucial question of their future as outlined in the document "Sabta 2000."

Sabta president Mr James Ngcoya said the document "envisages the taxi operator becoming the transport businessman of the '90s and providing a wide range of transport services to all sections of the population."

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Unity moves to end the taxi-war violence

Own Correspondent

JOHANNESBURG. — Sabta, the SA Black Taxi Association, took a step nearer to unifying the violence-plagued long-distance taxi industry yesterday when its executive got a mandate to join forces with other organisations to form an umbrella body.

Long-distance operators from all over the country, meeting at Eldorado Park here yesterday, instructed the executive to work together with the South African Long Distance Taxi Association (Saldta) and the Black Union of South Africa Taxi Associations (Busata) to form a blanket long-distance association.

The presidents of the three organisations agreed last week the warring parties should jointly work for peace with the ultimate goal of forming one long-distance taxi association.

Delegates stressed that establishing a single organisation would stamp out the violence that had seen several taxi officials being killed in the PWV area and

Taxi fight: 28 arrested

EAST LONDON. — Twenty-eight taxi operators have been arrested after fighting between rival groups on Sunday in King William's Town, Mr C J Badi, spokesman for the South African Black Taxi Association (Sabta), said yesterday.

He said five taxi drivers — and a Ciskei soldier who was not involved in the fighting — were seriously injured in the clash between members of Sabta and Nedo Taxi Association. Police quelled the fighting.

A spokesman for the Bisho military base confirmed Rifleman Erick Moyikwa was shot in the leg during the clash.

Meanwhile, police said a 23-year-old man was beaten to death while breaking into a house near Mdantsane on Sunday. — Sapa

homes burnt in the Cape.

Sabta's recently-announced R40-million programme to assemble minibuses was seen as a major boost in the fight against

the "white-taxi scam", seen as the main cause of the conflict.

"White-owned taxis invade black ranks and start cut-rate operations, an unfair competition against the legal black operator. These black 'fronts' are attracted by whites who dangle the carrot of easy finance," said one delegate.

Sabta marketing deputy director Mr Jabu Mabuza said his organisation's finance scheme was for everyone and the minibus building programme was designed to make it easy for every operator to own a vehicle.

"The Sabta Foundation is there for everyone to make use of its financing. All taxi operators, no matter what association they belong to, have the common responsibility of carrying passengers," Mr Mabuza said.

Saldta president Mr Peter Rabali could not attend the meeting because he was welcoming 350 operators who had been to Namibia to transport Swapo members to polling stations.

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Taxi warlords hope for a merger

EDWARD MOLOINYANE
Staff Reporter

THE two most powerful men in the Peninsula's taxi industry believe the only way to ensure there will not be another "taxi war" is to form one association.

Years of bitter rivalry mean this would be a difficult task and would be achieved only through "honest attempts", they say.

Mr Maxwell Nonkonyana, chairman of Langunya Taxi Association (LTA), and Mr Clement Ramatlakane of the Western Cape Black Taxi Association (WCBTA) spoke after the recent "war" between their members.

Vast differences

Although there are still vast differences between them, with each blaming the other for the conflicts, both men see the formation of one association, long demanded by the community, as a possible solution to the feuding.

They said the recent police-initiated truce, like others before it, was unlikely to last as tempers were still running high.

The Road Transportation Board's taxi permits entitling a holder to work on a specific route were often the source of conflict when "unlicensed" people plied the same route.

They believed that if one association were formed, all members would be able to ply all routes in free competition and the chances of conflict would be lessened.

The LTA is the larger association and has 2 000 members. It concentrates almost exclusively on inter-township services. Licences for other areas are usually refused by the transport authorities.

Harassment

"Permits entitle members to ply a definite route within the townships and our attempts to operate in areas such as Wynberg, Mowbray, Claremont, Bellville and Cape Town invited harassment by the traffic officials," Mr Nonkonyana said.

Because even township permits were difficult to obtain, many people with vehicles, especially in the Nyanga and Crossroads area, had begun working these "no-go areas" as unlicensed "pirates", Mr Nonkonyana said.

By 1985, about 10 of his members had permits for Mowbray, but the pirates, whose numbers had increased dramatically, objected to the new permit holders' working this route and claimed it was their domain.

"This resulted in a war at Mowbray rank in which one of our members was killed and many injured. At a meeting after this, it was agreed that those with vehicles, including

the pirates, be allowed to operate wherever they liked."

"Pirates interfere"

Although peace appeared to have been restored, "pirates" continued to interfere with his association's members on these routes.

The LTA was renamed the Western Province Black Association (WPBTA) and became affiliated with the South African Black Taxi Association (Sabta). The "pirates", however, snubbed an offer to join the WPBTA and in 1987 formed the rival Western Cape Black Taxi Association (WCBTA).

Because of the distance from the townships, the urban routes became some of the hottest property on the taxi market and a battle for control, with the former "pirates" now claiming ownership, ensued.

Daily takings

An average inter-township single taxi trip can cost about 90c whereas the fee to other areas is about R1.70. The daily takings on these routes can be anything from R180 to R200, whereas inter-township trips bring in about R100 to R130 daily.

Mr Nonkonyana believed the reason for the ill feeling was that the former "pirates" — most of whom were from squatter communities — had "wrongly thought" that his

association, as a more established unit, had been responsible for blocking their applications for permits.

He said there had been moves since August to unite the two associations but the "war" had broken out before this could be achieved.

Mr Ramatlakane said WCBTA's 675 members had found it "very difficult" to obtain permits and had approached Langunya for membership as early as 1980.

"Most of us operated without permits from Nyanga to the suburbs of Bellville and Cape Town and were often targets for traffic officials. We were harassed and fined almost daily.

"Jealous"

"It was only after we had been granted permits that Langunya became jealous and demanded by force that we allow them to ply the routes, leading to the first war between us."

"We are not opposed to Langunya operating here as long as they also allow us to do the same in the townships. A merger should not be seen by one association as a way of gaining unfair advantage over the other.

"We believe an unconditional merger is possible to restore the tarnished image of our business."



Sabta in top gear with new maxi-taxi

BLACK passenger transport moved into top gear this week with the unveiling by the SA Black Taxi Association (Sabta) of a 25-seater maxi-taxi for long-distance travel.

Designed by mechanical engineer Denis Grossen and built by Elandsfontein-based Transvaal Motor Body Builders, the Strada 250 was this week given a test drive in Eldorado Park before admiring taxi operators.

Sabta president James Ngcoya said the vehicle confirmed his organisation's commitment to comfort and safety.

"With such a spacious vehicle, there won't be any reason for overloading, which has seen many operators getting on the wrong side of the law and lives being lost on the roads," he said.

The taxi has lightweight construction with a very low floor for improved road-holding. It also affords easy repairs and maintenance.

THEO RAWANA

The roof, ceiling, rear-end, front-end, valances and dashboard are made of composite material (weight saving and quickly-repairable and/or replaceable).

The vehicle has a moulded ceiling, panelled sides and a steel floor covered with non-slip, hard-wearing material. It has high-backed, upholstered, individual seats for 25 adults.

For luggage, optional parcel shelves are integrated into the ceiling, and there are optional side lockers on both sides of the body between axles and behind the rear axle.

Grossen said the prototype was subject to further modifications, depending on Sabta's impressions.

The price would only be divulged at the Sabta AGM at Sun City tomorrow, he said.

Trencor 'getting ready

for greater production'

CNK
TAB 16/11/89

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Financial Editor

CAPE TOWN-based Trencor has increased profits by 36% per annum compounded over the past six years, shareholder E Pikholtz pointed out at the general meeting yesterday.

Over 14 years it has increased profits by 29% compounded. And over 20 years it has increased them by 26% compounded.

Describing this performance as "incredible", Pikholtz said that forecasts given by executive chairman Neil Jowell were "usually on the pessimistic side".

Continuing: "If we read between the lines we are not going to do too badly," he said, it was clear from the annual report that Trencor was "getting ready for much greater production and activity".

Now that the company was 4,5 months into the current financial year, Pikholtz asked for an up to date profit forecast.

He also asked how much capital expenditure would total this year, and whether the company had considered a rights issue rather than increasing borrowings.

Jowell said that, with the domestic market entering a down-

turn and with earnings from exports and overseas activities likely to be affected by sanctions and exchange rate fluctuations, it was impossible to estimate profits at the end of the year.

Profits so far were "very close to what we anticipated" when he forecast in the annual report that "profits should improve in the year ahead".

He considered the company's gearing "reasonably low, especially in an inflationary environment", and saw no point in issuing more shares.

In answer to a further question, Jowell said capital expenditure was expected to be R29m. The major part of this would be for replacement of heavy vehicles.

The chairman of the Shareholders Association of SA, Issy Goldberg, said Trencor was "an impressive company and one of the most powerful of its kind in this country and certainly in the Cape."

Goldberg asked why the contribution of the manufacturing division had increased from 28% of total profits to 38% while that of the core business of transport had dropped from nearly 18% to 14%.

Jowell said the manufacturing division had done well and there was a strong demand for the company's containers.

He pointed out that he had commented in the annual report on difficulties facing the transport business, including confusion caused by partial deregulation. He stressed: "My comment does not imply that there should not be deregulation but that it should not be done in a higgledy-piggledy manner."

In answer to further questions from Goldberg, Jowell said he was anxious that the road division of SA Transport Services (Sats) should be privatised as soon as possible.

At present it did not pay taxes and had no accountability and was therefore able to tender with "tariffs that are not economically justifiable."

Agreeing with Goldberg that companies which provided employment for large numbers of people should receive some incentive to do so, Jowell said he thought this would be better through export incentives rather than tax concessions. Building up export trade was the best way to provide more jobs with the greatest benefit to the community.

Motlana: Taxis are 'objects of fear'



Dr Motlana

JOHANNESBURG. — Soweto anti-apartheid activist Dr Ntatho Motlana said yesterday the standard of black taxis in South Africa was disgraceful.

Speaking at the South African Black Taxi Association's annual general meeting at Sun City in Bophuthatswana, he said the black taxi had become an object of fear.

He added that many drivers on South African roads would give the right of way to a taxi even when the taxi driver was wrong.

Dr Motlana expressed concern about young taxi drivers, whom he said were arrogant.

● Long-haul 'maxi-taxi' unveiled by Sabta — Page 7

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Sabta is to start an airline service

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Mr James Ngcoya

THE Southern Africa Black Taxi Association is to start an airline service between Africa and the United States, according to Sabta chairman Mr James Ngcoya.

Addressing a special Press conference held at Sun City where the transport organisation ended its two-day annual con-

By JOSHUA RABOROKO

yesterday, Ngcoya said Sabta also intended starting a black bank and setting up a mini-bus assembly plant.

Ngcoya said all these projects would take place next year in spite of the sanctions campaign and disinvestment.

Ngcoya reiterated Sabta's policy of not sup-

porting sanctions because "the move would not help blacks to develop themselves."

Other Sabta executives present at the conference were manager James Chapman, his deputy Jabu Mabuza, and marketing manager Mr Gabby Magomola, former chief executive of African

Bank. They called the Press conference to explain issues which they regarded as "essential," and which had not been addressed during the annual general meeting of the organisation.

Referring to the proposed airline, Ngcoya said it would start operating within the next 12 months. He hoped it

would help empower blacks economically. Millions of rands would be put aside to see that the project got off the ground. Magomola said millions of rands would be pumped into the proposed bank.

He said black taxi owners saved millions of rands in white financial institutions and it would be important that "we start our own financial institutions."

Longrail heads downhill with earnings drop

CHARLOTTE MATHEWS

A POOR performance for the six months to August has been turned in by transport company Longrail, which translated its 27,6% increase in turnover into a 33% drop in earnings. *BIPa 17/11/89*

Margins came under pressure, reflected by a 22% drop in operating income to R5,1m (R6,5m) at the previous interim.

Directors said the cost of operations continued to escalate, "which has outstripped the company's built-in escalation clauses in transportation contracts".

Another negative factor, they said, was the continuing rate-cutting by competitors which made it necessary for the company to keep rate increases to a minimum to retain its market share.

Earnings fell to 3c a share from 4,5c and no interim dividend was declared to avoid weakening the company's already-squeezed working capital position.

On the balance sheet, cash in the bank fell to R111 000 from last year's R4,8m and current assets less current liabilities gave a negative figure of R5,3m against last year's negative R1,3m.

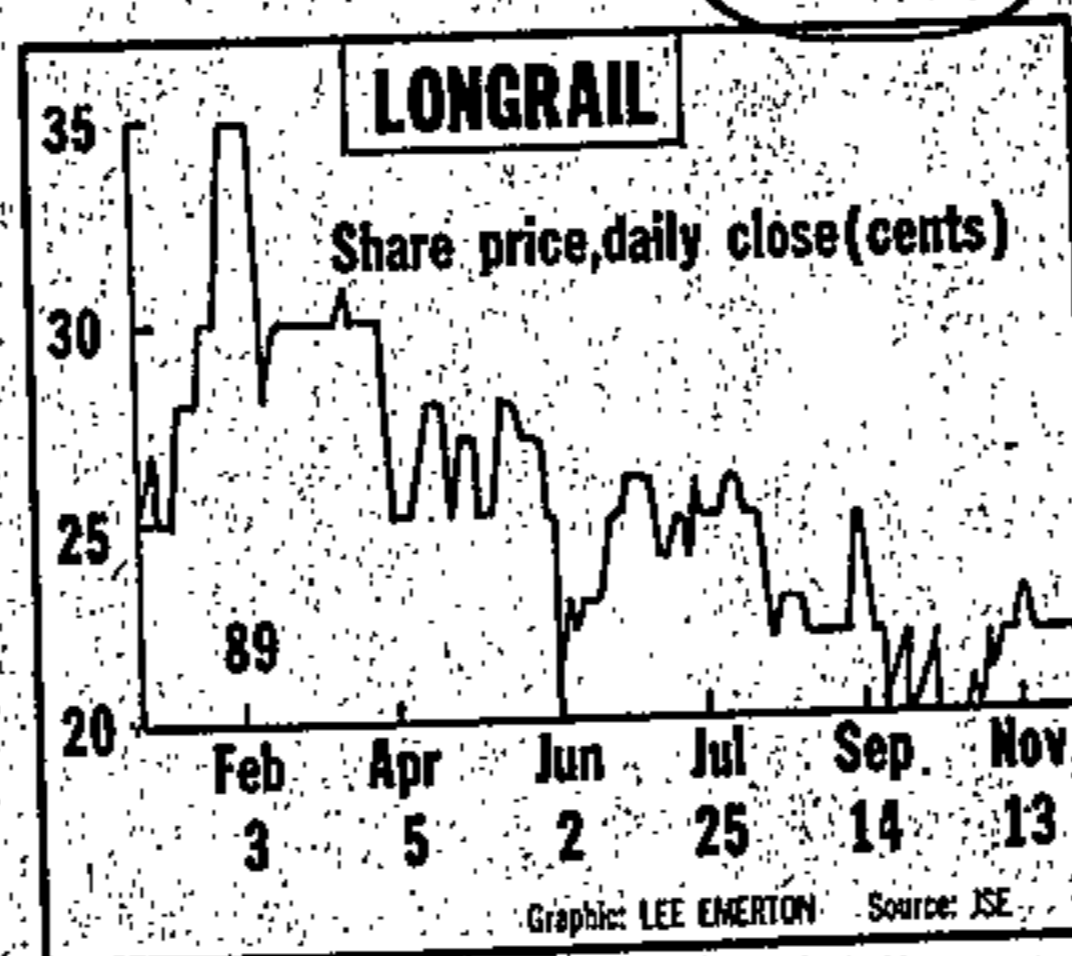
Gearing dropped slightly to 90% from last year's 95% but interest charges lifted 41% to R1,4m from R984 000.

Another factor affecting bottom line profits was the company's liability for the full tax rate.

Capital investment during this period was R8,9m (R6,6m).

The directors said they had taken steps to improve performance.

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Ripe for break-up

Activities: Operating mass transport bus services in the Witwatersrand, Pretoria and Durban areas.

Control: The Carleo family owns 52,5% of the equity.

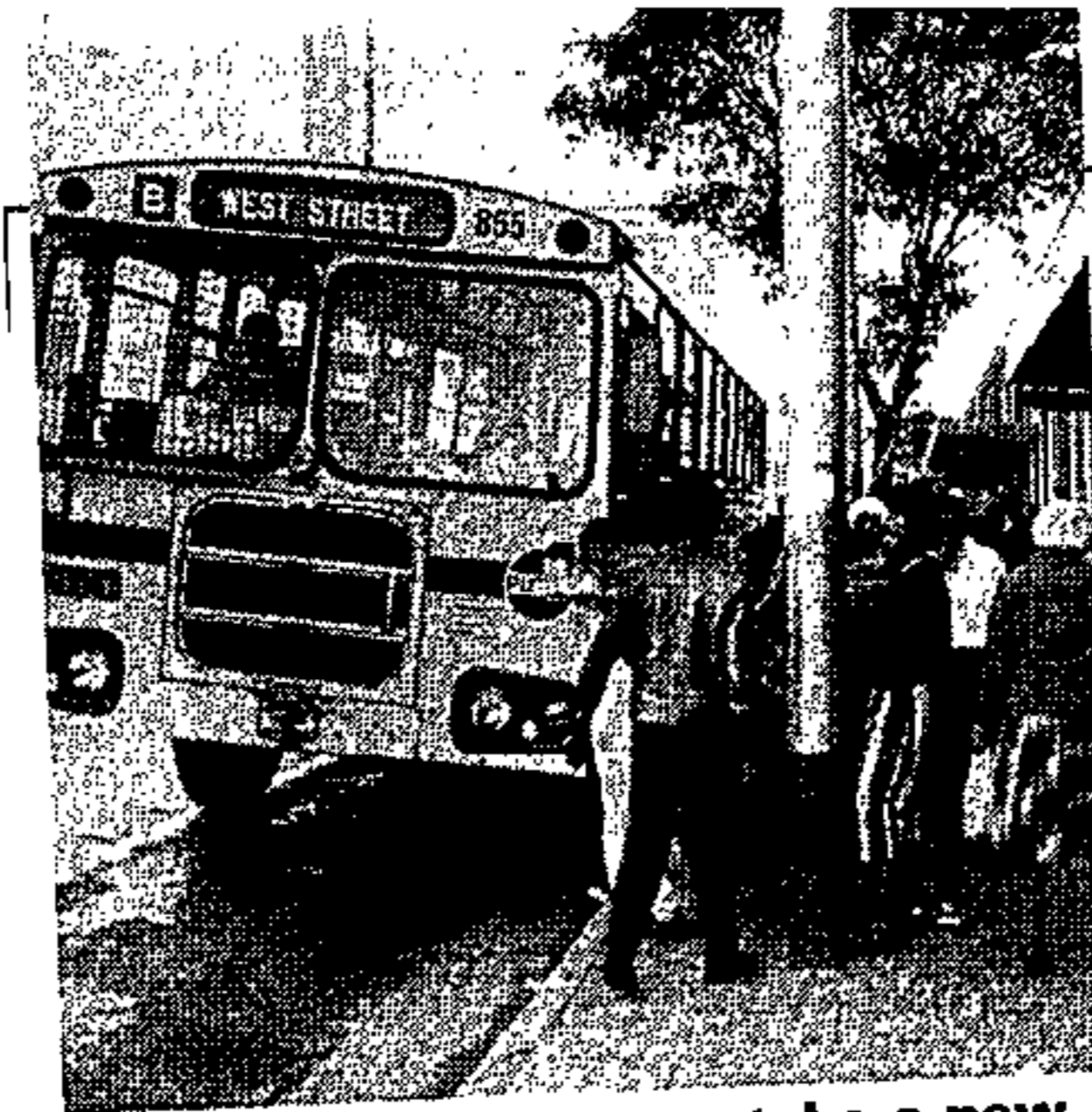
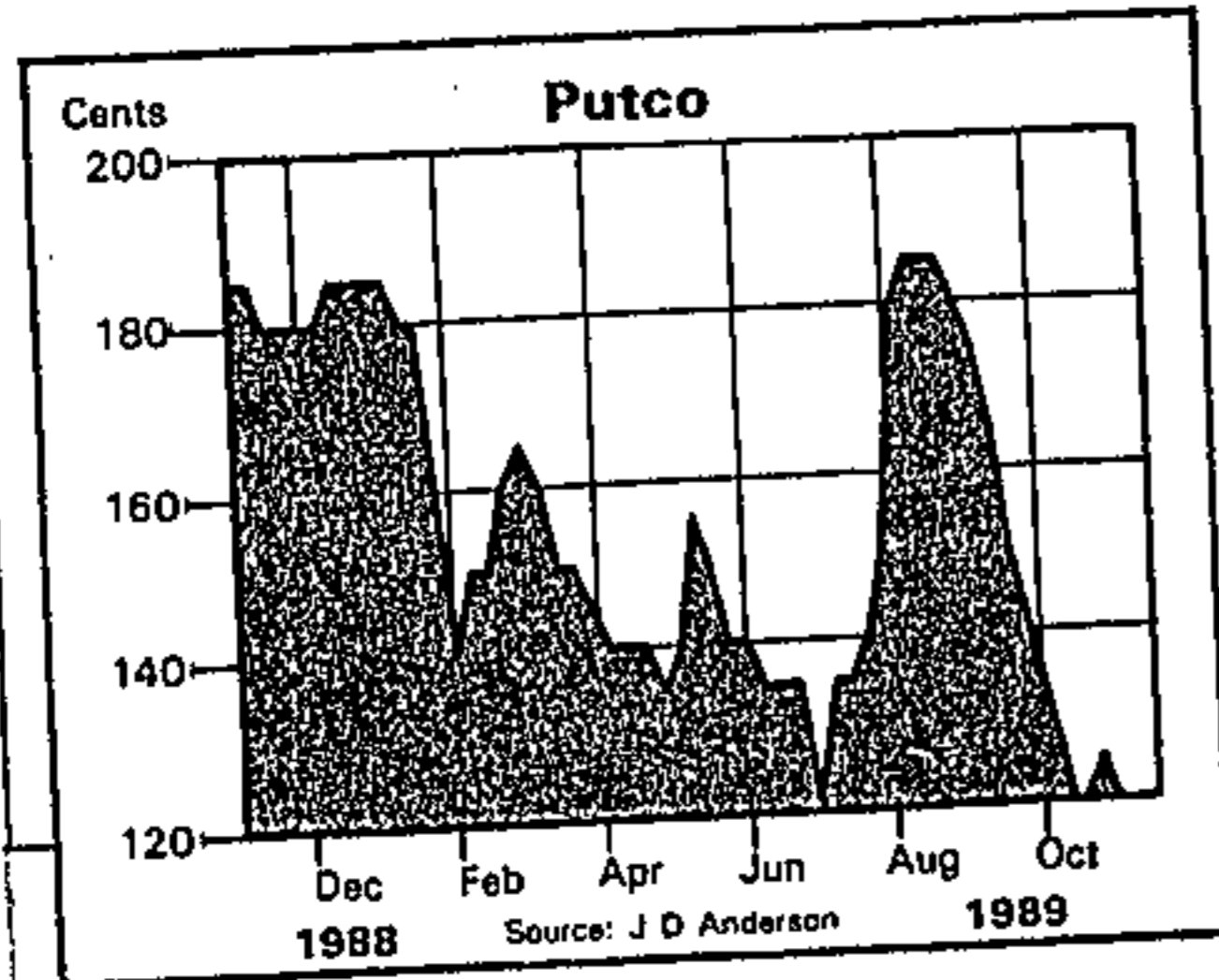
Chairman: A Carleo; managing director: J A Visser.

Capital structure: 26,43m ords of 40c. Market capitalisation: R30m.

Share market: Price: 115c. Yields: 7,0% on dividend; 3,0% on earnings; PE ratio, 33,1; cover, 0,4. 12-month high, 190c; low, 90c. Trading volume last quarter, 535 000 shares.

Financial: Year to June 30.

	'86	'87	'88	'89
Debt:				
Short-term (Rm) ..	0,4	4,0	3,5	2,3
Long-term (Rm) ...	60,8	51,0	nil	nil
Debt:equity ratio	0,26	0,21	n/a	n/a
Shareholders' interest	0,64	0,66	0,68	0,66
Int & leasing cover	0,10	—	n/a	0,07
Debt cover	0,20	—	6,8	n/a
Performance:				
Return on cap (%) ..	nil	nil	7,7	(0,3)
Turnover (Rm)	299	285	302	346
Pre-int profit (Rm) ...	(8,0)	0,4	19,2	(0,8)
Pre-int margin (%) ..	n/a	n/a	6,4	n/a
Taxed profit (Rm)	(18,5)	(11,6)	2,4	0,9
Earnings (c)	(70,1)	(44,3)	9,1	3,5
Dividends (c)	nil	17,5	24,5	8
Net worth (c)	737	795	636	708



Putco ... passengers take a new ride

If it were operating in any other country Putco would probably by now have been broken up or restructured to cope with fast-changing commuter preferences. But this is SA and Putco, like the railway commuter lines, is an essential cog in perpetuating residential segregation. That's clear from the fact that government is happy to continue subsidising its fares — the precise sum is not disclosed but probably represents about a third of operating revenue — and that black commuters prefer to have their backsides on taxi rather than bus seats.

Chairman Albino Carleo reports a further 7% drop in passengers carried which, given fast-growing urbanisation, is a telling comment on what blacks will tolerate. The number of buses operated and the work force have been dropping since 1985: the bus fleet is 18% smaller and almost 28% fewer people are on the payroll. One can only wonder what would have happened if the bid for Putco by the arch-capitalists of Sabta had not been stymied.

One effect of the shrinking business is that cash resources are piling up. Provisions for bus replacements appear excessive and year-end net cash holdings alone total 122c a share against the present market price of 115c. As a break-up proposition, if government would allow it, Putco looks attractive.

Carleo bemoans competition from taxis. Not only are they progressively winning passengers but congesting peak-hour roads and making bus operation more difficult and expensive. These problems will not disappear. If anything they will increase and almost certainly lead Putco into further service, fleet and employee cuts. The gloomy outlook is easy to understand but Carleo and his board do see opportunities in urbanisation. Commuter market expansion will help to offset deteriorating market share.

Government has meanwhile shied away from the recommendations of the National Transport Commission Study just as Putco and other bus companies had had their hopes raised — by proposals that bus services should be put up for tender — which could have helped restore the sector's profitability.

So, for the present, Putco is in a form of limbo, apparently condemned to shrink further but with cash reserves continuing to pile up. It scarcely adds up to an investment recommendation.

Jim Jones

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SA taxi body to start road safety department

CNA/Trials 17/16/89 Own Correspondent

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SUN CITY. — The South African Black Taxi Association (Sabta) is to create a safety department, headed by a member chosen from its executive committee, to look into the whole question of road safety.

This was disclosed by Sabta president Mr James Ngcoya in an interview at Sun City last night. He said road safety was also the subject of Sabta's annual meeting.

Mr Ngcoya said the department would be assigned the task of researching, working to prevent accidents involving its members throughout Southern Africa and acting on accidents should they occur.

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Racy loses speed as tax hits results

CHARLOTTE MATHEWS (332)

RACY Group Holdings lost some of the momentum it showed in 1988 as rapidly rising operating costs, an interest bill up fivefold and a full tax rate pulled down attributable earnings by 35% to R1,3m in the six months to September, from R1,98m the previous year.

Against a 30% improvement in turnover to R27,2m (R20,8m), operating profits rose only 1% to R3,3m (R3,2m).

This worked out to earnings of 5,01c (8,01c) a share and a dividend 1,25c lower at 2c a share, owing to the directors' decision to maintain dividend cover at 2,5 times.

Racy has two divisions — Hendlers Industrial Carriers, a national transport carrier, and Diesel City, which rebuilds and repairs diesel engines and has franchises for engine rebuilding and sales of parts.

According to the directors, both divisions showed increased turnover but operating costs in Hendlers, especially fuel, wages and maintenance, rose faster than they could be recovered.

Recently a capital investment programme was undertaken in Hendlers to expand and improve its transport fleet. Directors expected the fleet would be fully utilised in the coming year, which would allow a greater recovery of operating costs and an improvement in operating profits.

Diesel City continued to show better profits and the directors forecast increased demand for parts and engine repair as consumers substituted rebuilt and repaired engines for costly new imported engines.

"Due to the non-achievement of budgeted operating profit in this period it is unlikely that earnings a share will be maintained at the 1989 level of 14,5c," the directors said.

But, they added, earnings would probably be greater than the 5c a share shown in this interim period since steps had been taken to improve operating profits.

Land bought for city bus and taxi terminus

JOHANNESBURG City Council has bought — for R5m — about 20 000m² of land from Sats for the development of the Newtown Bus and Taxi Terminus.

Metropolitan Planning (transport) assistant director Riaan Perold said yesterday this was the first phase of a programme that would create a bus and taxi terminus bordered by West Street, Bree Street and Simmonds Street. It would take in Kazerne parking garage and the taxi rank in Sauer Street.

Saying the multimillion-rand project would involve linking the areas with pedestrian aerial bridges, Perold added: "The idea is to consolidate passenger transport into a centralised terminus with ablution and other rele-

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THEO RAWANA

vant facilities. The emphasis is on eliminating kombi taxis' on-street parking — absorbing about 1 000 taxis from adjacent ranks into terminuses.

"The council has realised that Johannesburg people have to depend on public transport, with about 30 000 coming into the city by taxi daily. But then there are not enough rank facilities for kombi-taxis and the on-street taxi activity interferes with traffic," he said.

Perold said the council had had proposals from developers and would call for tenders shortly. "We are open to proposals and will look at ideas." **332**

Sabta air landing plan will not work

CHP 7/11/89 JS 7/11/89
SAA
Staff Reporter

PLANS by the South African Black Taxi Association (Sabta) to branch into air travel and secure landing rights in the United States and other countries where SA Airways is banned will not succeed.

This was said yesterday by SAA public relations manager Mr Francois Louw. Asked for reaction to Sabta's long-term plans to branch into air travel, he said that whatever Sabta did to disguise the fact that the aircraft were owned and operated by South Africans, they would still have to be registered in SA.

They would therefore be banned from landing.

"It is not just a question of an aircraft going to another country," he said, "but involves decisions at government levels.

"A bilateral agreement between our government and the government of the US would have to be reached."

Sabta president Mr James Ngcoya revealed recently that the granting of landing rights in other countries was being investigated.

Sabta plan for portable loos

A SA Black Taxi Association proposal to take responsibility for the erection and maintenance of portable toilets at its ranks in Johannesburg has been submitted

to the city council.

It has so far received favourable attention, Sabta and council officials said yesterday.

The Sabta proposal is part of an attempt to control the accumulation of garbage around the busy ranks in central Johannesburg.

Ranks

The taxi organisation has said it would see to both the erection and maintenance of an unspecified number of portable toilets at various ranks around the city.

The location of the ranks is not immediately known.

Proposal

A spokesman for the council's cleansing department said discussions on the proposal were at an advanced stage and the matter would be raised in committee soon.

A Sabta spokesman said the erection and maintenance of portable toilets had been put to a number of other local authorities and discussions on the proposals were expected soon in a number of cases.

Sowetan 28/11/89



You pay, you taxi your chance

CITY Tramways' 08.14 is late and so am I.

Desperate times, desperate measures. I put a foot into Green Point Main Road, sick a fist in front of the onrushing Nissan E20, hold my breath — and freeze into a time warp. Galata Bridge, Istanbul, 1969. Similar van, same pace, same sundering seams.

I snap out of it as the E20 halts, honking. The ghetto-blasters are not Turkish.

"Town?" demagogs a bodiless voice on the far side of a Fuji-colour row on the front seat. Non-Turkish faces eye me. I waver. A last look down the road towards Sea Point is unwarded by any 08.14 in shining armour. It wouldn't qualify even as an 08.25 now anyway.

Rattling revs. The taxi is restive. The multitude within is making space for one more. I dive through the proffered gap in the flank. "CLANG!" The door closes and so does the deal.

In Istanbul they call them *dolmuş* (squashed in). My eye journeys 180 degrees and I

To many motorists the explosion of mini-bus taxis on the roads is a nightmare. To thousands of commuters the same taxis are the cheapest, fastest way of getting to work. Sub-editor PETER CLOETE, who faces a daily run from his Green Point home to The Argus and back, is one of those commuters . . .

quake to think what they call them here.

A tiny sign abaft the right ear of the man behind the wheel (I can just see him now) proclaims PASSENGERS 14. It looks like it should be in a motor sundries shop.

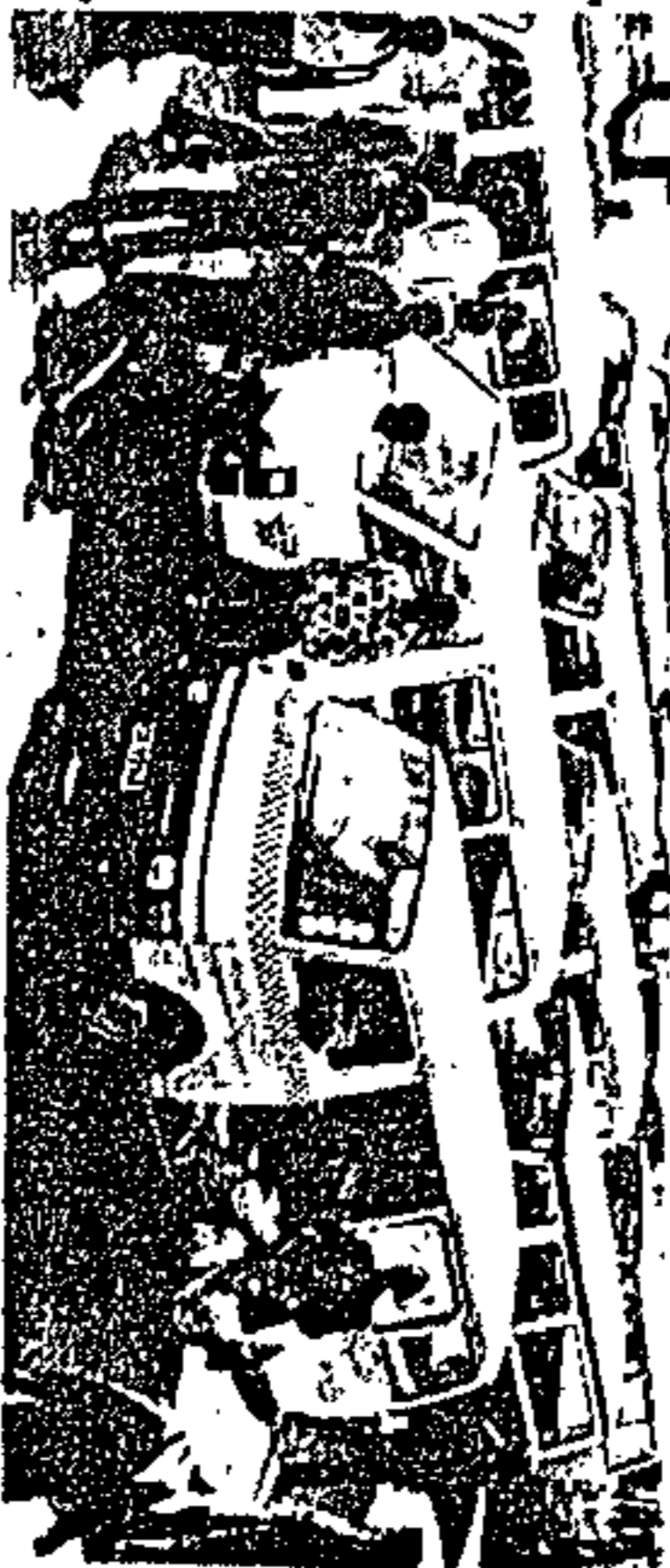
Fumes

From my haunches just inside the door I start counting. Arithmetic stumbles as I spot sign No 2 gunned above the left back window. It says THANK YOU FOR NOT SMOKING, looking like a Readers' Digest special offer. An ample lady in a doek studies it lazily through pearly Gold Dollar fumes.

I'm the only one without a seat. While an early-teens schoolboy ponders my plight I sense, still squatting, an ebb of life from my legs. I don't dwell on what will happen when my sardines-in-arms make me move.

We're flying along Somerset Road. I know because I notice the rooftops have softened to a blur. I grip the chair supported of a man in kugel sunglasses in front of me and watch my knuckles go white.

There's something not quite right here. It takes me a minute to realise what it is: Nobody has asked me for any money. A shifty peek at the



driver discloses nothing. Deadpan, he's stirring gears, keeping revs vocal. I search vainly for a silver-collection jar. Everyone eyes me.

Three seconds on the puzzle solves itself. Brakes screech and I glimpse a red robot over the driver's right shoulder. As we hove to someone on the front seat says "Geld, Abdul." The driver has a name.

Still stirring with his left, Abdul transports his right hand, palm up in Boswell-Wilkie double-joint act, over his shoulder towards my head. I cover the hand with a rand. Robot time is payoff time. I relax. Ghetto-blasters are at war. A

valiant Olaf Brinkman-rendering of Good Hope's 8.30 news loses an unequal struggle against strident Radio 5 pop. Everyone's pleased. I'm quite beginning to enjoy this.

Suddenly: "Bus stop, driver!" It's the ample lady. Bent double, she's struggling to her feet. Brakes again, and she's bearing down on my crouching post in front of the door.

Petticoats

What to do? My hand fumbles with the handle at my back. Retreat to the street to let her out will be folly. If I get out I'll never get in again. From the hips down I'm dead.

She solves the problem. Hand on my shoulder, petticoats flying, she vaults, Gold Dollar rampant, over me and out through the opening. I tip forward to my knees. A supplicant, I face what's left of the congregation. Taller skyines tell of Strand Street and the home straight. I have claimed the lady's seat, life is back in my legs and the Holy Grail's in my pocket.

Two more stops, a general outrushing, and there's only five of us left. "Foschini, driver" calls a little old man on my right. I wonder where one learns the code.

With a flourish we draw up behind two other taxis where lower St George's Street used to cross Strand. I'm the only one to get out. I wonder what further odyssey the others are embarking on with Abdul.

I step on to the pavement. He blows his horn and I swing round. He's leaning over the seat, fist out of the window. "Change, Mister."

It's raining but the office is only two blocks away. And I'm on time.

Rite!

Minibuses put the squeeze on taxis

The Argus Correspondent

PRETORIA. — The Pretoria City Council is to close off the central city core to black taxis.

Ten new taxi stopping places on the city periphery have been planned from January 8 — three each in Schoeman and Proes streets, and two in Van der Walt, and Schubart streets. At the same time the Bloed Street rank is finally to be closed.

Chairman of the Pretoria management committee Mr James Leach explained at a press conference that the moves were necessary because of the increasing number of minibus taxis in the city.

He said the council "accepted taxis as a transport mode in Pretoria and was committed to finding facilities where they could be accommodated".

Mr Leach said he hoped that the taxi moves would "greatly improve matters for all concerned".

Traffic chief Mr Rob Ehlers said traffic officers would be on duty at the stopping places and would be assisted by queue marshalls provided by the Pretoria United Taxi Association (Putu).

He hoped to see the new arrangements introduced smoothly through co-operation between taxi drivers, taxi commuters and the council, rather than resort to law-enforcement.

Putu chairman, Mr Enos Makena, described the scheme as the "best agreement we could have come to".

He said taxi drivers would have to try it and then make suggestions of changes where they saw the need. He confirmed that Putu would assist in the control of taxi stopping places.

Great year fuels Trencor trucks

S/Times 2/12/89

332



No 4 1984: R10 000
1989: R106 175

This year Trencor is fourth in the Top 100 table, with an all-in return over five years of 60,4%. Last year the company was in fifth place with a return of 45,7%.

Current chairman Neil Jowell, a son of the founder, says that in the first few months of the new financial year the group has felt some softening of markets, but he is confident enough to forecast another improvement in profits in

the year to next June.

Despite the impression that it is heavily exposed to transport, this sector's importance has declined over the last few years and Trencor is happily spread over four sectors which do, however, have fairly strong synergy.

"That synergy is part of deliberate policy," says Mr Jowell. "We like to know exactly what we are into."

It is no coincidence that Trencor's 80% interest in microcomputer and peripheral distributor Trencomp Technologies was sold from the beginning of the last financial year to Elex Electronics for a 17,7% holding in that company.

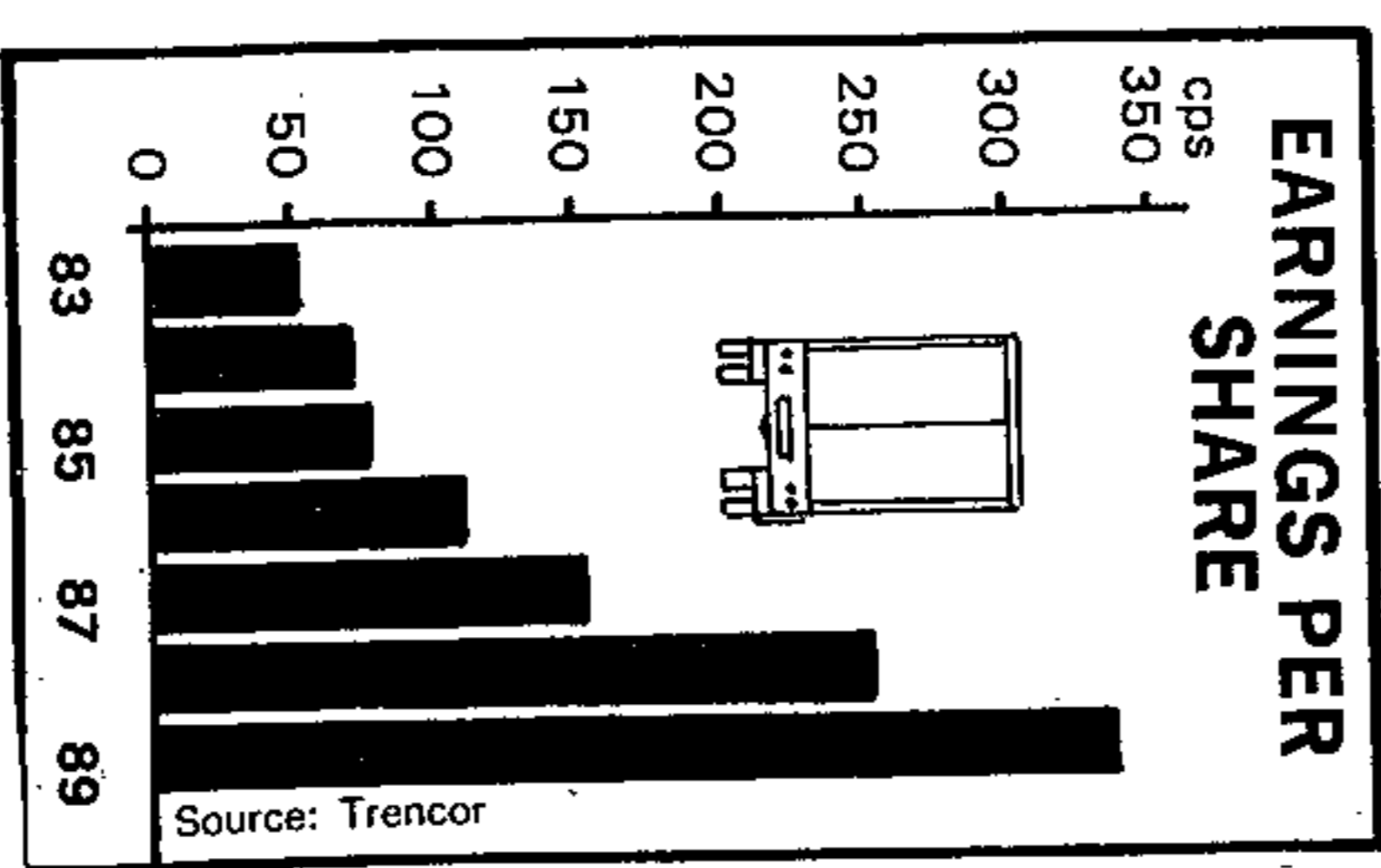
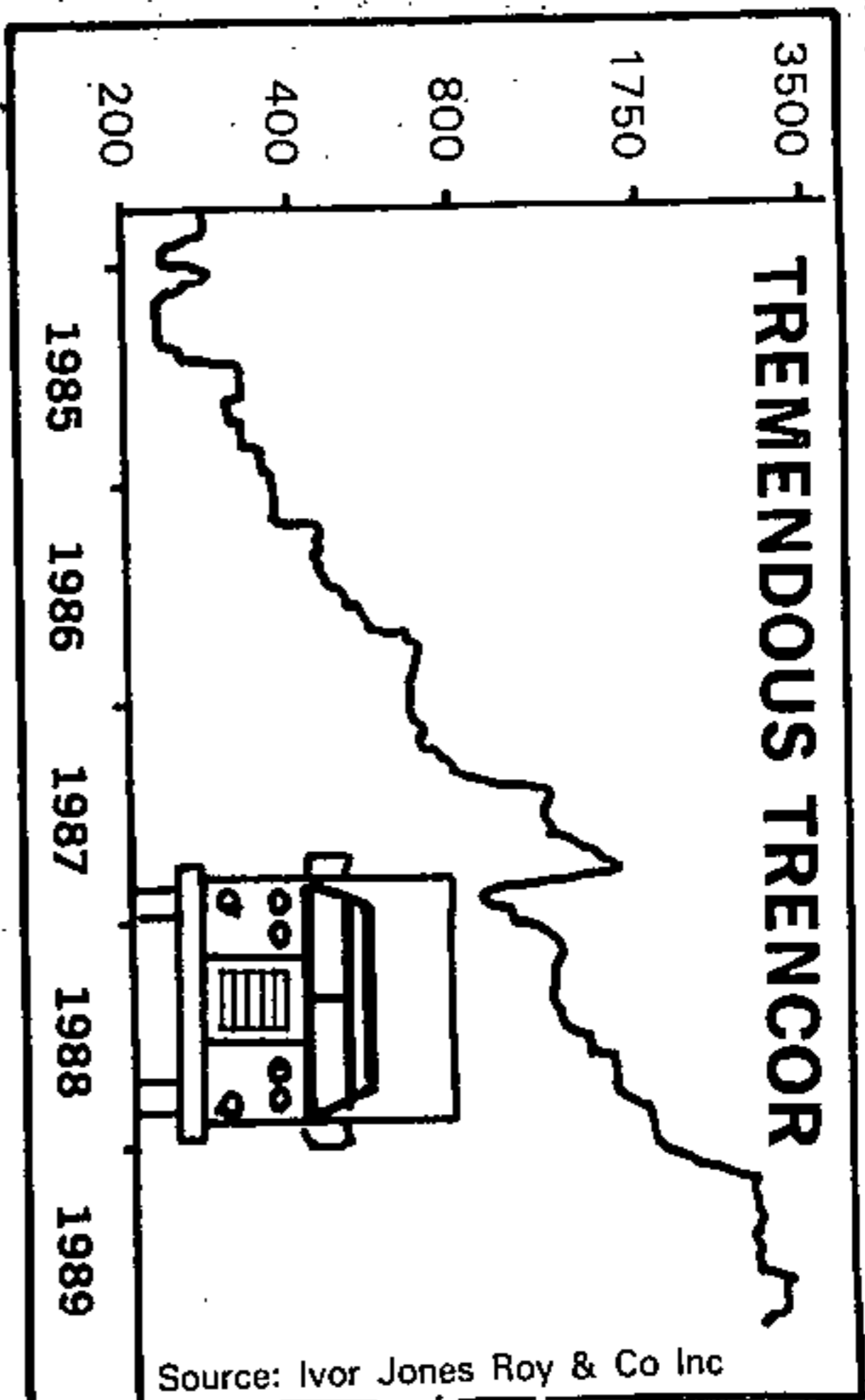
This shareholding has since been sold for cash. "We went into computers with good intentions, but 18-months ago we were faced with the choice of a big investment in cash and management. We decided to get out," says Mr Jowell.

The group's happy balance is illustrated by the fact that while transport's

contribution to pre-tax income declined markedly last year in difficult conditions it was more than matched by a significant increase in the contribution from manufacturing.

The final breakdown of sectoral contributions to a record year was: manufacturing up from 28,3% to 38,7%, transport down from 27,8% to 13,8%, trading down from 22,9% to 17,4%, and motor trade and tyres barely changed from 31% to 30,1%.

The group's road transport operations have spread from the original base in Namaqualand throughout the Cape, and the group provides important services in contract and general haulage in Namibia and in the Transvaal. Manufacturing operations are concentrated in the 75% stake in Henred-Freuhaut Trailers, the largest business of its type in the southern hemisphere. The company, 25% owned by the US's Freuhaut Corporation, is South Africa's biggest truck trailer builder and is a major manufacturer of containers for the export and local markets.



P.T.O.

Its plant at Isithebe in Kwazulu is the country's only export-oriented manufacturer of dry containers. The Wadeville trailer plant makes tank containers and other special containers, mainly for the export market but also for local customers.



NEIL JOWELL . . . confidently predicts higher profits

While the demand for trailers, which comes mainly from the local market, is feeling the first effects of the downturn in the economy, foreign demand for containers is holding up very well.

Typically, Trencor has built its foreign markets over a number of years. "We have applied ourselves to certain markets through periods when margins have been low," says Mr Jowell.

"We are not in exporting just to take advantage of the low rand. However, now the low rand has enabled us to sell more at better margins."

Mr Jowell says that although export earnings are subject to incentives and there are threats from sanc-

tions and the exchange rate, he does not see any material change in the year ahead.

Trencor's balance sheet is strong, and at year-end the ratio of total liabilities to shareholders' funds was unchanged from the previous year at 91%.

Credit

An increase of some R34-million in interest-bearing debt has been used largely to finance long-term credit sales. But efforts are being made to change this method of funding sales.

Says Mr Jowell: "We believe a good measure of a company's performance is the return it earns on the as-

sets used in the business.

"In terms of taxed income before interest to total net assets, Trencor has earned 21%, 26% and 26% respectively in the last three years.

"As these assets, totalling R278-million, include properties worth R58-million on which a much lower return is expected, these ratios are most satisfactory."

It's not surprising that the share is tightly held. The Jowell family owns just over 50% of the controlling pyramid, and institutions quickly snap up odd lots which come onto the market.

Old Mutual has built up an effective 24% stake. Mr Jowell says: "We are very happy with the relationship."

Interests

Tyre interests lie in the 50% share of Trencor, the country's biggest tyre re-treader and retailer of new tyres. Other trading operations include motor franchises and service stations, a 50% stake in an exporting company and a joint venture with National Airlines in Namakwaland Lugdiens, which provides scheduled services linking the North-western Cape with Cape Town and the Witwatersrand.

The group has shown remarkably steady growth over the last seven years, which have seen turnover soar from R151,2-million to R689,7-million and attributable income outstrip that growth by increasing from 7,3-million to 48,4-million.

Growth

"Last year's 33% growth in attributable income moved earnings from 254c a share to 338c a share.

Trencor paid out total dividends of 67c, compared with 50c in the previous year — and it was still covered five times by earnings.

Mr Jowell says the current downturn is unusual in that normally manufacturing feels the effects of a downturn well before the transport operations.

This time road transport, which is already suffering from the collapse of the system of economic regulation by permit, is bearing the brunt. Mr Jowell says there is increasing uncertainty about the future of the industry and the ground rules by which it must operate.

Niche

He says this will lead to "very difficult" trading conditions outside of certain niche markets in the next few years.

"But the industry is a basic building block of our economy and we believe that in the long-term a suitable framework in which the efficient, well-run organisation can prosper will emerge."

He is determined that Trencor will be well-placed to benefit when that time comes.

On the other hand, the manufacturing division is doing particularly well in the current period.

SAA snags plans for cheap flights

CAPT 7/12/89 332

Staff Reporter

SOUTH African Airways has refused rights to allow a British air charter company to carry SA passengers, jeopardising a plan for six cut-price tourist flights from Britain to SA.

The first of six flights, which was due to arrive in the city on Sunday, has been cancelled.

If the British airline, Caledonian Airways, cannot get SA upliftment rights, some of the flights will have to return to Britain empty.

However, SAA is standing firm on the issue.

"To expect SAA to jeopardise its normal scheduled services to

subsidise peak time charters is quite unreasonable," said SAA spokesman Mr Gerhard Fritz.

He said SAA was not against passenger charters "and certainly supports any effort to increase SA's share of overseas tourists".

While SAA supported full deregulation of the domestic air transport routes and welcomed the competition, such competition on international routes was more complex.

"SAA has a competitive disadvantage because of the routes we are permitted to operate," he said.

The British airline, the air charter arm of British Airways, first applied in August for landing rights for 21 flights over the peak season.

Local agents Masterleisure subsequently applied for landing rights for eight flights on behalf of the airline, and were recently given rights for six return flights.

Mr Johan Brits, Masterleisure's managing director, said the question of upliftment rights "was left for SAA to decide and they indicated they were not interested in supporting such a move.

"With 21 flights, upliftment isn't so important — even with eight flights. But with only six flights it becomes critical that we have the opportunity to ferry South Africans to Britain too."

Waiting lists did exist on some flights over the peak period, but there was also spare capacity on other flights.



KwaThema commuters cram on to a truck to go to work.

Pic: EVANS MBOWENI

Bus strike starts to bite

BY LULAMA LUTI

THE strike by 150 Putco bus drivers at KwaThema, near Springs, enters its fifth day today and commuters are beginning to feel the strain.

Domestic workers were hit the hardest as they had already bought their weekly tickets.

Some commuters

hitchhike to work and back, but most have to fork out money for taxis.

Putco spokesman I Tait confirmed the drivers were on strike and said the company was doing everything possible to resolve the dispute.

Said Tait: "The company is losing money but I am not in a position to estimate the loss."

In a statement to City Press, Transport and General Workers' Union information officer Kelly Forest said the workers went on strike on Tuesday.

"The workers are unhappy about the disciplinary procedure at the depot and are demanding grievances be dealt with by top management and

not by the local manager, P Gerber," said Forest.

Local organiser Vuyo Nduna said talks between management and shop stewards would resume tomorrow.

Nduna said no workers had been dismissed but their salaries would be affected because the company operated on the "no work, no pay" basis.

5 die, 29 hurt in city taxi smashes

332
CAPT Timp 12/12/89

Staff Reporter

FIVE people died and at least 29 were injured — eight seriously — when two minibus taxis were involved in two separate accidents on Lansdowne Road in Philippi yesterday, police said.

The accident in which the five died occurred about 1.30pm, when a minibus taxi crashed into a lamp pole on Lansdowne Road near the Ems Road turn-off, Philippi police said last night.

Police believed about 17 people were injured, one seriously, but said the dossier containing further information was not available.

In the second accident, which happened about 5pm near intersection of Lansdowne and Eisleben Roads, two minibus taxis collided after one of the taxis made a U-turn on Lansdowne Road, police said.

Seven men were seriously injured and two children and three women received minor injuries.

● Twelve people were killed and 45 hurt on Transkei roads at the weekend and yesterday, police said.

Three died and 42 were hurt when a bus hit a stationary truck, left the road and overturned on the Engcobo-Umtata road near Ncise yesterday morning. Police said the bus had been travelling from Port Elizabeth to Umtata.

Six people died on Sunday when the van in which they were travelling left the road and overturned near the Cofimvaba Bridge.

Three people were seriously injured.

Another person died instantly in a head-on collision on the national road between Mount Ayliff and Mount Frere and two pedestrians were killed after being knocked down by cars on the M2.



PHILIPPI CRASH ... Members of the Peninsula Metro Rescue Unit and other emergency units free trapped passengers of a minibus taxi which crashed into a lamp-post in Lansdowne Road, Philippi, yesterday.

'Free' tickets to UK offered

'Incredible' response to cheap flights

332.
Cape Town 14/12/89

Staff Reporter

PUBLIC response to a "free air tickets to London" offer has been phenomenal and the local organising company has been inundated with calls, according to a spokesman for Masterleisure.

Masterleisure is the company organising the first cut-price charter flights to South Africa from the UK.

Several charter flights from London to Cape Town were almost cancelled when SAA refused to allow return flights to carry passengers.

The company then advertised the "free" tickets in the press on Monday, indicating that the return airfare would be £499, or about R2 200.

The company resorted to this move after six charter flights were allowed landing rights, but "upliftment rights" permitting them to sell tickets to local passengers wishing to fly to Britain were refused by the Department of Transport.

According to Mr Johan Brits, managing director of Masterleisure, the company would have had to fly empty aircraft back to London.

"Our intention is not to sell the flights but to fill them. When we were forced into the situation we decided that if it came to the push we would give the flights away."

He said that the first flight, due in Cape Town on December 18, has already been over-booked by 40.

"What's been most interesting is the response we've had from South Africans who want to bring out friends and relatives from Britain.

"But generally, we're amazed at the demand for flights — specially from people who want to book return tickets with us," Mr Brits said.

A one-way air ticket to London usually costs in the region of R3 200 and in effect, Masterleisure was now offering return flights for about R2 200.

Passengers travelling to the UK on return tickets would be limited to one, two, or three-week stays only.

There was nothing to stop a person flying one way only on the free ticket, but Mr Brits said preference would be given to return-ticket customers.

"Only when there are seats we cannot fill will we hand out free single tickets on a stand-by basis."

Jubilant crowds meet first 'free' London flight

Staff Reporter

SHRIEKS of delight, ear-to-ear smiles and tear-filled eyes marked the arrival at D F Malan late yesterday of the first of a series of five cut-price charter flights from London.

For many Capetonians in the huge crowd that set the international arrivals hall abuzz, the plane's arrival meant happy family reunions after many years.

Excited passengers were welcomed to South Africa in style, despite the battle that continues to rage between SA Airways and Masterleisure, the local company that organised the flights.

Several charter flights from London to Cape Town were almost cancelled when SAA refused to allow return flights to carry local passengers.

Masterleisure then advertised "free air tickets to London" in the press, indicating that the return airfare would be £499, or about R2 000.

A special surprise was in store for Oxford student Mr John Morris.

For nothing more than being first off the flight, Mr Morris won a free three-day holiday at Club Mykonos. He was handed his prize by Masterleisure chairman Mr Koos Jonker.

Mr Tim Colman, who has lived in London for the past three years, came well prepared for a fun-in-the-sun South African holiday with his windsurfer.

A total of 292 passengers arrived in Cape Town — 100 passengers disembarked in Johannesburg — after a gruelling flight from London's Gatwick Airport, via Athens, Mombasa and Johannesburg.

Nafcoc undergoes restructuring

19/12/89

332

20

USA

By Jabulani Sikhakhane
The National African Federated Chambers of Commerce and Industry (Nafcoc) will gradually phase out its present structure of regional chambers affiliated to the federation in favour of specialist national business organisations categorised according to different economic market segments.

Nafcoc's restructuring follows a major study, sponsored by the US Agency for International Development (USAID), aimed at achieving a greater measure of organisational effectiveness, financial independence, efficiency in administration and increased representativeness of the black business community.

Among recommendations were the restructuring of Nafcoc to enable the organisation to affiliate and give representation to other specialist business organisations; adoption of sound financial and management systems to strengthen administrative capacity

and a major fund-raising drive to ensure the financial independence of Nafcoc.

The first step towards a new-look Nafcoc, was taken last week when nine independent taxi associations, including the Southern Africa Long Distance Taxi Association (Saldta) and the Busato (Black Union of South African Taxi Operators), formed a new national transport body affiliated to Nafcoc.

Others were Nataco, Matlosana Taxi Operators, Majelathoko of Parys, Federated International Transport Organisation (FITO), the Vaal Taxi Owners Federation, Majakathata Taxi Association and the Alexandra, Midrand and Sandton Taxi Association (Amsta).

The Nafcoc transport wing should have close to 40 000 members, with Saldta, Busato and Fitto accounting for a very large share.

With an increasing number of associations splitting from affiliates of the Southern Africa Black and Taxi Associa-

tion (Sabta), Nafcoc is expected to consolidate them into what might potentially be another massive black transport association in South Africa.

Finer details of its workings have not been worked out, but it is understood the new Nafcoc transport wing will concentrate on lobbying the authorities, negotiating discounts and generally acting on matters of na-

tional interest. Affiliates will continue with their day to day affairs.

The president of Nafcoc, Dr Samuel Motsuenyane said the unity of the nine transport bodies was a significant event in the history of black business.

"This must be seen as an imaginative and innovative development of black people for their benefit under black leadership."



Tollgate heads for higher earnings after takeovers

By TOM HOOD,
Business Editor

TOLLGATE Holdings is heading for higher earnings, although turnover might not show much improvement next year, says the chairman, Mr Johann Claasen.

"We will be moving off a low base and consolidating the takeover of under-performing companies, but 1991 should be a much better year."

Mr Claasen said this after a special meeting in Cape Town when shareholders approved the takeover of Motorvia group in a R36 million cash deal.

TGH will also pay Motorvia's senior executives R4,8 million in service and restraint agreements varying from 18 months to 10 years after they cease to work for the company.

Motorvia, a 25-year-old company listed only in 1988, had a R104 million turnover and earnings of R4,9 million in the half-year to June 30.

The deal would have boosted TGH's turnover to a combined R834 million in the year to June 30 and net profit to R34 million, up from R29,7 million.

Mr Claasen said the Motorvia ferry business was very big and profitable and would slot in with TGH's business. It would become a separate division of the transport group.

The Budget Autolease was a fairly new and growing business and would stay with Duros. It could be used for the group and outside purposes.

The insurance arm of Motorvia would also fall under Duros.

Budget Rent-a-Car, part of Motorvia, was the country's third largest car hire company and was "a very good acquisition for TGH," said Mr Claasen.

The directors also believed the unexpected air fare increase announced by South African Airways "can only do good for our inter-city coach business."

Mr Claasen confirmed Tollgate had now dropped the idea of a separate listing for City Tramways.

Flying high on success

w/e MBUS
23/12/89

332

By TOM HOOD
Business Editor

THE first charter air flight to touch down in Cape Town this week could be the pathfinder of many more next year.

At least that is the aim of Mr Johan Brits, managing director of Masterbond Trust, the local organisation behind the cut-price flights bringing tourists to South Africa.

"We will be applying for further charters from Britain next year and we are also investigating the German market. It is a logical extension from England to Germany," he says.

"That's why we started looking at charter flights — it looked like a money making venture."

Masterbond was largely a participation mortgage bond business when Mr Brits and chairman Koos Jonker left Owen Wiggins Trust to start it five years ago. Now it is heavily into the holiday, leisure and tourism businesses.

Investigating the tourist business, Mr Brits discovered the established air lines could not cope with demand at the end of the year. He started off by getting Caledonia Airways to organise 21 flights, but most of these were grounded when South Africa was able to pre-



Johan Brits...tourism ahoy!

vent return flights picking up fare-paying South Africans. Eventually, five charters from London to DF Malan were allowed.

Mr Brits believes the attitude of SAA to protect its own business is short-sighted. More tourists have an important spin-off in internal flights as visitors go to other parts of country.

If a tourist came here on a R2 000 flight and spent what

he saved on fares inside the country, that could not be termed an outflow of capital. Each British tourist, for example, normally spent about £100 a day on holidays.

"If we could get 21 flights, we would have more than R42 million coming into the country," he said.

Support from Captour, Wesgro and the public had been "tremendous" and he believed there was a good chance of

more flights being allowed next year.

Mr Brits, a chartered accountant who qualified at UCT, lists skiing and sailing among his interests so he obviously fits well into the big business of leisure.

When he took over the helm at Masterbond, the group controlled only R20 million of funds — it now controls about R240 million. This exceptional growth he attributed to aggressive marketing.

The company got into the leisure business as Mr Brits and colleagues looked at new investment opportunities for its client base of 8000.

"The stock market was booming in 1986 and Masterbond could not afford to invest in equities for growth, but we decided on property type investments to give capital growth," he recalls.

Industrial and commercial properties had very good potential. But he realised that the area of best growth was going to be the leisure business, especially the leisure business of property. But it had to be soundly researched. For a start there is a serious shortage of hotels and leisure type accommodation.

"When the tourist boom started three years ago we could see the potential in tourism. Leisure properties and holiday properties will see good growth in the next 10 years."

Cape Town is seen as one of the best growth areas for hotels and a 60 to 100 room hotel is planned for the Rosenfontein.

City's first cut-price flight from Britain

ARCS 18/12/89
332

By DAVID YUTAR, Staff Reporter

THE first of a series of five cut-price charter flights arrives in Cape Town from London today — and South African Airways is not happy.

At 2pm today Flight KT 236, the first of five British Caledonian wide-bodied Lockheed Tristars, touched down at D F Malan Airport after a gruelling flight from London's Gatwick Airport, via Athens, Mombasa and Johannesburg.

Meanwhile, on the eve of the arrival of almost 2 000 visitors from Britain to Cape Town, the battle between SAA and Masterleisure, the company offering "free air tickets to London", rages on.

SAA said that while it welcomed deregulation on domestic routes, competition on international routes would severely prejudice the airline, which already had to operate under "a competitive disadvantage" because of restrictions on the routes it was permitted to fly — restrictions to which it alone was subject.

Loss of capital outflow

SAA spokesman Mr Gerhard Fritz said that although SAA was appreciative of the contribution Masterleisure was making to the tourist industry, the airline felt the sale of air tickets in South Africa would result in a substantial outflow of capital from the country.

Earlier this year Masterleisure entered into an agreement with the National Transport Commission, allowing it to fly charters between Britain and South Africa.

These charters were permitted to operate, subject to stringent restraints such as having to bring only "bona fide tourists out on package tours" and a ban on transporting South African citizens to Britain.

The company persisted in its for permission to fly South Africans to Britain.

The Minister of Mineral and Energy Affairs and Public Enterprises, Dr D J de Villier, confirmed that permission had been refused.

Mr Koos Jonker, chairman of the board of directors of Masterbond Trust, Masterleisure's parent company, said: "The reason we were given was that it caused an outflow of capital from the country."

Those in favour of international deregulation and charter flights rebut the "capital outflow argument" by showing that such flights have generated an enormous amount of foreign tourism and a substantial injection of foreign capital.

All benefit

Mr Jonker said charter flights would bring in more capital than they would take out of the country.

Everyone, including the State, commerce and scheduled airlines, would benefit from such capital.

In addition, charter flights had the long-term effect of generating more business for the scheduled airlines.

"We're talking about almost 2 000 tourists spending on average £100 a day and staying on average for about 20 days — so you're looking at about £2 000 or R8 000 a tourist."

First cut-rate flight

(Cont from page 1) 332

South Africans from here and fly them to Britain, we would have made about a million rands profit — and that money would have stayed in South Africa."

"SAA are acting as if we are the enemy," said Mr Jonker. "Nothing could be further from the truth."

"GATEWAY CITY"

"We would like to work with SAA because we need them."

"However, if they refuse to work with us we will be forced to go elsewhere."

● Mr John Robèrt, managing director of Captour, said his or

ganisation welcomed any enterprises that helped to promote Cape Town as a "gateway city".

He saw as a breakthrough the government's decision to permit these charter flights, albeit on a restricted basis, and he emphasised that Captour would not like to see these concessions jeopardised.

"Captour has always believed there is room for charter flights, especially when people can't get seats on scheduled flights."

"We are keeping our fingers crossed that charter and scheduled flights will co-exist side by side to the joint benefit of South African tourism."

He said about 60 percent of people who came on packages such as the ones Masterleisure offered came again and that, when they did, they often used the scheduled carriers.

He explained that when Masterleisure's first charter flight was cancelled they had to find seats for about 400 passengers.

"We tried to get them on to SAA, but they were full and only by chance a travel agent had made a block booking on a TAP flight which became available — luckily for them."

In fact, he said, passengers coming to South Africa on the company's last flight on January 16 would be returning on SAA and British Air.

"That's a windfall of 400 passengers the scheduled airlines wouldn't have had, had it not been for the charter."

Mr Jonker felt the ban on carrying South African citizens to Britain had not only cut off all his company's profit, but had been to the detriment of the entire local economy.

"If we were allowed to take

(Turn to page 3, col 6)

Boland bus company fares to rise 15,5pc

By DAVID YUTAR
Staff Reporter

BUS fares of the Boland Passenger Transport Company are to be increased by an average 15,5 percent from December 31.

A company spokesman said the increases were an unavoidable consequence of spiralling costs and that fares were last increased on March 27 last year.

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20/12/87
He said the increases had been kept to a minimum, pointing out that the average increase in the cost of cash fares was 15,5 percent — well below the increases in the Consumer Price Index of more than 22 percent in 21 months, when fares were last adjusted.

The Department of Transport has announced that it will not increase its passenger sub-

sidy which has been administered through the discounted clipcard system.

In most cases the bus company's cash fares will go up by a maximum of 15c a trip.

However, increases of between 20c and 30c can be expected on longer journeys.

Fares for children under 12 and students under 17 will increase by 5c a trip.

TRANSPORT PRIVATE - GENERAL

1990

JANUARY - MARCH

Sabta gets probe into minibuses

332

Sowetan 5/11/90

THE SA Black Taxi Association has appointed a research company to investigate the causes of road accidents involving minibuses.

Sabta president James Ngcoya said the company would investigate whether the minibuses, which were currently the main means of transport for black commuters, were suitable for South African transport requirements.

He pointed out that most of these vehicles were designed in Japan for conditions where loads were lighter.

He said the company

would also look into the behaviour of taxi drivers on the road and their driving skills.

He said plans for the vehicle that Sabta themselves were designing were at an advanced stage and would be introduced as soon as it had passed the necessary tests.

Ngcoya, who expressed his sympathy to those who had lost their relatives in road accidents, said they would continue with their driver-training projects to minimize the number of road accidents. - Sapa.

Taxi chiefs blame accidents on pressure from Sats strike

SABTA has blamed the Sats strike for the high taxi-related accident rate over the Christmas holiday period.

Sabta communications director Mike Ntlatleng said yesterday the strike caused most people to forsake train travel and opt for taxis, which resulted in great pressure on taxi operators.

While the actual number of road deaths involving taxis could not be established, the National Road Safety Council (NRSC) reported that holiday period deaths totalled about 250.

Belief 332

Ntlatleng denied that taximen's approach on the roads was influenced mainly by economic considerations, as NRSC deputy director Eric Wise said earlier this week.

Wise said the drivers were driven by the belief the more trips undertaken, the bigger the profits.

Ntlatleng said: "We do not believe that economic considerations, as stated in the Press, were the main causes of the accidents. We believe that it is one of the many causes..."

"Of importance is the fact that the strike by Sats workers has an impact on the number of people using trains. Because of the strike, many people found it convenient to use taxis, and as such tremendous pressure was brought to bear on the taxi operators."

He said it was still too early to say by

5/11/90
THEO RAWANA

how much the load on taxi operators had increased.

Ntlatleng also said most of the mini-buses involved in accidents were "un-roadworthy vehicles with no road permits or vehicles driven by pirate operators in for quick cash".

Sapa reports Sabta president James Ngcoya as saying the research company Project Spear would investigate the causes of road accidents involving mini-buses.

It would investigate whether mini-buses were suitable for SA transport requirements. It would also look into the behaviour of taxi drivers on the roads and their driving skills.

□ Sats was awaiting confirmation as to when discussions will resume with the SA Railways and Harbour Workers Union (Sarhwu) to end the nine-week old Sats strike, senior labour manager Jan Bredenkamp said yesterday.

He said Sarhwu's legal advisor contacted Sats yesterday and said the union would like to arrange a meeting, but no date had been set.

Sarhwu met Cosatu officials on Wednesday and had intended meeting them again yesterday, said sources.

Meanwhile, Sats fired another 16 strikers yesterday, bringing the total dismissed to 22 396, according to Sats spokesman Ian Bleasdale.

He said there were still 3 596 workers on strike.

in the Transvaal and Natal because of the convenience of neighbouring states.

but often do not have are unable to prove has been stolen."

Jo'burg buses not mixed this month

15/04/51/90

EDYTH BULBRING

(EB)

JOHANNESBURG municipal buses would not be legally opened to all races this month, a spokesman from the Road Transportation Board said yesterday.

The bus service could not be legally desegregated until the necessary permits were granted by the board. Although six weeks had passed since the permit application was gazetted, no date for a board hearing had been set.

The spokesmen said the board received thousands of applications for permits, but as this was a priority, the application would go before the board "as soon as possible".

It was possible a hearing date would be made for February, the spokesman said.

Johannesburg City Council acting transport director Gert Tighy said yesterday the department had a Press statement in the pipeline announcing the legal opening of the buses.

Understanding

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However, this could only be released once the permits had been granted. He said they were at the "mercy" of the board and had to await a hearing date.

Tighy said he did not anticipate any objections to the permit application as there was a tacit understanding between Putco and the Transport Department that no objections would be made by either party.

Putco applications for permits to carry all races would be heard on the same day.

As the permits would be for existing routes, Tighy said he did not anticipate any competition between the two services.

He hoped the board would make the applications a priority and name a date.

Commuters threaten minibus boycott

By HAPPY ZONDI
City Press 7/11/90

THE multi-million-rand minibus taxi industry is faced with collapse as commuters threaten a boycott in protest against bad driving.

The threats follow the blaming of taxi drivers for a large percentage of road accidents which claimed more than 250 lives over the Christmas season.

A spokesman for the grant National Congress of Trade Unions (Nactu) said a boycott would not be ruled out if "all else" failed to get taxi drivers to be more careful.

The call was echoed by many people interviewed by City Press in a snapshot survey in the streets of Johannesburg. (Photo) Nactu assistant general secretary Mahlomola Skosana said the first step would be round-table talks with community, church, labour and taxi leaders. If these did not bring any results, a boycott would be considered. Taxi owners would

Court gets tough on 'cowboy' taxi drivers

By DAN DHLAMINI

TAXI drivers who drive as though they are on a race track will soon find themselves without their driver's licences.

This was the stern warning from Potchefstroom magistrate Ben Bester this week when he endorsed both driver's licences and public driver's permits of three Ikageng taxi drivers found guilty of contravening the Road Safety Act.

Bester warned he would at least endorse the licences of those found guilty and would not hesitate to suspend or withdraw the licence depending on the case.

South African Black Taxi Association's (Sabta's) Mike Ntlatleng said the community would not do itself any good by boycotting taxis. But he called for the formation of a committee of commuters to discuss problems with taxis and suggest solutions.

SOWETAN BUSINESS

Building the Nation

Sowetan 11/2/90

332

Taxi wrecks a costly business for owners

THOUSANDS of taxi owners throughout the country could lose their livelihoods when involved in accidents as they will have to repair or replace the vehicles from their own pockets.

According to information obtained by the Sowetan, only 10 to 15 percent of the minibuses bought three years ago and operating on South African routes are insured.

And passengers are also at risk because the third party insurance which covers them is limited. It does not include a public liability clause which would transfer the cost, if there was negligence on the part of the taxi, to the insurance company.

According to insurance broker Mr Khelha Mthembu, comprehensive insurance cover would be best for taxis. Although it varies from one insurance company to another, it includes most aspects of motor cover as well as a public liability clause.

tion, confirmed that most of their more than 45 000 members did not have comprehensive insurance cover, but blamed the problem on insurance companies.

He said that taxis were insured when bought on hire purchase, but once paid up, insurers were reluctant to continue the cover, claiming the risk was too high.

"Some increase premiums and it becomes financially impossible for the operator to continue the cover," he said.

The president of the Southern Africa Long

BY JOSHUA RABOROKO

Distance Taxi Association, Mr Peter Rabali, said one of the least publicised costs of the Group Areas Act was the higher insurance premiums paid in black areas - categorised by insurers as "high risks."

Dependency

"We have serious problems because of the colour of our skins and the areas in which we live," he said. "It is the Government's laws that have put us in these con-

gested areas."

Rabali suggested that blacks form their own insurance companies to empower themselves economically and "get out of the dependency syndrome".

Black Union of South African Taxi Organisations president Mr J Matthyssen said they encouraged their members to insure vehicles as failure to do so would open the space for whites in the taxi industry. He said when taxi owners lost their vehicles in accidents circumstances forced them to front for whites as this option offered more "security".

being in use for three years. "Insurance companies then argue that these defects increase the accident risk and so premiums have to be increased," he said, adding that all this was negotiable.

Claims

The main insurers of taxis are IGI, South African Eagle, Santam and Commercial and General Insurance.

An SA Eagle spokesman said over the past three years the claims record of minibus taxis had become "astronomically worse", resulting in an increase in the claims-to-premium ratio.

Asked to comment on claims by the taxi associations, Mthembu said most taxis were worn out after

able future.

An IGI urban business development regional spokesman, Mr Liege Codd, said the company did insure black taxis, but where exceptions were made, insurance had to be taken over a three year period.

"The prospective applicants have to show sufficient evidence that their vehicles are not exposed to theft and other dangers," he said.

Spokesmen for giant insurance companies - Old Mutual, Auto and General, and Metropolitan - said they did not insure minibuses because of the "high risk" involved and the soaring rate of accidents in the industry.

Most Sabta taxi members not comprehensively insured — SA Eagle

MOST members of the SA Black Taxi Association (Sabta) do not carry comprehensive insurance.

According to statistics released yesterday only 15% to 20% of the 45 000 membership carried formal insurance through Sabta's main insurer, SA Eagle.

A SA Eagle spokesman, which insures vehicles for Sabta members through Sabta's broker, confirmed the figures.

More than 90% of all taxi owners in SA are represented by Sabta.

Sabta president James Ngcoya said it was true most taxis were not insured.

He blamed unfair treatment members were getting from insurance institutions

for this state of affairs.

"After the completion of HP agreements taxi owners are often faced with high increases in insurance premiums or told it is not possible for them to be insured any more."

SA Eagle spokesman Andre Gast said that over the last three years the claims record of Sabta members had become "progressively worse".

There had been an approximate 20% increase in the claims-to-premiums ratio in that period.

Premiums had been increased late last year, but further increases were not expected for the foreseeable future.

PIERRE DU PREEZ

Figures released by the National Road Safety Council (NRSC) indicated a "definite increase" in the collision rate involving minibuses in the period 1986 to 1988.

NRSC spokesman Pierre Hugo said: "One can assume that most minibuses in SA are taxis."

He could not comment on the insurance aspect.

A spokesman for Protea Assurance said the company's involvement was "very small" and not significant enough to make any inroads on the overall market.

An IGI spokesman said his company did insure black taxis but if Sabta members were included it was "purely accidental" as the company was not geared to supplying insurance solely for Sabta.

A Santambank Insurance spokesman said his company's involvement in the black taxi market was limited.

A spokesman for Commercial and General Insurance brokers said his company had about 500 Sabta taxis on its books which he classified as "small".

National Employers' General Insurance (NEG) said its involvement in the Sabta was "nothing whatsoever".

In 1986, 26% of minibuses in SA were involved in accidents. In 1987 the figure was 29% and in 1988 it had risen to 32,8%.

Figures for 1989 are not yet available. Sabta and the NRSC had previously announced joint schemes to improve safety standards in the taxi industry.

Automobile Association spokesman Hugo Hagen said his organisation was concerned about unlicensed vehicles and drivers on the roads.

The AA had issued a warning to motorists over the recent holiday period especially in Natal to "take notice and beware" of these drivers.

RIPSA 17/11/90

Department of Transport to examine travel trends of blacks

B/Dag 8/1/89

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LATEST black travel trends and attitudes will come under the spotlight when the findings of the Department of Transport's National Black Panel (NBP) are presented at a seminar in Johannesburg.

The NBP, established by the department in 1987, comprises more than 2 000 black travellers in all the main metropolitan areas in SA, says Bill Cameron, director of Transportation Research and Consultancy (TRC) which manages the NBP.

THEO RAWANA

Cameron says the NBP differs from the traditional survey sample in that the same individuals are interviewed regularly. "This minimises sampling errors and makes a comparison of individual behaviour over time possible."

The NBP enables the department to measure passenger transport trends on issues relevant to modern transport. Its objectives are to measure behaviour patterns and attitudes for policy formu-

lation and monitor response to change.

The metropolitan areas could also greatly benefit from the market intelligence that the NBP provides. "The opportunity for requesting that specific information be obtained from the NBP is now extended to the metropolitan areas and to all those involved in the transport industry," Cameron says.

Some of the most vital issues in SA today — subsidies, devolution of power, deregulation and privatisation — will come under the spotlight at the seminar

in an entirely new presentation of the latest trends.

The seminar, which will be held at Sunnyside Park Hotel, on February 14, should be of interest to the private and public sectors, those involved in local and national policy, and to those seeking basic market intelligence.

The keynote address will be given by Transport Department deputy director-general Malcolm Mitchell, and the Department's transport systems planning director Schalk Hanekom is chairman.

'Cheap' tour plan collapses

Cape Times 8/1/90 (332)
 Staff Reporters



ABOVE: Nadia Ballot, 11, gets a lift from fellow swimmers Brian Melville (left), Bevan Johnson (centre) and Anthony Pearse after all four finished yesterday's mile swim at Clifton in 9 C waters. Johnson won the race, with Pearse finishing second and Melville third. BELOW: The swimmers set off from Clifton. Picture: ALAN TAYLOR

THE cut-rate air charter shuttle service between London and Cape Town has collapsed, leaving hundreds of travellers stranded briefly on opposite ends of the globe.

Only swift action by the British Civil Aviation Authority (CAA) ensured that some 75 South Africans, stranded in London for the weekend by the folding of Masterleisure (UK) Ltd, were on their way home last night.

The Caledonian Airways Tri-Star flying the South Africans home will return to London tonight with 351 Britons caught in South Africa when Masterleisure, trading also as Inflight Travel, ceased trading on Friday.

The company secured unprecedented clearance from the National Transport Commission (NTC) in October last year for six of eight non-scheduled package-deal flights — part of a major new tourism initiative. The de-restriction deal was lauded as a R30-million tourism boost for the Western Cape by local travel and tourism agents but stiffly opposed by South African Airways.

Masterleisure (UK) Ltd then caused a minor sensation by advertising "free" air tickets for January 2 and 16, indicating that the return fare would be in the region of R2 000. This was prompted by the NTC's refusal to allow them to sell air tickets on their return charter flights to London's Gatwick Airport. The company was inundated with inquiries.

'Service going ahead'

Last night Mr Johan Brits, the managing director of Masterbond — the parent company of Masterleisure and the SA company behind the cut-price flights, said he had no knowledge of any tourists being stranded at Gatwick Airport and denied that the local company was in financial difficulties.

He insisted that the company had not folded and attributed the controversy to "some disputes we have had with Caledonian regarding payments". "They may have said we have folded but the service is going ahead."

Yesterday a British CAA spokesman said the charter company was protected by the ATOL (Air Travel Operator's Licence) — which meant the cost of rescue flights was borne by insurers.

Anyone holding an unused ticket bought from the company in Britain was also guaranteed all his or her money back.

But the CAA said they could not say if the same applied to people who bought tickets inside South Africa.

The CAA spokesman advised travellers immediately to contact their travel agents to check. Mr Brits said last night's flight was as scheduled and was not an emergency measure.

He referred further inquiries to the London company.

There was only one more shuttle flight planned for next Sunday and all passengers "will be covered whether we have to use Caledonian or another airline", he said.

Govt orders matric probe

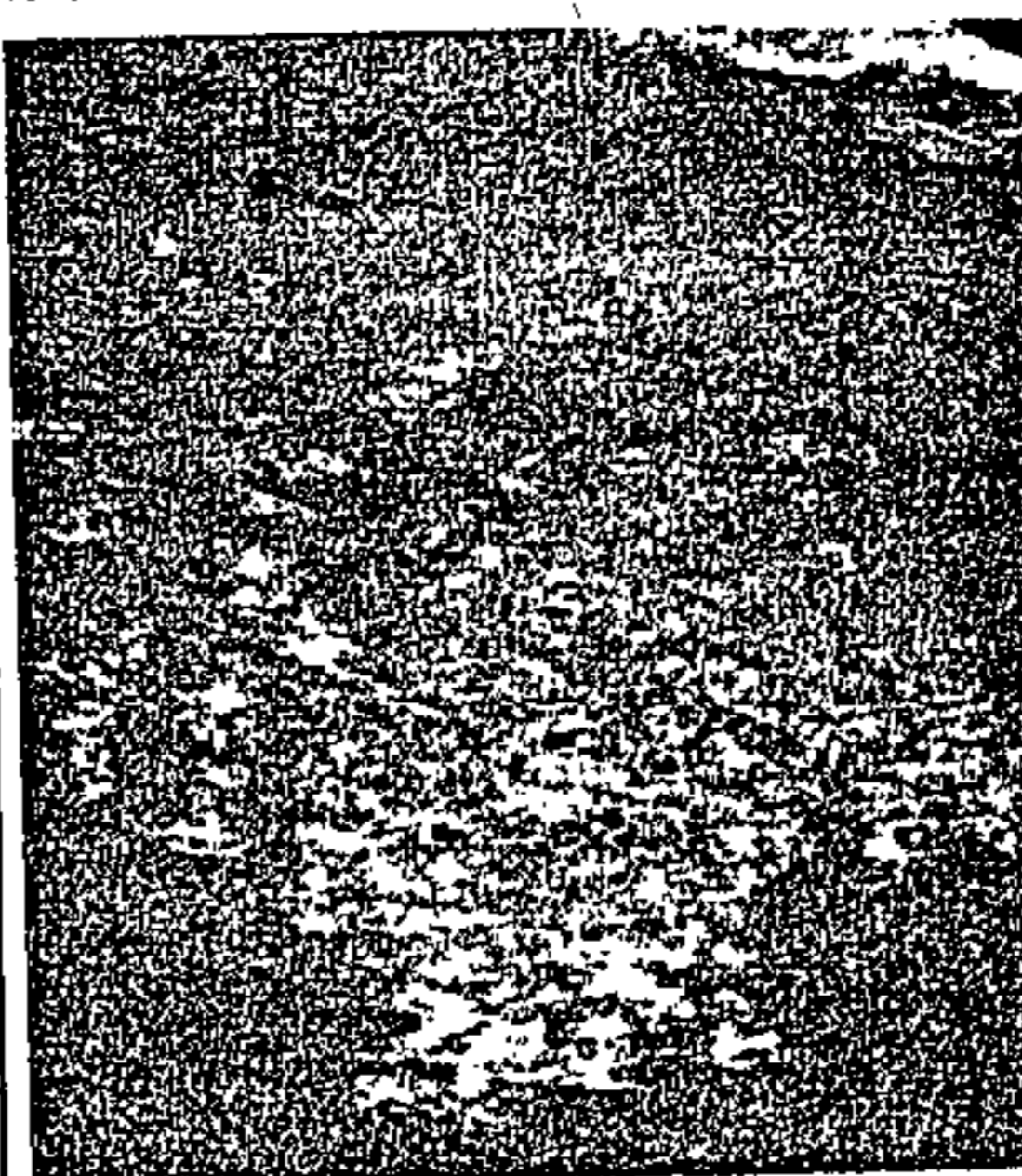
Cape Times 8/1/90 (52) 256

THE government has ordered an urgent probe into last year's black matric results. Only 58% of 159 690 Department of Education and Training candidates passed the examinations.

The announcement that the Minister of Education, Dr Stoffel van der Merwe, had instructed the department to investigate the crisis came as mass rallies in Cape Town and Soweto called on failed pupils to return to school in defiance of the ruling that

The markers should be identified by the black community and should also be accountable to the community, and examinations should also be regionalised where university skills could be used, Dr Mboya said.

He said more than 100 000 pupils would not be allowed to return to school, which meant they would not have the skills to compete in the job market. They would be on the streets, giving rise to gangsterism,



HOME SWEET HOME ... Among the hundreds of passengers to benefit from the short-lived cut-rate charter flights, this group arrived at D F Malan Airport from Gatwick Airport, London, yesterday. From left are Mr David Fowkes, Kerry Fowkes, 8, Michael Fowkes, 4, Mrs Jean New and her husband Mr Peter New, Mrs Wendy Edwards and Mrs Mercia McLean.



Flights SA blamed

fiasco:

CM & TMB
9/1/80
332

From IAN HOBBS

LONDON. — The South African civil aviation authorities were blamed last night for the collapse of a major tourist venture and the use of emergency procedures to fly more than 350 British passengers home to London.

About 350 British tourists were being flown from Cape Town and Johannesburg to London last night on the orders of Britain's Civil Aviation Authority (CAA).

The CAA intervened last Friday at the request of Caledonian Airways, the wholly-owned British Airways subsidiary, after the travel firm Masterleisure, which operates in Britain and South Africa, failed to make advance charter payments.

In London, Caledonian issued a guarantee that all British passengers still in South Africa who had booked fares through Masterleisure, trading under the name Inflight Travel, would be flown home on January 16.

Caledonian sales manager Mr Mike Lewin said Masterleisure had been "unable to fulfil payment commitments" after negotiations for 21 jumbo jet flights had been limited to just six.

Mr Lewin said Caledonian and Masterleisure were bitterly disappointed that a major new venture for South Africa, which had already brought 1 000 new tourists to the country, had been halted.

Mr Lewin said the issue of the South African authorities limiting land rights to just six charter planes, and problems with foreign currency, had wrecked the "promising" venture.

At Masterleisure's office in Marlborough, Wiltshire, financial director Mr Neil Wilshire, of Cape Town, said the intervention of the CAA last Friday had come as a "total bombshell" to him.

Mr Wilshire said: "I have no doubt that the South African authorities were being protectionist on behalf of the pool agreement between SAA and BA. We managed to sell 1 000 seats, at £800 (R2 500) a time, in a very short time and perhaps somebody did not like the business we were generating.

"We keep hearing about free enterprise, privatisation and deregulation ... but when we get a responsible and promising venture going we end up being damaged."

Killer hippo

LUSAKA. — A rogue hippopotamus crushed to death an illegal border-jumper and seriously injured his son when the two were trying to cross the border into Zimbabwe at night near the Victoria Falls.

No Share Game

BECAUSE of technical difficulties in obtaining the full Johannesburg Stock Exchange share listings for both editions of the Cape Times, there is no Share Challenge competition today.

JSE hits record

JOHANNESBURG. — The Johannesburg Stock Exchange's overall index soared to a new record yesterday.

The foretold re-emergence of institutional buyers on Disagoal Street yesterday boosted share prices, pushing the JSE to a new record.

In hectic trading, the index chalked up a gain of 96 points or 3.1% to sweep past its previous high of 3 119 set on December 13, sealing a fresh peak of 3 186.

The rally, led by gold and mining-house shares, spread to all other sectors of the market with the industrial index posting a gain of 41 points or 1.4% to reach a new high of 2 933.

The strong rise in share prices came amid a shortage of scrip and a weaker Rand, to help boost the JSE all-gold index 107 points (5.1%) to 2 202, coming within a whisker of its 2 260 December 13 peak.

Investors are discounting a higher gold price, and as long as the trend is bullish share prices will move to higher ground," a dealer said.

The market should also be buoyed by the weight of institutional funds — estimated by some analysts at R32 billion — seeking an investment outlet this year.

With the scrapping of prescribed asset requirements, more of this money is expected to find its way into the equity market.

Furthermore, most of the big disinvestments of the past couple of years seem to be out of the way, and it is unlikely that large amounts of cash will be drained off for large rights issues such as the Gencor offer and the Iscor flotation.

Rampant bullish sentiment was undimmed as gold traded in a narrow range above \$400 when Japanese and Swiss traders turned sellers and Australian producers offered some gold.

Profit-taking placed gold under

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NATIONAL

Minibus taxi industry

faces threat

332
McG's
10/1/90

The Argus Correspondent

DURBAN. — The multi-million-rand "Zola Budd" taxi industry is facing one of its greatest challenges as commuters threaten to boycott the vehicles in protest against bad driving which they say has resulted in a large percentage of road accidents.

Many commuters are dissatisfied with the way taxis are driven and the high accident rate.

They said they would give their full support to the boycott if it were called for, "so that taxi operators understand how strongly we feel about these accidents."

The assistant general-secretary of the National Council of Trade Unions (Nactu), Mr Mahlomola Skosana said they would like to see the boycott only as a last resort.

He said the first step would be a round-table talk with taxi, community, labour and church leaders.

However, the only people who would be able to take a decision to boycott the taxis would be commuters themselves, he said.

He added that taxi-owners would have to be urged to insure passengers in order to be more stringent in selecting their drivers.

However, the South African Black Taxi Association's director of public affairs, Mr Mike Ntlatleng has warned commuters and community organisations not to be rash about enforcing the boycott.

He said that if the boycott was going to be carried out it would be a difficult, painful decision, which would need to take into account certain elements. These included the fact that in certain areas there were more taxis than buses.

Mr Ntlatleng advised commuters and organisations to raise the matter with various taxi associations, saying there were many issues which could be discussed with these associations as they were autonomous.

THE multi-million-rand "Zola Budd" taxi industry is facing one of its greatest challenges as commuters threaten to boycott the vehicles in protest against bad driving which they say has resulted in a large percentage of road accidents.

Yesterday, for instance, nine died and six were hurt in a mini-bus/station wagon accident on the N3 between Warden and Villiers in the Free State.

Most commuters spoken to expressed dissatisfaction about the way taxi drivers were handling their vehicles and the high accident rate.

They said they would give their full support to the boycott if it were called for, "so that taxi operators understand how strongly we feel about these accidents".

'Zola Budds' under threat of boycott

Sowetan Correspondent

The assistant general-secretary of the National Council of Trade Unions, Mr Mahlomola Skosana, said that Nactu would like to see the boycott of mini-bus taxis come about as a last resort.

He said the first step would be a round-table talks with taxi, commun-

ity, labour and church leaders. And if the decision were reached to boycott the taxis, the only people who would be able to take that decision would be commuters themselves, he said.

Warning

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more stringent in selecting their drivers.

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MAHLOMOLA SKOSANA

be a very difficult and a painful decision, which would need to take into account certain elements. These included the fact that in certain areas there were more taxis than buses.

Ntlatleng advised commuters and organisations to raise the matter with various taxi associations, saying that there were many issues which could be discussed with these associations as they were autonomous.

Saldta leaps to defence of mini-bus drivers

Sowetan 11/1/90 (332)
THE SA Long Distance Transport Association has come to the defence of mini-bus taxi drivers, who, it says, are often accused of causing accidents on the country's roads.

Saldta said in a statement yesterday it regretted the many accidents during the festive season and that many people tended to blame taxi drivers for carelessness on the road.

"It is our conviction, however, that the responsibility for road safety in any country around the world rests with every motorist and every pedestrian. The principle of road safety is our joint responsibility.

"Our observation at Saldta is that very rarely do two taxis collide with each other along a road. But we have noted with great concern that more often than not it is a taxi and a private vehicle involved in an accident.

"This observation says a lot to us."

Saldta said it believed private vehicle owners needed serious training to create awareness and for defensive purposes.

"The image of the taxi driver has been so distorted by everybody that people generally fail to look at exactly where the fault lies in the case of an accident.

"Private people, especially whites, generally have negative views of black drivers. These prejudices are constantly magnified on the road and many blacks can testify that whites bully blacks on the road and cause accidents.

"We are and have been constantly educating and conscientising our members on the impact of road fatalities on the economy, the impact of road accidents on family life, and the need to become preservers of life and agents of development." - Sapa.

Row looms over new taxi ranks

332
Sowetan 11/1/90

By MONK NKOMO

A new row has broken out between the Pretoria City Council and taxi owners - for the second time in six years - over the removal of the Bloed Street taxi rank at midnight on Sunday.

People commuting between Pretoria and the townships are now served by a number of smaller ranks.

According to angry taxi owners a new rank at Dr Savage Road in Pretoria is inadequate.

Fined

Situated a mere 200m from the old Bloed Street rank, it cannot cater for the scores of taxis - many of which now have to park on the pavement and get fined. This rank is, however, supposed to replace Bloed Street which was among the busiest spots in Pretoria.

The council has allotted parking space for only ten taxis. A number of taxi owners said they were issued with tickets of up to R100 for parking on the pavement on Monday when the new rank came into operation.

A spokesperson for the council yesterday took note of the complaints and said the matter would



Mr James Ngcoya, president of Sabta

be discussed at the liaison committee meeting whose members comprise traffic officials and executive members of Sabta and Puta.

The new system of introducing fresh ranks and stopping places in the city is the result of negotiations between the council and the South African Black Taxi Association, according to Mr Enos Makena, director of Sabta and chairman of the Pretoria United Taxi Association.

"This taxi rank is too small. The critical shortage of parking space for combis is going to lead to accidents along Dr Savage Road especially when one of the taxis drive into the rank to replace the one that has



Mr Enos Makena, chairman of the Pretoria United Taxi Association

loaded," taxi owners said.

They requested the city council to use the open spaces inside the new rank and develop them for parking purposes.

Three new taxi ranks came into operation in the city on Monday after the closure of the Bloed Street at midnight on Sunday. The rank was closed following years of court battles between the city council and the local taxi association.

The other new ranks are at Belle Ombre station and Cowie Street. In addition there are the Bosman Street and Pretoria station taxi ranks. The R500 000 Belle Ombre ranks in Marabastad, which was built about four years ago amid protest from taxi

owners, could remain a white elephant following a decision by a majority of taxi owners who have vowed to use the Dr Savage Road ranks.

"It is convenient and it is in town," said taxi drivers interviewed yesterday. Belle Ombre rank was deserted yesterday.

Taxi owners also complained about the lack of toilet facilities at the Dr Savage Road rank. The *Sowetan* established that there was only one toilet for men and three for women commuters from Atteridgeville, Hammanskraal, Mabopane, Soshanguve, Mamelodi, Pretoria station and Marabastad.

The new stopping places for taxis in the city was met with mixed reaction from taxi owners this week. While others favoured the arrangement, many thought they were inconvenienced because of lack of parking at the loading areas.

ed to about 2 300.

In the previous year, 1 796 classrooms were built at new and existing schools to

James Moulder says it will take at least a decade to generate the wealth required to pay for the physical facilities and train the qualified teachers needed.

Saldta stands up for taxi drivers

THE SA Long Distance Transport Association (Saldta) has come to the defence of mini-bus taxi drivers, who it says are often accused of causing road accidents.

In a statement yesterday in which it expressed regret at the number of accidents during the festive season, Saldta said many people tended to blame taxi drivers for carelessness on the road.

"It is our conviction, however, that the responsibility for road safety in any country rests with every motorist and every pedestrian. The principle of road safety is our joint responsibility.

"Our observation at Saldta is that very rarely do two taxis collide with each other along a road. But we have noted with great concern that more often than not it is a taxi and a private vehicle involved in an accident."

Saldta said it believed private vehicle

owners needed serious training to create awareness and for defensive purposes.

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332 Educating

"Private people, especially whites, generally have negative views of black drivers. These prejudices are constantly magnified on the road and many blacks can testify that whites bully blacks on the road and cause accidents.

"We are and have been constantly educating and conscientising our members on the impact of road fatalities on the economy, the impact of road accidents on family life, and the need to become preservers of life and agents of development."
— Sapa.

HOUSEHOLD REMOVALS

Tough year ahead?

Profit margins in the R800m-a-year household furniture removals industry are likely to be squeezed to such an extent this year that many of the small operators could go to the wall. FIM 12/11/90

Denis Kaye, MD of market leader Laser Transport, whose stable includes Stuttafords Van Lines, Pickfords, Frasers International, Jack Wellstead and Van Nimwegen, says the market is too overtraded for operators to recover full costs from clients. Rate undercutting in the transport sector in general has created a situation where, in some cases, it's cheaper to transport goods from Cape Town to Johannesburg today than it was 12 months ago.

During the same period, however, capital, maintenance and operating costs have increased considerably.

This means that some operators are inevitably pricing themselves out of business, claims Kaye. (332)

Kaye believes rationalisation in the sector is long overdue, particularly considering the prospect of increased competition caused by transport deregulation and the pending privatisation of Sats.

Household and office furniture removals

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have also slowed with the economy. This reflects a quieter domestic property market due to high bond rates and a tendency for companies to stay put rather than move offices or build new premises.

Laser's international removal business has also shrunk considerably since the wave of emigration in the Eighties, Kaye notes. By late last year it was 30% down on 1988, which, in turn, was 30% down on 1987. A trend of returning emigrants is now developing, particularly from the UK and Europe, which accounts for about 35% of Laser's international business.

Kaye claims transport operators who don't have a sound infrastructure will not be able to compete this year. The capital cost of vehicles and increasing running expenses will force them out of the market.



Small removers ... hard times are coming

Laser, which has cornered about 15% of the market, operates 900 vehicles worth about R60m. Kaye says the group will consolidate and upgrade in the coming year to counter the effects of a difficult trading environment. Laser is also well placed to make acquisitions if opportunities arise. He sees a need to continue developing niche markets to cope with specialised removal needs, such as household plants and art works, for which the company already caters.

Black household furniture removal is also a totally unexploited market. The continuing relaxation of residential apartheid offers tremendous growth potential in this area, he believes. ■

MASTERLEISURE F/M 12/1/90

Teething problems

Cape-based charter operator Masterleisure has flown into a hornets' nest. First, SA Airways attempted to block its flights (*Business* December 15) and now it's involved in a financial dispute with its UK carrier Caledonian Airways. (332)

The chairman of the holding company, Masterbond Trust, Koos Jonker, insists however its current venture of six flights between the UK and Cape Town has not collapsed and no passengers have been stranded.

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The final flight (for the current season) from the UK is due to land in Cape Town on Monday and return on Tuesday. Jonker says just over 1 000 tourists will by then have been brought to the Cape by Masterleisure over the Christmas and New Year period.

He also denies that Masterbond subsidiary, Masterleisure UK, which marketed the charter packages in Britain, has stopped trading. He says reports that 75 tourists were stranded in the UK last week due to the venture's purported collapse were untrue.

Jonker stressed Masterleisure's flights operated from the UK to Cape Town and back, and not vice versa. The company has no knowledge of stranded tourists and has no idea where the information in the reports came from nor to whom it refers. "They're definitely not our people. Even though there have been technical delays on some flights — which occurs on all airlines now and then — we have ensured that all our passengers have reached their destinations and returned home, even if we've had to book them on scheduled flights."

The Masterleisure scheme has been dogged by misfortune from the start, not least of all by SAA's placing major obstacles in its path. The latest dispute centres on a demand by British Airways subsidiary Caledonian Airways (from which Masterleisure has chartered aircraft) for additional upfront payments. Jonker was due to travel to London this week in an attempt to renegotiate his company's agreement with the airline.

If he fails, and Caledonian pulls out of the venture, another aircraft will be chartered for the final flight next week or passengers will be put on scheduled services.

Jonker says the British Civil Aviation Authority was drawn into Masterleisure's dispute with Caledonian as an arbitrator in the financial wrangle and not, as has been reported, because the charter operation has

F/M 12/1/90 (332)

collapsed and passengers are stranded.

He says though Masterleisure has made no money on the six charter flights, it has broken new ground for the local tourist industry and learned valuable lessons. The company is now planning a new series of charters for the holiday season at the end of this year. ■

WROTS HOUSE FIRE-BOMBED

BY HAPPY ZONDI

AN UNEMPLOYED Klipspruit man and his family had a close shave with death when their home was set on fire because he was mistaken for a Sats worker.

Paul Moekeisi's home is opposite that of a Sats employee who is working during the strike.

The neighbour's house was bombed later this week, following a tip-off that the wrong house had been hit.

Speaking from his hospital bed, 48-year-old Moekeisi said he was still puzzled by the

Soweto man's home mistaken for Sats worker's

incident and did not have enemies.

He told *City Press*: "I never thought it could happen to me."

Moekeisi's Pimville home was petrol-bombed a few days before Christmas.

He said he was awakened by a strong light from nearby.

"When I opened my eyes there was fire, fire all over me. I shouted

for help and rushed to wake my family. Suddenly, the neighbours were helping us extinguish the fire."

The following day he went to a clinic, which referred him to Baragwanath Hospital where he was treated for third-degree burns.

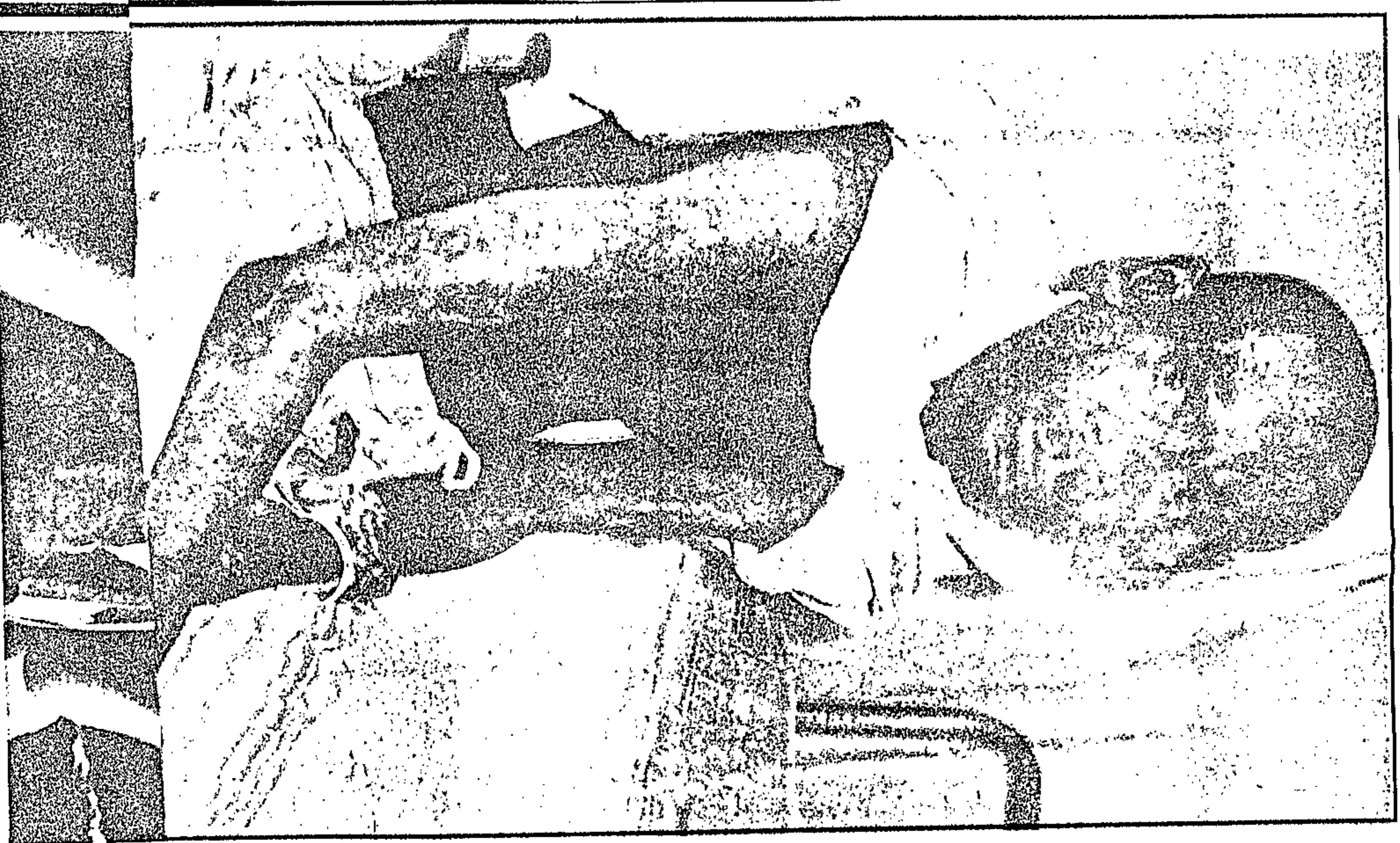
According to the family two petrol bombs were found in the bedroom where

Moekeisi was sleeping. The entire mattress was burnt and some of the walls have deep cracks and could break at any time.

Kluptown police are investigating the incident.

Another Sats worker, Joseph Tladi, was shot dead last month when he was surprised in his Vosloorus home by men who accused him of working while they were on strike.

He could not join the strike because he had just bought a dream house and had to fork out R800 monthly bond repayments.



Back to normal after holiday break

THE market has come out of the holiday season in most parts of the world and trading is back to normal, Afrumar reports. (332)

Conditions in the North Atlantic have tended to firm with the larger Cape- and panamax-sized vessels

SHIPPING

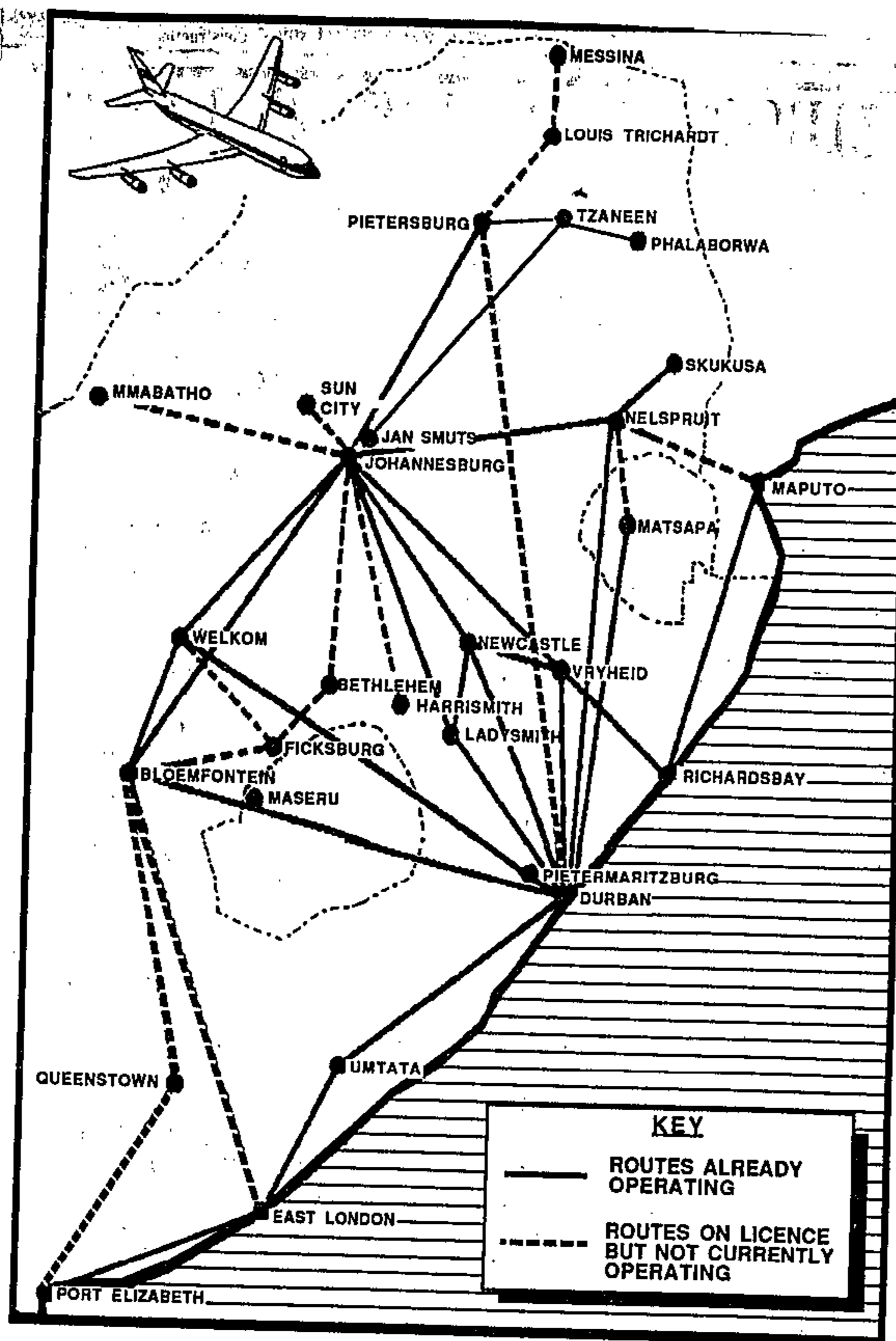
seeing rate levels on a better basis. There have been further purchases of grain by the Soviet Union and with the present situation in the Eastern Bloc, it

could be that steady grain purchasing will continue.

There has been more activity in the Far East for the larger sizes, with some improvement in rates.

The SA market is generally seeing a firmer trend for most sizes. There has been more inquiry for handy sized vessels, with about \$7 000 a day obtainable for vessels of 28 000dw for timecharter trips to the Continent, and in the region of \$7 000 a day with delivery Muscat for timecharter trips to the Far East via SA. Coal inquiry has been steady with rates for panamax-sized cargoes from Richards Bay to Rotterdam at \$11,50-\$11,75 a ton.

The grain sector of the market has tended to be rather quiet. Small parcels of ferro alloys have been quoted to the East with charterers expecting to cover at unchanged rates. A cargo of 150 000 tons of iron ore was quoted from Saldanha Bay into the Mediterranean for loading during the middle of February.



Three private SA airlines merge

By Kaizer Nyatumba

Three of South Africa's established private airlines have merged to provide passengers with a network of primary and secondary routes covering most of the country.

Second only to the giant State-owned South African Airways, the as yet unnamed new airline is a merger of Johannesburg-based Magnum Airlines, Durban-based Citi Airline and the East London-based Border Air. It will operate routes between major centres as well as smaller cities and towns.

"To provide a complete service to the flying public we will provide a feeder service to the main centres and to previously relatively inaccessible destinations," said the chairman of the new airline, Mr Dick Fleming.

Mr Fleming said in addition to being a commuter airline handling business and tourist passengers, the new airline would also carry cargo and freight.

He said their objective was to list the new airline on the Johannesburg Stock Exchange in the near future once its viability and profitability had been demonstrated.

A spokesman for the new airline, Ms Gill Gresack, said route combinations held by the three constituent airlines provided a substantial network.

The airline will start off with a fleet of three Fairchild Metroliners, eight Piper Chieftans and three Cessnas to provide a frequent, regular, scheduled service, said to Ms Gresack.

The new airline is backed by a consortium of Alpha Bank — a South African Merchant Bank — and a British investment group.

Ms Gresack said the airline expected to more than double existing traffic levels within three years and to consolidate its position as a prominent feeder airline.

Some of the airline's destinations include Durban, Johannesburg, Maritzburg, East London, Port Elizabeth, Nelspruit, Newcastle, Bloemfontein, Vryheid, Pietersburg, Skukuza, Richards Bay, Umtata, Welkom, Lady-smith, Ulundi and Maputo.

A competition is to be launched to find a name for the airline, but until then the company will operate as Magnum Airlines.

Drivers back at the Bloed Street rank

Sowetan Reporter

THE saga of the Bloed Street taxi rank continued yesterday when the city council decided to allow taxi drivers to use the rank for the time being.

This follows the decision by a number of taxi drivers at the weekend to remove the obstacles barring entrances to the rank and resume operations.

A city council spokesman said the move to Bloed Street was discussed by a working committee of the Formal Taxi Liaison Committee yesterday, and a decision would be made at a meeting of the Liaison Committee today.

In the meantime, the status quo would be maintained - which means that for the time being no steps will be taken to bar the taxis from the Bloed Street rank.

The Taxi Liaison Committee comprises representatives from vari-

ous city council departments, as well as representatives from the Pretoria United Black Taxi Association (Putu) and the SA Black Taxi Association (Sabta).

The Bloed Street rank was closed on Monday last week after negotiations between Putu and the city council. The agreement between the parties included the establishment of new ranks at Belle Ombre station and in Dr Savage Road, and stopping places around the city centre.

Mr Enos Makena, chairman of Putu, said his organisation was investigating the decision of the drivers to move back to Bloed Street.

He said most of the drivers who participated in the move were members of Putu.

Putu has been instrumental in the negotiations leading to the closure of the Bloed Street rank and the establishment of the new Dr Savage Road rank, and last week expressed its satisfaction with the operation of the new rank and stopping places.

* In another development, several irate motorists have complained about taxis parking in Dr Savage Road.

A Rietfontein resident, who did not want to be named, complained about the city council's "flagrant disregard of public safety through insufficient parking at the new taxi rank".

He said especially in the mornings the Dr Savage Road rank was filled beyond capacity, forcing taxi drivers to park alongside the road.

Sowetan 17/01/90
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Boycott of Sabta taxis may spread

Bill Day
15/11/90 THEO RAWANA 332

A BOYCOTT of Sabta taxis in the King William's Town region yesterday threatened to spread to the Transvaal.

Sabta has been plunged into the MDM-led boycott after a feud with a rival taxi association in the King William's Town region.

The action followed the taxi organisation's withdrawal from a committee set up to resolve a dispute between its members and the rival Uncedo Taxi Association, UDF regional president Mluleki George said from King William's Town yesterday.

Last night Alexandra residents were set to decide at a meeting what action should be taken against taxis over problems which included the high accident rate.

George said the MDM decided to mediate in the taxi operators' feud after a bloody battle between the warring factions in King William's Town had put commuters' lives in danger.

A Sabta spokesman said he believed the situation was under control and there was no cause for alarm. He said Sabta had about 300-to-500 members in the area, but refused to comment further.

Alexandra Civic Organisation (ACO) president Moses Mayekiso said yesterday Alexandra residents had had problems with some taxis and had had meetings with the local association.

"We could not resolve the problems and a decision will be made at tonight's meeting what steps should be taken."

Boksburg

332

taxi men

to meet

Stewart 17/11/90

PRESSURE from dissatisfied members has forced the Boksburg and District Taxi Association (BDTA) to hold general elections 10 months before time, said PRO Mr Potso Dhlamini yesterday.

Dhlamini said the elections will now be held at Vosloorus Civic Centre in Vosloorus on January 28 starting at 9am.

Dhlamini said: "If members had things their way we should have held elections last year in November. But our chairman, Vorster Jiyani, made them aware that constitutionally we should hold them this year in October."

Laser earnings hit by tax and interest bills

18 11190 LESLEY LAMBERT

332

CAPE TOWN — Laser Transport Holdings, the parent of Stuttaford Van Lines, Pickfords Removals and Fraser Intenational, has started showing signs of strain in an industry regarded as one of the early barometers of economic change.

Although the group continued to grow last year with turnover increasing by 18% to R106m, and untaxed earnings by 23% to R88m, substantially higher tax and interest bills pushed net earnings down 6% to R6,2m.

Laser MD Denis Kaye said trading conditions had worsened considerably during the second half of the year and the group had had difficulty recovering huge increases in operating costs.

Basic overhead costs like fuel, labour and tyres are reported to have increased by over 50% during 1988 and 1989, while vehicle prices grew by over 200%. Competition remained strong in a shrinking market where the volume of international and domestic removals declined as emigrations and the economy slowed down.

The tax rate increased from 37% to 46% during the year under review as tax allowances diminished, with the result that tax payments grew 35% to R5,3m.

The other major burden — a 65% increase in interest payments to R3m — was attributed to the growing cost of capital borrowed to upgrade infrastructure and facilities for Laser's long term benefit.

As one of the largest in an R800m industry, Laser's market share is less than 20%. Kaye believes that opportunities to increase market share may arise from the rationalisation of older, smaller companies.

A final dividend of 12c has been posted, leaving the total payout unchanged at 25c.

Chartering success

The problems of SA's first major air charter venture ended amicably this week when Cape-based Masterleisure renegotiated a financial package with British Airways sub-

82

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sidiary Caledonian Airways.

This ensured the arrival in Cape Town on Monday of the last of five planeloads of British tourists.

Koos Jonker, chairman of Masterleisure's parent company, Masterbond, flew to London last week to sort out a dispute, that threatened to disrupt the venture (*Business* January 12), over advance payments to Caledonian

"Not only was the contract renegotiated to everyone's satisfaction but we also secured an agreement in principle for Caledonian to operate charter flights for Masterleisure over the holiday season at the end of this year. While Caledonian wants as many flights as possible over the period, I believe landing rights will probably be given for only about eight," says Jonker.

The venture was plagued with problems from the start but it broke valuable ground and proved the potential viability of large-scale tourist charters to SA.

Jonker says: "We've opened doors and established beyond doubt that there is a market." He adds that Masterleisure learnt important lessons that would ensure the success of future ventures.

"We effectively loosened the grip that scheduled carriers have on the tourist market and showed what privatisation is all about. Negative publicity surrounding the venture appeared to have been based on the complaints of a small minority of travellers who did not take the trouble to check the details of the package and expected more than they paid for," he says.

One of the gripes was that the flight from Gatwick to Cape Town took 20 hours and included a number of stops in Africa. Jonker says Caledonian's Tri-Star jet is incapable of a non-stop flight from the UK to SA. To charter an aircraft with that capability would have nearly doubled the cost of the package and defeated its objective of getting tourists to SA in comfort and safety at the lowest possible cost. "Most tourists seemed to think the money they saved was worth the slight inconvenience of a longer trip," says Jonker. ■

MONDAY, JANUARY 22, 1990

Put that's not all, with our 47-



Few Sabta members ³³² comprehensively insured

Own Correspondent

JOHANNESBURG. — Most members of the SA Black Taxi Association (Sabta) do not carry comprehensive insurance.

According to statistics released last week, only 15% to 20% of the 45 000 membership carried formal insurance through Sabta's main insurer SA Eagle.

A spokesman for SA Eagle, which insures vehicles for Sabta members through Sabta's broker, confirmed only "about 15% to 20%" of Sabta's taxis were covered.

Sabta represents more than 90% of all taxi owners in SA. Sabta president James Ngcoya said: "It is true that most taxis are not insured."

He blamed unfair treatment members were getting from insurance institutions for the current state of af-

fairs.

"After the completion of HP agreements taxi owners are often faced with high increases in insurance premiums or told it is not possible for them to be insured any more."

SA Eagle spokesman Andre Gast said that over the last three years the claims record of Sabta members had become "progressively worse".

There had been an approximate 20% increase in the claims-to-premiums ratio in that period.

Premiums had been increased late last year, but further increases were not expected in the foreseeable future.

Figures released by the National Road Safety Council (NRSC) indicated a "definite increase" in the collision rate involving mini-buses in the period 1986 to 1988. NRSC spokesman Pierre Hugo said:

"One can assume that most mini-buses in SA are taxis."

He would not, however, comment on the insurance aspect. The NRSC was mainly concerned with safe driving.

A spokesman for Protea Assurance said the company's involvement was "very small" and not significant enough to make any inroads on the overall market.

An IGI spokesman said his company did insure black taxis but if Sabta members were included it was "purely accidental" as the company was not geared to supplying insurance solely for Sabta.

National Employers' General Insurance (NEG) said its involvement in the Sabta was "nothing whatsoever".

A Santambank Insurance spokesman said his company's involvement with the black taxi market was limited.

A spokesman for Commercial and General Insurance brokers said his company had about 500 Sabta taxis on its books which he classified as "small".

In 1986, 26% of all mini-buses in SA were involved in accidents. In 1987 the figure was 29% and in 1988 it had risen to 32,8%. Figures for 1989 are not yet available.

Sabta and the NRSC have previously announced joint schemes to improve safety standards in the taxi industry.

Automobile Association spokesman Hugo Hagen said his organisation was concerned about unlicensed vehicles and drivers.

The AA had issued a warning to motorists over the recent holiday period especially in Natal to "take notice and beware" of such drivers.

Stw 23/1/90

Stw 23/1/90

The Star Finance

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Hudaco's earnings improve

By Derek Tommey
Engineering supplier Hudaco had an excellent year in 1989. It increased its operating profit in the 12 months ended November by 56 percent to R43,6 million (R27,8 million). This was achieved from a 45 percent rise in turnover from R252,1 million to R364,7 million.

However, earnings a share showed a less exuberant rise — by 26 percent from 85,4c to 107,3c.

A final dividend of 28c has been declared making a total payment of 48c for the year — a 26 percent increase on last year's 38c.

Mr KF Clarke, Hudaco's chief executive, says trading conditions were buoyant. The surge in operating profit was the result of a strong drive to improve operating efficiencies.

However, outlays were heavy. Finance costs more than doubled, rising from R2,9 million to R6,9 million. Tax payments rose by 70 percent from R7 million to R11,9 million.

This and other expenditures were partly financed by borrowings of R29 million and the issue of 2 million shares which brought in R15 million.

Mr Clarke says that the company is expecting a slow-down in 1990. But it largely supplies replacement markets whose activities tend to hold up well under these conditions.

Although the rate of tax will increase, Hudaco expects another year of real growth in earnings.

Fabcos aiming for own finance house

By Jabulani Sikhakhane
Negotiations are at an advanced stage between the Foundation for Business and Consumer Services (Fabcos) and several financial institutions to establish a financing house for Fabcos members.

The chairman of Fabcos Marketing and former CE of the African Bank, Gaby Magomola, says several financial institutions have shown great interest in the project.

A source at Fabcos says June has been set as the deadline for launching the company.

"We have a team of experts looking at what the needs are and how best to address them. What we need is a scheme to accommodate financing needs of our constituents who have continuous need for finance," Mr Magomola says.

The company, whose equity is still to be decided, but will be black-owned, will provide finance for Fabcos members, who include stokvel members, small builders, taxi operators and members of the 600 000-strong National Black Consumer Union (NBCU).

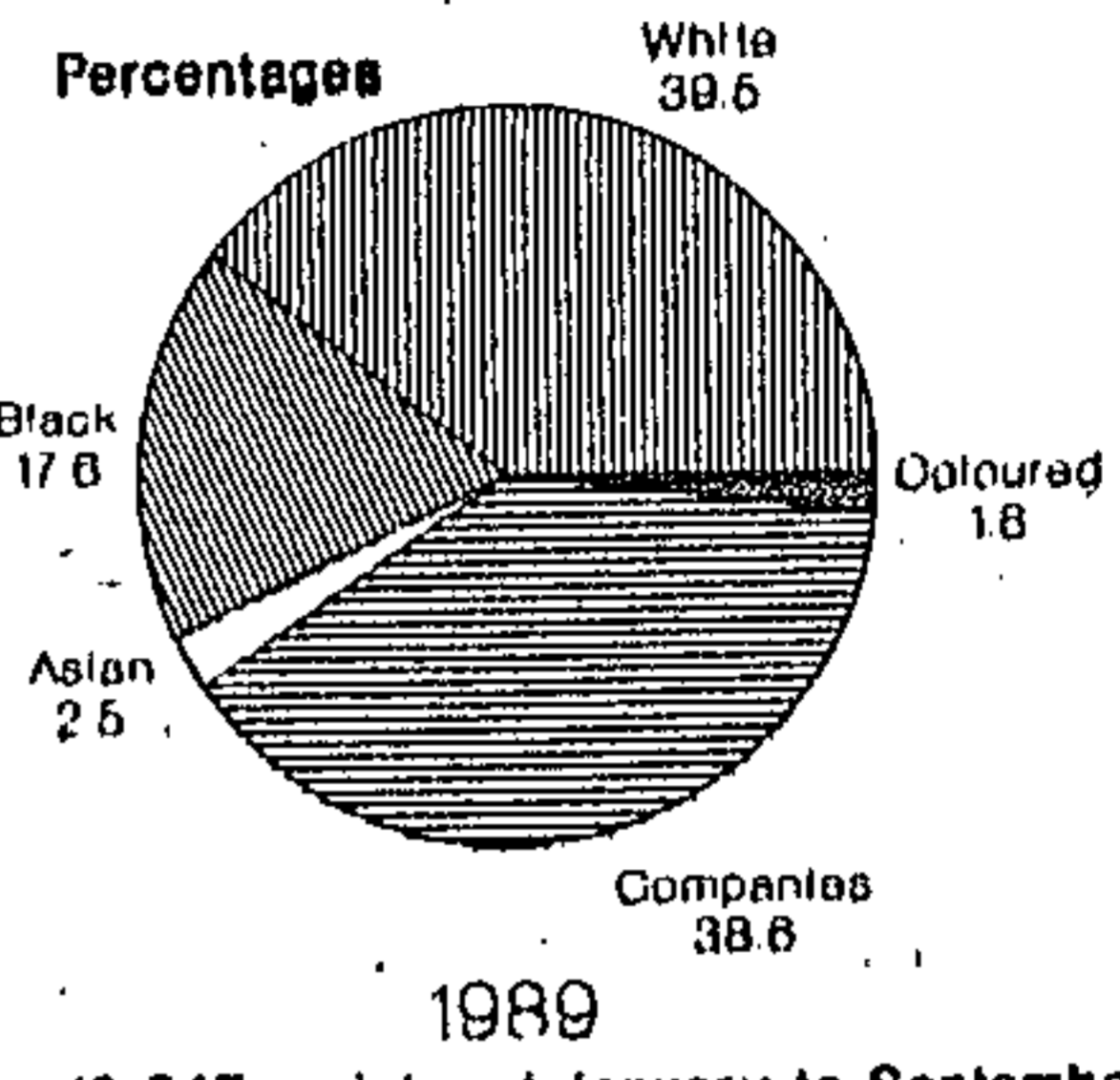
Negotiations have also been held with motor manufacturers and oil companies as possible joint partners in the project.

However, sources point to the Perm as the financial institution likely to take up partnership with Fabcos.

The Perm has strong links with the small savings clubs (stokvels).

The formation of a financing house comes in the wake of growing concern

MINIBUS OWNERS



13 347 registered January to September

within the Southern Africa Black Taxi Association (Sabta) over the increasing number of whites entering the industry, mostly using blacks, either as fronts or drivers.

According to estimates, over 30 percent of taxis are now owned by whites.

Figures from Central Statistical Services (CSS) show that of 13 347 minibuses registered from January to September 1989, 5 274 were registered by whites, against only 2 348 by blacks.

Companies and close corporations accounted for 38,6 percent, while Asians and Coloureds made up for the other 2,5 percent and 1,8 percent respectively.

However, compared with the same period in 1988, the number of minibuses showed a decline of 380 from 13 727.

Conference to highlight Mozambique economy

Finance Staff
More and more South African businesses are looking at expanding their operations into Mozambique.

A conference aimed at highlighting the latest economic and political trends is now planned over the

weekend of February 23-26 in Maputo's Polana Hotel.

The conference is organised by Action Conferences, a Johannesburg-based company, which has been doing business in Mozambique for two years.

Speakers at the confer-

ence include the head of the SA trade mission, representatives of Mozambique government ministries and Maputo-based private enterprises. Further information can be received from Action Conferences at (011) 887-7870/78/82.

Unitrans meeting about rights offer

BRENT MELVILLE (332)

ROAD transport group Unitrans has notified its shareholders of a general meeting on February 16 to formally approve implementation of its R65m rights offer.

A circular to shareholders says the proceeds will be used to finance further growth and accelerate development of the company's existing business.

During the last financial year expansion cost the group R63m, increasing the level of interest-bearing debt to R39,6m (R26,3m), and interest charges to R3,3m (R483 000). On the balance sheet gearing jumped from 35% to 46%.

United General Investments controls 80% of Unitrans, which in turn is controlled by UK-based BET Plc, with 60%, or 17,5-million shares. Sankorp, which is underwriting the offer, controls the remaining 40% (11,7-million shares).

The funds will be raised by way of a renounceable rights offer of unsecured compulsorily convertible subordinated debentures to shareholders. A separate non-renounceable offer of debentures will be made to staff.

Unitrans closed yesterday at a 12-month high of 440c, resulting in an historical dividend yield of 3,2% and a p/e of 8,1 times.

B/PW 23/1/90



SOWETAN BUSINESS

The travel trail-blazers

By JOSHUA RABOROKO

THREE former taxi drivers have formed the first township-based, registered travel agency, Zenzo Action Travel and Tours.

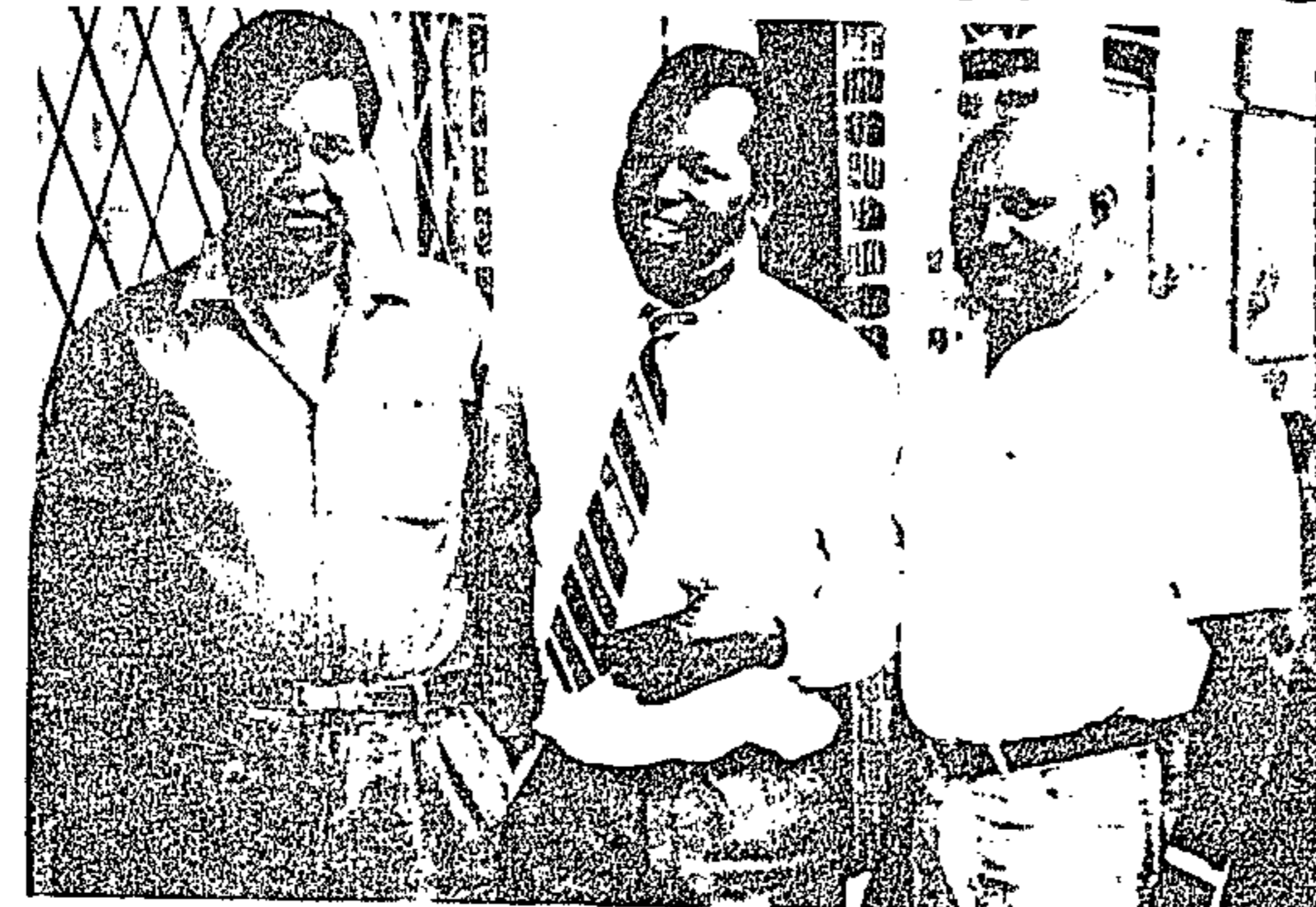
The three want to tap the R3,9-billion industry, hitherto the preserve of white entrepreneurs. Their target is, however, getting a bite at R2,4-billion in revenues generated by South Africans within the country.

The three lifelong friends have graduated from driving taxis "for other people" and running stokvels to start the agency.

They maintain that Africans, like other people, "like travel" and have until now supported agents in town because there were none in the township.

However, this is the second first for chairman Mr Joe Seakatsie (54), and directors Mr Mavela Shongwe (54) and Mr Peter Moeletsi (61). In 1974 they pioneered the introduction of the minibus into the taxi industry.

Their savings while in the lucrative taxi industry



Moeletsi, Seakatsie and Shongwe ... trail-blazers in the tourism industry.

provided them with capital for their present venture.

When they launched their travel agency things "were not rosy". They did not have sufficient funds or a licence to operate in the industry. Financial institutions were reluctant to provide them with the R1-million needed.

But after borrowing here and there they man-

aged to get part of the capital.

They are now recognised by the International Association of Travel Agencies and are registered with the local Travel Agency Board - thus becoming the first black agency to have such status.

Seakatsie says they battled from 1974 to get a licence because "we were venturing into an unknown business that has not been tapped by blacks". It was not easy, but they finally got the licence in 1977.

The director of Travel Agency Board, Mr F Botha, confirms that Zenzo is the first black agency to register with the board.

The trio formed a group after many small agencies folded their businesses, probably be-

cause of lack of finance and experience.

Botha said the group was being helped to improve its service which would enable it to compete against the established agencies.

However, Zenzo Action is already going big. In 1989 it extended its operations and was joined by two other travel agencies, enabling them to open offices in Johannesburg, Atteridgeville and Pietersburg. The company's ambition is to go national.

It organises travelling for women's clubs, whose members consist of professionals and housewives. It also specialises in travel for businessmen and academics taking their families on holiday in South Africa, Africa and overseas. This forms the bulk of their business.

Their objectives are to:

- *Provide a top class, complete travel service to the black community;

- *Take part in the development of black business advancement;

- *Provide professional training and create job opportunities for black employees.

Seakatsie says that this corporate mix enables blacks to enter into what has been and still is exclusively a white area. It enables blacks to acquire the technical know-how, the business acumen and the managerial skills to handle this business as well as anyone else in the market place.

"We are getting into this because we know that at the turn of the century blacks will be a very im-

Sabta men on the move



Jeff Rapoo ... Financial manager.



Jabu Mabuza ... Deputy managing director.



Cyprian Lebese ... Marketing manager, Sabta marketing.



Knox Matjila ... Strategic Planning and Promotions manager.



Terry Mphahlele ... Media liaison manager.



Ashley Mabogoane ... director.



Tebello Radebe ... Projects co-ordinator.



Bigriver Ratlhagane ... Client liaison manager.



Mike Ntalleng ... Director: Public affairs.

portant force in the market place.

"If you do not lay the foundations for the future now you are probably going to lose it to someone else.

"As you know, by the year 2000 tourism will be second only to mining, so it is only economic wisdom to look in a direction that has never been tapped from the blacks, and which lays the ground for us to succeed when we compete with others," he says.

"For instance, blacks have always been frustrated when they get to hotels at peak periods to find that accommodation has been taken up by whites who had booked 12 months in advance. Education would have saved the travellers from embarrassing situation."

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Bigriver Ratlhagane ... Client liaison manager.

Mike Ntalleng ... Director: Public affairs.

Free rides

It's too early to tell whether free magazines for blacks are an effective advertising medium but Putco and the SA Long-Distance Taxi Association (Saldta) are following Sales House, SFW and Wanda into this field. FM 26/1/90

Putco's monthly *Busstop News* was launched in November with a limited circulation of 15 000, confined to the Pretoria area, but from April it will have a circulation of 200 000 in the PWV, Durban and Kwa-Zulu.

Saldta's debut issue will be launched in March under the title *Traveller's Friend*. The first run will be 100 000 copies distributed to an estimated 10 000 long-distance taxis operating from the PWV. The magazine will be printed in full-colour.

Putco's full-colour magazine will not try to compete with established titles like *Bona* and *Drum*. Putco spokesman Bruno Mahotla says: "Our first aim is to keep the commuter informed about developments in Putco, such as new buses and fares. There'll also be articles contributed by outsiders on subjects such as sport and education."

Putco has appointed the head of a translation bureau, Lanie van Kradenburg, as editor-in-chief. She says the editorial will concentrate on domestic and community news.

Putco travellers are 70% male and almost all are working.

Media broker Tommy Gorton, who sells advertising for the magazine, says there is now a recognition that more money needs to be spent to reach the black market. He adds there has been a lot of interest from advertisers.

Continued p73.

FINANCIAL MAIL JANUARY 26 1990

The ad rates will be comparable to other black publications on a cost-per-thousand-readers basis. Media Shop MD Dick Reed says any new media opportunity, especially in the black market, is welcome.

Grey Generation Two deputy MD Harry Herber maintains free black magazines are, however, already overtraded.

"The Sales House Club magazine at least looks good and is aimed at comparatively high spenders, but the others have very basic, uninspiring editorial and a distinctly C-income look." ■



JOHN WHITE ... great-grandfather the founder

Still in the family 100 years on

ONE of SA's oldest owner-owned freight forwarding companies celebrates its centenary this year.

Lockhead, White & Womersley still serves one of its original clients, Cape Town leather importer J Woodhead & Sons.

Present manager John White recalls another owner-owned freight forwarding concern, AJ Keeler, which celebrated its 100th anniversary some years ago before being taken into Union Corporation and subsequently the Grindrod fold.

Mr White's great-grandfather Greenwood White came to Cape Town from England in 1878 and trekked to Kimberley in 1889. *S Times 28/1/90*

In 1905 Greenwood White moved offices to Port Elizabeth where he could more conveniently tackle the customs clearing and transport arrangements required by his clients.

In 1971 G White & Sons amalgamated with two other Port Elizabeth shipping and forwarding agents set up in the 1890s, Lockhead Limited and Palmer Womersley.

John White is chairman of the Transvaal Association of Freight Forwarders.

S/Times 25/1/90



Key January 28, 1990

332

LOGISTICS in the 1990s will focus on integrating various business functions and building relationships among companies, suppliers and customers.

The ultimate aim of a logistics strategy is to maximise corporate profits, while bringing together storage, production and distribution.

Writing in Transport Management, Unitrans group director Ernie Patterson says this decade's logistics manager will have a broad knowledge of the business, keeping his fingers on most aspects of operation while coming up with innovative ideas for reducing distribution costs.

His job will be to manage the acquisition, movement and storage of materials and keep tabs on the related flow of information through the organisation.

Philosophy

The concepts of distribution warehousing and third-party distribution are relatively new to SA.

Unitrans, a large transport organisation, has made a large investment in time, money and management skills to develop the expertise and resources to become a contender in this fast-growing discipline.

Mr Patterson says that the company's philosophy of solving customer problems rather than being merely a provider of "wheels" has resulted in a natural progression to third-party distribution and warehousing.

"Together with companies we have targeted, Unitrans goes inside to investigate and

Key role for the fundi in logistics

establish the real logistic needs.

"To offer a total distribution package, you must be able to solve all logistic problems from getting raw materials into plants to delivering finished goods to retailers or customers."

Mr Patterson says warehousing and distribution are elements of this total package of services that customers are looking for.

In 1983, Unitrans decided to make better use of its warehouse facilities, and hooked up with Caltex, which was interested in optimising its lubricating oil distribution and handling costs.

The company packs Caltex's lubricating oil into containers and transports them to a 12 000m² warehouse in Johannesburg for delivery.

Mr Patterson says: "A complete service allows the client to reduce inventory and lead time and focus the efforts of its people on sales — the prime purpose of its business."

Unitrans stresses the importance of bringing other aspects to existing arrangements. This was used to great effect when Unitrans linked up with the SA Sugar Distributors warehouse.

using



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From customs clearing agent to all-rounder

332
28/1/90
Times

THE successful freight forwarder is one who has navigated the change from being a traditional customs clearing agent, says Grindrod executive director Johan du Plessis.

The clearing agent was purely responsible for the clearance of goods through customs and delivery to the client. But the international freight forwarder manages cargo from source to destination across international borders and through a maze of transport modes.

Dr Du Plessis believes that the industry in SA will continue to be dominated by imports because the handling of bulk mineral exports and the perishable deepsea exports fall outside the forwarder's domain.

The fact that SA is not yet a recognised manufacturing export nation could be a factor in the short term while plants moved from abroad into decentralised areas come into full production. They will first satisfy SA's needs before expanding into

By Robyn Chalmers

exports.

He believes that in this expansion lies the opportunity for SA to become a manufactured goods exporter in line with Singapore, Taiwan and Korea.

"One of the greatest challenges facing the SA freight forwarder in the 1990s will be the ability to adapt to the electronic era.

"It will be imperative for forwarders, carriers and customs departments to completely computerise their operations and provide added value to their products.

"A large part of such added value will have to be in technology. Computerisation in all areas will be vital to the industry's survival."

Paperless

Successful forwarders are continually improving their computer programmes and systems to ensure maximum efficiency.

"The day of the paperless society is upon us," says Dr Du Plessis. Only organisations which have the ability to invest in and use to the full the software and hardware will succeed.

The result will be a more flexible and productive service and a vast increase in productivity for the forwarder.

Dr Du Plessis says the single largest opportunity on SA's horizon is the dissolution of borders in Europe in 1992.

"This will effectively form the largest and most powerful trading bloc in the industrial world. Unless there are major changes in attitude, a single European parliament is likely to be less friendly to SA."

If that happens, SA forwarders will have to position themselves in Europe to ensure continued trade after 1992."

Conglomerates

The scrapping of European frontiers will eliminate individual customs border posts and cargo will move freely. The SA forwarder will have to ensure that agents are linked into an inter-European hub-and-spoke distribution network.

Another major development in anticipation of 1992 will be the formation of conglomerates to control the entire transport chain.

Such conglomerates are being formed in Europe.

eeniging area. It should be supported by a national domestic distribution network to enable the forwarder to funnel domestic cargo from all the main centres into Africa.

This turntable could be used to supplement the forwarder's international agency network to ensure that these markets are effectively served as the whole region moves closer together in an economic bloc.

Dr Du Plessis says there could be changes in the international attitude to SA because of political change here. A relaxation of sanctions could help the airfreight industry, an example being the resumption of direct flights between the US and SA.

They control shipping lines, airlines, transport companies, freight forwarders and warehousing units.

Dr Du Plessis believes major airlines will continue to be under pressure from integrated carriers. He expects an increase in mergers and takeovers among airlines.

Forwarders and airlines will have to come up with a combined answer to the integrated carrier problem.

Some airlines have introduced small parcel services which could to some degree compete with the integrated carriers. But they rely heavily on a joint venture between appointed forwarders and the carrier.

Strengths

One of the major trends will be to develop markets and areas of trade, allowing forwarders to continue in business.

Dr Du Plessis says the single largest area of potential growth is the Far East, China in particular, followed by Eastern Europe.

All of these areas are expanding their own industrial strengths and seeking markets.

"Through the opening of export turntables in selected international ports on a global front the SA forwarder, with his relatively small volumes, will be able to effectively serve new existing markets."

Dr du Plessis says a strong requirement for an export turntable exists in the Pretoria-Witwatersrand-Ver-

Couriers take it to the country

SI Times 28/1/90

FIVE Transvaal couriers have banded together to offer clients a cost-effective, personalised service.

Combining forces under the banner of Country Couriers, the group offers a broad coverage of the Transvaal with a 24-hour delivery guarantee. Each member of the organisation will remain autonomous and keep responsibility for his traditional area.

Director of the Eastern

Transvaal Highveld area Andre Snyman says the efficiency and personal service on which the members built their businesses will remain a cornerstone of their philosophy.

"Individual members have no ambition to expand beyond their existing regions, but the group plans to grow through mergers with the top operators in other major centres.

"In areas not covered by the group, Country Couriers will set up links with national operators in return for business destined for the group's Transvaal regions."

Mr Snyman says one of the benefits to clients of the enlarged organisation will be greater convenience. Country Couriers has five Johannesburg depots for delivery or collection, an increased number of satellite vehicles and offers a broader area of distribution.

In addition, the hands-on owner-manager will ensure a high degree of efficiency and reliability. He believes the smaller structure of the components of Country Couriers will give the group an edge when it comes to pricing.

"In an industry where growth in size can lead to increased bureaucracy and diminished efficiency, Country Couriers retains the benefits of a small company while offering clients the benefits of economies of scale."

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Mauritius sea link

Business Times Reporter

TRADE with Mauritius will be boosted when Unicorn Lines introduces an express container service from Durban to Port Louis.

The first sailing by MV Abelia is scheduled for February 2 and voyages will be made every month. Unicorn's regular monthly sailings for bulk liquid and dry cargoes

as well as break bulk and containers from Cape Town and Durban to Reunion and Port Louis will be maintained. (332)

A fourth vessel, MV Aster, will be added to the Indian Ocean islands service in March. Unicorn has operated a liner service to Mauritius and Reunion since the early 1960s.

25/11/90
S/Thos

STAK 3/2/48 (332)

City buses open to all on Monday

JOHANNESBURG buses will officially be open to all races on Monday.

LOUISE BURGERS

The Johannesburg City Council and Putco yesterday received permits from the Road Transportation Board to fully integrate their buses in the city.

There will be no immediate change to Johannesburg's bus routes. The former "black service" will now be known as the lower tariff service.

Common bus stops will not be introduced at this stage. Changes will only be implemented at the end of the year after evaluation of the whole service.

Putco buses are now

multi-racial in Pretoria and the whole Witwatersrand. The company will be holding talks with the Department of Transport and the various municipalities to discuss the fare structure and routes it services.

A full statement detailing their plans will be released on Monday.

Labelled a "historic" event by the chairman of the Johannesburg management committee, Mr Jan Burger, the opening of buses follows recent reform moves by the city council.

Jo'burg bus service open

Sowetan 6/2/90 20

JOHANNESBURG opened its entire municipal bus service to all races yesterday morning.

And Putco which ran a "blacks only" bus will now transport passengers of all races in line with the decision of the Johannesburg City Council.

A Putco spokesman, Astrid Bleker, said all passengers would pay the same fares - about 40 percent lower than on Johannesburg municipal buses.

Mrs Bleker said several inquiries had been received from whites in areas which were poorly served by municipal buses.

White commuters in Honeydew, north-west of Johannesburg, were interested in Putco's early morning service as they experienced serious public transport problems, she said.

Putco director, Vic Coetzee, said earlier there were many complications to be worked out. Putco was subsidised by the government and municipal services were subsidised by ratepayers.

"For us all to operate economically there will have to be a review of local transport systems throughout the country."

Johannesburg Transport Department still retains the differentiated tariff, desegregating all bus routes but charging lower fares on buses which previously transported blacks only.

Acting transport director Mr Gert Tigly said the council's former "blacks only" bus routes mainly served the railway stations.

Putco's buses get non-racial licence

B/D W 6/2/90 MANDY JEAN WOODS

332

PUTCO bus services will become non-racial immediately despite its application to that effect being opposed by the Boksburg and Springs town councils last week, Putco director Vic Coetsee said yesterday.

Last week Putco, along with the Johannesburg City Transport Department, were granted permission to operate non-racial public transport systems.

"We first applied for this three years ago and the Johannesburg City Council fought us tooth and nail. We applied again last June to open our service but the Johannesburg City Council opposed us again," he said. Last week, only the Springs and Boksburg councils opposed the application, he said.

Coetsee said he believed rationalisation of the bus services in Johannesburg was a matter of urgency.

"I personally believe the Johannesburg city bus service should be privatised. It operates at a loss of R25m annually. I believe there is a lot of money that can be saved by rationalisation.

"Hopefully we will get together soon to discuss how to handle rationalisation," he said. City officials last year agreed to meet and discuss the matter, he said.

There would probably not be any change in passenger traffic until rationalisation of bus services had taken place, he said.

"I cannot see many whites using the service in the beginning but once rationalisation begins, definitely," he said. Currently "very few" whites use the service.



Riot loss: R28,3-m for bus operators

ARGUS 8/2/90

2703

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By MICHAEL MORRIS, Political Correspondent
SUBSIDIES totalling R28,3 million were paid to bus operators for damage and loss of income caused by riots during the last financial year.

This is one of the points in the Auditor-General's 380-page report on the Appropriation and Miscellaneous Accounts for General Affairs for 1988-89, published yesterday.

Other points of interest are:

- R14 million was spent on recovering the Helderberg flight recorders and wreckage and on the investigation, bringing the total spent up to March last year to R22,8 million.

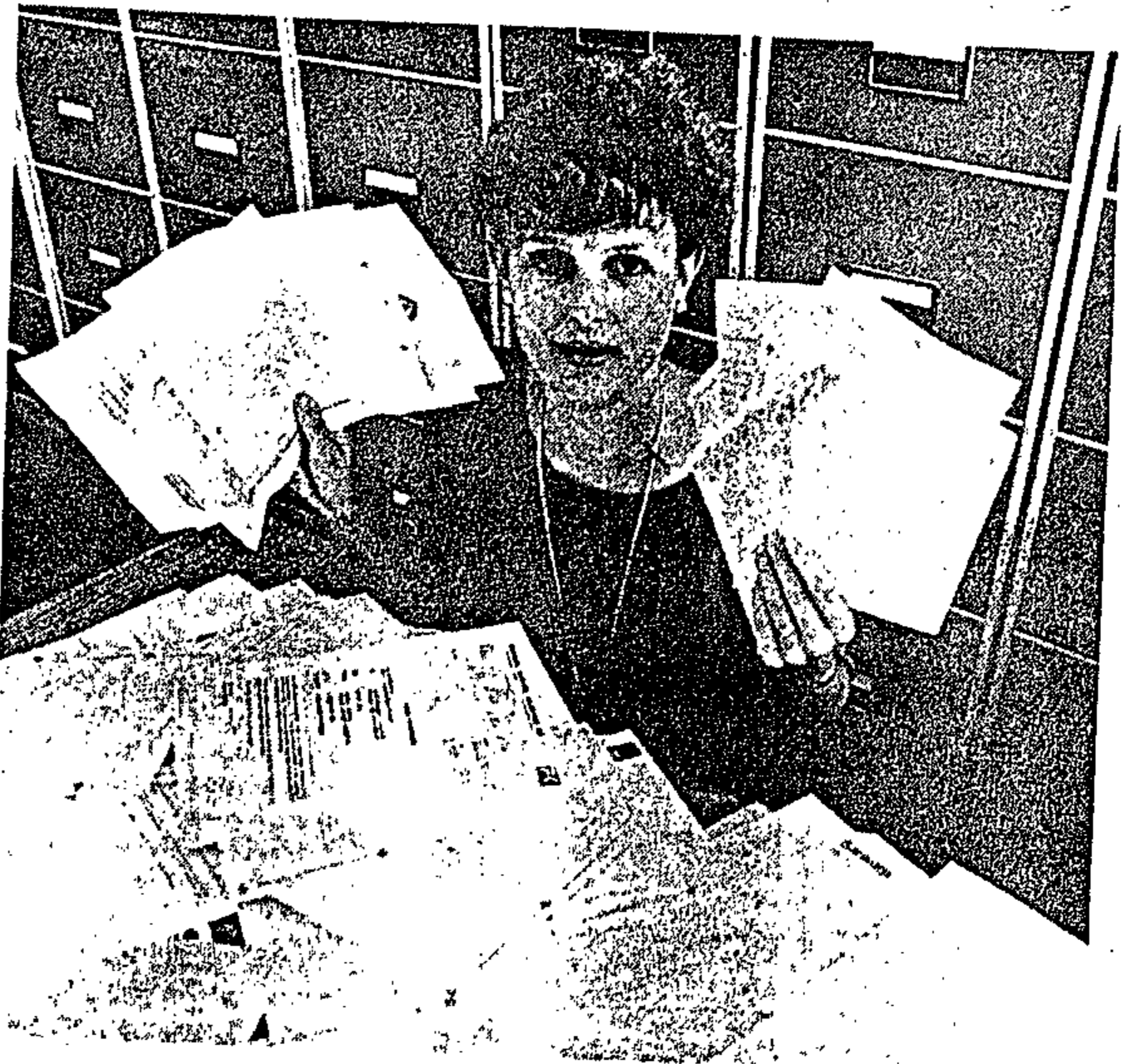
- The police paid compensation of R2,6 million in 490 cases, including unlawful arrest and injuries and damage, resulting from police action in riots and normal duties. The Department of Justice paid compensation of R18 950 to four claimants for unlawful arrest and detention.

- The Department of Foreign Affairs wrote off R36 244 for medical and other expenses on behalf of Mozambique after Samora Machel died in an air crash. The money was not recovered from Mozambique.

- Farmers owed R198,9 million on Land Bank loans. R83,3 million of this had been overdue for more than a year.

- Defence force losses totalling R65,3 million during the last financial year included R33,4 million for an aircraft which crashed. An air force inquiry found the crash was "a serious and avoidable accident due to the fact that the pilot's judgment — because of a low stress threshold and too little continuous flight training — had deteriorated to such an extent that he did not identify a potentially dangerous situation correctly".

- Altogether 7 251 police vehicles were involved in collisions during the year, representing a loss of R3,5 million.



Picture: BRENTON GEACH, The Argus.

FAN MAIL GALORE: Mrs Lanois Coetzee sorts through some of the hundreds of congratulatory telegrams and letters that flooded the State President's Office after Mr F W de Klerk's steps to normalise South African politics. Responses poured in from all population groups — individuals and companies — and many from overseas, including the United States and West Germany.

Putco passengers in fight over high fares

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Soweto 8/2/90
 IRATE Soweto bus commuters have threatened to take action against Putco if their demands for improved transport are not met within two weeks.

At a meeting called by the Putco Daily Passengers Committee in Pimville, Soweto this week, members decided that Putco be given an ultimatum to reply to

By JOSHUA RABOROKO

grievances which they delivered to the company on January 22.

Their demands include:

- * An 18 percent drop in the fares and that charges must be adjusted on some routes.

- * Additional buses on

all routes and vehicles to be kept clean.

- * Training of bus drivers in the wake of a soaring accident rate.

- * Weekly and monthly coupons must work when used, and

- * the committee be recognised as the mouth-piece of the residents and the transport committee to be dissolved.

A spokesman for the company yesterday acknowledged receipt of the letter and said that the committee's delegation was scheduled to meet Putco executives on February 20 at 5.30pm.

"We believe that in modern times we need a modern transport system," said committee secretary Ms Adelaide Monana. "Putco has done nothing to improve its standards during its 50 years of existence."

She said that the committee had asked taxi associations to help them in the likely event of negotiations with Putco reaching deadlock.

Scramble legacy of apartheid

By MOEKETSI MPHAKI

THE rush by whites to buy guns following the unbanning of the ANC, PAC and SACP was a sickening war psychosis which indicates that a lot of work remained to be done in correcting people's attitudes in South Africa.

This was the reaction of several leaders yesterday after reports that arms dealers were inundated with inquiries for guns after the unbanning of the liberation movements.

A spokesman for the Black Consciousness Movement, Mr Muntu Myeza, said this was a reflection on how apartheid and racism have damaged people's thinking. *Soweto 8/2/90*

"This aberration is reminiscent of the mistrust and distrust that the BCM has been warning against during its entire existence. Intergration and non-racialism can only be effective in a situation of equality," he said.

Mr Krish Naidoo of the National Sports Council, said this was a natural reaction by whites resulting from the black fear syndrome created by the Nats.

Mr Azhar Cachalia of the MDM, said this was a result of a propaganda war waged by the regime.

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LOOK OUT FOR CHARLIE PARKERS' PRIZE BUSTERS STARTING FEBRUARY 12, 1990

S 3931

Soweto visit

SOWETO will today be visited by 30 Junior Mayors from all over South Africa.

The tour will start at the Oppenheimer Tower in Central Western Jabavu at 9.30am.

The tour will end at noon at the same venue.

Scholars bunk to clean taxis

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HUNDREDS of youths between the ages of 8 and 18 prowl taxi ranks for easy money - ending up as freelance minibus cleaners selling their services to the highest "bidder".

According to researcher Ramotena Mabote, these boys are at taxi ranks from 8am to 8pm, some in school uniforms.

It is a daily occurrence in South Africa and worse at major ranks like Noord and Baragwanath in Soweto.

A dream

He said the Black United Southern Africa Taxi Organisation, the Southern Africa Black Taxi Association and the Southern Africa Long Distance Taxi Association, were indifferent.

"They actually seem to enjoy it. Do they really care? Do they see these children as their own?"

"These kids are supposed to be a better part of them and the society, but this is only a dream," the researcher says in his report.

"I cannot emphasise enough the need for the

By JOSHUA RABOROKO

taxi industry to tackle the issue immediately.

"If left unattended, it might develop into a monstrous disease where children would start as cleaners and end up as unlicensed drivers.

"We need only to look at how the industry is growing, thereby creating a need for more drivers and cleaners," the report says.

"The society seems to have forsaken them, but needs them for the sole reason that they are leaders of the future.

"We all like to ride in a clean taxi, but then why are cabsters unable to do it themselves? Why have they not supported schemes whereby unemployed people group together to form a taxi-cleaning unit and operate at vantage points?"

While taxi organisations admit this is happening, they blame the socio-economic and political predicament of black people in South Africa.

Sabta's director of public affairs, Mr Mike

Ntlatleng, concedes that the problem exists.

"But this must be blamed on the socio-political and economic plight of black people," he said.

School

Commenting on suggestions that the children be given bursaries for school, he said that after getting this assistance the children might still not go to school.

"This is a community issue which should also involve parents," he said.

Sabta's president Mr Peter Rabali said it was unfortunate that the taxi industry which provided business as well as job opportunities for the oppressed should have this sad state of affairs.

He blamed the whole matter on apartheid and said that the community should help the suffering

children.

It would be advisable if the associations formed a bursary fund to help destitute children because "they are our future leaders."

Busato's Mr J Matthysen attributed the blame to poverty and desperation in which black children were forced to find themselves.

Most of the children come from desperate and broken families.

SA's geriatric fleet

The prognosis for SA's ageing fleet of cargo ships is clear: if they are to continue carrying their share of the country's goods, local ship-owners must return to the drawing board.

No new ships were built for SA companies in the last decade — though a few second-hand bulk carriers and ro-ro ships were bought. In keeping with the international trend, local owners will thus need to spend millions on new ships if they are to retain their share of the market.

Now, 22% of the world fleet is more than 20 years old. Shipbuilders worldwide are gleefully anticipating big new contracts; Lloyd's Maritime Information estimates that more than 20 000 new ships will be needed. This would require an output of 1 500 ships a year from yards that have produced only 700 annually since 1985.

In addition, SA's outdated fishing trawler fleet must also be replaced soon. The average

age of the vessels exceeds 25 years. But new ships have become 50% more costly in the past year, which has boosted the price of modern second-hand vessels.

There are several reasons for the cost increases. The spate of purchases by the Scandinavians and the new vessels financed by US and European ship-investment funds have pushed up prices. Moreover, the higher-than-average rates being paid worldwide for shipping bulk cargo has spurred demand for bulk carriers even further.

However, the arguments against building ships in SA yards are as formidable as ever. The cost of bringing essential machinery and other components from overseas is prohibitive. Furthermore, local yards cannot match the delivery speed of overseas shipyards accustomed to continuous new construction and geared to prefabrication techniques and production lines. In addition, government subsidies have been removed.

Meanwhile, local shipowners, who have hired hundreds of additional carriers to meet the demand of the expanding bulk trade, have been warned against buying second-hand carriers as a cushion against sharply rising leasing rates.

Morten Andvig, MD of the Norwegian shipowning firm Fernleys, warns that while the value of vessels has increased between 500% and 1 000% in the last three years, many are growing very old. At current prices, he says the vessels would need to operate for at least six more years. Current freight rates would have to persist and the ships' scrap value would need to be US\$250/t in order to make the deal worthwhile.

"I feel the downside risk for old ships at today's prices is real," he says. In order to earn a decent return, a second-hand ship could not afford to be idle or to undergo major engine and hull repairs because it would not be possible to recoup the lost time in its remaining lifetime. ■

UNITRANS F/M 9/2/90

Revving up

332

The forthcoming rights offer by Unitrans might see Sankorp strengthening its stake at least to equal that of the British parent BET, holding company of United Transport International.

The offer of convertible debentures will raise R65m for Unitrans. Terms will be announced this week. Unitrans is held 80% by United General Investments which, in turn, is held 60:40 by BET and Sankorp.

Sankorp director Etienne le Roux says Sankorp will be exercising its rights. It is also underwriting the offer. Ken Secrett, chairman of Unitrans and an executive director of UTI, believes BET will "substantially" take

F/M 9/2/90

332

up its rights. He adds Unitrans has been a successful part of BET's holdings. However, with R185m turnover in its year to March 1989, Unitrans is a small part of BET, which turns over about £2,5bn (R11bn) annually. BET is believed to have money in SA after the sale of its bus interests — Unitrans is now purely a freight transporter.

The upshot may be that Sankorp and BET will have equal holdings in United General Investments if the debentures are taken as voting shares. Le Roux says Sankorp has always looked on the arrangement with BET as a partnership and that will continue.

The rights offer will be applied to reducing Unitrans' conventional borrowings and accelerating its development. Unitrans' gearing was 0,27 at last year-end, compared with net cash a year before, following a large programme of new vehicle purchases. MD Eduardo Gutierrez-Garcia says this has resulted in the Unitrans vehicles' average age being much lower than that of competitors.

No dilution

He says the offer will not result in dilution of earnings because the rate on the debentures is likely to be lower than that being paid by Unitrans on debt. For corporate shareholders like Sankorp, debentures are more tax-efficient than shares.

Some transport companies, like Laser and Supertrans, have produced disappointing results recently, and Gutierrez-Garcia says the transport market has softened. There have been large increases in costs, competition has increased because of new capacity bought in expectation of deregulation and the effects of economic downturn are being felt. But he is confident of meeting Unitrans' forecast of significant earnings growth this year. Investors have reacted positively to the rights offer. Since early December, before it was announced, the share has advanced from 380c to 445c.

Teigue Payne

Cape Times 24/2/90 (332)

R284m to bus companies

THE government paid out a massive R283,6 million in subsidies to bus companies during the 1988/89 financial year, the Minister of Transport, Mr George Bartlett, said yesterday. The subsidies are paid out to bus companies to compensate them for the extra costs of transporting black workers from the townships to the industrial areas.

Cape Times 24/2/90 (332)

Taxi applications rocket

THE number of new applications to operate combi taxis has rocketed by almost 1 000% over the past five years. Mr George Bartlett said 32 460 new applications for permits to operate combi taxis were granted last year.

Fear of hijacking keeps taxi-drivers at home

THE majority of taxi operators in the Soweto area stopped work yesterday, fearing their minibuses would be hijacked by unruly elements in the huge crowd at Soccer City. **5/10/90 14/2/90**

Sabta regional director for Soweto Patrick Mbata said many taxi-drivers had stayed at home because of a spate of hijackings over the past three days.

"I would be surprised if 50 of the 4 000 taxis in the Soweto area were operating today," he said. **(332)**

Mbata said there had been insufficient organisation over the past few days. Despite calls by Sabta and the National Reception Committee (NRC) for those needing transport to contact local associations, not many people had done so.

He said one taxi had been burnt out in

ANDREW GILL

Zondi, while others had their windows thrown at their windscreen.

"People would rather risk their lives taking taxis than risk having their vehicles damaged or destroyed," he said.

"A lot of damage has already been caused, but more could be done if only be available later on," he said.

Mbata's taxi was hijacked on Sunday morning and retrieved only later that night. The driver had been taken up and the bus damaged. On the same day a group had hijacked Mbata's taxi but some friends had retrieved it afterwards.

Reports that several taxis had been hijacked over the weekend were denied by Putco Soweto manager David Manana.

Sankorp to take control of Unitrans at year-end

332 CHARLOTTE MATHEWS

CONTROL of road transportation group Unitrans will shift to Sankorp at the end of the current financial year, an announcement today discloses.

Unitrans is 80% held by UGI. At present UGI represents a 60:40 partnership of UK-based BET and Sankorp.

Today's announcement says: "It has been agreed that the Sankorp group will at the end of the current financial year acquire additional shares within the partnership so that the Sankorp group together will own 51% and BET will own 49% of UGI."

Unitrans recently announced a R65m rights offer. 6/24/90

The management and boards of UGI and Unitrans will remain the same after the change in control.

TRANSPORT ASSOCIATIONS

Vying for members

Little more than a year ago an effort was mounted to merge the two main road freight bodies. It failed, mainly because one group, the Professional Carriers' Association (PCA), refused to belong to any organisation that included SA Transport Services (Sats). (Sats) (332)

The PCA demanded that the other group, the National Association of Private Transport Operators (Napto), expel Sats before a merger. Napto refused. (The PCA now denies it insisted on Sats' expulsion, though it hasn't denied this in the past.)

Merger talks fizzled, but the division between the two associations has blurred any-

FIM 16/2/90

FIM 16/2/90

(332)

way. In September, government ended most restrictions on truckers and began granting permits to everyone whose trucks have certificates of fitness and whose drivers are qualified (*Business* December 15).

The PCA, now called the Road Freight Association (RFA), represents professional hauliers — truckers who convey only the goods of others for gain. Napto, whose members include farmers and retail chains, convey only their own goods.

Now the RFA no longer needs to restrict membership to professional hauliers because there is no longer anything to prevent a private haulier from invading its jealously guarded territory and canvassing for loads.

Road hauliers, private or public, can join the body that serves their interests best — or both. A private haulier that is moonlighting by carrying other companies' loads would want to belong to both.

Though both organisations deny it, they are openly trying to recruit each other's members. A senior Napto member confirms this, saying: "The RFA is trying to tout our members and some of its guys are joining us. I'm not happy with this."

RFA CE Ian Moss and Napto CE André

Jacobs deny any poaching. "But," Moss says, "the barriers are down. It's now open to all who operate in road transport, including Sats and Napto members, to join the RFA. We don't campaign for them but if they join, they must feel we have something to offer."

So Sats, which wouldn't pass muster before with the RFA, is now kosher.

Jacobs admits that RFA members also belong to his group. "They want to be closer to their customers. Private transporters use the mode of transport that suits their needs best, be it their own vehicles, public carriers or Sats. By joining us, RFA members will be closer to companies that already use their services, and they'll find new customers."

Napto intends to keep its members and recruit new ones with a logistics programme which "looks at the total dynamics of the flow of materials," Jacobs says. "It examines how they should be purchased, stored and distributed."

He argues that the programme should appeal mainly to private hauliers. But it's inconceivable that any public carrier whose services include procurement, warehousing and distribution wouldn't join Napto to get its hands on the findings. ■

RENEWED fighting between rival taxi factions left 15 vehicles damaged and thousands of commuters stranded in King William's Town and Mdanisane on Thursday evening and Friday morning.

Fighting broke out at the King William's Town taxi rank on Thursday evening with drivers attacking each other with various weapons and stones and slashing the tyres of each others' taxis.

15 taxis damaged in battle at King William's Town rank

332

Border police liaison officer Maj CA Louw said police had used teargas to separate the fighting taxi men. No arrests were made.

Border Taxi Association public relations officer CT Badi said on Friday the executives of the two associations had set-

led their differences at a meeting and taxis were operating normally on Friday afternoon. He apologised to commuters who had been stranded.

Badi blamed drivers for the fighting, saying they had acted without the mandate of the taxi owners. He said the fight-

ing had started near Berlin and spilled over to King William's Town. On Thursday evening several Zwelitsha-registered taxis were abandoned along the freeway to King William's Town with slashed tyres.

Most Zwelitsha taxis traveling to Mdanisane were turned back near

Breidbach by members of their executive, who warned them they might face trouble in Mdanisane.

A number of empty Mdanisane taxis, with their hooters blaring and drivers holding out clenched fists, were seen racing towards King William's Town during peak hour on Thursday. Angry commuters said yesterday the taxis were their only means of transport. Sapa

31 Day 19/2/90

Micor boosts pre-tax profits 33%

Top line
 MAIN AM
 2/76 9/
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 64.44 6
 Curr. Hour
 Hairdre
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 Curr. Hour
 Hairdre
 54.23 5
 72.11 7
 Curr. Hour
 Hairdre
 60.00 6
 79.79 7
 Curr. Hour
 Rec/Tel
 34.62 3
 46.04 5
 Curr. Hour
 Shampoo
 19.00 2
 25.27 2
 Curr. Hour

MICOR Holdings has posted a 33% increase in interim pre-tax profits to R2,7m (R2,05m) on a 37% rise in turnover to R247m (R180m).

The air and sea freight, travel services and industrial finance operator's directors attribute the half-year results ending December 1989 to the "highly acceptable" performance of local trading divisions and the "satisfactory performance" of the (undisclosed) off-shore activities.

Attributable profits are up 24% to R2,38m (R1,92m), yielding an 11% increase in comparable earnings a share to 14,7c (13,3c) on a slightly enlarged shares base.

Certain of the group's off-shore activities, the directors say, are in a consolidation phase in the interests of future growth.

"The current year's results should be viewed against the downturn in the economies of both the US and the UK."

The strengthening of the rand against foreign currencies saw a decrease in the non-distributable reserve on translation

ROBERT GENTLE

of assets and liabilities of foreign subsidiaries.

The directors say there is no exposure to material losses with regard to foreign liabilities at the end of the half-year.

Micor Industrial Corporaton, in which the group acquired a 91% stake last October following a restructuring, produced interim results well ahead of the forecast made in the October transmuted listing statement.

Good performances in freight, travel and industrial divisions helped push pre-tax profits 45% higher to R2,03m (R1,4m), despite a mere 17% rise in turnover to R190m (R163m).

Second-half earnings for the Micor group should show improvement if current trading conditions continue, directors say.

"However," they add, "the uncertainty surrounding economic trends for the remainder of the years as a result of recent political developments renders it impossible to forecast year-end results."

2/88: R 25.02

2/88: R 40.20

2/88: R 52.63

2/88: R 30.70

17.4%, Real Weekly Wage 12/88: R 14.62

Manicurist

27.69 30.45 35.08 35.08 57.70 69.23
 36.82 40.49 37.97 36.81 38.14 27.93

Curr. Hours: 45 Hourly Change 1978 to date: Nominal +127.4%, Real -45.8%, Real Weekly Wage 12/88: R 21.93

8/04/192/90

332

Corporate demand boosts helicopter industry in SA

THE helicopter industry has experienced a revival in recent years because of increased corporate demand, and the purchase of helicopters by individuals and businesses for investment purposes, industry sources said last week.

Helequip MD Peter Pigget felt the industry was doing better than at any time in the past five years.

He estimated that between 22 and 25 helicopters were imported last year, while in 1988, he believed only a quarter of that number had been imported for private use.

A few years before this, only two or three helicopters were imported annually, he said.

However, a Customs and Excise Department (DCE) spokesman said that when one compared

EDWARD WEST

helicopter imports in 1988 with the period from January to June 1989, there had not been a marked increase in the number of helicopters imported.

The DCE spokesman said import figures for the last six months of 1989 were not yet available. Nor were import figures for the years before 1988.

Popular

From January 1989 to June 1989, 18 helicopters with a mass of less than 2000kg were imported at a value of R8,4m, and four helicopters with a mass of more than 2 000kg were imported at a total value of R6,3m, the DCE spokesman said.

During 1988, 41 helicopters with a mass of less than 2 000kg each were imported, with a value of

R29,6m. Eight helicopters weighing more than 2 000kg each were imported at a cost of R10m.

Helicopter Training Services director John Huddleston said that since becoming an agent last year he had imported 12 helicopters. He estimated six other helicopters had been brought in by other companies.

Helicopters had become increasingly popular among small businesses for land surveying, emergency work, transport to work sites and investment purposes, Huddleston said in a statement.

With the end of the tax year approaching, many people purchased helicopters to make use of the 100% tax write-off over four years, Huddleston said.

During the first year after the purchase of a helicopter, 40% of the cost can be written off in de-

preciation, followed by 25% in the second year, 25% in the third year and 10% in the fourth year.

Financial consultant Tim Kiloran said helicopters were an appreciating asset, enabling a business or individual to purchase the machine and write it off (over four years) while retaining an asset which could generate income, or be sold.

Resale

Helicopter Association CEO Cor Beek said that the tax-break for helicopters was the same as for any other form of capital purchase. A helicopter was taxed on resale and could be taxed at higher rates than the initial write-off.

Astra Group spokesman Brian Nash said the impetus for increased demand had come mainly from the corporate sector.

Strong show by Trenchor operations

CHARLOTTE MATHEWS

A STRONGER than expected performance by Trenchor's trading operations and foreign activities offset the negative effects of the general slowdown in domestic activity in the six months to December.

This enabled the company to post a 69% improvement in attributable earnings to R29,6m from R17,5m in December 1988. Earnings were 207c (122,3c) a share on which an interim dividend of 30c (20c) a share was declared. *Blaw 2, 1, 2, 90*

Trenchor makes road trailers, tankers and containers. Other divisions are involved in road haulage and tyre retreading.

Last month Trenchor announced the merger of its tyre interests with Tycon, formerly Goodyear.

Trenchor owns 21% of the merged company, Longmile 18% and Consol 61%.

Turnover was only 18,5% higher at R395,8m from R334m last year. Operating profit, however, went up by 60% to R53,7m (R33,6m). The interest bill rose to R6,4m from R3,8m but the tax rate declined by 1% to 33%.

The directors said they were satisfied with the increase in earnings, which was helped by, among other things, an increase in the company's export volumes.

332

Improved

"We expect these trading conditions to continue in the second half of the year and earnings for that period should exceed those of the first half," they said.

Gearing improved to 32% from 41%, partly because the shareholding of certain subsidiaries changed and they were accounted as associates.

Mobile, whose main investment is a 48% holding of Trenchor, showed similar growth.

Earnings of 51,6c (30,5c) a share were reflected on attributable earnings of R14,6m (R8,7m) and an interim dividend of 7c (4,7c) a share was declared.

"During the period under review, Mobile Acceptances, our 74% subsidiary engaged in finance and lease activities, also traded very satisfactorily," the directors said.

Cape taxis block the streets in a protest

332

Sowetan 22/2/90

TRAFFIC in the centre of Cape Town came to a standstill yesterday when black taxi owners parked hundreds of vehicles in Long Street in protest against high insurance premiums and licensing fees for taxis.

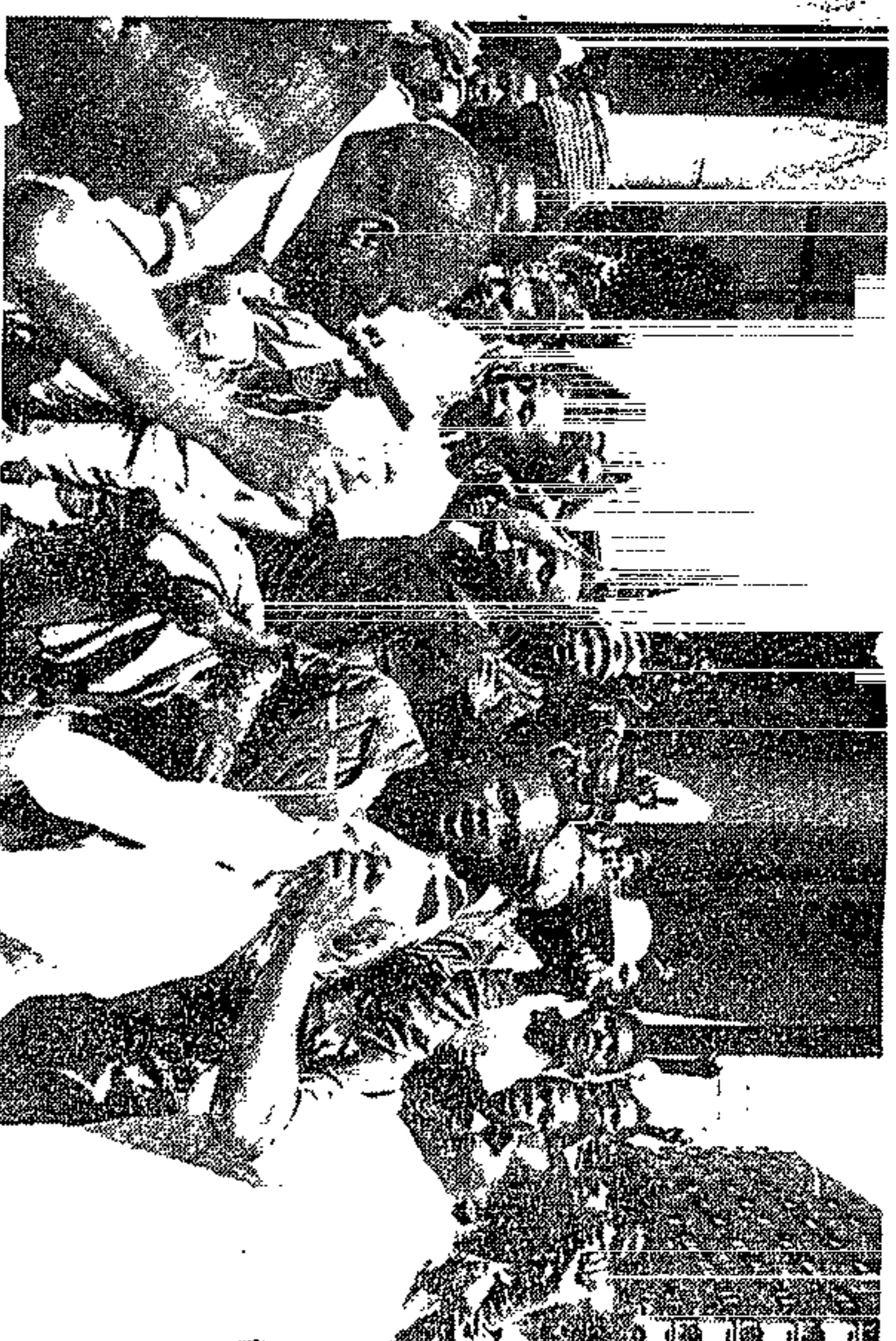
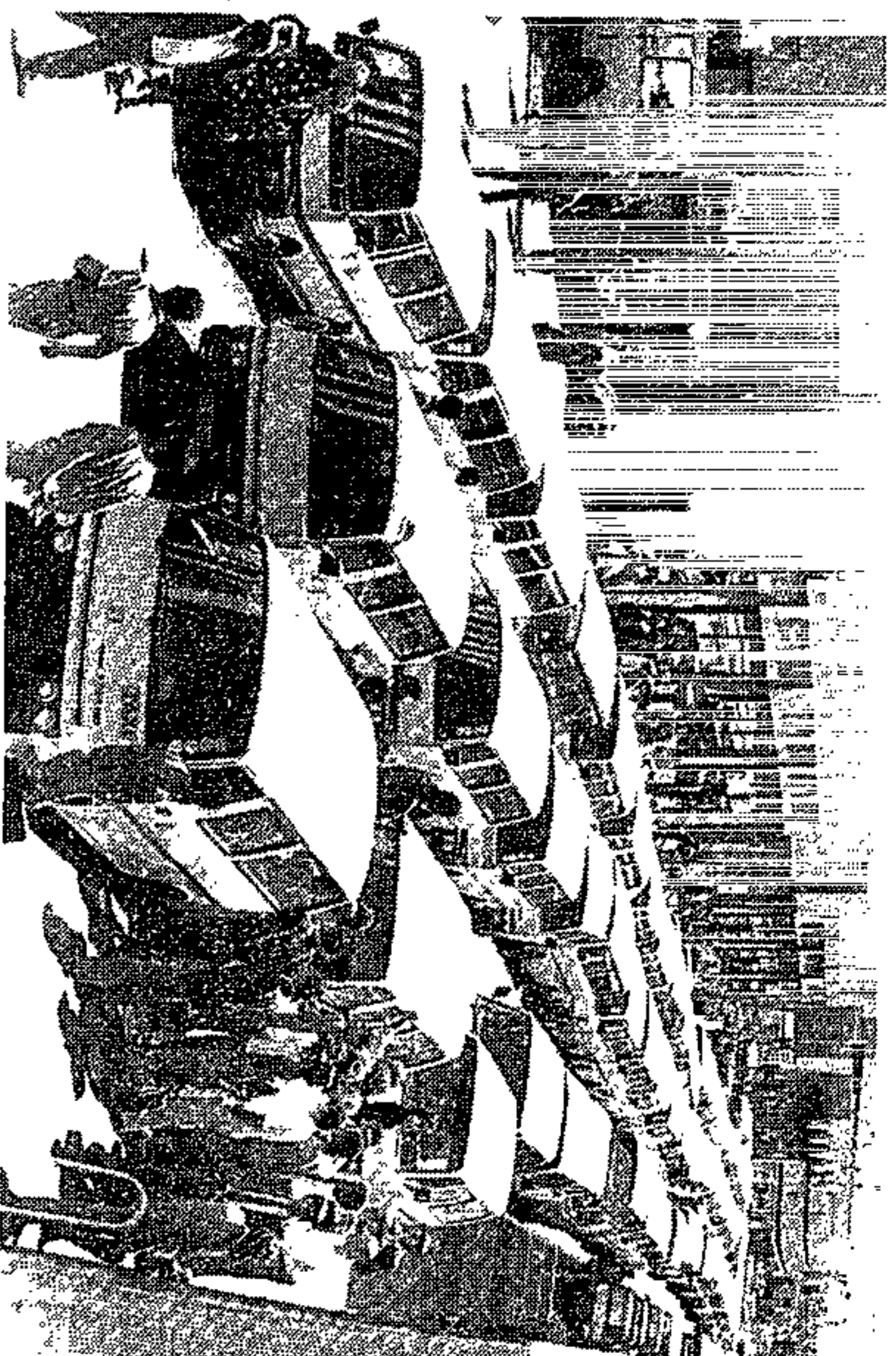
One of the drivers, who did not want to be identified, alleged black taxi owners were being "ripped off" by finance houses and banks.

He said black taxi owners paid excess premiums and their insurance was much

higher than any other taxi owners. They were also being discriminated against, he claimed.

Police arrived in buses and traffic police diverted traffic to alternative roads.

The taxi driver said "hundreds more vehicles" were on their way from the black townships and that the whole of Cape Town was going to be brought to a standstill so that they could bring home their grievances. - Sapa.



TAXI PROTEST . . . Hundreds of township taxis converged on Cape Town yesterday to deliver a protest memorandum to Wesbank against increased vehicle instalment payments. The CBD virtually ground to a halt for two hours.

CPM Taxi 22/2/90

352

PICTURES: GLENN SHERBATT

Taxi protest jams city traffic

Staff Reporters

“PARK-IN” taxi protest by hundreds of mini-bus drivers yesterday brought the central business district to a virtual standstill, incensing the city’s traffic chief and extracting major concessions from a vehicle financing bank. Township taxi operators converged on Cape Town to park in and block off Long Street between Hout Street and the foreshore for several hours in protest at Wesbank’s sudden increase in hire-purchase payments earlier this month.

They were also protesting at recent repossession of vehicles and “short” repayment periods.

When Mr Jabu Mabuza, deputy managing director of the Southern African Black Taxi Association (Sabta), triumphantly emerged from the Southern Life Building to announce Wesbank’s turnaround concessions, loud shouts of “Viva” erupted.

The massive convoy then jostled its way out of the city, hooters blaring and driving, according to traffic chief Mr Wouter Smit, “with total recklessness and disregard” for pedestrians and other motorists.

Sabta regional vice-chairman Mr Clement Ramatlakane said Wesbank had agreed to return all vehicles repossessed in January and February, not to execute any repossessions for a fortnight and to extend repayment periods from 42 months to 48 months.

The reduction of instalments, recently increased, allegedly without notice, by about R700 a month, was still open for discussion, he added.

Mr Smit said he was upset at Sabta’s lack of consultation for the “unco-ordinated and unapproved” event. “Their behaviour was deplorable. Not only did they disrupt traffic in the CBD for almost two hours but they

also disregarded traffic lights,” he said.

He intended raising the matter with Sabta’s liaison committee but would take no action before then.

Responding, Mr Ramatlakane said there had been nowhere else to accommodate vehicles. Sabta official had been on hand to ensure discipline and a minimum of disruption. He “categorically denied” Mr Smit’s claims of bad road behaviour and said Mr Smit seemed to “be interacting with the police rules that magisterial permission is needed”.

Repeated attempts to get comment from Wesbank were unsuccessful.



CMA Temp 23/2/90

Taxis: Wesbank 'not to blame'

Staff Reporter

THE Southern African Black Taxi Association (Sabta) says Wesbank is not to blame for recent price and running cost escalations in the industry, and has apologised for Wednesday's blockade by taxi drivers in central Cape Town.

In a statement issued yesterday, the association said it was "incorrect" to lay the blame for the taxi operators' financial problems at the door of the financial institutions. "They do not set the prices of taxis (which increased from around R15 000 four years ago to R50 000 today), nor do they influence the escalating input costs.

"Wesbank has been responsible, together with Sabta, for assisting thousands of Sabta members in purchasing new minibuses. Up to 80% of these clients would not have passed (Wesbank's) normal credit screening process, but were accommodated by Wesbank through Sabta standing surety for them."

"Sabta and Wesbank will, early

next week, send two members of staff to Cape Town who will investigate each member's circumstances on an individual basis, and see how (they) can be assisted," the statement said.

Sabta said it also wished to record its regret at the inconvenience caused by the large number of vehicles which "could not find parking in the central business district of Cape town and double-parked, blocking roads".

Reacting to press reports, Wesbank yesterday claimed that the escalation in monthly repayments from taxi owners had been exaggerated and generalised.

Mr Ronnie Watson, Wesbank general manager, said that increases were, in any case, due to escalating insurance costs for these vehicles, the premiums for which were being added, at the buyers' request, to the purchase repayments.

"In November last year a group of 13 taxi owners indicated that they were experiencing difficulty with their repayments as a result of the inclusion of annual insurance premiums and, in terms of

our normal policy, they were invited to discuss their problems with us — none availed themselves of this offer," Mr Watson said.

"In this year, one of these vehicles was repossessed. In accordance with our normal procedures, a suitable arrangement for the return of the vehicle has now been concluded and repayment arrangements in respect of the insurance premiums have been agreed with the remainder."

He added that Wesbank was surprised at the reaction of Western Cape taxi owners, only 180 of whom were financed by Wesbank, as Wesbank, with Sabta, had pioneered the financing of taxis in South Africa.

On the matter of the escalation in costs incurred by taxi operators, particularly the petrol price which had increased 100% over the last four years, Sabta said it would continue to negotiate with the government for the bringing down of such input costs. He added that if talks failed, fare increases would probably follow.

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Protest over taxi leases bears fruit

LESLEY LAMBERT

CAPE TOWN.—Thirteen taxi owners who protested against their high monthly lease instalments, bringing Cape Town's main street traffic to a halt yesterday, are to have their repayments rescheduled by Wesbank. *B/097 23/2/90*

Wesbank GM Ronnie Watson said yesterday the group of Western Cape taxi drivers had indicated in November last year that they were having difficulty meeting repayments as high as R3 000 a month in some cases as a result of the inclusion of annual insurance premiums.

Watson said that the taxi owners, who were joined by colleagues for a two-hour park-in to protest against alleged high repayments, high insurance and illegal repossessions, had not responded to invitations by Wesbank to discuss their problems.

A suitable arrangement for the return of one repossessed vehicle had been concluded. Watson said the bank had also agreed to increase the repayment period of insurance premiums. *(332)*

exceeds demand

But the world shipping market remained competitive. Although the excess tonnage that was around in the mid-1980s was tailing off, there was still more supply than demand.

Groves said exports from SA had been strong in the 1980s and he expected they would hold up in 1990.



Mike Groves, MD, sees overseas charter rates remaining firm.

Grincor ploughing profitable seas

By Derek Tommey

Operating ships is proving to be a lucrative business for the Durban-based Grindrod Unicorn group. Operating income rose 59 percent in the year ended December to R52,2 million from a 23 percent rise in turnover to R424 million, the company reports today.

Pre-tax income rose 60 percent from R24,4 million to R39,1 million while taxed income rose 48 percent from R17,5 million to R25,8 million.

Attributable income increased 55 percent from

R10,2 million (equal to 40,3c a share) to R15,7 million equal to 62,3c a share.

A final dividend of 14,5c has been declared making a total of 23c for the year — an increase of 28 percent on last year's 18c.

Shareholders' funds rose from R74,1 million to R101,7 million while interest bearing debt dropped R21 million to R72,4 million — reflecting the group's strong cash flow from its shipping interests. The net asset value of the company rose from 198c to 231c a share.

The directors report that

Grindrod continues to obtain good results from its international freight and ships agency divisions, which operate about 30 ships.

But the domestic distribution division has still to reach its full potential, and should show improved results this year, says the joint managing director, Mr Mike Groves.

Unicorn had most satisfactory results. During the year it took delivery of a modern ship of 34 000 tons deadweight and sold an older vessel of 8 000 tons. Capital expenditure dropped to

R40,1 million from R68,7 million.

Charter rates overseas are expected to remain firm and even rise in the next year or so, which would greatly help the company overseas operations, says Mr Groves.

South African exports were expected to remain strong but imports could be affected by the Government's restrictive policies.

So while earnings should grow in 1990 and exceed the inflation rate, the increase would not be at the same as in the past two years, Mr Groves said.

Star 18/2190

332

4115
3115
1100

Ships' insurance to pay for spills — Minister

CAPE TOWN — In event of a major oil spill in SA waters, expenses could be claimed from the ship's insurance company, Transport Minister George Bartlett said yesterday.

This was the second reading debate on the Prevention and Combating of Pollution of the Sea by Oil Amendment Bill.

In reply, Bartlett said the State would do anything in its power to ensure the environment was cleaned up if a major oil spill occurred.

Port Elizabeth DP MP E W Trent

3/10/91 23/2/90
said oil pollution emanated from tanker casualties and from chronic operational spills discharged from vessels other than oil tankers.

There was also the illegal practice of cleaning tanks while at sea.

"Unless we are seen to be constantly vigilant, shipping companies will continue to take chances," he said.

This would mean that the increased penalties would have less of a deterrent effect than is intended by the legislation, he said.

Bartlett said government would not

hesitate to increase the revised penalties for pollution of the sea by oil if it was found they were not sufficient to act as a deterrent. (332)

He said that he was sure the increases would deter many of the people using SA's waters from polluting them. (332)

The fines might not appear to be as high as comparable penalties in the US and UK when judged by the exchange rate, but in purchasing power they were equivalent. — Sapa.

Foreign boost (332)

Trencor appears set to produce yet another year of bullish profits, though shareholders are not favoured with much detail on how the consistent record has been maintained.

The reason appears to be the impact being made now by the overseas operations and exports — both areas on which management has adopted the conventional approach of giving few, if any, insights.

The major advances recently have been made on profitability rather than sales. In the six months to December turnover rose by a not particularly impressive 18,5% but pre-interest income leaped by 60% to R53,7m, while profit after interest and tax grew by 63% to R31,8m.

Attributable earnings were up by 69,1% to R29,6m, with EPS showing a similar rise, and the interim dividend has been increased by 50% to 30c.

Chairman Neil Jowell does say that combined overseas operations and exports contributed 40% to operating profits in 1989 and will be close to 50% this year. Clearly, the group was a major beneficiary of the weak rand during much of last year, and at least

some of the momentum will be lost this year if the currency retains its recently firmer trend.

On the local front, profits were derived from manufacturing (39%); motor trade and tyres (30%); trading (17%) and transport 14%. With the merger of Tredcor and Tycon as part of the Anglovaal group, Jowell says Trencor is looking for a larger contribution from this source in future. In general, though, local markets are not as busy as six months ago and margins have been squeezed. At December 31 the debt:equity ratio was 0,32.

Despite the firmer rand and pressure on local margins, Jowell believes prospects for the second half are encouraging. "We expect to improve on the first half though we may not match the growth rate achieved."

Jowell is, however, traditionally conservative. Six months ago he was saying it would be difficult to match the 1989 growth in 1990. If the first half is anything to go by, he should not have too much of a problem. But he points out that 1989 first-half results were not good, so the latest interim is being compared against a low base.

With EPS at 207c in the first half, and likely to be slightly more in the second six months, about 430c (388c) looks a fair estimate for the year. At R32 the share would thus offer a prospective p:e of about 7,4 times, slightly below the present sector average of 8,5.

Gerald Hirshon

AIRLINE INDUSTRY F1M 23/2/90

Jilting Maritzburg

Comair has come under fire for pulling out of Maritzburg and leaving business travellers grounded. (332)

Comair's surprise move last week follows an agreement reached with Magnum a month ago whereby Magnum would assume responsibility for the airline's services in and out of the Natal capital.

However, Magnum has not maintained Comair's morning and afternoon flights to Johannesburg; it is scheduling only a single midday flight.

The announcement of Comair's withdrawal caught Magnum flat-footed, says the Maritzburg assistant town clerk Granville Shenker, who complains that the move will inconvenience businesses. "Magnum does not have enough craft to step in."

Rowly Waller, director of the Pietermaritzburg Chamber of Industries, says many business travellers now have to fly on SA Airways from Durban and this costs more time and money. The move came at a bad time, he adds, because business is booming in the capital.

Magnum executive director John Morrison could not be reached for comment.

Comair MD Pieter van Hoven says the airline withdrew from Maritzburg because strict runway restrictions at Oribi Airport meant it had to fly with less than the full complement of passengers on its 44-seat aircraft and this made the service unprofitable. He adds that Comair hasn't approached the authorities about building a safer airport elsewhere or improving the existing one.

Maritzburg councillors are irate. They recently voted R250 000 for a control tower after Comair had campaigned relentlessly

F1M 23/2/90 (332)
For it. Van Hoven says, however, it will improve aviation safety for other operators.
□ SAA seems to be having its own problems. There have been persistent rumours of staff moves at the top. SAA sources refer to "turmoil" within the airline and say it appears to be linked to the "privatisation issue." In a related development, Sats is offering staff members severance pay to encourage them to resign voluntarily. This has apparently created an "element of uncertainty" within the organisation. ■

Grincor results boosted

THE Grindrod Unicorn Group's (Grincor) investment in international ship-owning and operating activities together with a firm world shipping market contributed towards the 55% improvement in earnings to 62,3c a share for the year to December from 40,3c in 1988. *R Day 23 1290*

Turnover rose 23% to R424m from R345m. The achievement of greater operational efficiency was reflected in the 59% improvement in operating income to R52,2m (R32,8m).

The group's subsidiaries are engaged in the storage, handling and transport of goods by sea, air and land, nationally and internationally. In 1987 Grincor merged its operations with Mitchell Cotts.

On attributable earnings of R15,7m (R10,2m), a dividend of 23c a share was declared compared with 18c a share in 1988. Dividend cover was increased to 2,7 times

CHARLOTTE MATHEWS

from 2,2 times. *(332)*

The interest bill rose to R13m from R8,5m although interest bearing debt was reduced by R21m. Grove explained that capex incurred during the year gave rise to a high interest bill in early and mid-year, but a strong cash flow had enabled them to reduce interest bearing debt.

"The interest bill will be much lower in the current year," he said.

The group planned to acquire additional ships.

An extraordinary item of R535 000 represented the curtailing of rationalised operations, offset by extraordinary profits. The figure included the tying up of Air-oadexpress which was sold in 1988.

The directors forecast that earnings would grow in real terms in 1990 but not at the same rate as in 1988 and 1989.

FOCUS

Biting the hand that feeds them

Sawet an 2/3/90 332

THE new taxi strife on the East Rand and daily carnage on South African roads has once again thrown the spotlight on minibus taxis.

Although the two major taxi groupings, Sabta and Saldta, have come to the defence of taxi drivers, most commuters feel that taxi drivers have complete disregard for the rules of the road and no respect for their passengers and other motorists.

Often taximen are involved in internicine "wars" over routes, which usually result in pain and suffering for innocent commuters.

In Katlehong, more than 15 people have died over the past few days in the battle between the Katlehong Taxi Association and the Germiston and District Taxi Association. Many vehicles and houses have been destroyed in the process.

And yesterday many lives were again lost and scores injured, including a teacher and primary school pupils.

Responsibility

Saldta has acknowledged the public's negative perception of taxi drivers, but claim this is a distorted one.

"It is our conviction that the responsibility for road safety rests with every motorist and pedestrian. We have observed that taxis very rarely collide with each other. We also believe that private vehicle owners need serious training to create awareness and for defensive purposes," said Sabta's Mike Ntadeng.

He said it would be tragic if residents were to decide on a boycott, because in certain areas there were more taxis than buses.

He advised commuters to raise such a prospect with the taxi associations.

Statistics show that 60 percent of vehicles using the NI between Pietersburg and Pretoria are minibuses and that they are involved in most accidents on the road. Since the beginning of December more than 30 people have been killed in minibus accidents in the far Northern Transvaal.

The accidents have been ascribed to recklessness and impatience.



Gruesome minibus accidents like this one have become the order of the day on South African roads.

Minibus taxi collisions have become the focus of National Road Safety Council and the Automobile Association investigations. NRSC deputy director Mr Eric Wise said it was widely perceived that these vehicles were not adhering to the rules of the road.

"Minibus taxis are often guilty of overloading and speeding. The problem is that the restriction of movement on certain groups has been lifted and they are no longer limited to certain areas by their documents," he said.

Mr Hugo Hagen, spokesman for the AA, said his organisation

was concerned about the minibus accident statistics, not only because of the number of fatalities involved - which radically affected the national fatality figure - but also the enormous challenge to the motor industry to properly train the drivers of these vehicles.

Arrogant

For instance in Standerton a taxi driver, apparently on his way to the Reef, overtook on a curve and over a barrier line in the face of oncoming traffic.

When he realised that he would not make it, he drove the taxi off the road and into the gravel patch on the opposite side of the road.

Many drivers are arrogant when dealing with passengers.

For instance, a driver in an East Rand township was called to order by passengers for riding on a barrier line while there were vehicles approaching from the opposite direction.

The driver said that if anybody felt like taking over, he was free to do so.

An Eldorado Park taxi driver, who weaved dangerously through traffic on the M1 South freeway, was threatened by passengers and told to stop treating them as though they were a cargo of cabbages.

Some taxi drivers play blaring music to weary day-end passengers, despite objections. Other passengers have complained that drivers are under the influence of alcohol or other drugs while on duty. Although many taxis have no smoking signs, some drivers ignore this ruling and smoke.

Crashed

Some taxi drivers also engage in dangerous practices while handling fares for passengers.

A taxi crashed into *The Star* building in Johannesburg because the driver was sorting out change while driving. He climbed the pavement and hit a news vendor into a plate glass window at First National Bank.

Taxis have also been seen travelling parallel to each other and a driver exchanging money with a passenger in the other vehicle.

It would seem some taximen have become more concerned with profit-making than the safety of their passengers.

But by continually ignoring the golden rule that the customer is king, they are biting the hand that feeds them and are likely to face tough times ahead if they do not change.

Most commuters of these taxis are black and one wonders how much they would have changed had they been transporting white passengers.

Some of the blame for taxi-drivers' bad behaviour falls squarely on the shoulders of traffic departments who are well aware of the problem, but do little to curb it.

One can only hope that this situation will be addressed urgently.

Mighty SAA could ground newcomers

By Roger Makings

THE Government's plans to set up effective competition in the aviation industry will not get off the ground unless it makes far-reaching concessions to SAA's potential competitors.

One of the options being tossed around in Government circles is the sale of a portion of SAA's domestic fleet to the private sector.

SAA, opposed to the fragmentation of its domestic fleet, will not comment.

The major stumbling blocks facing competitors are the huge amounts of capital required to buy aircraft and to establish an infrastructure to match SAA's.

If travellers think deregulation will bring cheaper air travel, they are in for a shock — fares will have to increase for the private sector to make profits.

Stacked

Jackie Walters, of the department of transport economics at Rand Afrikaans University, says effective competition will not be seen in the aviation industry for many years.

Professor Walters says: "The odds are stacked against competitors. SAA has a superb infrastructure, a



JACKIE WALTERS ... odds stacked against them

fleet of fairly modern aircraft and all the expertise it needs.

"To be competitive private airlines will have to buy comparable jets, establish a reservation system and maintenance department as well as foreign booking outlets to attract tourists."

Airline profit margins are slim and any company with cash to spare could easily find a more profitable investment than an airline.

"For these reasons the Government will have to make concessions to SAA's competitors. This will almost certainly mean making SAA facilities available to them."

The acquisition of aircraft is a sensitive issue. SAA will have to buy its fleet from the



PIET VAN ASWEGEN ... give us freight licences

Government after the new company is formed on April 1 at market-related prices. That will "level the playing fields and SAA will not start with bargain-priced aircraft".

"For effective competition, the private sector should have between 30% and 40% of the market.

Share

"The one way the three main competitors — Safmarine, Comair and Trek Lugdiens — can obtain the equipment they need at the same price that SAA will pay is by splitting up the domestic fleet and sharing existing facilities."

Professor Walters says there are other ways to spur



PIETER VAN HOVEN ... barriers are too high

competition, such as limiting SAA's growth and reserving part of the market for the opposition. This means new regulations in what should be a deregulated market.

"The most cost-effective way of ensuring deregulation's success is to share the existing infrastructure instead of building a new one, for which nobody has the money anyway."

Those opposed to the splitting the domestic service will be quick to point out that it would bring a two-airline policy which was tried in Australia and failed.

But Professor Walters rejects the claim, saying that the number of aircraft in service will not initially be increased and that there will be

neither regulations about departure times nor fare levels.

It is not sufficient for the Government merely to change the laws and stand back. It will have to be involved in deregulation and probably consider selling part of the SAA fleet to the private sector and renting out facilities.

Barriers

Comair managing director Pieter van Hoven agrees with Professor Walters, saying competing airlines have no chance against SAA.

"SAA holds 95% of the market, has aircraft bought at historic costs and favourable exchange rates, controls the national computer reservations system and has the only big-jet maintenance and training facilities in SA.

"How are we supposed to compete with that? It would be impossible for any new entrant to start against those barriers."

"Comair will review its position once the legislative framework under which operations will take place has been dealt with by Parliament and SAA's attitude towards facilitating the introduction of competitive services is known."

Fragmentation

Public Enterprises Minister Dawie de Villiers says the State, with SAA, will evaluate the most practical ways of encouraging competition — "for instance by fragmenting SAA into different parts and/or creating a suitable regulatory environment for the aviation industry if fragmentation is not considered the best option".

"Experience elsewhere shows that fragmenting any particular business to create competition is not necessarily conducive to technical and commercial efficiency."

Safair Holdings chief executive Piet van Aswegen says: "It's good to hear that incentives are being considered in the passenger market — but we need to know more about the details."

Dr Van Aswegen says Safair is prepared to expand its freight activities without any incentives — "all we need are the licences".

- (b) Before salary payments can be authorised, certain appointment documents must be submitted. Due to various reasons delays with the submission of documents are experienced. The Department has taken special steps to limit delays to the minimum. *Handwritten: 26/2/90*
2. No. *Handwritten: 26/2/90*

Central Energy Fund: balance

23. Mr R R HULLEY asked the Minister of Mineral and Energy Affairs and Public Enterprises:

What was the balance in the Central Energy Fund as at 31 December 1989?

Handwritten: 26/2/90 B53E

The MINISTER OF MINERAL AND ENERGY AFFAIRS AND PUBLIC ENTERPRISES:

R2 737,3 million.

Equalisation Fund: balance

24. Mr R R HULLEY asked the Minister of Mineral and Energy Affairs and Public Enterprises: *Handwritten: 26/2/90*

What was the balance in the Equalisation Fund as at the latest specified date for which information is available

B54E

The MINISTER OF MINERAL AND ENERGY AFFAIRS AND PUBLIC ENTERPRISES:

Balance as at 31/01/1990	R/M
Less BLS Trust Funds	302,313
	43,291
Total	259,022

Bus companies: subsidies

35. Mr P C CRONJÉ asked the Minister of Transport: *Handwritten: 26/2/90*

What total amount was paid to bus companies in respect of subsidies for the transport of passengers in the (a) Johannesburg/Pretoria, (b) Cape Town/Peninsula, (c) Port Elizabeth/Uitenhage and (d) Durban/Pietermaritzburg areas in the 1988-89 financial year?

Continued P.148 B76E

The MINISTER OF TRANSPORT:

- (a) R173 943 028,31. *Handwritten: 26/2/90*
- (b) R 38 411 728,38.
- (c) R 11 919 219,45.
- (d) R 59 329 429,39.

Department of Education and Training: teachers

53. Mr D S PIENNAAR asked the Minister of Education: *Handwritten: 26/2/90*

How many (a) White, (b) Black, (c) Coloured and (d) Indian teachers were employed by the Department of Education and Training in each specified teaching category as at the latest specified date for which figures are available?

B101E

The MINISTER OF EDUCATION:

- (a) 3 962.
- (b) 52 700.
- (c) 30.
- (d) None.

Combi taxis: permits

54. Adv J S PRINSLOO asked the Minister of Transport: *Handwritten: 26/2/90*

How many applications for permits to operate combitaxis were granted in the Republic of South Africa in the period (a) 1 January 1985 to 31 December 1987, (b) 1 January to 31 December 1988 and (c) 1 January to 31 December 1989?

Handwritten: 332

B103E

The MINISTER OF TRANSPORT:

The statistical information is not available in the format as requested by the honourable member. The following number of applications for permits to operate combi taxis were granted during the undermentioned periods:

(a) (i) for the financial year 1 April 1985 to 31 March 1986.	4-8 seater vehicles	9-15 seater vehicles
	1 097	2 684
(ii) for the financial year 1 April 1986 to 31 March 1987.	4-8 seater vehicles	9-15 seater vehicles
	9 707	7 093

Continued P.149

Handwritten: 332

(iii) for the financial year 1 April 1987 to 31 March 1988.

4-8 seater vehicles	9-15 seater vehicles
4 816	34 788

(b) for the financial year 1 April 1988 to 31 March 1989; and

4-8 seater vehicles	9-15 seater vehicles
1 693	19 667

(c) for the period 1 January 1989 to 31 December 1989.

4-8 seater vehicles	9-15 seater vehicles
3 010	29 450

Please note that the abovementioned statistics are in respect of the number of new applications for taxis, including those for combi taxi services, granted during the past five financial years. These applications were granted on certain conditions. Many applicants failed to comply with the conditions with the result that permits have not been issued to them. Statistics in respect of the exact number of permits physically issued for taxis are not kept. The Department is in the process of developing an extensive information system relating to combi taxis so that comprehensive information will in due course be available. *Handwritten: 26/2/90*

Bureau for Information: publications

75. Mr P G SOAL asked the State President:

- (1) (a) What total number of publications was produced by the Bureau for Information in 1989, (b) what was the title of each publication, (c) what was the total cost of producing each of these publications and (d) who printed each of them;

(2) whether the printing contract in respect of each of these publications was put out to tender; if not, why not; if so,

(3) whether he will furnish details in regard to these tenders; if not, why not; if so, (a) what companies submitted tenders in respect of each publication and (b) what was the amount of each tender?

Handwritten: 26/2/90 B185E

The STATE PRESIDENT:

- (1) (a) 87.
- (b) Regional publications
1. Kudu.

2. Om te weef/In the know.

3. Inzindaba.

4. Silulu

5. Lighv/Khanya.

6. Die Karet.

7. Vukani (Ikapa).

8. Nduli News (Ceres).

9. Mbekweni News (Paarl).

10. Crossroads News (Crossroads).

11. Ulwazi (Zweletemba, Worcester).

12. Qaphela (Khayelitsha).

13. Phamhile Zwehlic (Hermannus).

14. Kayamandi News (Stellenbosch).

15. Puisano.

16. Ilizwi.

17. Phoenix.

18. KwaNobuhle News.

19. Smaldec News.

20. Isigodlo.

21. Masizame.

22. Rini News.

23. Bofolo News

24. Lingelithe News.

25. Umyalezo.

26. Camdeboo News.

27. Indaba Zika Masizakhe.

28. Women's Forum.

29. Umzomhle/KwaNomsamo.

30. Motherwell News.

31. Umso.

32. Metropolitan Digest.

33. Bekkersdal Newsletter.

34. Munsieville News.

35. Evaton News.

36. Katlehong Newsletter.

37. Diepmeadow News.

38. Tsakane Herald.

New taxi war in Katlehong

A FRESH taxi "war" between two factions in Katlehong erupted at the weekend, leaving hundreds of commuters stranded, writes MOEKETSI MPHAKH...

The taxi associations involved are Germiston and District Taxi Association (G&DTA) and the Katlehong Taxi Association (Kato). (332)

G&DTA general secretary Mr Sehlotji Malepe said Kato members were seen forcing out passengers from their taxis at the weekend. Sowetan 26/9/90

"To avoid unnecessary bloodshed our members decided to withdraw their taxis, leaving commuters stranded," he said.

Malepe said G&DTA taxis were being prevented from operating in certain routes, especially the Khumalo-Valley routes and Schoeman Road.

Comment could not be obtained from Kato as they do not have an office.

QUESTIONS

Indicates translated version.

For oral reply:

General Affairs:

State President:

Certain group: petition

*1. Mr P G SOAL asked the State President:

Whether he has received a petition from a certain group, the name of which has been furnished to the State President's Office for the purpose of his reply; if so, (a) when did he receive the petition, (b) what is the purport thereof, (c) how many signatures does it contain, (d) what was his response thereto and (e) what is the name of the group concerned?

The STATE PRESIDENT:

Yes.

(a) 12 February 1990.

(b) According to a related memorandum as well as the petition itself, it is demanded in the main that the incorporation of certain areas into independent states and self-governing territories be stopped, and that the areas already so incorporated be re-incorporated into the Republic in the case of the independent states and in the case of the self-governing territories, be placed under the control of the central government.

- (c) According to the said memorandum the petition contains some 43 000 signatures. A number of persons whose names are contained in the petition have clearly not signed in their own handwriting.
- (d) I have forwarded the matter to the ministers concerned for their attention.
- (e) Stop Incorporation Campaign.

(1) CASUALTIES BY DEGREE AND MAGISTERIAL DISTRICTS OF URBAN AND RURAL ROADS. (ALL VEHICLES)

1984					
Magisterial district	Total	Fatal	Seriously Injured	Slightly Injured	
JOHANNESBURG	13 032	661	3 879	8 492	
PIETERSBURG	579	52	184	343	

continue p pp 173/174

1984

Magisterial district	Total	Fatal	Seriously Injured	Slightly Injured
POTGIETERSRUS	408	51	128	229
PRETORIA	4 845	243	970	3 514
RANDBURG	2 001	132	462	1 427
WARMBATHS	261	48	73	140
WATERBERG	240	28	58	154
WONDERBOOM	2 893	130	474	996

1985

Magisterial district	Total	Fatal	Seriously Injured	Slightly Injured
JOHANNESBURG	12 269	764	3 612	7 893
PIETERSBURG	620	51	176	393
POTGIETERSRUS	448	47	132	269
PRETORIA	4 440	253	755	3 432
RANDBURG	1 948	127	511	1 310
WARMBATHS	288	32	71	185
WATERBERG	315	40	81	194
WONDERBOOM	1 356	116	391	849

1986

Magisterial district	Total	Fatal	Seriously Injured	Slightly Injured
JOHANNESBURG	13 120	682	4 073	8 365
PIETERSBURG	769	82	193	494
POTGIETERSRUS	559	66	214	319
PRETORIA	5 482	253	975	4 254
RANDBURG	2 091	183	487	1 421
WARMBATHS	305	46	77	182
WATERBERG	311	35	74	202
WONDERBOOM	1 403	137	413	853

1987

Magisterial district	Total	Fatal	Seriously Injured	Slightly Injured
JOHANNESBURG	14 501	718	4 232	9 551
PIETERSBURG	894	114	247	533
POTGIETERSRUS	645	61	237	347
PRETORIA	5 725	276	1 022	4 427
RANDBURG	2 236	131	473	1 632
WARMBATHS	305	46	85	174

P 10 - P

Haussard 332

1987	Total	Fatal	Seriously Injured	Slightly Injured
Magisterial district				
WATERBERG	312	47	77	188
WONDERBOOM	1 589	130	527	932

1988	Total	Fatal	Seriously Injured	Slightly Injured
Magisterial district				
JOHANNESBURG	15 189	715	4 486	9 988
PIETERSBURG	928	87	324	604
POTGIETERSBURG	696	99	208	353
PRETORIA	5 935	285	1 193	4 457
RANDBURG	2 867	159	591	2 117
WARMBATHS	258	35	51	172
WATERBERG	290	36	77	177
WONDERBOOM	1 893	147	653	1 093

(2) A SUMMARY OF FATAL MINIBUS COLLISIONS ON RURAL ROADS

The following magisterial districts are included: Johannesburg, Randburg, Pretoria, Wonderboom, Waterberg, Potgietersrus, Pietersburg.

1984

- * Fatal minibus collisions in the above-mentioned magisterial districts: 14
- * Total number of fatal collisions in the above-mentioned magisterial districts: 203
- * 6,9% of the total number of fatal collisions were fatal minibus collisions.
- * National total of the number of fatal minibus collisions: 524

1985

- * 6,3% of the total number of national fatal collisions were national fatal minibus collisions.
- * Fatal minibus collisions in the above-mentioned magisterial districts: 15
- * Total number of fatal collisions in the above-mentioned magisterial districts: 209

- * 7,2% of the total number of fatal collisions were fatal minibus collisions.
- * National total of the number of fatal minibus collisions: 581
- * National total of the number of fatal collisions: 7 692

1984

- * 7,5% of the total number of national fatal collisions were national fatal minibus collisions.
- * The 1986 data is not readily available

1987

- * 13,1% of the total number of fatal collisions were fatal minibus collisions.
- * National total of the number of fatal minibus collisions: 891
- * National total of the number of fatal collisions: 8 431
- * 10,5% of the total number of national fatal collisions were national fatal minibus collisions.

continue pp 177

1988

- * Fatal minibus collisions in the above-mentioned magisterial districts: 24
- * Total number of fatal collisions in the above-mentioned magisterial districts: 218
- * 11,0% of the total number of fatal collisions were fatal minibus collisions.
- * National total of the number of fatal minibus collisions: 1 093
- * National total of the number of fatal collisions: 9 016
- * 12,1% of the total number of national fatal collisions were national fatal minibus collisions.

Haussard 332

†Dr W J SNIYMAN: Mr Speaker, arising out of the hon the Minister's reply, which evidently indicates that a large number of accidents took place on the road concerned at the particular time, I would like to ask whether the Government foresees that the freeway extension from Middelfontein to Pietersburg will become a reality at an earlier stage.

The MINISTER: Mr Speaker, I would like to inform the hon member that I am aware of the problem but unfortunately owing to a shortage of funds we cannot extend the freeway at this stage. However, I would like to inform him that I shall be going to Pietersburg in the not too distant future to have a discussion on this matter. It is hoped that we will be able to a degree to upgrade the existing road. We are certainly paying attention to the problem.

New questions:

False Bay: licences for trek nets
*1. Mr J H MOMBBERG asked the Minister of Environment Affairs:

- (1) (a) How many persons currently hold licences to use trek nets in False Bay, (b) how many inspectors are stationed in the False Bay area to monitor the use of such trek nets and (c) in respect of what date is this information furnished;
- (2) what is his Department's policy regarding the renewal of a licence on the death of a permit holder?

†The MINISTER OF ENVIRONMENT AFFAIRS:

- (1) (a) 12 permits to 14 persons: Smitswinkel Bay to Fish Hoek — 5 permits
Muizenberg to Maccassar — 2 permits
Kogel Bay to Palmiet River — 5 permits
- (b) Since January 1990 eight fishery control officers are available.
- (c) The permits were valid for 1989.
- (2) Net permits are at present regarded as being heritable.

Social pensions for Blacks
*2. Mr R M BURROWS asked the Minister of Planning and Provincial Affairs:

- (1) Whether his Department is responsible, through the provincial administrations, for the administration of social pensions for Blacks in certain areas; if so, (a) in which areas and (b) what total number of Black persons is currently receiving such pensions; *Haussard* 27 | 2190
- (2) whether there is a backlog in the handling of applications for social pensions in any areas; if so, (a) in which areas, (b) what are the reasons for this backlog and (c) what total number of applications are currently awaiting processing? B147E

The MINISTER OF PLANNING AND PROVINCIAL AFFAIRS:

- Cape Province
- (1) Yes
 - (a) Cape Province
 - (b) 130 808
 - (2) No
 - (a) and (b) fall away
 - (c) 250
- Natal
- (1) Yes
 - (a) Natal (excluding KwaZulu)
 - (b) 66 431
 - (2) (a) Yes. All areas in Natal.



Members of the newly formed transport organisation Nafto at its launch yesterday.

Sowetan 28/2/90

332

New transport body formed

THE president of Nafcoc, Dr Sam Motsuenyane, yesterday said the chamber will hold talks with political organisations, including meeting with released ANC leader, Mr Nelson Mandela, with the aim to seek peace and unity in South Africa. At a Press conference to introduce the newly-formed National African

By JOSHUA RABOROKO

Federated Transport Organisation (Nafto), he said the chamber had forged links with local and international business communities for black economic empowerment. The new body, which has affiliated to Nafcoc, was a significant move to ensure black people enjoyed substantial participation and have a stake in the core economy of South Africa, through the transport industry. Nafto is an amalgamation of independent transport associations operating in South Africa and covering neighbouring territories and independent African states. Nafto was to meet the Minister of Transport, Mr George Bartlett, to discuss various issues including having a share in the buying of Sats through the government's

policy of deregulation and privatisation. Nafto would have to come out with best answers concerning the proposed nationalisation of banks, mines and certain sectors of the economy as espoused by many leaders.

Six die in taxi war

By MZIKAYISE EDOM

Six people have been killed and more than 50 others injured since the violence between two rival taxi organisations in Katlehong on the East Rand started on Saturday.

Scores of taxis and private cars have also been damaged during the fighting.

One of the dead has been identified as Mr Makhosini 'Ryder' Sibanyoni, of 111 Credi Section, Katlehong, a member of the Katlehong Taxi Organisation.

Sibanyoni was allegedly attacked by members of the rival Germiston and District Taxi Association near his home.

His cousin, Mr Ike Radebe, said he was hacked with pangas and iron bars.

He was taken to the Natalspruit Hospital where he died hours later. He will be buried in the township on Saturday.

The situation was still tense in the township yesterday with thousands of commuters left stranded without transport.

The fight between members of the GDTA and Kato is over routes in the township. The taxis operate between Katlehong, Vosloorus and Germiston.

East Rand police are still investigating the cause of the fight and no arrests have been made.

332

Sowetan
06/12/90

Imperial Holdings goes into top gear

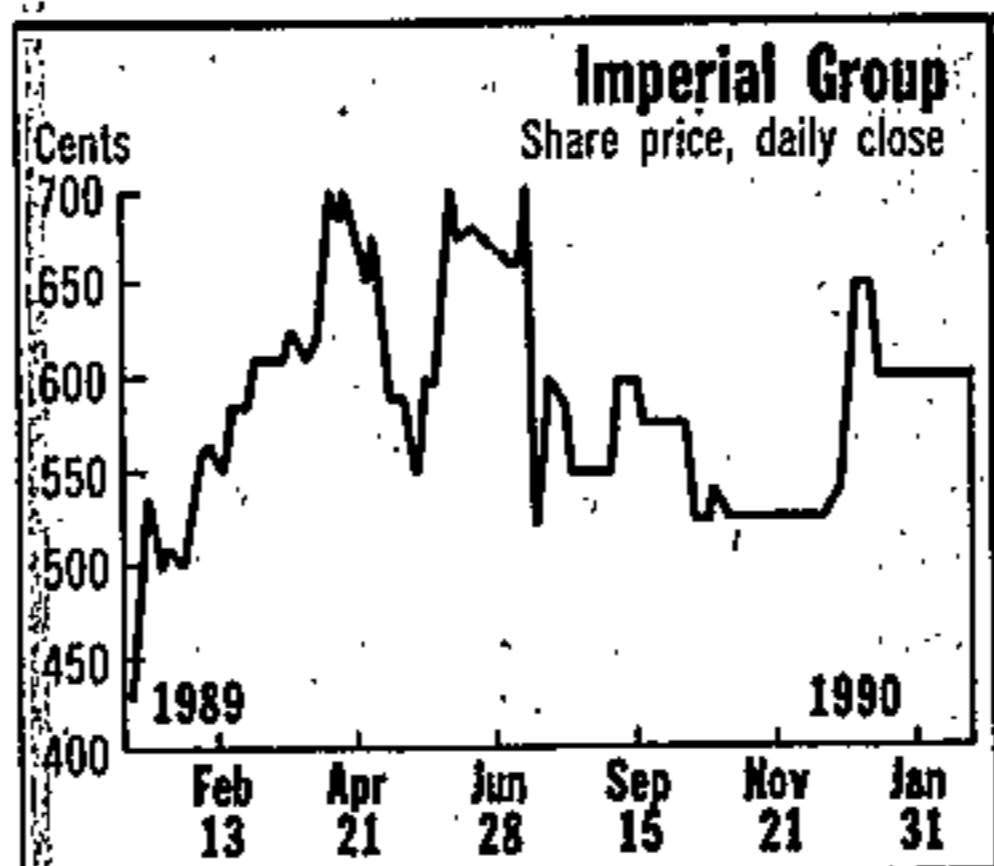
ROBERT GENTLE

337

IMPERIAL Holdings, whose operations cover transport, vehicle rental, motor trading and financial services, has ended the half-year to December 25 in impressive form.

Operating profits jumped 49% to R22,2m (R14,9m) on turnover that rose only 26% to R280m (R222m), reflecting a solid increase in operating margins. *from 18/2/90*

Despite a higher interest bill and tax rate, and a reduced share of associated companies' retained profits, the bottom line showed attributable profits up 29% to R8,20m (R6,37m).



Graphic: FIONA KRISCH Source: JSE

This yielded an equivalent increase in earnings per share to 14,6c (11,4c), while the interim dividend per share rose 28% to 5,75c (4,50c).

Joint MD Bill Lynch called the results pleasing and praised the tight asset management of the group.

He said Imperial Car Rental had prospered with the buoyant tourist and business travel conditions and expansion had been undertaken. The outlook was encouraging.

However, Auto Pedigree, which disposes of the division's rental cars, found conditions in the used car market difficult while the motor trading division experienced tight trading in the new car market.

Imperial Group Limited, which has as its sole investment a 75% stake in Imperial Holdings, reported attributable profits of R6,1m over the same period, equivalent to earnings per share of 43,9c (34,1c).

Black transport on the move

WILSON ZWANE

332

THE National African Federated Transport Organisation (Nafto) would promote black economic empowerment through transport, Nafcoc president Sam Motsuenyane said yesterday.

Nafto is a new umbrella organisation to be launched formally early next month. It will cover all transport aspects from taxis to long-distance transport companies.

It is an amalgamation of independent transport associations operating in SA and neighbouring countries. It is affiliated to Nafcoc and operates as its independent transport wing. *BIDM 28/2/90.*

Nafto has 40 000 members and chairman Peter Rabali says its formation should be seen as the imagination and innovation of black people.

Motsuenyane, speaking at a meeting in Johannesburg yesterday at which Nafto was introduced to the public, said Nafto would encourage entrepreneurs to enter the transport business; lend assistance to welfare and other non-profit-making organisations; foster and develop sound business skills among its members; regulate the conduct of members; and campaign against the high rate of road accidents by providing training for members.

Alexandra residents to march on Putco HQ

Star 1/3/90

By Drew Forrest

332

Alexandra residents are to march on Putco's Gallop Manor headquarters to present a petition in solidarity with striking workers at the company's Wynberg depot.

This was resolved at a mass meeting in the township on Tuesday attended by a range of organisations, including the Alexandra Civic Organisation.

At the same time, the Transport and General Workers' Union has blamed the sudden upsurge of worker demands for the removal of Putco managers on the "inexperience and heavy-handedness" of middle management.

SPATE OF DEMANDS

"Area and divisional managers lack labour relations know-how, while making decisions on labour issues," she said.

Putco managing director Dr Jack Visser said there was a spate of such demands, which threatened to make the company unmanageable.

At Wynberg, close to 400 workers, including drivers, have downed tools demanding the removal of the divisional manager. Some 800 000 commuters a day are currently without bus transport.

Dr Visser said a top executive had investigated workers' complaints, and had "substantially cleared" the manager concerned.

CALL Taxis 2/3/90 (332) ~~270~~

DURBAN. — Traffic came to a standstill yesterday in central Pinetown when scores of minibus taxis defiantly broke the law and drove around the town ignoring traffic lights and stop streets.

Drivers said they were protesting against the closing of their taxi rank yesterday. They had paid the annual R300 fee to have a place in the rank but as of yesterday they had to park in the street.

They complained there was not enough space and that the Pinetown Municipality has started

Minibus protest halts traffic

levying high traffic fines.

The taxis, with hooters blaring, were at one stage driving bumper to bumper, preventing any flow of normal traffic.

Traffic police blocked off roads and re-directed traffic.

A large crowd gathered, whistling and toy-toying when police armed with shotguns

stood across the street.

There were tense moments when scores of people joined the chanting group which taunted police and banged on a bus which tried to drive through the crowd.

Many shopowners near the crowd closed their doors.

Drivers later agreed to move their vehicles and said they would hold a meeting this week to establish an association which the authorities would then talk to about grievances.

Taxis were driven off with hooters blaring. — Sapa

snack and demanded to

Hunger strike

Sowetan 21/3/9
WHITE male political prisoners at Pretoria Central Prison are to embark on a water-only hunger strike today in solidarity with the 343 hunger strikers on Robben Island.

The Island prisoners are fasting to secure the immediate and unconditional release of all political detainees. - Sapa.

Katlehong taxi war hots up 332

By MATSHUBE MFOLOE

TWO homes belonging to members of the Katlehong Taxi Organisation were attacked and three mini-bus taxis registered with the organisation torched by unknown people on the East Rand.

The incidents are believed to be a sequel to an ongoing taxi war between the Germiston and District Taxi Association and the newly formed Katlehong Taxi Organisation.

Although no one was injured during Wednesday night's attacks, the feud has already left six people dead and over 50 people injured since the war began last week.

Yesterday, thousands of commuters were left stranded while others were seen hiking to and from work.

Several members of the Katlehong Taxi Organisations were believed to be in hiding yesterday for fear of further attacks by a group seen driving in two mini-buses.

At house 432 Mngadi Section, ac-

ording to Mr Isacc Kone, the men cut off the telephone line, smashed the windows and doused a mini-bus with petrol.

In Maphanga Section, the family of a Kato chairman, Mr Stanley Msimanga, narrowly escaped death when petrol was poured and ignited through the window.

The Katlehong Civic Association said that taxis belonging to the Germiston and District Taxi Association and Kato should be boycotted until the bloody violence comes to a halt.

The civic association said that attempts to reconcile the warring association had been ignored and as a result, "we feel the boycott of taxis is a necessary step."

Putco has been asked to increase the number of buses to ferry commuters and employers have been asked to pardon workers who arrive late.

MORE MONEY

ALL SKILLS

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Full steam ahead for luxury train

332
Cape Times 3/3/90

Great news for lovers of steam-travel: an up-market, steam-drawn passenger train will soon be operating in the winelands of the beautiful Franschhoek Valley, providing a further boost to tourism at the Cape. ROGER WILLIAMS reports.

AN up-market, steam-drawn passenger train to be called the Champagne Express will be operating soon on the little-used branch line between Paarl and Franschhoek.

This exciting addition to the Cape tourist scene will make whistle-stop trips through the scenic Franschhoek Valley in what is claimed will be the only steam-train service in the world operating through wineland country.

The train, aimed primarily at the top of the tourist market, will offer a new attraction at a time when tourism is taking off in the region.

It could be to the Western Cape what Rohan Vos's Rovos Rail steam safari is to the Eastern

Transvaal and what the George-to-Knysna Outeniqua Choo-choo is to the Southern Cape.

The train will be operated by a new company, the Crown Railroad Company, the partners in which are Franschhoek wine farm Michael Stander (32), who conceived the idea eight months ago, and Dr Glennie van Hoogstraten, daughter of the late MP for Gardens, "Hoogie" van Hoogstraten of Hout Bay.

Stander plans to market the Champagne Express overseas at international travel expositions as well as in South Africa. Foreign visitors will be able to



A DREAM COMING TRUE . . . Franschhoek wine farmer Michael Stander with a Railway Museum calendar picture of a passenger train drawn by the type of steam locomotive, the 19-D, which will haul his Champagne Express through the Paarl and Franschhoek winelands. The passenger coach, dining saloon and kitchen car will be royal blue.

Picture: ALAN TAYLOR

book on the train through travel agents as part of their tour packages.

With the full support of Transnet (formerly Sats) and of wine and fruit farmers along the route, Stander is planning to get the Champagne Express going in September, running five days a week with stop-overs at wine farms en route.

And when the Victoria and Alfred Waterfront redevelopment project is further advanced he hopes to run the steam train through to the Waterfront area from Paarl at weekends.

The train, initially carrying 40 passengers on each trip, will operate on the 30 km branch line between Paarl and Franschhoek and, says Stander, stations along the way will be upgraded and smartened. Franschhoek station itself will be revamped and landscaped.

Restaurants

"The idea", he says, "is to operate on an alternating roster with a stop on each trip at one of the wine farms on the route. Passengers will be taken by luxury coach to Paarl station, where they will board the train, and at the stops made along the way they will be given a chance to visit wine farms such as Boschendal, l'Ormarins, Bellingham and La Motte.

"Restaurants at Franschhoek will take it in turn to serve lunches to the passengers and we intend setting up an up-market gift shop and information bureau at the station.

"The passengers will also be taken to the Huguenot monument and museum and for those wishing to spend a night at Franschhoek, a private guest-house will be available to them on the mountainside, with magnificent views across the Franschhoek Valley.

"On the way back to Paarl, the train will stop at Simondium siding for tea and for passengers to visit a new art gallery being created there by the community of artists living in the area."

Maintenance

The royal blue passenger coach, vintage dining car "Nyanza" (once part of the Blue Train's predecessor, the Union Express) and kitchen car acquired by Stander have until now been a static restaurant at Franschhoek station. They will be fully restored at Transnet's maintenance works at Salt River and Stander then proposes refurbishing them in the elegant, old-world style of the Orient Express.

Meanwhile two class 19-D locomotives are being brought to the Cape from the Transport Museum in Johannesburg, to take it in turns to draw the Champagne Express. They are to be operated by Transnet staff and maintained at the railway depot at Daljosofat.

Stander intends reinstalling the locomotive turntable at Franschhoek station and creating a museum-like "steam park" for steam enthusiasts visiting the area.

Taximen urged to stop 'war'

By MOKGADI PELA

THOUSANDS of residents attended a meeting in Katlehong yesterday to resolve the ongoing taxi war that has claimed seven lives and left about 50 people injured in the past 10 days.

The meeting, held at Huntersfield stadium, followed demands by the community for the unification of the two warring bodies - the Katlehong Taxi Organisation (Kato) and the Germiston and District Taxi Association (GND).

The fight between the two associations is over the use of routes in the area.

Addressing the audience, the secretary of the Katlehong Civic Association, Mr Ike Motloun, said the taxi violence started after talks between the two taxi bodies were deadlocked.

A representative of the Congress of South African Trade Unions, Mr Solly Maseko, called on the two groups to end the violence.

He said: "We would not like to see the bloody Natal situation replayed in Katlehong." Maseko said black-on-black violence was a shame that had to be discouraged. He urged the Katlehong Civic Association to convene a meeting between Kato and GND within 48 hours.

B. Day 6/3/90

NTC rationalises road plans after funds reduction

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CAPE TOWN — National Transport Commission (NTC) funds were reduced by half during the 1988/89 financial year as a result of the abolition of the National Road Fund (NRF) as a dedicated fund in April 1988.

The reduction, disclosed in the Transport Department's annual financial report for 1988/89, forced the NTC to re-evaluate plans for an extensive national road network with freeways linking major cities.

To rationalise the plans, it decided to declare provincial roads as national roads and incorporate them into the network.

The standard of roads in the network was adapted to meet future traffic requirements, according to the annual report tabled in Parliament this week.

As a result, many longer-term projects were postponed. Substantial work on the rehabilitation and improvement of newly declared road sections was reduced.

The report showed expenditure from the NRF exceeded total income of R601,9m by R130,2m.

Expenditure on new road construction and major maintenance work was R558,9m, while R21,5m was spent on toll

LESLEY LAMBERT

roads.

The remainder was allocated to the Urban Transport Fund, the construction and maintenance of roads in national parks and transport and road research.

Attempts at privatisation were helping to provide essential road sections earlier than expected.

While the Department of Transport as a whole spent about R2bn on national and provincial roads during the year under review, two private companies — Tolcon and Tollway — commissioned by the State to build toll roads, had financed about R400m of their projects between them.

They were expected to finance an additional R500m during the current year.

On March 31 last year, Tolcon's total capital expenditure amounted to R282m. Loans procured by Tollway amounted to R114m, including capitalised interest.

Tolcon's contribution would increase to more than R900m with the completion of the Villiers-Warden road section and the Keeversfontein-Warden section.

Tolcon's income from tolling certain sections of State roads amounted to R28m.

Inland Revenue finds R95m in unpaid taxes

B 1004 61390
PRETORIA — Inland Revenue inspectors ferreted out unpaid tax amounting to nearly R95m last year, according to the Finance Department.

Inland Revenue chief director Schalk Albertyn said each of the 125 inspectors were on average responsible for discovering unpaid taxes amounting to about R760 000 in special investigations.

GERALD REILLY

The total includes penalties imposed on tax dodgers.

Albertyn hesitated to put a figure on the amounts lost to the Treasury because of tax dodging.

But he said it would probably amount to several billions of rands.

HOUSE OF REPRESENTATIVES

in this regard and (b) what alternative system will be introduced?

C4E

QUESTIONS

†Indicates translated version.

For written reply:

General Affairs:

Taxi concern: permits issued

2. Mr W J DIETRICH asked the Minister of Transport:

- (1) How many permits were issued to a certain taxi concern, particulars of which have been furnished to the Minister's Department for the purpose of his reply, over the latest specified period of five years for which information is available;
- (2) whether he will furnish particulars of the vehicles in respect of which these permits were issued; if not, why not; if so, (a) what is the registration number of each such vehicle, (b)(i) on what date and (ii) from whom was each purchased and (c) on what date was the licence for each vehicle issued;
- (3) whether his Department has information on whether the taxi concern in question has at any time leased out any of its permits; if not, why not; if so, what are the relevant details;
- (4) whether it is the intention to phase out the permit system; if not, why not; if so, (a) what steps have been and/or will be taken

The MINISTER OF TRANSPORT:

- (1) Two permits were issued on 18 November 1987.
- (2) Yes.
 - (a), (b) and (c) CB 291768 registered in the name of G Abdullah on 2 December 1987 and CB 276565 registered in the name of I Abdullah on 5 January 1987. The rest of the information is not readily available to the Department of Transport.
- (3) Yes. There have been several allegations over the past 18 months from persons alleging they have been hiring permits from the taxi concern in question.
- (4) Yes.
 - (a) The Transport Deregulation Act, 1988 (Act, No 80 of 1988) and the Road Traffic Act, 1989 (Act, No 20 of 1989) which have been passed by Parliament make provision for the deregulation of transport.
 - (b) A system of control aimed at maintaining an acceptable standard of quality and safety, the Road Transport Quality System. A Passenger Transport Bill, which makes provision for the regulation of passenger transport, is also expected to be piloted through Parliament next year.

HOUSE OF DELEGATES

The MINISTER OF MANPOWER:

QUESTIONS

†Indicates translated version.

For written reply:

General Affairs:

Shortage of professional persons

1. Mr M MOHANLALL asked the Minister of Manpower:

- (1) Whether there is a shortage of (a) civil engineers, (b) mechanical engineers, (c) chemical engineers, (d) land surveyors, (e) airline pilots, (f) aircraft maintenance personnel, (g) flight controllers, (h) doctors and (i) dentists in South Africa; if so, what is the extent of the shortage in each case;
- (2) whether his Department has taken and/or intends taking any steps to recruit persons from overseas countries to meet these shortages; if not, why not; if so, from which overseas countries;
- (3) whether his Department has taken and/or intends taking any other steps to alleviate the present position; if not, why not; if so, (a) what steps and (b) when?

	(1)	Shortages according to the most recent Manpower Survey of the Central Statistical Service as at 25 March 1988*
(a) Yes	440	
(b) Yes	154	
(c) Yes	133	
(d) Yes	150	
(e) Yes	129	
(f) Yes	262	
(g) Yes	26	
(h) Yes	1 507	
(i) Yes	212	

- * Due to market tendencies these figures may fluctuate substantially from time to time.
- (2) No. The recruiting of employees is the responsibility of employers. The Department of Home Affairs assists employers in this regard. The Department of Manpower thus does not necessarily have any knowledge from which countries immigrants are recruited by employers.
- (3) See reply under (2) above.
 - (a) Applications of prospective immigrants are received and referred to suitable employers via the South African missions and the Department of Home Affairs.
 - (b) Continuously.

Sabta suspends one of warring taxi rivals

332
Sowetan
8/3/90

THE Southern Africa Black Taxi Association yesterday acted against the two warring taxi associations in Katlehong in the wake of growing violence in the township.

Sabta has called on members of the Katlehong Taxi Organisation to disband and submit themselves to the

By JOSHUA RABOROKO

authority and jurisdiction of the Transvaal Taxi Association appointed manager during the run-up to the election of a single association.

In a statement, Sabta's deputy managing director Mr Jabu Mabuza also announced the immediate suspension of Germiston Taxi association from their ranks.

The suspension will remain in force until conditions of peace and unity of taxi bodies in Katlehong have been achieved.

Sabta said it will announce the appointment of a one-man commission of inquiry headed by a retired judge to probe the circumstances leading to the taxi war that has claimed eight lives and caused injury to more than 43 people as violence flared in the East

Rand township.

Mabuza said Sabta abhorred the wanton destruction of property and senseless killings that have taken place in Katlehong following the disputes among taxi operators in the area.

It also expressed its deepest sorrow and sympathies for the families who lost their beloved ones.

"We re-iterate our call for peace and calm to descend upon the township of Katlehong as well as other troubled communities elsewhere.

"For our part we wish to contribute towards bringing about the cessation of hostilities and peace," Mabuza said.

"Sabta recorded its grave concern that divisions of this sort are occurring in other parts of the country and calls for united action to stop this violence," he said.

Mabuza said the deci-

sion was reached in consultation with Katlehong Civic Association, the United Democratic Front and Sabta, adding "if the strategy to liberate black in SA is not to be retarded, then closer cooperation between Sabta and progressive community organisation need to be cemented."

End the violence, pleads community

Sowetan 2/3/90

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By PHANGISILE
MTSHALI

THE South African Black Taxi Association, community and political leaders yesterday pleaded for an end to the violence in Katlehong on the East Rand.

"We, as the mother organisation, have made a call for the halt to all hostilities in the area," Mr Jabu Mabuza, Sabta's public relations officer said yesterday.

"We appeal to our affiliate, the Germiston and District Taxi Association, and the Katlehong Taxi Organisation to stop this senseless killing and damage to property."

Mabuza said a meeting between their affiliate and civic leaders to discuss the situation was being arranged for today.



JABU MABUZA

Archbishop Desmond Tutu, head of the Anglican Church in southern Africa, also condemned the violence.

"Please stop the violence," he pleaded.

"We cannot afford to destroy ourselves just when we are on the threshold of victory.

"We call on our people to exercise discipline and restraint.

"We express our deepest sympathies to the bereaved families."

The public relations officer of the Southern Transvaal branch of the United Democratic Front also pleaded with warring factions "to stop this retrogressive violence, cease their actions and to address the problems through the only viable solution and that is the peaceful settlement".

"The differences between taxi owners and the community of Katlehong at large must be resolved amicably through democratic channels.

"Violence can never be the solution to such differences.

"There are more areas of agreement than differences and this is what must inform our approach to our differences."

Howard

Howard

HOUSE OF REPRESENTATIVES

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CAE

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D22E

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	(b)	Continuously.								

Taxi operators go on the rampage

5 die in Katlehong clash

By Abel Mabelane,
East Rand Bureau

At least five people died and 15 were seriously injured when a group of taxi operators went on the rampage in Katlehong yesterday, attacking pupils at the school for allegedly petrol-bombing six of their minibuses.

Dr N Kernes, superintendent of the Natalspruit Hospital said 15 people had been admitted with bullet, panga and knobkerrie wounds and two of them were in a critical condition.

Police confirmed yesterday that the bodies of a man and three youths were found near the Ikhateng school in the Ngema section. One youth had been shot and the other three victims had apparently been hacked to death.

13 arrested

The body of a 15-year-old boy who had been shot dead was also found in the township. Thirteen suspects were arrested in connection with the killing after police stopped a minibus and seized two guns.

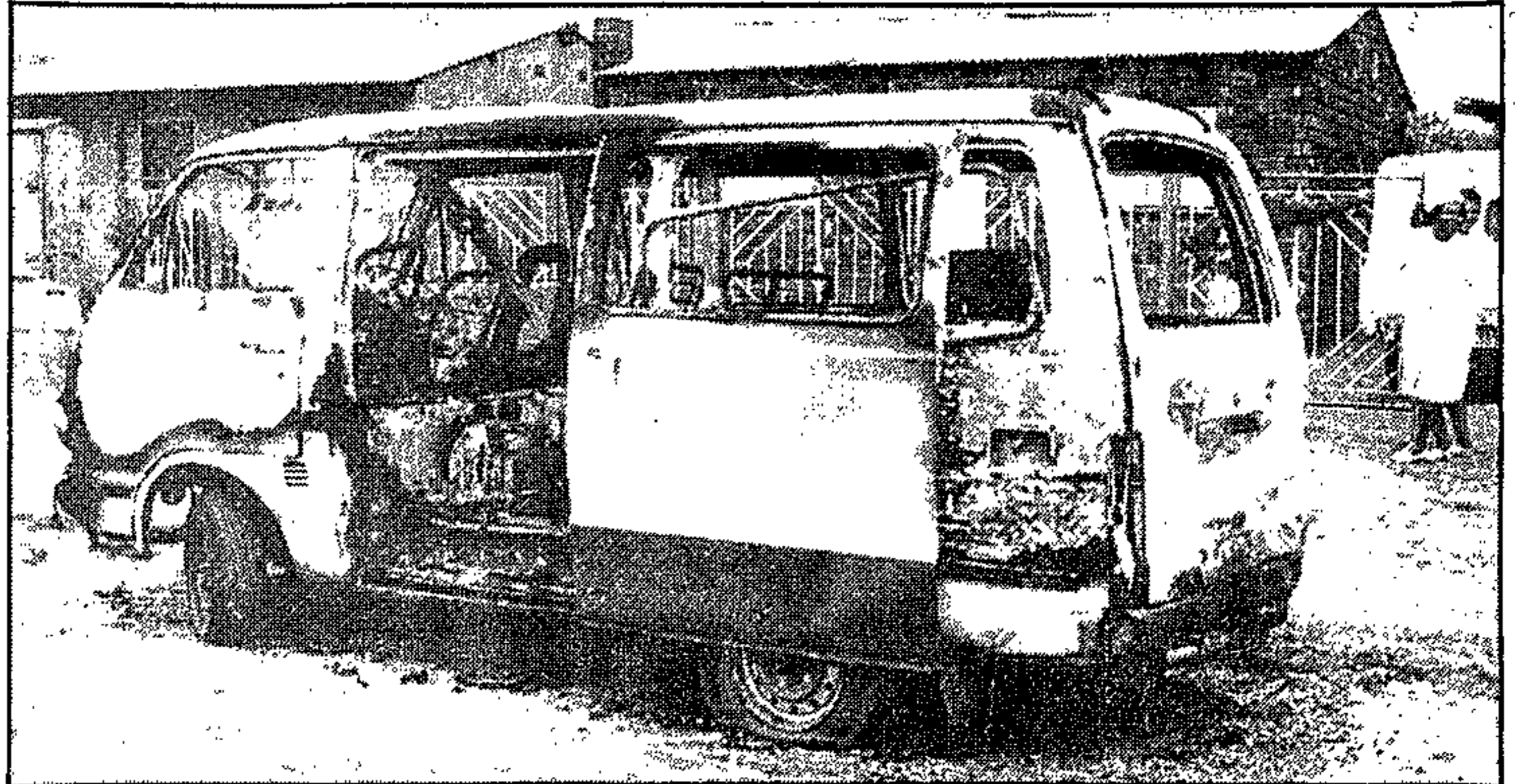
Two people may have been wounded after a mob attacked two special constables with sticks and knobkerries and tried to take their guns. The policemen opened fire but it is believed the wounded were dragged off by the mob.

Another 19 people were arrested after police searched a minibus and found three guns.

The General Secretary of the Germiston and District Taxi Association Mr Sehlotji Malepe, said six taxis were allegedly petrol-bombed by school pupils in different areas.

Mr Malepe said two drivers were shot in the leg during an argument with the police at the offices of the association.

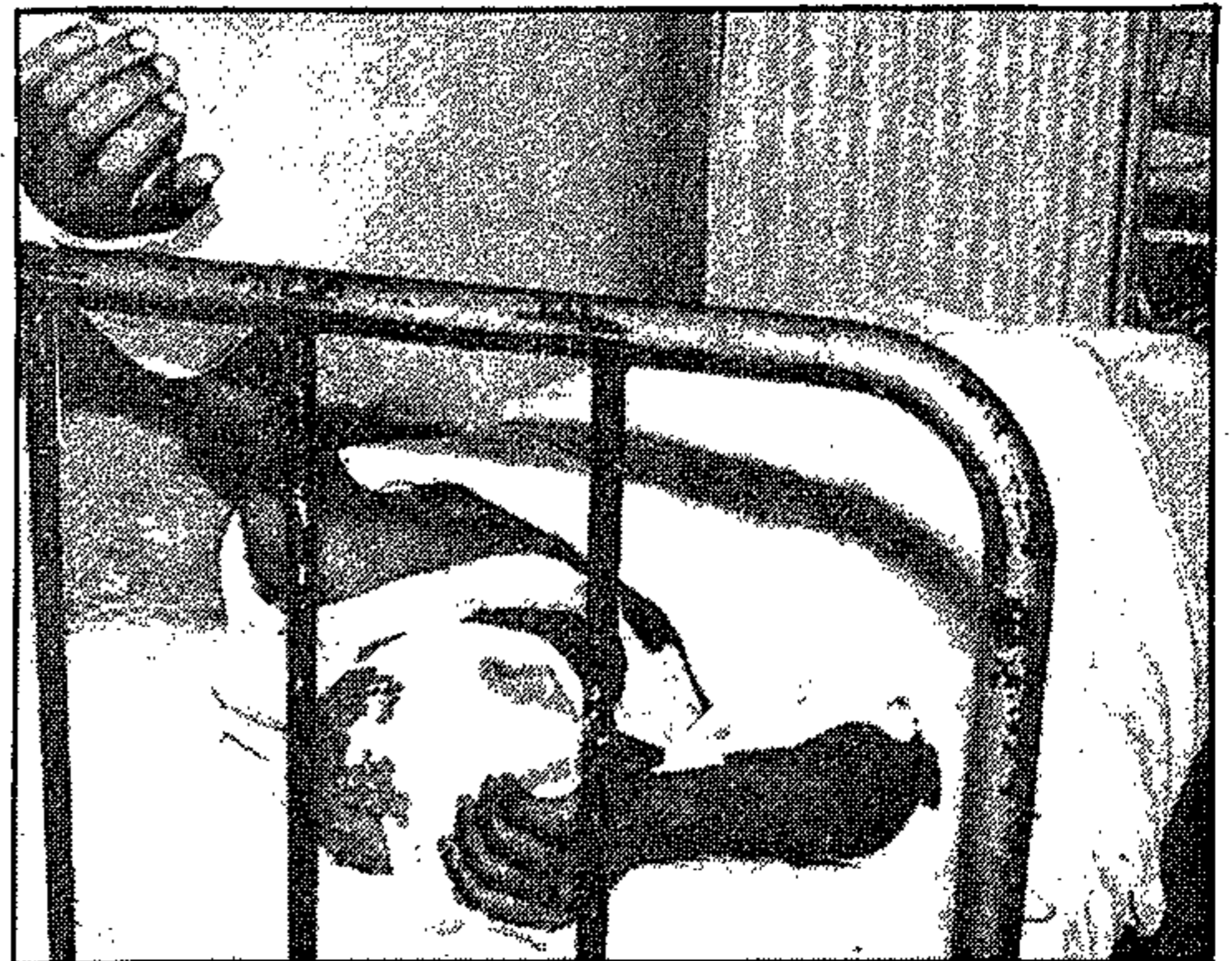
Speaking from his hospital bed, a teacher from the Katlehong High School — who did



The burnt-out shell of a minibus bears testimony to the violent taxi war which has erupted in Katlehong township on the East Rand.



Blood pours down the face of a man injured in Katlehong.



One of the many victims of the taxi war violence.

not want to be identified — said he was admitted with head injuries and a fracture of the left arm. He said: "A house was burnt down by unknown youths in the vicinity of the school. Immediately after break, three minibuses carrying people entered the school premises. The passengers alighted and started

attacking everybody on sight indiscriminately.

"I tried to run but was caught and viciously attacked with iron bars and knobkerries and was left lying helpless on the ground."

A 15-year-old schoolboy, Simon Mpela, said he was at-

tacked by men carrying pangas and knobkerries when he returned home from school.

A house belonging to Mr Henry Ndlovu was gutted when a petrol bomb was tossed at it. Mr Ndlovu said the damage incurred amounted to more than R100 000.

Putco orders 400 workers to end strike

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7/3/90 Labour Reporter

Putco yesterday served Industrial Court interdicts on close to 400 workers at its Wynberg depot, ordering them to end their week-long strike.

At the same time, the company said that managers who had been moved from the depot for safety reasons would return to supervise any return to work.

It could not be established if a march by Alexandra residents on Putco's headquarters, set for yesterday, took place.

The strike, which has cut off bus transport for an estimated 800 000 commuters daily, centres on demands for the removal of the depot manager.

● Meanwhile, workers at AECI's Zommerveld plant, in Welkom, have downed tools in solidarity with 5 000 strikers at the group's Modderfontein factory, according to the SA Chemical Workers Union.

Sacwu general secretary Mr Humphrey Ndaba said AECI workers in Newcastle and Klerksdorp had also offered

support for the strikers, who are demanding the dismissal of a white fitter who assaulted a black assistant.

● About 550 workers at Fedmis in Phalaborwa, jointly owned by AECI and Sasol, launched a legal wage strike last Friday, according to the Chemical Workers Industrial Union.

The union also said mediation last week had failed to settle the five-week strike over shifts and wages at Elida Ponds in Wadeville.

Liberty Airlines sets its sights on overseas shores

61004
7/3/90 WILSON ZWANE

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LIBERTY Airlines's battle for a licence to operate on international air routes is all set for next month, chairman Steven Ramatlo said in an interview yesterday.

No exact date has yet been set.

Liberty Airlines applied to the National Transport Commission for a licence to fly directly to the US last October and the application was gazetted on November 3.

Ramatlo said that if given the go-ahead, his company would maintain the current flight tariffs for at least the next six months.

Liberty Airlines is based in Umhlanga, north of Durban. It was founded two years ago, costing more than R1m to set up, and is headed by a consortium of businessmen.

Black businessmen, mostly from Soweto, put up 55% of the capital and fill five of the nine board seats.

The members of the board are MD Bill Fourie, chairman Steven Ramatlo, Chris Kingdom, Walter Mngomezulu, Larry Latimer, Walter Dube, David Phasa, Trevor White and Meshack Makena.

According to Ramatlo, the white members were called in to give technical assistance.

There has been no direct flight to the US following the withdrawal of landing rights from SAA in 1986 by the US authorities.

He said the direct flights would be less time-consuming as it would no longer be necessary to have changeovers in Brazil or Europe.

Asked if his company would be granted US landing rights, Ramatlo said their lawyers were working on that.

"We have to get the licence from the SA authorities first," he said.

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Steps to avert taxi prangings

Distant donor

Our sponsored advertising scheme last week received support from an unlikely quarter - a professor at the University of Stellenbosch's faculty of Commerce and Administration.

Professor J L Sadie gave us a cheque for R125 as sponsorship for one entrepreneur. We will accordingly find a deserving township entrepreneur who will pay R135,60 and he/she will get 12 column cms of advertising space. This size advert normally costs R271,12 (GST inc).

Tomorrow is the deadline for advertising in the March 15th edition of *Sowetan Business*. As this scheme will now continue for only three weeks, make sure you phone our advertising representative, Xolo Nxumalo, today. He will come to you.



With training, this kind of accident could be avoided.

By MATSHUBE MFOLOE

STEPS are underway to reduce the high accident rate in the taxi industry.

Project Spear (Pty) Ltd, aimed at upgrading the standard of taxi driving, is to be launched on March 29.

The R3-million project already has the participation of the South African Black Taxi Association. Twenty major companies have been invited to join as partners.

A feature of the scheme is that major taxi ranks would have "spear shelters" in which black businesses would be housed.

While commuters readily blame minibus accidents on reckless driving, managing director of Project Spear, Mr Henry Serfontein, argues that accidents are caused by the imbalance between physical and mental skills.

Serfontein spent six weeks investigating advanced driver training in the United States, two weeks in England with the Institute of Advanced Motors (IAM), and became a driving instructor with IAM in 1982.

Certificate of competence

According to him physical skill - the ability to manipulate the vehicle's control - accounted for only 10 percent of driving and mental skills, the most essential and yet neglected, for 90 percent.

He said research, including that by the Centre for Scientific and Industrial Research (CSIR), showed that in 66 percent of South African road accidents, drivers failed to decide on how to avoid an accident.

Serfontein said the training of drivers would be divided into four courses. The first two would deal with perceptive driving, the third with advanced driving skills and the fourth with professional driving.

A certificate of competence would be awarded on completion of the two-year course. A card and a sticker on the combi would tell passengers that the driver had "made an effort to improve his skills". The first module, perceptive driving, costs R320.

Serfontein said training courses were also planned to help taxi owners manage their businesses.

"Because taxi owners do not understand their own concerns, they put pressure on the drivers to bring in more and more money.

"This causes tension between drivers and owners," Serfontein said.

He hoped that by the end of the course, the taxi owner would see a better qualified driver while the driver would see an owner who understood the economics of his business.

For further information, call (011) 880-8026 or at 39 Sussex Road, Parkwood, Johannesburg.

75 000 march to end taxi war

CAP TINTS 8/3/90 (2) (332)

KATLEHONG. — Twenty-eight people were injured when police used shotguns to disperse about 75 000 residents who marched yesterday to the Katlehong town council offices in the East Rand, police said. The violence erupted after thousands of people left the Huntersfield stadium in Katlehong and began marching down several streets to present a petition demanding the dropping of high rents and electricity tariffs and demanding more intervention by the police to end a bitter taxi feud in the township.

Police said they intervened in the march soon after fighting broke out among demonstrators.

"Six people were reported injured. The mob dispersed. In follow-up investigations, it was established that 28 people had been admitted to Natalpruit Hospital with injuries," the authorities said.

Meanwhile, the Gazankulu homeland authorities yesterday issued a contradictory statement on unrest in the region, saying the situation was calm, but revealing that nine huts had been burnt down in the past 24 hours.

At the same time, the homeland authorities conceded that a mass stayaway from work and school by thousands of people is continuing.

Meanwhile, police yesterday reported a number of gatherings and stone-throwings at Valspan, Jan Kempdorp, in the Northern Cape. A policeman was injured. Police used tearsmoke and rubber bullets to disperse the mob.

At Mpumalanga, Hammarsdale, police found the body of a man. He had a bullet wound in the head.

At Botshabelo, Bloemfontein, three men shot two security guards who were travelling in a bakkie after the trio asked the guards for a lift. Both guards were seriously wounded. — Sapa

Campaigns to improve transport and strengthen civic groups

By CHIARA CARTER

South West 14/3/90

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CAMPAIGNS to improve transport and to strengthen civic organisations are among the decisions taken at the regional congress of Cosatu (Western Cape) last Saturday.

Workers experienced serious problems with trains, buses and taxis, the congress noted. The federation wishes to meet Sats, City Tramways and taxi associations to discuss the issue. Cosatu shop stewards are also to meet with civic organisations in the

Western Cape to plan a joint campaign around community issues.

The decision was motivated by Cosatu's resolution last year to restructure the MDM and by severe problems, including crime and gangsterism, which workers are experiencing.

The congress resolved to make the LRA unworkable through the living wage campaign.

It called on the state to repeal the LRA and replace it with a "democratically-determined workers' charter of the masses."

The congress decided to defy the LRA by taking solidarity action, go-slows, bans on overtime, placard demonstrations and defying court interdicts.

The region is to prepare for the Living Wage/LRA congress to take place in May, by working out a programme of action to co-ordinate wage struggles, the LRA and workers' charter campaigns and build locals.

The region will also look at ways of linking up with the UDF under the banner of the MDM. The congress passed a resolution

endorsing the call by Nelson Mandela for peace in Natal and calling on people to build unity among the oppressed.

Delegates agreed to hold a special regional congress in late April, when office bearers would be elected.

A committee of secretaries from Cosatu affiliates is presently assessing the region. It will report its findings to the special congress.

The Cosatu regional secretary for the past four years, Mr Nic Henwood, indicated earlier this month he would not be available for re-election.

Putco strike moves nearer to settlement

Labour Reporter

The week-long Putco strike moved nearer to a settlement yesterday when the manager at the centre of the dispute decided not to return to his post at the Wynberg depot.

Putco managing director Dr Jack Visser stressed that it was a "purely personal" decision. Close to 400 strikers had demanded the manager's removal.

But the strike, which affects 800 000 commuters in Alexandra and Johannesburg's northern suburbs daily, appeared to be still on yesterday.

Dr Visser said workers had now made additional demands, which Putco was considering.

● JCI's Rustenburg Platinum Mines was caught between angry unionists and the Bophuthatswana authorities on Monday when workers downed

tools over the homeland's tax system.

About 3 000 strikers — 1 500, according to JCI — demanded an end to "high" Bophuthatswana tax and the recognition of the National Union of Mineworkers on shafts falling inside the homeland, Num said.

South African unions cannot operate lawfully in Bophuthatswana.

JCI's Mrs Anne Dones said the mine was sensitive to the tax problems of Bophuthatswana citizens and was investigating the issue with homeland authorities.

Sto 8/3/90

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Star 9/3/90

Taxi rivals to merge

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In a bid to end the "taxi wars" in Alexandra township, two rival taxi associations will merge to form one united association. The two associations are the Alexandra United Taxi Association (Auta) and the Alexandra Randburg Midrand Sandton Taxi Association (Armsta). — Staff Reporter.

Katlehong hides its children

By Winnie Graham

The children of the East Rand township of Katlehong have gone.

Almost overnight, parents have spirited away their sons and daughters, moving them to neighbouring townships and even to the homelands.

Their absence, says Siphon, a Katlehong resident, is almost a relief. Since the massacre of the schoolchildren on Tuesday when four pupils and two teachers died and 43 children were seriously injured — some at school — the residents have expected the worst.

"We are terrified," he admits. "The atmosphere is more tense now than it was on Tuesday."

The residents, he says, believe taxi owners recruited thugs to fight their battles for them. Because they do not know when they will strike next, ordinary people in Katlehong no longer go to bed at night. They dare not.

Instead, they stay awake all night, protecting each other and their homes.

9/3/90 278 332
In some areas men armed with pangas have been going from house to house searching for goodness knows what. People move silently and in fear.

And still the bitter taxi feud continues unabated.

More than 15 people have died in the past few days in the battle between the Katlehong Taxi Association and the Germiston and District Association.

It is believed the attack on schoolchildren was sparked by the pupils' decision not to go to school on Monday and for taking sides with one of the factions.

But for the people of Katlehong, the most painful part of the feud has been the massacre of the children, mostly hacked to death with pangas.

Siphon says the people feel unprotected. Only the occasional municipal police van can be seen.

"Anything can happen at any time," he says. "So we do not sleep."

But at least the children are safe.

Running battles in Katlehong

Staff Reporters

Fighting between rival taxi groups in Katlehong township — less than 20 km from Johannesburg — has developed into running battles between youths and taximen supported by vigilante gangs.

Bitter fighting continued last night and police patrols have been stepped up as the East Rand township plummets into a state of near anarchy.

Eyewitness reports show that weekend clashes over taxi routes between members of the Katlehong Taxi Organisation and the Germiston and District Taxi Association grew into widespread fighting after youths and taximen clashed on Tuesday. The Katlehong Taxi Association has fled from the area, according to residents.

Youths accused of burning taxis are now battling with vigilantes and taximen. House-to-house hunts by "vigilantes" for youths have been

made since Wednesday night.

Many youngsters have fled the township, or sought refuge at the Natalspruit Hospital. Last night vigilantes raided the hospital to attack youths. Security guards at the hospital gates were unable to stop them.

Riot squad police were later called to restore order.

Up to 15 people have been left dead and more than 70 treated at the hospital since the weekend. Ten were admitted in two hours alone last night. Five people were killed yesterday in a vicious panga fight, Sapa reports.

CALLS FOR CALM

Renewed violence last night came despite calls for calm from the ANC, the United Democratic Front (UDF), and the umbrella body, the SA Black Taxi Association (Sabta).

Mr Walter Sisulu, chairman of the internal wing of the ANC, called for an end to the "senseless violence between bother and brother, sister and

sister".

Mr Murphy Morobe of the UDF said at a press conference yesterday that steps would be taken immediately to resolve the fighting.

Appealing again for peace, a police spokesman in Pretoria said several meetings between police, pupils and taxi owners had been held to date, but to no avail.

"We regard Kathlehong as a very serious problem indeed. But we are getting no co-operation whatsoever from both factions," the spokesman said.

He said the two taxi associations had internal problems, did not believe in free enterprise, had no code of conduct and no disciplinary committees.

Police patrols had been intensified in the area and the SAP regional inspector, Brigadier Gert May, who was highly experienced in unrest control, would visit the area today.

● See Page 2.

Violence close to worst levels of mid-1980s

Govt clamp looms amid surging unrest

Peter Fabricius,
Political Correspondent

The wave of unrest sweeping the country is now approaching the levels of the worst days of 1984-85, and there are fears that a major crackdown may be looming.

Government steps to deal with the deteriorating situation may become clearer today in Parliament during a special snap debate on the subject.

Law and Order Minister Mr Adriaan Vlok will be defending the Government against charges from the Conservative Party that by unbanning the ANC and releasing Mr Nelson Mandela it had created the unrest.

The security establishment is now expressing fears that the unrest is being instigated by black youths who reject the ANC's stance on negotiations and that leaders like Mr Mandela are powerless to control them.

Government Ministers point out that Mr Mandela's appeal to black schoolchildren has been ignored, especially in the Johannesburg area.

Mr Vlok warned last night of a possible crackdown against "radical" activists and violent elements.

Won't hesitate

He blamed these people for the unrest. Addressing the League of Ex-Policemen in Alwal North last night, he said the police would not hesitate to use the emergency regulations to stop violence and unrest.

9/13/90

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CCB men free

By Norman Chandler, Pretoria Bureau
The managing director of the South African Defence Force's covert Civil Co-operation Bureau (CCB), Mr Joe Verster, is expected to give evidence on Monday before the Harms Commission of Inquiry into alleged politically motivated murders.

Mr Verster, held a week ago under Section 29 of the Internal Security Act, was unexpectedly released from detention last night after the Minister of Law and Order, Mr Adriaan Vlok, had signed a release order.

Two other alleged CCB operatives — Mr "Slang" van Zyl, whose name has featured during evidence so far, and Mr Theunis Kruger, said to be an auditor with the unit — were also released



The security establishment is now expressing fears that the unrest is being instigated by black youths who reject the ANC's stance on negotiations and that leaders like Mr Mandela are powerless to control them.

Government Ministers point out that Mr Mandela's appeal to black schoolchildren has been ignored, especially in the Johannesburg area.

Mr Vlok warned last night of a possible crackdown against "radical" activists and violent elements.

Won't hesitate

He blamed these people for the unrest. Addressing the League of Ex-Policemen in Alwal North last night, he said the police would not hesitate to use the emergency regulations to stop violence and unrest.

Other senior Government sources have also appealed for calm in the country and warned of a clampdown.

Security sources have disclosed that there were over 300 serious incidents of unrest during the first seven days of March.

If the rate continues for the rest of the month, it will bring the March figures up to the 1 200 unrest incidents a month at the height of the 1984/85 unrest which prompted the Government to impose the emergency.

Government seems confused about what is causing the current spate of rioting and unrest.

Constitutional Development Minister Dr Gerrit Viljoen was referring to the ANC this week when he said "certain elements" pretending to be eager for negotiation were bent on destroying the negotiation process.

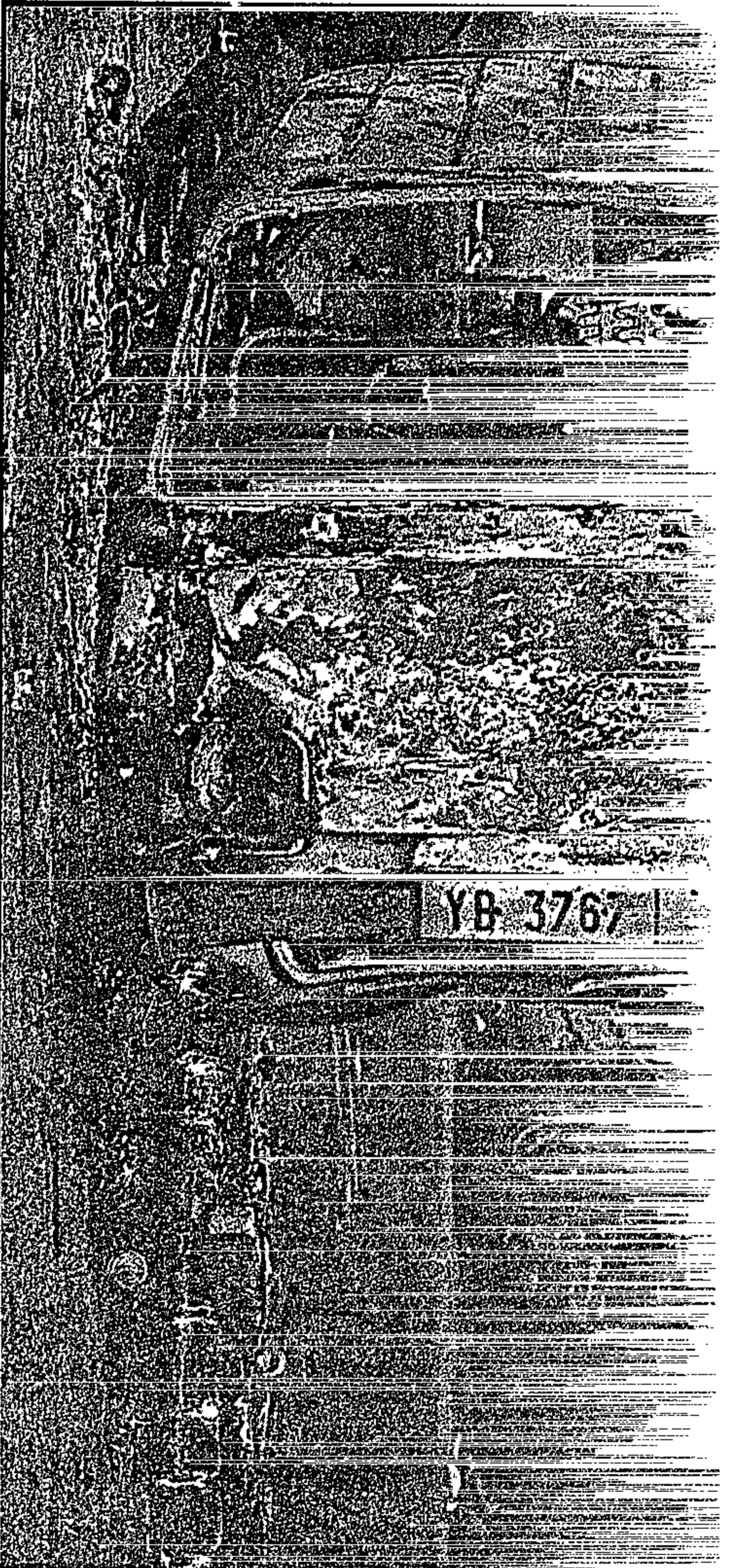
President de Klerk also seemed to have the ANC in mind when he said rhetoric on the armed struggle was contributing to the violence.

The security establishment seems to believe that the PAC might be behind it.

Sources said it seemed the black youth were disenchanted with the moderate older generation of ANC leaders and their commitment to negotiations.

Conservative Party Law and Order spokesman Mr Moolman Mentz called for today's 90-minute debate which will deal broadly with the security situation.

● See Page 2.



Aftermath of the battle... this street in Co-Rankuwa was quiet again yesterday, but the burnt out shell of a minibus and the presence of watchful Bophuthatswana troops were grim reminders of the violence which tore through the area this week.

Running battles in Katlehong

Staff Reporters

Fighting between rival taxi groups in Katlehong township — less than 20 km from Johannesburg — has developed into running battles between youths and taximen supported by vigilante gangs.

Bitter fighting continued last night and police patrols have been stepped up as the East Rand township plummets into a state of near anarchy.

Eyewitness reports show that weekend clashes over taxi routes between members of the Katlehong Taxi Organisation and the Germiston and District Taxi Association grew into widespread fighting after youths and taximen clashed on Tuesday. The Katlehong Taxi Association has fled from the area, according to residents.

Youths accused of burning taxis are now battling with vigilantes and taximen. House-to-house hunts by "vigilantes" for youths have been

made since Wednesday/night.

Many youngsters have fled the township, or sought refuge at the Natalispruit Hospital. Last night vigilantes raided the hospital to attack youths. Security guards at the hospital gates were unable to stop them.

Riot squad police were later called to restore order.

Up to 15 people have been left dead and more than 70 treated at the hospital since the weekend. Ten were admitted in two hours alone last night. Five people were killed yesterday in a vicious panga fight, Sapa reports.

CALLS FOR CALM

Renewed violence last night came despite calls for calm from the ANC, the United Democratic Front (UDF), and the umbrella body, the SA Black Taxi Association (Sabta).

Mr Walter Sisulu, chairman of the internal wing of the ANC, called for an end to the "senseless violence between bother and brother, sister and

sister".

Mr Murphy Morobe of the UDF said at a press conference yesterday that steps would be taken immediately to resolve the fighting.

Appealing again for peace, a police spokesman in Pretoria said several meetings between police, pupils and taxi owners had been held to date, but to no avail.

"We regard Katlehong as a very serious problem indeed. But we are getting no co-operation whatsoever from both factions," the spokesman said.

He said the two taxi associations had internal problems, did not believe in free enterprise, had no code of conduct and no disciplinary committees.

Police patrols had been intensified in the area and the SAP regional inspector, Brigadier Gert May, who was highly experienced in unrest control, would visit the area today.

● See Page 2.

Dale Carnegie Training



Reg. No. CK 87/014
Presented by: Ken de Beer & Associates

Dear Executive,
The DALE CARNEGIE STRATEGIC WORKSHOP for Executives

We are pleased to announce the two Carnegie Strategic Presentations in Johannesburg in June. This course is sent only in USA.

We have secured the services of BOB MILLIGAN from LONG ISS for the launching. Bob will be conducting three-day workshops, geared towards identifying communication techniques to enhance or detract from effective presentations. Participants will record their presentations on tape. They will view each presentation and critique their deliveries and

Presentations will be recorded on tape. They will view each presentation and critique their deliveries and

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Putco fires 400 striking workers

Star 9/3/90

Labour Reporter

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Putco yesterday fired about 400 Wynberg depot workers whose week-long strike has cut off bus transport for thousands of black commuters.

Warning it would take some time to relaunch the service, Putco managing director Dr Jack Visser said workers asked to be dismissed when management refused to pay them for the strike period.

Comment could not be obtained from the Transport and General Workers Union.

This week, the strikers' demand for the removal of the Wynberg divisional manager was effectively met when the manager in question decided not to return to the depot.

Additional demands were then made, including a pledge that strikers would not be disciplined. Putco agreed to this.

to ply other trades. Some are now working as sales representatives; one is selling shoes.

Other consultants, who tried to be of all-round assistance to their clients, are still in business. They are concentrating on other aspects, such as labour relations and cost-effective vehicle use.

Some are learning the skills their clients will need when the permit system is scrapped completely and the Road Freight Quality System, the final step in freight transport's deregulation, is in position.

The large band of attorneys and advocates serving the transport industry are also making a major adjustment. Those who worked mainly for truckers and had few other sources of income will have to start virtually from scratch.

The deregulation of road freight has saved the transport industry hundreds of millions of rands. The cost of a permit ranged from R50 for a temporary permit to convey a load in one direction only, to as much as R30 000 for each of the litigants involved in a lengthy contested application that ended up in the Supreme Court.

Permitology grew at an astonishing rate. In 1985 Jack Webster, former executive director of the Public Carriers' Association, now the Road Freight Association, estimated that truckers paid R20m to lawyers alone that year for permits. A survey taken for the White Paper on a National Transport Policy showed that truckers paid lawyers and consultants R60m in 1986 to obtain permits.

Since then the cost has doubled. The 171 597 applications in 1988 — up from the 134 485 in 1986 — probably cost truckers R100m in legal and consultancy fees. A

pass it along to customers.

"They can't," says Ian Moss, executive director of the Road Freight Association. "Capital costs increased by 29% in 1989 and running costs by 52%." ■

TRUCKING DEREGULATION 332

FIM 9/3/90 Services not needed

What does a *permitologist* do when permits are no longer needed? This is what the consultants and lawyers — who grew fat on the restrictive trucking regulations — are wondering now that deregulation has arrived.

A market for these specialist services was spawned by 50 years of overbearing regulation that protected the profitable rail goods traffic of the SA Transport Services, now Transnet, from private hauliers.

The market crashed in September when the Department of Transport deregulated the carriage of freight by road. Now truckers don't need consultants to prove a need for their services, nor lawyers to fend off objections from Transnet or other competitors.

Since September, truckers have been able to apply for permits themselves. All they have to show is that their vehicles have valid certificates of fitness and their drivers are qualified. One large transport company, which declined to be named, bid farewell to its consultant with a magnificent wall clock and a note expressing its gratitude for "25 years of excellent service."

So several transport consultants, known in the trade as permitologists, have been forced



Road freight . . . no consultants needed to keep this rig moving

Department of Transport official believes it cost applicants more than R120m last year to apply for permits, even though the process was simplified in September and applications could no longer be opposed.

So deregulation will mean a big cost savings for truckers but don't expect them to

High cost of fleet revamp

81 Day 9/3/90
CHARLOTTE MATHEWS

A BILL of about R2m for refurbishing its fleet turned Supertrans's 139% improvement in turnover to R15,6m for the year to June (from R6,5m in the previous year) into a 64% drop in operating profits to R616 000 (R1,7m).

Increases in the depreciation bill and the interest payable also bit into profits. (332)

The company posted an attributable loss of R1,6m compared with a profit of R901 000 in 1988.

This translated into a loss of 9,2c a share from a profit of 6,4c previously, on a slightly higher number of shares in issue.

In the year under review the company acquired Medwood Furniture Movers for about R3,5m financed by long-term borrowings.

Financial director Ryan Murphy said yesterday the publication of the final results had been delayed because of an auditor change.

Results for the six months to December would be released next month.

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Lyntex in the driving seat

810am 9/31/90 (332)

CHARLOTTE MATHEWS

LYNTEX Transport Exchange has more than doubled earnings a share to 7,8c on a higher number of shares in issue for the six months to December against 3,6c payable in the same period in 1988.

The company, which is a transport co-ordinating and consultancy service, actually showed a 5,2% drop in turnover to R11,9m from R12,6m but operating income came close to doubling to R1,5m from R739 000.

Attributable income rose to R1m from R506 000 but the company does not pay an interim dividend.

Chairman Eugene Marais said yesterday the company's achievement had cost an extra R250 000 because of the price of funding but he believed the return was worth it. The interest bill was R374 000 (R107 000). "For the six months we earned an extra R500 000," he said.

FIM 9/3/90

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with net current assets of R2m. At December 31, net current assets stood at R50m and cash, though not disclosed, probably exceeded R500m.

Though not immediately apparent from the interim results, the group looks on target for another good year. With the local economic squeeze taking effect, the earnings advance is unlikely to be as high as last year but real growth should be achieved.

The unlisted subsidiaries, Safmarine and Rennies, have been adversely effected by the firmer rand and slower imports. Even so, group turnover for the first six months rose 23% to R2,05bn. Margins remained unchanged at 20,9%.

Interest earned on cash balances almost offset total financing costs on long-term borrowings and net interest payable fell from R12,4m to R2,1m.

However, a higher tax rate of 37% (34%), with a rise in deductions applicable to outside shareholders in subsidiaries and to preference shareholders, curbed attributable income, which rose 19%.

Chairman and CE Alistair Macmillan maintains that the divisions all performed well. Safmarine, in particular, is a cyclical operation that traditionally does better in the second half of the year. Macmillan reckons this will again be the case as fruit exports pick up.

The contribution from overseas subsidiaries and associate interests remains undis-

FIM 9/3/90

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closed. The 1989 report indicated "other" investments (including non-disclosed) in associated companies registered in countries other than SA had increased from R199m in 1988 to R323m. Clearly, a larger contribution of hard currency earnings can be expected from this source. An international shipping base was recently set up in Switzerland; Macmillan says earnings from this source have been small in the first half but will be more significant in the second.

There is no reason to doubt Kersaf will maintain quality earnings in the second half. A question mark can be placed behind earnings prospects for Rennies, given the weaker economy; any relaxation in import duties could boost prospects.

Macmillan notes that "satisfactory profits should be earned during the next six months." Tougher economic conditions are likely to have some negative impact on local earnings, so overall growth in EPS will probably fall short of the annual compound rate of 33% achieved over the past five years; but it could end up being quite close.

Gerald Hirshon

SAFREN FIM 9/3/90

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Steady course

Safren must be one of the most cash-rich industrial groups on the JSE. At June 30, the accounts showed cash holdings of R465m

Alex taxi groups to unite

Sowetan 9/3/90
CONFRONTATION between two rival taxi associations in Alexandra has been averted by plans for one united association to serve the Witwatersrand township. (332)

Alexandra Civic Association president Mr Moses Mayekiso said in a statement yesterday the Alexandra United Taxi Association and the Alexandra-Randburg Midrand-Sandton Taxi Association would merge.

This was a significant victory, he said, following previous unsuccessful attempts at unity after several shooting incidents last year. - Sapa.

Police seal off Katlehong as unrest continues

CAT-TIPS 9/3/90

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JOHANNESBURG. — Katlehong was racked by continued violence yesterday as police, many drafted in from outside the area, sealed roads to the township.

Burnt-out taxis and huge boulders blocked roads.

Nurses in Natalspuit Hospital casualty confirmed that at least 20 people, including children, had been admitted from the township. Some had birdshot wounds.

Witnesses said taxi owners went from school to school ferreting out pupils responsible for damaging their vehicles. They allegedly beat children suspected of the vandalism.

Among the casualties admitted to Natalspuit Hospital were youths aged around 20 years old. Unconfirmed reports said two of the victims two children under the age of eight.

Police would not confirm that tear-gas and shotguns had been fired to disperse rioters.

Police said 73 people had been admitted to hospital in the three days of rioting. Violence and stone-throwing was reported to have occurred yesterday morning.

By evening the township was quieter as police removed wrecks and rubble from the streets.

The UDF and the SA Black Taxic Association (Sabta) have decided to intervene as mediators in Katlehong to end the violence.

Meanwhile, unrest continued to sweep the country, according to yesterday's police unrest report.

At Ditlaki, Koffiefontein, a group erected a road barricade and threw

stones at a police vehicle. The vehicle was badly damaged.

In another incident in the area, arsonists caused extensive damage to an administration building. Tearsmoke, rubber bullets and birdshot were used to disperse the arsonists. No injuries were reported.

At KwaKwatsi, Koppies, extensive damage was caused to property when the homes of three policemen were stoned.

At Phomolong, Henneman, a private house was damaged in a petrol-bomb attack.

At Maokeng, Kroonstad, numerous incidents involving stone-throwers and petrol bombs were reported. A number of police vehicles and private houses were damaged as a result.

At Mluzi, Middelburg in the Eastern Transvaal, a bus and a private vehicle were extensively damaged when they were set alight in separate incidents. A police vehicle and a private vehicle were also damaged when they were stoned in separate incidents. No injuries were reported.

At Agesinang, Sannieshof, police used tearsmoke to disperse a large mob who had erected a road barricade.

At Khutsong, Oberholzer, police found the body of a man with a bullet wound in the chest.

On Wednesday two handgrenades of as yet unknown origin were thrown at a private house in Ntuzuma, Durban.

A nine-year-old girl was seriously injured by shrapnel.

Police are investigating the incident. — Own Correspondent and Sapa

People of Katlehong want army brought in

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Stc 10/3/90

KATLEHONG residents yesterday called for government intervention to stop widespread violence and terror which this week turned the East Rand township into a state of near anarchy.

"There is a great deal of tension and fear and most people are too frightened to go to sleep because they are worried about their lives, their properties and their families," one resident said when he telephoned the Saturday Star last night.

He described the situation as "real anarchy" and reported that hundreds of people were fleeing the troubled township in order to avoid death and injury.

"There is no police presence whatsoever and the only solution will be to send in the South African Defence Force," he said. "Nothing else will stop this violence."

"The troublemakers aren't Katlehong residents," he said, "and we want them removed from our township."

Slept at police station

Another resident, who came into the Saturday Star's offices, also called for the SADF's presence in the township.

"The situation is really bad," he said. "I slept at the Eden Park police station on Wednesday night and will make plans to sleep elsewhere until the havoc is quelled."

"Vigilantes armed with pangas, knobkerries and AK-47's are patrolling the streets at night and it is just too dangerous to set foot outside your door."

He also said the police were not visible in the township and the only solution was to "bring in the army".

"I have heard that residents from a men's hostel will go on the rampage this weekend and I've also heard that non-resident vigilantes from Natal are patrolling the streets."

At least 19 lives have been lost in the township situated just 20 km from Johannesburg and scores of people have been injured and left homeless in a wave of arson and terror. Hundreds of mothers and children have reportedly fled the township and many sought refuge on the grounds of the Natalspruit Hospital.

The superintendent of the hospital, Dr N Kernes, said four people died at the hospital yesterday, bringing the unconfirmed total of deaths to 23. Dr Kernes said 11 people had died in the hospital since the fighting began.

By late yesterday afternoon, said Dr Kernes, some patients were being transferred to Baragwanath, Hillbrow and Leratong hospitals because Natalspruit Hospital was under tremendous pressure.

Security at the Natalspruit Hospital was tightened yesterday after a mob of about 30 panga-wielding men stormed

Rival taxi groups war in streets

SUE OLSWANG
and ABEL MABELANE

the casualty section on Thursday night. Dr Kernes said nobody was injured during the incident but doctors, nurses and patients were forced to flee for their lives. Hospital security guards were yesterday reinforced with armed Katlehong municipal police.

One of those killed this week was a five-year-old boy who was hacked to death in a township street on Thursday night. Yesterday a man was fatally wounded when a resident fired shots at a mob who threw stones and petrol bombs at his home. Another man was fatally wounded yesterday when a round of birdshot was fired at him after he threw a petrol-bomb at a vehicle. The body of a black constable, who had been stabbed in the chest, was yesterday found in Khumalo Street and another policeman was wounded in the arm and shoulder after shots were fired at him from a moving vehicle. Ten bodies, mostly hacked or stabbed to death, were found at various places in Katlehong yesterday morning.

Last weekend's clashes between rival members of the Katlehong Taxi Association and the Germiston and District Taxi Association turned into widespread fighting this week after youths and taximen clashed on Tuesday. Residents claim that taximen are being supported by vigilante gangs.

Families seek refuge

About 700 families, including hundreds of small children, marched to the Katlehong police station yesterday to seek refuge from the ongoing unrest.

Sapa reports that Katlehong police told reporters they had picked up 25 bodies in various areas of the township. Most of the bodies were picked up in the southern end of Katlehong where the Kwesine hostel, which caters mainly for Zulus, is located.

Thursday night's violence came soon after a plea for peace by internal ANC leader Mr Walter Sisulu. A statement calling for peace was issued by the Congress of South African Trade Unions (Cosatu), the United Democratic Front (UDF), the South African Black Taxi Association (Sabta), the South African Youth Congress (Sayco) and the Katlehong Civic Association.

Sabta has announced the immediate and indefinite suspension of the Germiston and District Taxi Association from its ranks.

Taxi body ^{cf/rees} mediates ^{11/3/90}

IT WAS vital that ³³² police did not intervene in the Katlehong violence, South African Black Taxi Association (Sabta) spokesman Jabu Mabuza said at a joint UDF and Katlehong Civic Association Press conference.

Sabta has suspended the Germiston and District Taxi Association from its ranks until peace and unity prevailed in Katlehong.

Sabta-affiliated Transvaal Taxi Association would appoint a manager to run taxi operations in the township until then.

Political comment and newsbills by K Sibiya, headlines and sub-editing by J Belfon, both of 204 Eloff Street Ext., Johannesburg.

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BUSINESS DAY, Monday, March 12 1990

5

NCE SHIPPING

Freight market is on a steady course

A GENERALLY steady tone was seen in the market last week with even some firming in some areas, Afromar reports.

Activity in the Atlantic has increased for most sizes of vessels. There were rumours that \$28 had been paid for a Panamax-sized cargo of grain from the US Gulf to Japan for an end-March loader.

There have also been increased inquiries from the east coast of South America to load steel cargoes.

Conditions in the Far East have been fairly steady with, for example, a good type 37 000dw vessel

obtaining somewhere in the region of \$9 000/\$9 500 per day for trans-Pacific round voyages.

The SA market, while not seeing much increase in inquiries, seems to be a little firmer.

Inquiries for handy-sized tonnage have not expanded over the last few days. However, availability of vessels is also limited, which has kept conditions stable. But with the increased demand being seen from South America for the better-type, handy-sized vessels, this is more than likely to have an impact on the SA market.

A 48 000dw vessel with good gear of 25 tons lifting capacity was

fixed at \$14 000 per day, with delivery passing Durban for a trip via Brazil to the Far East.

Grain trading is still on a very limited basis. However, there was an order for the movement of about 22 000 tons of maize from Durban or East London to the east coast of Mexico, option west coast, for an end-March/early-April position.

Panamax vessels have seen rates ease recently, but Cape sizes have shown some improvement with owners wanting about \$10 per ton for 120 000-ton cargoes from Richards Bay to Rotterdam.

A similar sized cargo has been tonnage asking \$11.25 per ton on the basis of Richards Bay to Rotterdam and Antwerp.

There was an inquiry to move about 600 000 tons of iron ore from Saldanha Bay to China in Panamax-sized vessels, at a rate expected to be in the region of \$15/\$16 per ton.

There was another cargo of about 35 000 tons to the Black Sea for which about \$15 a ton is being indicated.

Also, 13 000 tons of manganese ore was to be moved from Port Elizabeth to Yugoslavia during the second half of March.

**Nafto to study
transport overseas**

Wilson Zwane 332

CARTAGE and shipping form part of a National African Federated Transport Organisation (Nafto) action plan, the organisation said in a statement last week.

And opportunities to acquire and develop skills necessary in these fields have materialised.

"An executive of the organisation will study cartage and shipping in the UK on a grant from Associated British Ports," Nafto said.

According to Nafto, another nine placings had been secured with the Canadian Centre for the Development of Human Resources.

Nafto chairman Peter Rabali said Nafto, with Nafcoc and the mass democratic movement, gave positive logistical support to Swapo during the elections in Namibia.

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Office and domestic removals

Business Day SURVEY

The R800m a year removals industry

is now so capital-intensive that new entrants for long-distance moves are virtually prohibited. It is also one of the first areas of the economy to experience any downturn. CHARLOTTE MATHEWS reports.



JOHN GILES

R800m industry includes giants and one-man bands

THE office and domestic removals industry in SA, which is estimated to be worth around R800m a year, consists of a range of companies which vary from old, well-established concerns to one man and his

Van Nimwëgen keeps claims record low

VAN NIMWËGEN considers one of its greatest achievements its low claims record on overseas and local moves. Director and branch manager Louis le Roux says: "I believe our low claims record is the envy of the industry. Our brokers say our claims record on overseas moves is 30% to 40% lower than anyone else's in this country. On the domestic side, our latest statistics show

that less than 2% of our customers ever claim." Le Roux says this is important to the company because it did not seek the type of client who was inclined to loss or breakage as long as he was insured. Van Nimwëgen's clients are owners of priceless art and antiques and people who consider their possessions irreplaceable. "When we move a private individual we ask what is special in his home

It need not have a high monetary value, but may be valuable to our client. We then take extra precautions in moving it. "People have to have peace of mind about their move. Moving is traumatic enough without having to worry about the safety of possessions." Van Nimwëgen was started in Holland. Around 42 years ago one of the two Van Nimwëgen brothers emigrated to SA and start-

ed a transport business. His experience and connections made it possible for him to be one of the pioneers in introducing the overseas removals business to SA. "We were the second company — the first was not a removals company and is no longer in business — to introduce palletised storage," Le Roux says. "From almost the first day, we specialised in overseas removals, storage and fine art and antiques."

SA Furniture Removers and Warehousemen's Association (Safwa) president John Giles says an example of the lowest range of services is the man whose brother owns a vegetable shop and when one brother isn't using the bakke to transport his vegetables from the market, the other brother offers a removals service with a couple of labourers picked up on the street corner. At the other end of the scale are companies like Van Nimwëgen, which handles fragile and priceless art and antiques, concentrating mainly on international removals. Or Elliotts, which offers personal attention so detailed that the company has a rule that no telephone may ring more than four times and the chairman himself will handle any complaints that arise. Giles says the industry has its roots in the men who used to take their horses and carts to the Post Office just after the war and announce needing to move would come and pick the man he wanted.

By 1990, however, the industry has become so capital intensive that it virtually prohibits new entrants for long-distance moves. Biddulphs MD Peter Farmer says a long-distance truck-trailer with two units cost around R450 000 and Sandton Office Removal MD Eric Petersen says his company has a policy of plunging most of its profits back into fleet maintenance.

The importance of this trend is that movers handle personal possessions which are either valuable or delicate and it requires care and honesty to keep the claims record low. The removals industry, together with other long-distance hauliers, is often accused of allowing drivers to work long shifts, contributing to SA's high death toll on the roads. But most companies say their drivers have passed stringent tests and they have strict rules about the length of time they are allowed to work. In the past year, Elliott has found its accident rate so low it is paying a bonus to its drivers. Another issue that involves the transport industry as a whole is the introduction of an owner-driver scheme, helping the drivers buy their vehicles and work on a commission basis. But the consensus appears to be that the scheme is not suitable for the removals industry, where peaks and valleys of demand are experienced.

expensive "We are on a very expensive replacement programme because if you don't replace now, in three or four years' time it will be too expensive." Besides being very capital intensive, the domestic removals industry is one of the first areas of the economy to experience a downturn in demand. Results from the Laser group — which dominates the market — for the year to December show the decline caused by high interest rates in the last seven or eight months of 1989. As a result, there was a

swing by some of the smaller companies towards the more resilient office removals sector. The strength of some of the larger companies, however, appears to lie in the specialised services they offer. Stuttafords looks after pot plants and has some specially designed vehicles which expel a fine spray over the plants in transit. Director David Bradford says rather than the company has found itself storing plants for people, sometimes for as long as a year, and the owners are often surprised to find a huge bloom where they had left a much smaller plant. The removals industry tends to be a family run business from directors to employees. Sandton Office Removals has employed some families for generations. Petersen says children and grandchildren of the workers often come and work for the company over the Christmas holidays and join up as soon as they leave school. Biddulphs has a similar experience.

Cross-border is good business

REMOVAL companies with branches around southern Africa have identified more cross-border activity in the last few years. Biddulphs, which was originally based in Zimbabwe, opened a branch in SA 24 years ago. It now has 12 branches in southern Africa — one in Botswana, four in Zimbabwe and seven in SA. MD Peter Farmer says: "We have also looked at going into Namibia. Last year, we were involved in moving the SADF permanent force back to SA. I think this year there may be a bit of outflow from Namibia, but the number of people moving back to Zimbabwe after a couple of years in SA, when they found they couldn't settle, was phenomenal. We could see the same trend among the Namibian emigrants."

Accepted

"When I went to Namibia recently, people I spoke to were waiting to see what would happen. A harbinger accepted that the new government may not be as they initially thought. If it looks after the people there will not be a mass exodus." Other areas of activity Farmer identifies are the likelihood that Zimbabwe will be anxious to enter into trade with Namibia and increasing activity between Zimbabwe and Botswana. He says the Botswana economy has been improving in the last few years. Biddulphs has been operating in Botswana for about 30 years and opened a branch there 18 months ago. Van Nimwëgen recently opened a branch in Windhoek to handle immigration to Namibia, which Director Louis le Roux says comes more from overseas than from SA, mainly in the form of embassies and trade missions. Stuttafords, which like Van Nimwëgen is part of the Laser group, recently opened a branch in Harare. "At the moment, we are negotiating with the Department of Foreign Affairs to move people who are living in temporary accommodation in Maputo into more permanent housing," says Le Roux.

B/Day 14/3/90

Fewer people moving out of the country

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~~332~~



DAVID BRADFORD

A DEFINITE decline in the number of people moving out of SA has become evident over the last couple of years, say members of the international removals business.

Stuttaford Van Lines director and former industry association president David Bradford says: "When you look at government figures for emigration you have to be careful how you read them.

"In this business, we have a gut feel for what is going on and we feel there are fewer people leaving the country and those leaving are not making a panic decision.

"In 1986-1988 a lot of people left the country and the brain drain was at its peak. But they left without researching overseas condi-

tions, even the job market, and a lot of them burnt their fingers."

He says Stuttafords has handled quite a few South Africans returning to the country because the company is well-represented overseas.

Compensated

Elliotts chairman Tom Ansley says there are probably less than half the number moving out of the country now than was the case two or three years ago.

Around one third of Elliotts' business is international removals but he says the decline in emigration is to some extent compensated for by the number of people moving into the country.

This is confirmed by Van Nimwegen director and branch manager Louis le

Roux, who says international removals form by far the greater part of the company's business.

"More people are moving to SA than leaving at the moment and we have seen a dramatic improvement, especially in the last six months.

"Not only that, but we are inundated by requests from people all over the world asking for information about moving to SA.

"They want to know about the cost of living, conditions here, the housing situation, work opportunities and schooling."

He says inquiries are not only coming from Europe, traditionally the source of most immigration to SA, but from other countries, notably Hong Kong.

"We have also handled an enormous amount of interest from South America,

especially Chile, Brazil and Argentina.

"You also have the South African families who moved overseas to Australia, Canada and the US who are looking at coming back.

"Not many do move — we suspect they cannot afford to return."

Biddulphs MD Peter Farmer says his company's international business has swung in the last two years towards more imports than exports.

"With a move towards more people settling here we could have exports increasing as well as more companies getting involved."

Talks focus on violence

A FIVE-MAN delegation of taxi owners led by Nafcoc president, Dr Sam Motsuenyane, this week held a meeting with the Minister of Transport, Mr George Barlett, to discuss various issues, including the violence that has gripped the black taxi industry.

The meeting, which was held in Cape Town, also discussed strained relationship between local authorities and taxi owners, recognition of the newly formed National African Federated Transport Organisation (Nafto), privatisation of Sats and

deregulation by the government and road safety.

At a Press-conference in Johannesburg after the meeting, Nafto's president Mr Peter Rabali said that the Minister had expressed great concern about the escalating violence in the taxi industry and carnage on the South African roads caused by minibuses.

He appealed to the delegation to work closely with other taxi organisation to help solve the problems that spark violence because "we cannot afford to lose more

lives - enough is enough."

"We also indicated to the Minister how we are concerned about the infiltration of the black taxi industry by whites. These whites take advantage of blacks who do not have money to buy vehicles.

"This, we said, contribute to violence that is fast gripping townships," he said.

"The death toll caused by accidents on the roads also featured prominently during the talks. We promised to do everything we can to bring this to an end.

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Taxi group's bid for recognition

THEO RAWANA (332)

The SA Long Distance Taxi Association (Saldta) had finally met government in its search for recognition, Saldta president Peter Rabali said yesterday.

Rabali said his delegation met Transport Minister George Bartlett in Cape Town last Friday and the Minister agreed the organisation had a role to play in the transport arena.

Ministry spokesman Charles Edwards confirmed yesterday Bartlett met a Saldta delegation and discussed the recognition issue. The Minister had sent Saldta a copy of criteria it had to meet.

Monday 13/3/90
"Recognition is dependent on a number of factors, among others being Saldta being able to meet certain criteria as set out in the guidelines for the recognition of taxi associations, a code of ethics . . . and the modus operandi of local taxi committees."

Rabali said yesterday his 14 300-member organisation, which has joined Nafcoc's transport wing, the National African Federated Transport Organisation (Nafto), would meet government in future as Nafto.

Closer links between Saldta and government bodies would better enable the association to promote road safety and to discourage violence between rival operators.

MDM intervenes in PE taxi war

By JUSTICE SIGONYELA

Soulk 15/3 - 21/3/90

THE Mass Democratic Movement has intervened to end growing conflict between rival taxi groups in Port Elizabeth.

There has been growing tension between the South African Black Taxi Association (Sabta) and the Uncedo Service Taxi Association, with the two groups competing for routes.

A committee of MDM activists from Uitenhage and Port Elizabeth will now mediate in the conflict.

A meeting between the rival taxi groups and the MDM is scheduled to take place this week.

The MDM hopes the meeting will draw up a working document similar to one signed in Uitenhage by the MDM and the Pan-Africanist Movement last month.

—PEN

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Staff Reporter

Taxpayers who submitted their IRP5 certificates late last year following the introduction of SITE tax will not have the same extension this year — unless they can prove exceptional circumstances.

According to the Bureau for Information, last year's extensions delayed the issuing of tax assessments.

April 30 the last day for IRP5s

The Bureau said employers should by now understand the Standard Income Tax on Employees (SITE) provisions and be able to correct any problems.

The closing date for the issuing by employers of IRP5 certificates and the submission of reconciliation returns for the 1990

tax year has been extended from March 14 to April 30 1990.

The extension for the issuing of IRP5 certificates in respect of the 1989 year of assessment was granted by Inland Revenue as a result of the difficulties experienced by large employers making use of computer pro-

grammes.

Employers will now have to ensure their systems have been adjusted to accommodate the Site requirements in order to issue the IRP5 certificates in time.

IRP2 forms should be fully completed and updated to ensure that the correct amount of SITE is determined at the end of the tax period, the bureau said.

Boys dressed as girls to escape

By Winnie Graham

The mothers of the East Rand township of Tembisa dressed the boys as girls on Tuesday.

It was the only way to protect their sons once they heard the order had gone out: "Find the Katlehong boys in Tembisa — and kill them."

Just as Herod ordered the death of all first-born boys when Jesus escaped with his parents to Egypt, so the troublemakers of Katlehong decided they would hunt the children allegedly involved in the taxi feud in the troubled township.

They knew many of the boys had been sent there to stay with relatives.

But the mothers of Tembisa had no intention of waiting

helplessly for the thugs to strike. Instead, they stripped boys of their shorts and made them wear dresses. If they were disguised as girls the boys might be safe.

When the word went out that the troublemakers had arrived to flush out the Katlehong children, there was panic in Tembisa. ~~Sc-~~ ^{5/3/40} People were pulled from their houses and dragged into the street.

Some fled to the vent to hide. Others went to the municipal offices and asked for protection.

When the men of Tembisa arrived home from work, they found pandemonium in the streets.

Enough was enough. It was time to act.

A township spokesman said: "We did not want the troubles of another township spilling over into our area. We had to do something."

The men of Tembisa did not go to bed that night. They stayed up to protect their homes and families.

They were determined that outsiders would not destroy the peace. And they would certainly not be allowed to harm their wives and children.

The attack on children was sparked off more than a week ago because, it is believed, some pupils took sides in the taxi war between the Katlehong Taxi Association and the

Germiston and District Taxi Association.

Katlehong residents believe one association imported outsiders to fight their battle for them and that these men were responsible for the killing of the four children and two teachers last Tuesday. Another 43 pupils were seriously injured last week, mostly hacked with pangas.

Yesterday, the men organised residents wanting to go to work by taxi or car to ensure there would be no trouble.

"We plan to stand up for our rights," a Tembisa resident said.

It was quiet in Tembisa yesterday, but the schools were still deserted.

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Petition for more buses

Putco dismissals hit commuters

By Helen Grange

About 800 000 bus commuters in Alexandra and Johannesburg's northern suburbs are suffering intense transport shortages following the dismissal last week of 400 Putco workers.

With Putco buses at a standstill in this area, Randburg municipality buses are heavily overloaded daily by residents of Alexandra and according to one commuter, these buses are breaking down as a result.

Overloaded taxis

A petition among residents in the northern suburbs has been started demanding more buses from the municipality and Johannesburg traffic department to cope with the crisis.

Meanwhile, the Alexandra community is pressuring Putco management to reinstate the Putco workers. The halt to the service has forced them to get up hours before work to catch over-

loaded taxis. There are lengthy queues for these taxis, fares are increasing and trips to and from work are dangerous.

The Putco workers were dismissed last week after a protracted strike over the continued employment of the divisional manager at the Wynberg depot.

When the manager decided to leave for "personal reasons", the jubilating workers then demanded that they be paid their normal wages for the duration of the strike, according to Putco managing director Dr Jack Visser.

A dangerous precedent

"We have tried to be reasonable, but we are definitely not prepared to pay out for this illegal strike and set a dangerous precedent," said Dr Visser.

Dr Visser said the company was not employing other workers because of the intimidation experienced in Durban when this strategy was used.

"We will not endanger people's lives," he said.

Tax system to be simplified

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By John Spira

Minister of Finance Barend du Plessis has taken an important step towards simplifying a South African tax system, which has long been among the most complex in the world.

Indeed, the streamlining proposals contained in his Budget speech suggest that inland revenue offices throughout the country will, over time, be required to operate at lower personnel levels than they do at present.

Such a development underlines the Government's commitment to the reduction of spending right across the spectrum of its many and varied activities.

Great stress will be laid on self-assessment, with, as a first step, companies having been identified as leading the way.

Investigations into such a system have already reached what the Minister calls an advanced stage.

Additional streamlining will be achieved by pursuing certain of the Margo Commission recommendations — in particular the elimination of tax concessions and rebates and the placing of more emphasis on indirect taxes and less on direct taxes.

In the process, Mr du Plessis recognises the need to broaden the existing tax base and the promotion of equal and fair treatment of all taxpayers and groups of taxpayers.

The possible introduction of a minimum tax on companies and individuals is under consideration with a view to limiting the abuse of existing tax concessions.

On value added tax (VAT), Mr du Plessis revealed that this new tax (to replace GST) would not be introduced before October 1991.

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10-year-old JSE shares placed in 'safe haven'

Profits realised from shares listed on the Johannesburg Stock Exchange that have been kept for more than ten years would be exempted from income tax under certain conditions, the Minister of Finance, Mr Barend du Plessis, said in his Budget speech yesterday.

Uncertainties about the distinction between capital and income were an important reason for the low turnover on the JSE and the phenomenon that large financial investments were not released for application in other fields of investment.

The Tax Advisory Committee had consequently recommended the introduction of a so-called "safe haven" for shares listed on the JSE for more than 10 years. Profits from the realisation of such shares would be exempted from income tax.

These recommendations were acceptable to the Government under certain conditions and the adjustments would apply as from yesterday.

The conditions were that profits and losses made on the realisation of shares listed on the JSE would be deemed to be of a capital nature if it took place 10 years after their acquisition.

Listed shares that have been acquired by exchange and were subject to Section 24A of the Income Tax Act would not qualify for this concession. The onus would be on the taxpayer to prove he had held the shares for the required period.

The results would be monitored to determine whether a more efficient system could be developed.

The higher turnover of shares should lead to an increased revenue of about R15 million from the marketable securities tax.

It had also been decided in principle to phase out the present 1,5 percent tax on marketable securities over a period of three years. For revenue reasons this phasing out would commence only in the 1991/92 financial year. — Sapa.

Tax clampdown on taxi industry

Sowetan
15/3/90
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The Receiver of Revenue is clamping down on the taxi industry - thousands of letters have been sent out to taxi owners throughout the country asking them to furnish details of their operations for tax purposes.

The letters were sent out on February 16.

More than 100 000 throughout the country will be affected, most members of the of the South African Black Taxi Association (Sabta) and the newly-formed National African Federation of Taxi Organisations (Nafto).

For most taxi owners the letters informing that they are eligible to tax came as a shock, taxi associations said yesterday.

Taxi-owner Mr Sam Rachilo says he was surprised after he received a



Mr PETER RABALI
'...Our members are not knowledgeable on tax matters..'

letter from the Receiver.

He has not paid income tax for his taxi business because his monthly income a month is low and does not expect to pay income tax.

Rachilo said as blacks were not represented in the country's political structures taxing them was unfair.

"The tax blacks pay is used to defend the country's borders. Blacks are expected to pay for the protection of a white minority."

Unfair

Soweto tax consultant, Mr Matsheru Matsheru, was critical of the move and said it was unfair of the Receiver to require such comprehensive information from taxi owners within 14 days.

He says that a lot of information regarding the income of taxi operators will still have to be researched before submitting the forms.

The Receiver of Revenue in Johannesburg, Mr P Jacobs, confirmed that letters had been sent to operators who had not been paying tax.

He said it was the duty of his office to see that people paid their tax.

He says it is difficult to estimate how many operators are not paying tax.

The letters have been posted to the people on available information and more are likely to be sent out.

He says the matter was treated confidentially and he declined to comment further on the implications of the new move.

Sabta's deputy managing director, Mr Jabu Mabuza, said after being informed about this development they had made certain proposals to the Receiver of Revenue.

Mabuza says as many taxi owners did not have formal education on taxation they had first to be proficient on the keeping of records and good management practices.

"Sabta wants to be given time to consider the implications of the new development and advise its members accordingly," he said.

Nafto's president Mr Peter Rabali said the Receiver of Revenue should deal with taxi associations instead of individual members.

"Our members are now knowledgeable on tax issues and as prosecutions could follow it was important that association, who had the trust of their member, be consulted," he said.

He blames the Receiver for not informing the taxi owners about tax properly and demand

that a meeting be held between associations and the Department of Finance officials immediately to resolve this problem.

High revenue an 'embarrassment'

By MAGNUS HEYSTEK

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The Government suffered from an embarrassment of riches during the 1989/90 financial year as revenue collections, from individuals in particular, raced far ahead of estimates.

Total tax revenue for the 1989/90 financial year exceeded the budgeted estimate by no less than R6,3 billion, rising to R61,385 billion.

Tax collections from income tax on individuals are estimated to have exceeded the budgeted amount by R2,190 billion, or no less than 36,6 percent.

Several factors contributed to this flood of money.

Higher salaries

Salary adjustments in the private sector were higher than predicted, which, together with the effects of fiscal drag, resulted in an avalanche of revenue which surprised most commentators. More than R3 billion of this surplus will now be used to reduce the losses on forward cover transactions.

Another factor was that tax collections were much more effective as a result of the introduction of SITE, which greatly improved cash flow to the Receiver of Revenue.

Good profit performance from companies in 1988 continued into 1989 and this, along with the third provisional tax payments for the 1989/90 year, resulted in an

increase in the estimated revenue from non-mining companies of R1,5 billion over the budgeted amount.

The import surcharge, announced in August 1988 and revised in May last year, also boosted Government's income. An original amount of R1,3 billion was estimated but the continued high levels of imports saw Government rake in an additional R1,3 billion.

Government also raked in R240 million more than estimated as a result of higher fuel consumption, a result of the buoyant state of the economy.

Other noteworthy increases above the budgeted amounts are to be found in stamp duties and fees (R109 million), marketable securities tax (R120 million), departmental operations (R232 million) and interest and dividends.

Although described by officials of the Department of Finance as "exceptional circumstances", which were unlikely to be repeated during the current financial

year, it nevertheless increased the total tax burden.

Total tax collections during 1989/90 increased to 24,9 percent of gross domestic product (GDP). This is significantly higher than the average ratio of 18,8 percent in the 1970's and the average of 21,4 percent in the 1980's.

Another disquieting figure is the sharp rise in the relative contribution to overall Government revenue made by individual taxpayers and non-mining companies.

In the 1970's the contribution to total tax was 23,1 percent and 23,4 percent respectively. This situation changed drastically in the 1980's: individuals' average contribution in those years was 27,2 percent as against 17,6 percent by non-mining companies.

Individuals taxed more

Since 1983/84 income tax from individuals has invariably been over 28 percent of total tax revenue and for 1989/90 it is estimated at close to 31 percent.

In the case of non-mining companies the position is the reverse: since 1983/84 their income tax was always less than 17 percent of total tax revenue, although for 1989/90 it rose marginally to 18 percent.

For all companies the average contribution to total tax revenue in the 1970's was 32,5 percent, as against 27,3 percent in the 1980's. Since 1987/88 it has been below 25 percent and for 1990 it is estimated to be as low as 21,8 percent.

Savings to be encouraged With a higher tax ceiling

By Sven Linsche

The Government has finally grasped the seriousness of the persistent dis-saving of the last few years.

In his Budget speech to Parliament yesterday Finance Minister Barend du Plessis announced a number of important steps to promote individual savings.

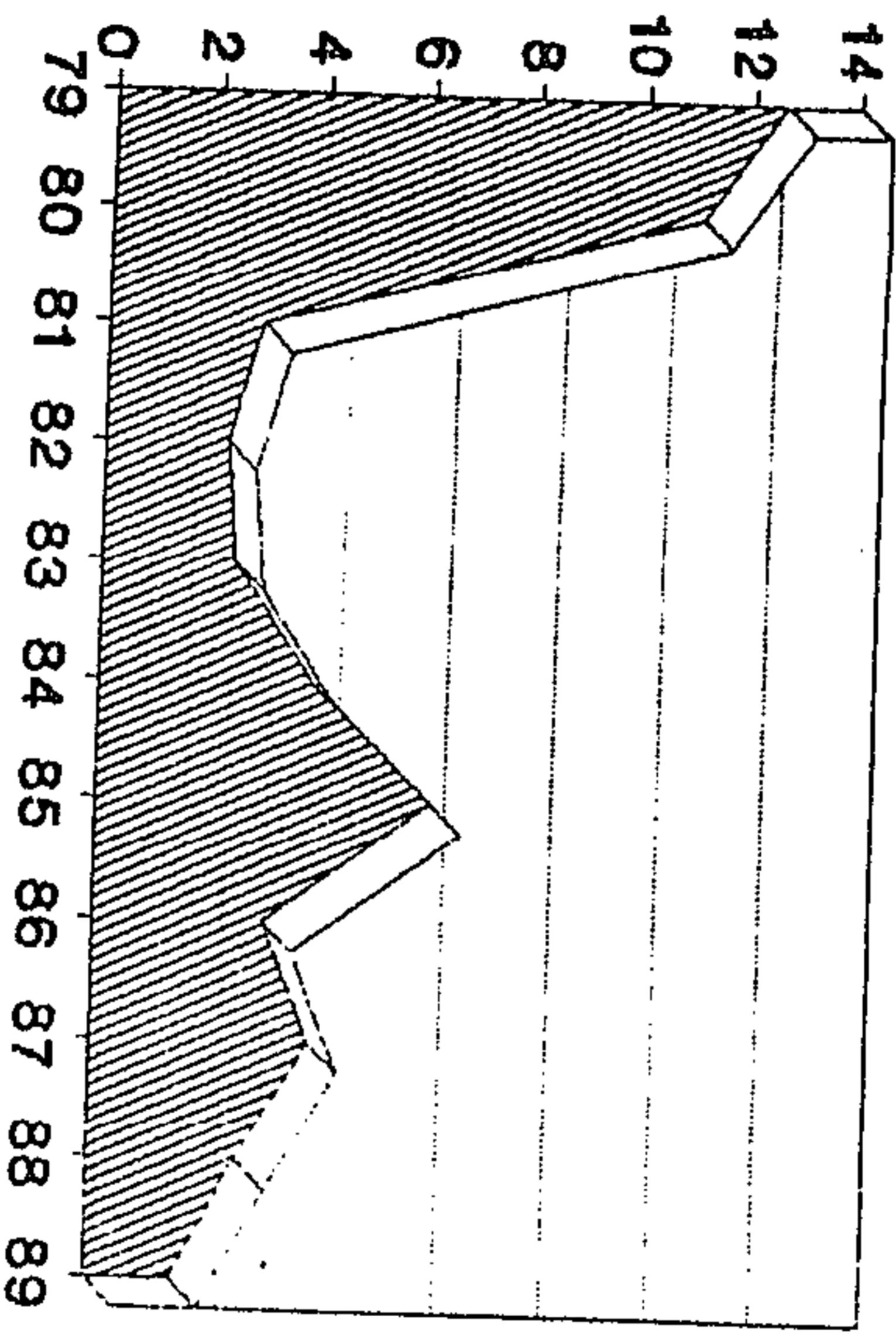
On the subject of individual income tax, he said it was of the utmost importance for the promotion of economic growth that discretionary personal savings be encouraged where possible.

For this purpose he recommended that the present exemption to individual taxpayers of the first R1 000 of interest and building society dividends be doubled to R2 000.

Other dividend income will be fully exempted from normal tax in the hands of individuals and close corporations, thereby eliminating the present double taxation of such dividends.

These measures should boost personal savings by about R650 million in the 1990/91 fiscal year, Mr du Plessis said.

The tax incentives to individuals, to the tune of R4,5 billion, should also prove a significant boon to savings.



Personal savings as percentage of disposable income

The measures have come at just the right moment.

Personal propensity to save (Personal Savings as a percentage of Personal Disposable Income) in 1989 fell to 1,6 percent last year — its lowest level in years.

In the late 70s, this figure was run-

ning at a healthy 13 percent (see graph).

In nominal terms personal savings declined for the second year in succession, according to figures released in the statistical bulletin accompanying the Budget.

From R4,133 billion in 1987, they

fell to R3,151 billion in 1988 and to R2,059 billion in 1989.

Renumeration of employees at current prices increased by 18,4 percent in 1989, against 16,7 percent in the previous year.

Despite this, and including sharp increase in transfers from abroad, current income rose by only 16,2 percent in 1989 (17,5 percent).

Since direct taxes as a percentage of current income remained virtually the same, personal disposable income increased by 16,2 percent.

Although the increase of 17,6 percent in private consumption expenditure in 1989 was lower than in 1988, personal savings declined for the second year in succession, the bulletin says.

Commenting on the savings proposal, United Bank MD Nellie Bosman said scrapping tax on individual dividend income was welcome and would boost savings at building societies in particular.

He added, however, that at current interest rates of about 18 percent on wholesale deposits "it does not take huge amounts of savings to push up interest income above R2 000.

"We certainly had expected more on this front."

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Picture by Sebastian Balic

to a railway line. The weekend saw more violence, including an attack on the neighbouring township of Vosloorus. An FM staffer fled Vosloorus with thousands of others in the early hours of Monday ahead of a thousand hostel dwellers.

A minor taxi dispute has been inflamed into a community civil war. Sebastian Balic

Katlehong ... taxied to township civil war

The origins of the conflict were sown with the creation of the Katlehong Taxi Organisation (Kato) after disagreements within the parent body, Germiston and District Taxi Organisation (G & D). Kato started a new route opposed by G & D.

Who struck the first blow is disputed but it made no difference to what followed. SA Black Taxi Association public affairs director Mike Ntlatleng says: "It seems to be a spillage of the Inkatha-UDF conflict in Natal, even though it did begin as a taxi war. Kato has the support of the youth because it apparently employed young people as drivers. G & D has close links with the predominantly Zulu hostel dwellers and so the conflict spread. There have even been four deaths in Witbank in a fight between hostel dwellers and residents."

Gang attacks

Witnesses spoke of being attacked by gangs — roving the township in taxis with ND (Durban) number-plates — wearing Inkatha colours and speaking Zulu. Residents assumed that the hostel inmates, mostly migrant Zulus, had entered the fray.

Yet a leader of one of the youth structures, who witnessed one of the "Inkatha" attacks, cast doubts on the validity of such claims: "It was an ND taxi, and the people were dressed as Inkatha members. But I recognised them — they are local people and not even Zulu. There is something funny going on."

Sinister would be closer to the truth. It appears prejudices are being manipulated to ignite a township notorious for violence.

By last Thursday the entire community was involved, willing or not. Pupils and teachers were taken from classrooms by thugs and hacked to death. A pitched battle between residents and hostel dwellers on Thursday night left 18 dead. Panga-wielding men burst into the Natalspruit hospital, where the injured and many residents were seeking refuge, despite armed municipal police at the entrance.

On Friday night there were five more deaths, including that of a man who was tied

KATLEHONG F/M 16/3/90

Taxi mayhem

The Katlehong war has spilt over in its second week to neighbouring Vosloorus with residents sending children to relatives in other townships or white suburbs.

The East Rand township resembles a war zone. Entrance roads are manned by people armed with pangas, sticks and sjamboks searching vehicles for weapons. Inside most roads are barricaded by rocks and debris. Burnt-out vehicles are everywhere — reminiscent of 1976 and 1984-1985 at their worst.

Tax on fringe benefit cars goes up sharply

By Derek Tommey

Recipients of company "perks" will pay more tax. The Minister of Finance has sharply increased the amount which users of company cars and recipients of low interest or no-interest loans have to pay to the Treasury.

He has increased the determined value of a fringe-benefit cars by 50 percent for tax purposes. But even at the new rates, most people will think a company car still worth having.

The determined value is the sum on which tax has to be paid. An individual in the maximum marginal tax bracket, would have to pay the Receiver 44 percent of this figure.

The determined monthly value of a R25 000 two-litre car will be raised from May 1 from R238 to R357 and that of a R50 000 three-litre car will go up from R411 to R616. The determined monthly value of a R100 000 car bigger than three litres will increase from R675 to R1012,50.

Tax experts say that in spite of the latest increase in determined value the figures are well below the true value. However, the Government is following the Margo Commission's recommendation that these values be adjusted annually until "more realistic"

values are achieved.

Mr Bert Wessels, chief executive officer of Toyota South Africa, said he was most disappointed by the move.

A major factor in the development of the South African car industry had been the demand for company cars.

The increase in the determined values was not welcome at a time when the industry was making heavy capital investments to meet the new local content requirements.

Mr du Plessis also increased the taxable benefit of low-interest or interest-free company loans from 16 to 19 percent.

This means that the taxable value of a R100 000 housing loan will be lifted from R16 000 to R19 000 and will raise the tax on an individual in the maximum bracket by about R1 320 a year.

Mr du Plessis announced two minor tax changes. The rebate for the over-64s is to be increased from R1 450 to R2 100, which should help pensioners.

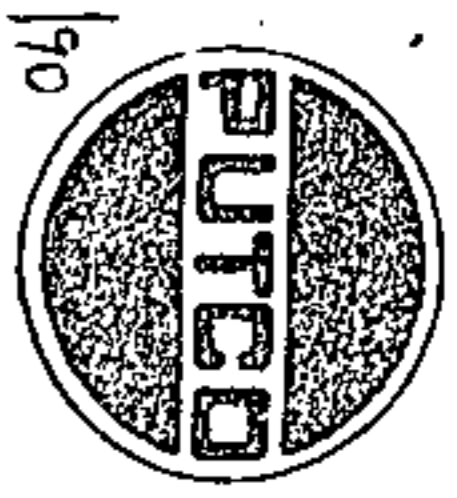
On the other hand, he is phasing out the R120 rebate for taxpayers between 60 and 64. The withdrawal of the rebate for people in this age group suggests that the official retiring age could be on the point of being lifted from 60 to 65.



COMMUNICATION TO THE COMMUNITY OF ALEXANDRA FROM THE PUTCO HEAD OFFICE DIRECTORATE

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1. At 12h00 on Thursday 8 March 1990 dismissal notices were handed to **STRIKING** workers at Wynberg, Alexandra. Because of the immense inconvenience the **STRIKE** had caused to many bus commuters on the Reef, more particularly to the Alexandra commuters, the management of Putco believes that the Company should provide the **FACTS** surrounding the strike to all its commuters. The **STRIKE** arose from certain grievances, tabled by the workforce against the Divisional Manager at Wynberg, followed by a demand for his immediate removal from that Division.
2. Prior to commencing their **STRIKE ACTION** the workforce were offered, and they accepted, a comprehensive investigation into all their grievances; they were also satisfied with the senior manager who was nominated to investigate these grievances.
3. The workforce did not accept the findings of the investigator and, following protracted negotiations during which senior managers from the Company's Head Office offered outside arbitration as a reasonable solution to the impasse, the workforce also rejected that proposal and they then embarked on a **STRIKE**. The management of the Company is of the opinion that this extreme action was premature and unnecessary because if an arbitrator, appointed by **BOTH PARTIES**, should have found the Divisional Manager substantially guilty of mismanaging the workforce, the Company would not have hesitated to order his removal from the Division.
4. A fundamental principle is embodied in the doctrines of equity and fairness which is that no individual should be treated as if he was guilty **BEFORE PROVEN** guilty.
5. The workforce continued to **STRIKE** and, in a final effort to break the impasse, the Managing Director of Putco personally met with the Trade Union and Workers Representatives. He said that he had the power to remove the Divisional Manager and indicated that he would do so **PROVIDED** that the Divisional Manager's guilt is **PROVEN**. He pointed out that a continuation of the strike was not benefiting (a) commuters (b) the workforce nor (c) the Company. He also suggested that the workforce return to work and that an outside arbitrator be appointed, acceptable to both parties. Again this **REASONABLE** course of action was rejected with the comment that the strike would continue until the Divisional Manager was removed. The Managing Director responded that he had no facts to prove the Divisional Manager's guilt and therefore refused to remove him. He said that he was extremely disappointed with the attitude of the Trade Union and Workers Representatives, who were substituting **REASONABLENESS** with **FORCE**.
6. Shortly after that meeting, the Divisional Manager informed the Putco management at Head Office that he had decided not to return to the Division. Since this **UNILATERAL** decision was seen as another opportunity to break the **STRIKE**, the decision was immediately communicated to the workforce, via their leaders.
7. The workforce now demanded that they be paid for the period while they were on strike. The Company **WILL NOT** under any circumstances agree to this for the following reasons:
 - ★ The workforce brought the loss of pay upon themselves when deciding to **STRIKE** instead of following the contractual grievance procedure;
 - ★ The Company has already sustained substantial losses as a result of the **STRIKE**;
 - ★ The Company did everything in its power to investigate the grievances and, when the enquiry was rejected, it offered outside arbitration as a means of discovering the substance of these grievances;
 - ★ The community suffered, not because the Company did not want to operate its scheduled services but because the workforce took the law into their own hands;
 - ★ The payment of wages during a **STRIKE** constitutes an **UNACCEPTABLE PRINCIPLE** in industrial relations; once this principle is established **STRIKES** will become the only means of settling industrial disputes, since all the stakeholders in and around the **STRIKE** will suffer except those who are **RESPONSIBLE**.
8. The management of Putco wants to re-instate the service as quickly as possible but refuses to re-employ the dismissed workforce **UNCONDITIONALLY**. It is suggested that the community persuades the workforce, who were dismissed at their own request, to re-apply for employment. The Company will be reasonable with its terms of re-engagement but **WILL NOT** move away from the established principle of **"NO WORK, NO PAY"**.

Container woes

The agreement covering container services between Europe and SA still has two years to run but for some time it's been clear the business has not lived up to expectations.

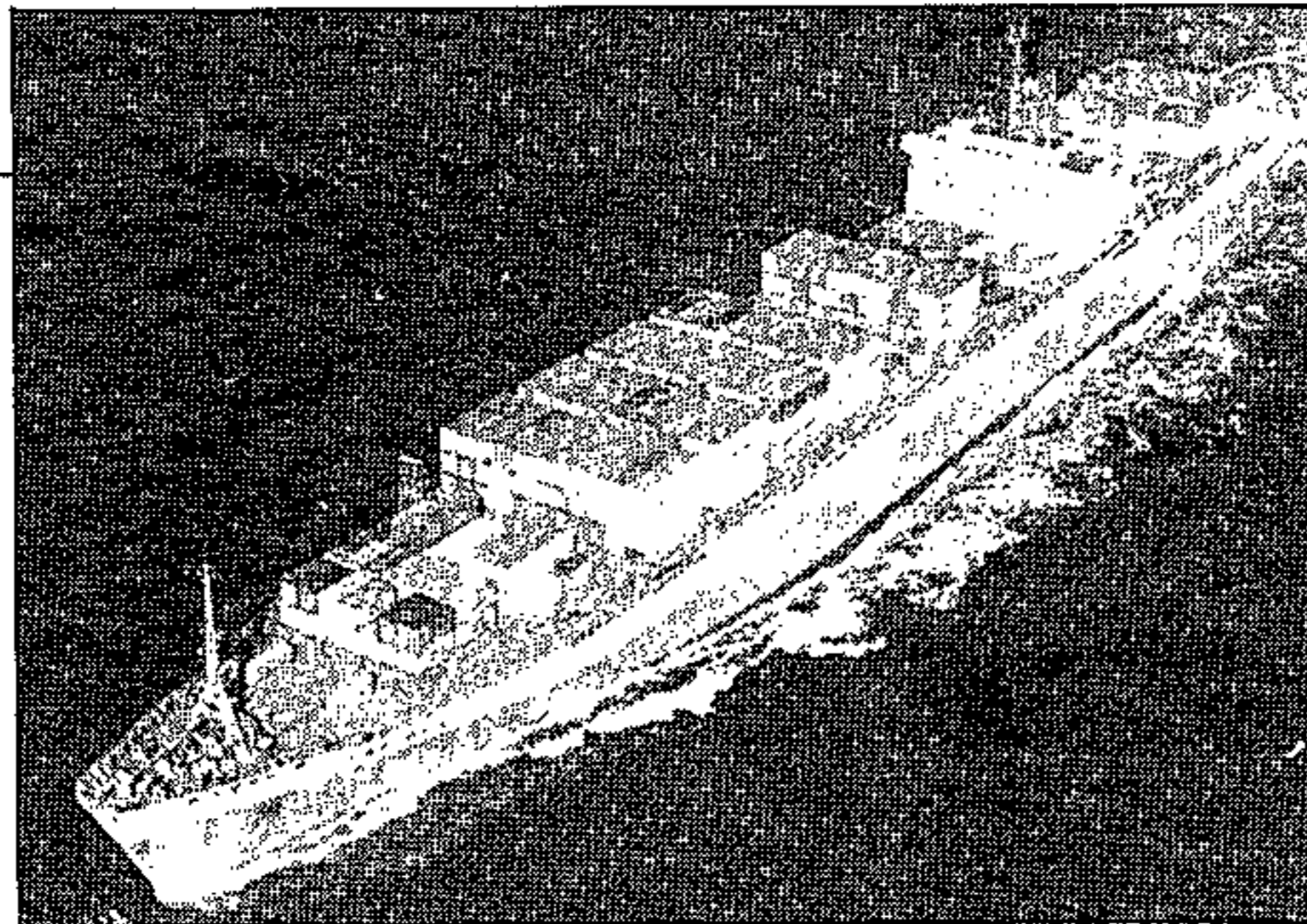
The original plan in the Seventies called for the construction of 17 ships; 16 were built and today only 10 ply the route.

The volume of cargo never reached the level predicted by feasibility studies. From the beginning independent carriers, not party to the agreement, siphoned off much of the most profitable cargo by undercutting rates.

Nine 50 000 t container ships, each with a capacity of 2 450 boxes, began service in 1977 between north-western Europe and SA but over the years, the two British vessels, together with West German and Belgian ships, withdrew to leave a Dutch ship and four Safmarine vessels to operate the service.

Three container ships, each carrying up to 1 300 boxes, started service between SA and

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Lots of cargo, but not enough to satisfy everyone

the Mediterranean, but Safmarine eventually pulled out its vessel to leave only two Italian ships.

In addition, four roll-on, roll-off ships — two French and two Swedish — were built as a back-up. The Swedish ships have pulled out and been replaced by a Dutch ship.

Several shipping lines withdrew vessels

but continue to use the service. In addition to Safmarine, the lines that are part of the agreement — Char-geur Reunis, Compagnie General Maritime, Deutsche Afrika Linien, Lloyd Triestino, Nedlloyd and the two British concerns, P&OCL and Ellerman/Harrison — have pooled their resources. They con-tinue to ship cargo on vessels covered by the agreement even if their own ships no longer serve the route.

The original idea was to form a cartel that would set the rates and dictate the frequency that each port was called on. But the companies that signed the agreement, called a conference, have been dogged by

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independent carriers that undercut rates.

Many of these rival carriers went to the wall when their low rates failed to cover expenses, but two well-established concerns, Switzerland-based Mediterranean Shipping and the West German-operated MACS, continue to skim the cream off the container trade. Last year Mediterranean Shipping captured the largest share of the SA-Europe traffic by carrying an estimated 40% of the cargo. Recently it bought a Durban site where it plans to build its SA headquarters.

Almost since the conference's inception, conference shipping interests in SA have lobbied government to penalise independent carriers that undercut rates. But government has always insisted that to foster competition a shipper should be able to choose its carrier. Government suggests that shippers should patronise conference lines but, nevertheless, reserves the right to move 12,5% of its cargo by non-conference ships.

While the agreement for the Nineties will not be finalised for two years, discussions on routes, rates and the type of ships needed are under way. By 1992 the existing vessels will be 15 years old and companies will need to think about replacements. They must estimate the prospect of bigger volumes and grapple with the impact of the rate-cutting, non-conference carriers that continue to embarrass the R1,4bn fleet of 10 conference vessels left on the SA trade.

The vessels are running at slower speeds than they were designed for because of the smaller-than-predicted flow of cargo. To maintain efficiency some ships have undergone mechanical work for slower speeds. Safmarine, for example, has installed modified propellers and made other changes in the engine rooms of its quartet of US\$70m French-built, 22-knot liners in order to run a more economical service. The ships now run at 18 knots.

When the time does come to commission replacements, the companies might decide that roll-on, roll-off ships are more suitable than container vessels. Just as the independent carriers carry bulk cargo from Durban for the northbound passage, the container ships must rely on fruit, in season; empty containers and general cargo. General cargo is not lucrative because government has controlled northbound rates. For as long as shipping people can remember, the high charges on the southbound cargo have had to offset the lower tariffs of northbound shipments.

One conference company, Italy-based Lloyd Triestino, is introducing second-generation container ships to the route. The company decided that its steam-driven *Africa* and *Europa* are no longer economical and is replacing them with diesel vessels. One made its first swing through Cape Town, Port Elizabeth and Durban last month. The other will begin service shortly. ■

Cape taxis challenge Sabta

w/c ARGUS 17/3/90
By ANTHONY DOMAN
Weekend Argus Reporter

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CAPE taxi operators will be part of what is shaping up to be one of the country's biggest transport groupings.

On March 28 several transport bodies are to join forces under the banner of the National African Federated Transport Organisation (Nafto) at Johannesburg's Standard Bank Arena. Nafto is the transport wing of the National African Chamber of Commerce, Nafcoc.

It is seen as a direct challenge to the established South African Black Taxi Association, Sabta, which has become synonymous with minibus taxis.

The biggest Cape group at the launch will be the International Taxi Association, a 2 500-member group based in Elsie's River.

The association recently held exploratory talks with one of Nafto's major affiliates, the SA Long Distance Transport Association.

Government recognition is on the cards.

The long-haulers' president, Mr Peter Rabali,

said that his organisation had about 14 000 members.

"The government seems to approach only one taxi group when they have transport matters to discuss," he said, apparently referring to Sabta.

However, many taxi operators were joining his organisation, he said.

"Here in Cape Town alone there are 16 taxi associations that want to join us."

Control discipline

The organisation also has members in Botswana, Namibia, Zimbabwe, Swaziland and Lesotho and is helping to launch a taxi run from Bulawayo to Harare.

A bigger, stronger national organisation would be better able to control the lack of discipline in the industry, he said.

A spokesman for the International Taxi Association said its membership of 2 500 represented about 4 000 taxis. "We are looking to join up with Mr Rabali's organisation because we believe it will offer us the necessary muscle," he said.

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Toll roads 'saving tax payer money'

SOUTH African taxpayers are paying less for their roads as privatised toll roads take over the country's arterial routes, says chief executive of Tolcon, Mr Ron McLennan.

Tolcon, the toll road company, now manages 450 km of roads. It has a capital commitment of in excess of R1,5 billion. By the time the Keerversfontein/Warden section is completed, Tolcon will have spent more than R900 million of its R1,5-billion budget.

This month, Parliament was told that Tolcon's income from tolls amounted to only R28 million.

The use of private money to fund South Africa's roads has enabled the Government to cut in half the amount of taxpayers' money given to the National Transport Commission.

Roads built earlier

The department of Transport's annual financial report tabled in Parliament last week said that privatisation was helping to provide essential road sections earlier than expected.

The Department of Transport as a whole spent about R2 billion on national and provincial roads during 1988/1989, but the toll road companies had spent about R400 million and are expected to spend another R500 million this year.

"Quite simply, we are building roads the country could otherwise not afford," says Mr McLennan. "We are saving the public money." — Sapa.

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Katlehong taxi men hope for war's end

JOVIAL RANTAO

THE Southern African Black Taxi Association (Sabta) has instituted a one-man commission of inquiry to probe into the violence in Katlehong.

They hope to find ways to prevent similar incidents occurring in other townships.

More than 30 people were killed, scores injured when what started as a taxi war ended as a civil war.

Mr Jabu Mabuza, communications manager at Sabta, also announced that both the Katlehong Taxi Organisation (Kato) and the Germiston and District Taxi Association (GDTA) have been dissolved and will be replaced by a single body.

"We have, in conjunction with the local civic association and the United Democratic Front (UDF), decided to dissolve the warring factions and replace them with a working committee of 13," Mr Mabuza said.

He said the committee would comprise four members each from Kato and the GDTA, four from the Katlehong Civic Association and one representative from Sabta.

Mass funeral

"The committee will be functional until a unitary body is formed. It is our wish, and that of the Katlehong community to see one united taxi organisation in the township," Mr Mabuza said, acknowledging the help Sabta had received from local UDF affiliates.

Recommendation from the commission, headed by a retired judge whom Mr Mabuza could not at present name, would be considered during the formation of a new taxi association in Katlehong.

He said taxis in the township would start running normally sometime after the today's mass funeral of the victims of the violence.

Officials of the UDF believed the dispute among taximen had been caused by the poverty in which they lived.

"The present economy has failed, it has only given birth squatter camps, inferior education and the hostels system," said Mr Moss Mayekiso, secretary-general of the National Union of Metalworkers.

Barometers of economic mood

By David Carte

LASER Transport is one company that benefits when the mood in SA swings between euphoria and despair.

The biggest household removal firm in SA coins it when panicky people pack for Perth via Pickfords. And it makes a pile when the emigres get tired of doing their own ironing and head back home, poorer by at least R20 000 per move.

When I spoke to Denis Kaye, managing director of Laser two weeks ago, Mr Mandela had just been released and the mood about SA was buoyant. The traffic appeared to be heading back this way.

Judging by recent turmoil in the townships and homelands, not to mention the radical pronouncements of the ANC, the next tide could be outwards. Either way, Laser scores.

Compete

"About 30 percent of our turnover comes from international removals," says Mr Kaye.

Laser is the lesser-known holding company of three of the best-known removals lines — Stuttafords, Pickfords and Frasers. Also in a stable built up by acquisition are JL Van Nimwegen, which specialises in international removals and in shipping fine art, and Jack Wellsted.

There are several property and transport packaging companies. A new subsidiary, TransPlant, specialises in moving pot plants.

The companies have different boards, different managements and business strategies. They are run independently and compete against each other head on — but administration is centralised at head office. There are 30 branches in all the main centres.



HIGH FLIER ... Denis Kaye, MD of Laser removals

In a fragmented removal market, Laser estimates it has 15-20 percent of the R800-million-a-year market.

Laser companies last year handled 67 000 moves. The average household's effects are worth R50 000, so the company handled goods worth R3,5-billion.

Evidently it pays to shop around when moving, for

price variances, even within the Laser stable, can be as high as 50 percent, depending largely on whether the remover can fill a truck on the return journey.

Pickfords aims at the yuppie market and consequently advertises aggressively, and sponsors sports events. Stuttafords, targeting on the more mature A-income

bracket, advertises only on the radio.

Laser companies have one thing in common. They use only Mercedes-Benz trucks and pantechincons. There are 900 trucks and trailers.

They are bought outright for cash and written off to 15 percent of original value over four years. Most trucks last seven years before being sold. The implication is that they are massively undervalued in Laser's balance sheet.

Downturn

Warehousing is an important activity. Not only does it yield handsome revenues, but this division has valuable assets — 16 000 containers worth R500 apiece — an asset worth R8-million.

Mr Kaye says removal firms are highly cyclical. With order books that stretch only four to five weeks into the future, they are good early indicators on the economy, as well as the political mood.

"We felt the present downturn as long ago as September. When companies think the economy is contracting, they are more hesitant about transferring or promoting people. About 60 percent of our business is corporate."

Laser did well out of Untag in Namibia and out of the closure of SADF bases in Namibia and other regions.

With his Porsche and his Falcon jet, Mr Kaye, like his close friend, Aaron Searll of Seardel, has all the status symbols. He received much publicity for personally fly-

ing Nelson Mandela from Cape Town to Johannesburg.

He defends the plane, owned by a charter company which he shares with Mr Searll, as "a necessary business tool".

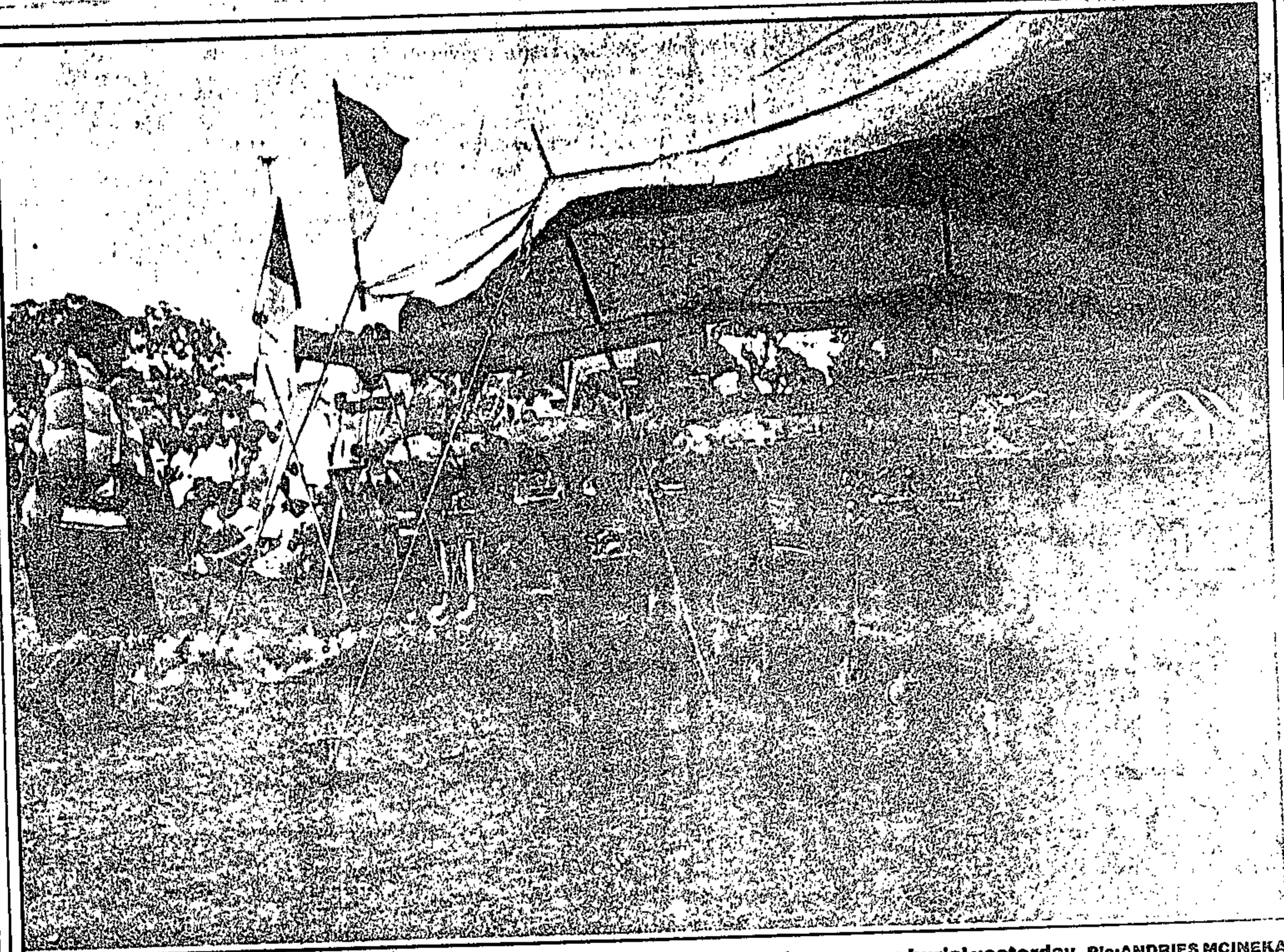
Mr Kaye has been involved in removal for 19 years. His association with Laser started when Unisec bought Pickfords, the Kaye family business, back in 1980.

After Unisec was absorbed into Standard Bank and its operating subsidiaries were hived off, Mr Kaye and fellow directors bought control. They have 56 percent, Sanlam 10 percent and UAL 5 percent.

Laser performed well until the preliminary result released in January. In the year to December, the company reported earnings down 6 percent. At the interim, earnings were up by 25 percent and as late as December, Mr Kaye was indicating that all was well.

In the event, second half earnings were down by a shocking 40 percent and the company glossed over the fact. Higher tax and interest, both surely predictable, were the reasons given.

The market punished Laser harshly. Now the share stands at 200c, only a third of real net asset value. The dividend yield is 12,5 percent and the PE is just over three. These numbers make Laser an intriguing recovery stock — but stale bulls and the depressing outlook could stall a comeback for some time.



Mass funeral ... 14 of the 45 victims of Katlehong's bloody taxi war were given a mass burial yesterday. Pic: ANDRIES MCINEKA

Mandela press 18/3/90 route

Mandela watched in appreciation a concert in Johannesburg by African musicians jointly performed as a tribute to the long performance with his wife, leaders Ahmed Kathrada and ... med, people nearby turned
Want Mandela, was jointly ... s and was performed jointly as Jennifer Ferguson, Bren ... Alex, Makathini and the Phiri, Stimela, Sipho "Hot ... umalo and others.
wd, Mandela reiterated his he four points of the Harare e the government and the



Nelson Mandela ... given a musical tribute

Addressing a press conference on his return from Sweden, where he met ailing ANC President Oliver Tambo, Mandela said the Harare Declaration had stated what preconditions still needed to be met by the government.
Having unbanned the ANC, there were still other preconditions which needed to be met before negotia- tion could begin.

Katlehong mourns taxi-war victims

By SOPHIE TEMA *press 18/3/90* (332)

KATLEHONG buried its dead yesterday - and blamed apartheid for the bloody taxi war last week.
According to Katlehong Civic Association about 45 people were killed during the fighting and 14 were given a mass burial yesterday.
A tent was pitched in the centre of the stadium to shelter the bereaved families while 14 coffins containing the bodies of their loved ones were paraded in front of them.
Those buried yesterday were: Simon Sibande, Lucky Malungoane, Lucky Kara, Ian Khubeka, Jabulani Mohango, Isaac Thage, Gabriel Mangele, Mdudizi Ndlovu, Mabuya Buti, Trichard Nganoni, Patrick Tabane, Shadrack Motloug, David Skosana and Thembinkosi Mavundla.
No solemn hymns were sung - youths chanted freedom songs and danced the toyi-toyi.
More than 10 000 mourners - some of them wearing ANC colours - heard representatives of various organisa- tions condemn the wave of violence.
They blamed structures such as the local authorities for furthering the "divide and rule" policy introduced by Hendrik Verwoerd.

it alight. ... to a shop

5 000 attend funeral of taxi war victims

APR-Trip 19/3/90

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KATLEHONG. — The sprawling East Rand township of Katlehong came to a standstill on Saturday when about 5 000 people attended a rally at the Hunter Field Stadium to bury 14 victims of last week's taxi war here.

As many as 30 people were reported killed since late February when what started as a dispute between two rival taxi associations culminated in a civil war in the township.

Speakers called for reconciliation between taxi operators and the community.

Emotions ran high when a group of mourners ordered police out of the way of the funeral procession. — Sapa

70 000 go to Venda funeral

APR-Trip 19/3/90

THOHOYANDOU. — About 70 000 people gathered on Saturday at the peaceful funeral service of one of the students who was shot dead at the gate of the police station here on Monday.

People chanted freedom songs and carried placards saying "Rest in peace, Comrade Elisie Nephalama Makuya."

A UDF representative, Mr Joe Mnguni, said he felt disheartened that such things should happen at a time when everyone was talking of reformation and the end of apartheid.

He called for the reincorporation of Venda into South Africa and dissolving the Venda parliament. — Sapa

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C/Press 18/3/90

After the taxi war — an uneasy truce

~~scribble~~
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By SOPHIE TEMA

Organisations battle for peace and unity

AN uneasy truce is hanging over Katlehong following the week of fighting and killing that swept through the township.

What began as a series of battles between rival taxi organisations developed into factional violence that enveloped the entire community.

Charred minibuses and houses still bear testimony to the township's week of horror.

According to reports at least 20 people died and scores of injured filled the Natalspruit Hospital.

But Paul Maseko, publicity secretary of the Katlehong Civic Association, believes between 45 and 50 people lost their lives in the savage war.

Almost overnight, parents spirited their children away to neighbouring areas.

Residents said they believed taxi owners recruited thugs or vigilantes from other areas to fight their battles.

Throughout the week there were gunshots at night and the houses of

several taxi owners were burnt.

But, the most painful part of the violence was the massacre of four schoolchildren and two teachers — hacked to death with pangas and shot in revenge for the alleged petrol-bombing of six minibuses.

A headless body, a leg and an arm found next to a railway line were among the gruesome signs of the fierce clashes.

In a strange turn of events, UDF "comrades" manned roadblocks along with heavily armed uniformed police and searched for weapons, including guns.

For several nights scores of families with young children slept in the township's graveyard, while hundreds sought refuge at the Natalspruit Hospital, the military base and the Katlehong

police station.

Even the injured were not safe. A 30-strong vigilante group believed to be members of one of the warring factions entered the Natalspruit Hospital's casualty ward and sent doctors and nurses running for safety.

Hospital superintendent NP Kernes said: "The incident has prompted hospital authorities to look into the security in order to continue providing patients with a decent service."

Kernes said more than 200 people were treated for injuries — most of them young males with gunshot wounds.

Angry residents also claimed that a group of children from a creche in Nhlapo Section were sjambokked by supporters of one of the feuding groups.

Roadblocks and barricades were set up throughout the township and youths armed themselves with sticks and iron-rods against the rival group which wore white bands around their heads and was armed with pangas, axes, assagais and guns.

Besieged Katlehong residents openly called for the return of the South African Defence Force, claiming they feared a "Natal situation".

To end the senseless killing, the UDF, Cosatu, Katlehong Civic Association and Sayco representatives set up a peace plan.

They appealed to residents to support the peace plan and strive for unity in the community.

KCA's Oupa Obed Thibile said at a meeting on February 11 between taxi groups it was agreed

to provide four names from each group to sit on a committee to resolve their differences.

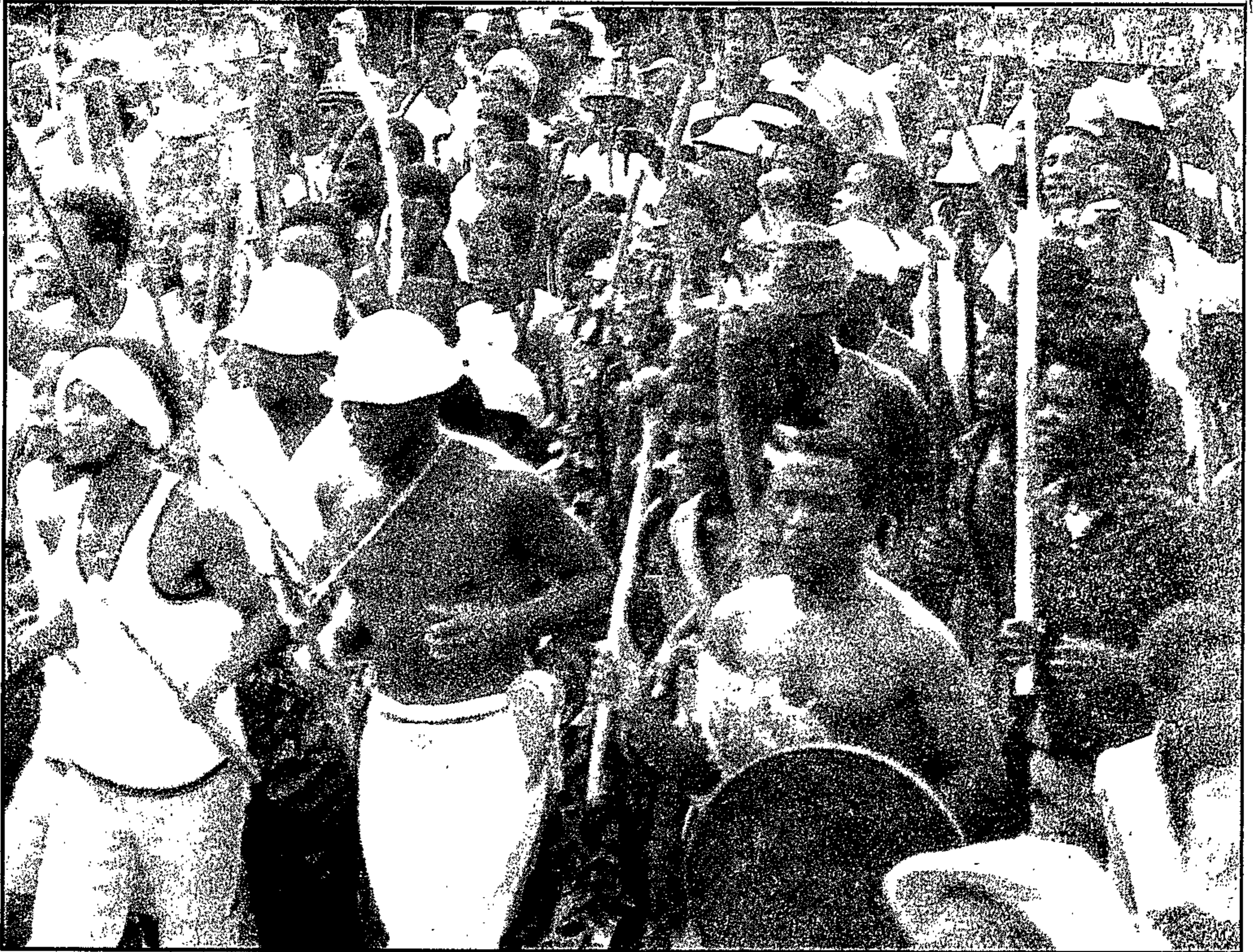
Before the committee could meet, fighting broke out on February 24 and the war spread to the community.

Soon after his return to South Africa the ANC's Walter Sisulu sent this message: "This is a critical time in our lives. We are appealing for unity throughout this country and naturally we are concerned with local disturbances and killings."

Head of the Anglican Church, Archbishop Desmond Tutu, appealed to the Katlehong community with these words: "Please stop the violence. We cannot afford to destroy ourselves just when we are on the threshold of victory. Our people must exercise discipline and restraint."

The Southern African Black Taxi Association (Sabta) also stepped in to mediate and announced the suspension of the Germiston and District Taxi

Cont →



Katlehong residents claim thugs and vigilantes were brought in from other areas by taxi owners to fight their battles.

Association from its ranks until peace and unity was restored between taxi bodies in Katlehong.

Sabta public relations officer JA Mabuza said the organisation has appointed a retired judge to head a Commission of In-

quiry into the taxi wars.

Sabta will also adopt the following measures:

■ The Transvaal Taxi Association (TTA) will appoint a manager to run taxi operations in Katlehong until a single association for the area

emerges; and

■ Members of the Katlehong Taxi Organisation have been called on to disband and submit themselves to the authority of the TTA manager while a single association is formed.

Mabuza said: "Sabta abhors the wanton destruction of property and the senseless killings.

"Sabta expresses its deepest sympathies for families who have lost loved ones.

"We wish to contribute

towards bringing an end to all hostilities."

The desire for peace was also expressed by residents and the warring taxi groups at a meeting held near the Mazibuko Hostel in Katlehong on Friday.

Putco urges return of 400 fired strikers

20/3/90 Labour Reporter 332

Putco has distributed 30 000 leaflets urging black residents to persuade fired Wynberg depot workers to reapply for their jobs.

However, the pamphlets — and newspaper advertisements — stress that Putco will not meet workers' demands for payment during the strike.

The pamphlets had been distributed in Alexandra, Johannesburg and the Soweto area, said Putco managing director Dr Jack Visser.

Putco's Wynberg operation remains suspended after the dismissal of 400 strikers. Some 800 000 Alexandra and northern Johannesburg commuters have been without Putco transport since the strike began a month ago.



The Rev Khanyile, one of several speakers who addressed Tokoza residents at a mass funeral at the weekend.

Katlehong settles down, licks wounds

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By PHANGISILE MTSHALI

AS Katlehong settles down to lick its wounds and gears itself for peace between the warring factions, a postmortem of past weeks' carnage points fingers at rumour-mongering and "apartheid structures" as the underlying causes of the carnage.

Mr Gideon Mak-

hanya, Witwatersrand Council of Churches (WCC) organising secretary, said the upsurge of violence in the East Rand township could have been "to buy time for local authorities" as it came about the time when Katlehong was "challenging them and calling for their resignation," he said.

Bloodshed is used as an excuse for the authorities to prolong their stay in power.

It gives the people an alternative agenda... their lives."

Rumour-mongers moved between hostels and the township with warnings of impending attacks were identified by many as the main

causes of the violence. "Communities must assist us to create a better relationship between the hostel-dwellers and families in the townships. "We believe we must try to turn them (the hostels) into family units," said Makhanya.

An announcement by chairman of the now-disbanded Germiston and District Taxi Association, Mr Ted Ntsipe, that last week's carnage broke out when his association and the Katlehong Taxi Organisation had made peace, has left many people wondering what could have sparked the violence.

Inquiry

African National Congress, Mass Democratic Movement and the Katlehong Civic Association, also held a blame of violence square on the apartheid structures and "enforcers" at a generally held on Wednesday.

The South African Black Taxi Association (Sabta) has set up a commission of inquiry into the incident.

"We were surprised to find that there was renewed violence that was directed at the community after we were told by the taxi operators that their four-month dispute was resolved and they were moving towards forming a single association."

Blamed

In a meeting called by the Katlehong Civic Council a number of delegates accused police of ineffectiveness.

Hostel representatives also blamed the police for taking sides and not giving protection to all.

"At one stage after we heard of the impending attack, police came to us and ordered us to sleep but we could not. When hell broke loose they shot two of their fellow officers in the chaos," said one hostel dweller.

Lieutenant-Colonel D Dlamini said the police effectiveness was hindered by street barricades and lack of cooperation from residents. He said allegations would be investigated.

COMPETITION • COMPETITION • COMPETITION

'IT'S UP TO US'

SOWETAN/COCA-COLA ENVIRONMENTAL COMPETITION

It's Up To Us to make sure our environment is pleasant to live in. Coca-Cola and the Sowetan would like to have all primary and high school children's ideas on how to create a better living environment in South Africa.

HOW TO ENTER

Primary school children are to show how our environment can be improved by painting/drawing a picture and high school children are to write an essay (using no more than 500 words).

Both the art and essay competition should be entitled 'IT'S UP TO US'.

Fill in your entry form attached to your art/essay and post it to TWS Communications, P.O. Box 7785, Johannesburg 2000. To reach us by mail deadline Monday, April 2, 1990. Winners will be announced in the Sowetan at the end of April.

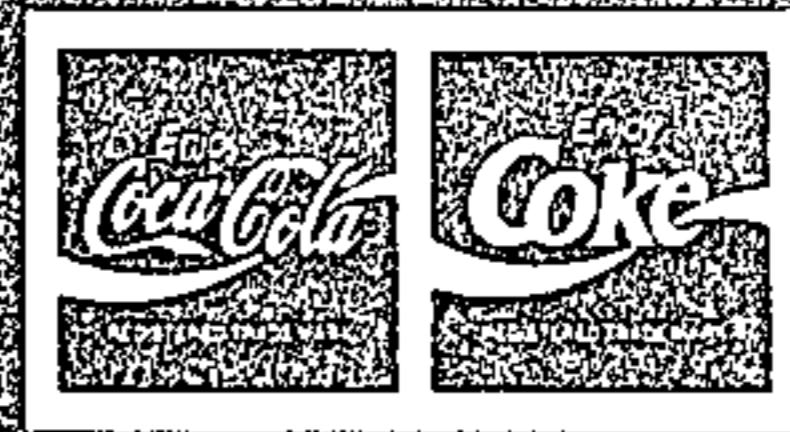
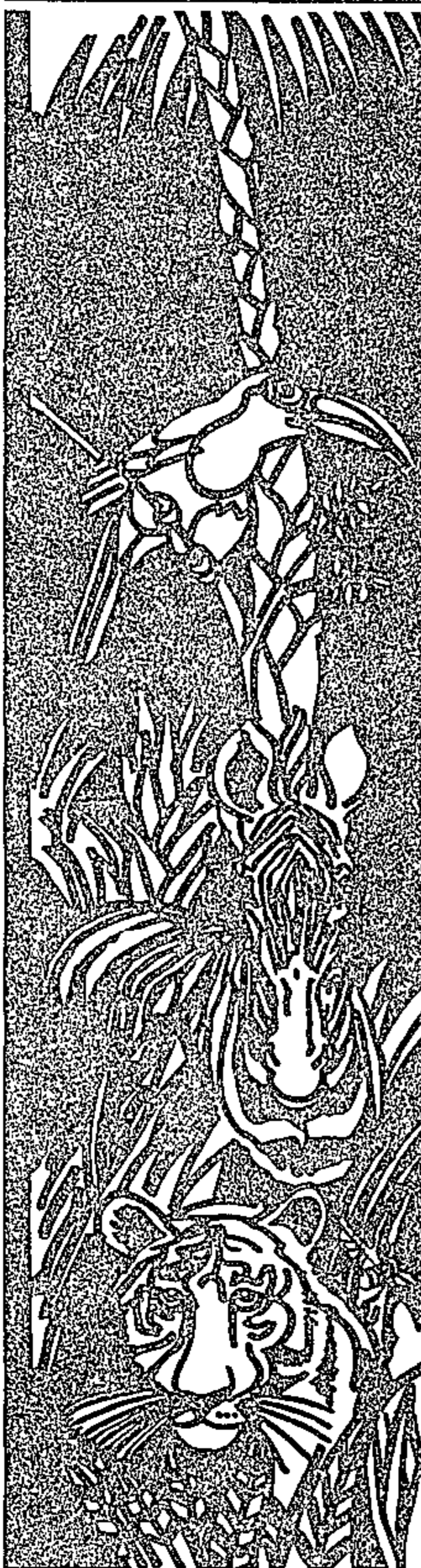
PRIZES

One 1st, 2nd and 3rd prize **IN EACH CATEGORY** to the value of R1,000, 200 and 100. Ten runner-up prizes **IN EACH CATEGORY** of Coca-Cola hamper to the value of R30 each. Twenty finalists in each category will be treated to a day's tour of the zoo which includes animal feeding.

PLUS!!! The school of both the winners will each receive educational materials of their choice to the value of R1,000.

RULES AND REGULATIONS

1. The judge's decision is final and no correspondence will be entered into.
2. Winners will be notified in writing.
3. Prizes cannot be transferred.
4. Staff members of National Beverage Services and the Sowetan, their advertising agencies and their immediate families are not eligible.
5. Winners must be prepared to be photographed for Sowetan.



ENTRY FORM • ENTRY FORM • ENTRY FORM

TOLL ROADS

FIM 23/3/90

332

Awaiting the bill

The Department of Transport and the two companies operating SA's privatised toll roads are holding thumbs that the reworked National Road Amendment Bill will be tabled in parliament this session — ending a two-year delay that has cost the companies millions in lost tolls. FIM 23/3/90

However, neither the department, the Toll Highway Development Company (Tollway) or Tolcon are optimistic. It's likely the Bill will have to wait its turn behind the mountain of legislation generated by President F W de Klerk's reform programme.

The Bill was passed by the House of Assembly in 1988 but rejected by the other two Houses — largely because the affected communities weren't consulted. As a result, the toll companies are now operating fewer toll roads than they expected.

Ron McLennon, CE of Tolcon, says he will be unhappy if there are further delays. "We have already waited three and a half years for the legislation."

The Bill is needed to legalise the privatisation of national roads and to allow for the

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charging of tolls. Until it's passed by all three chambers, the contracts between government and the two companies cannot be enforced. The problem has been overcome by drawing up interim contracts that enable them to act as government's agents on toll-roads.

Though the system is legal and appears to be working well, it is complicated and time-consuming. The companies collect the money and pay it to the department, which then returns it to them.

Because they are only agents, neither company can take any major decisions or award any roadbuilding contracts without the department's authority. It is estimated that if the companies could act unfettered, by now they would have constructed or rehabilitated 30% more roads and be charging tolls.

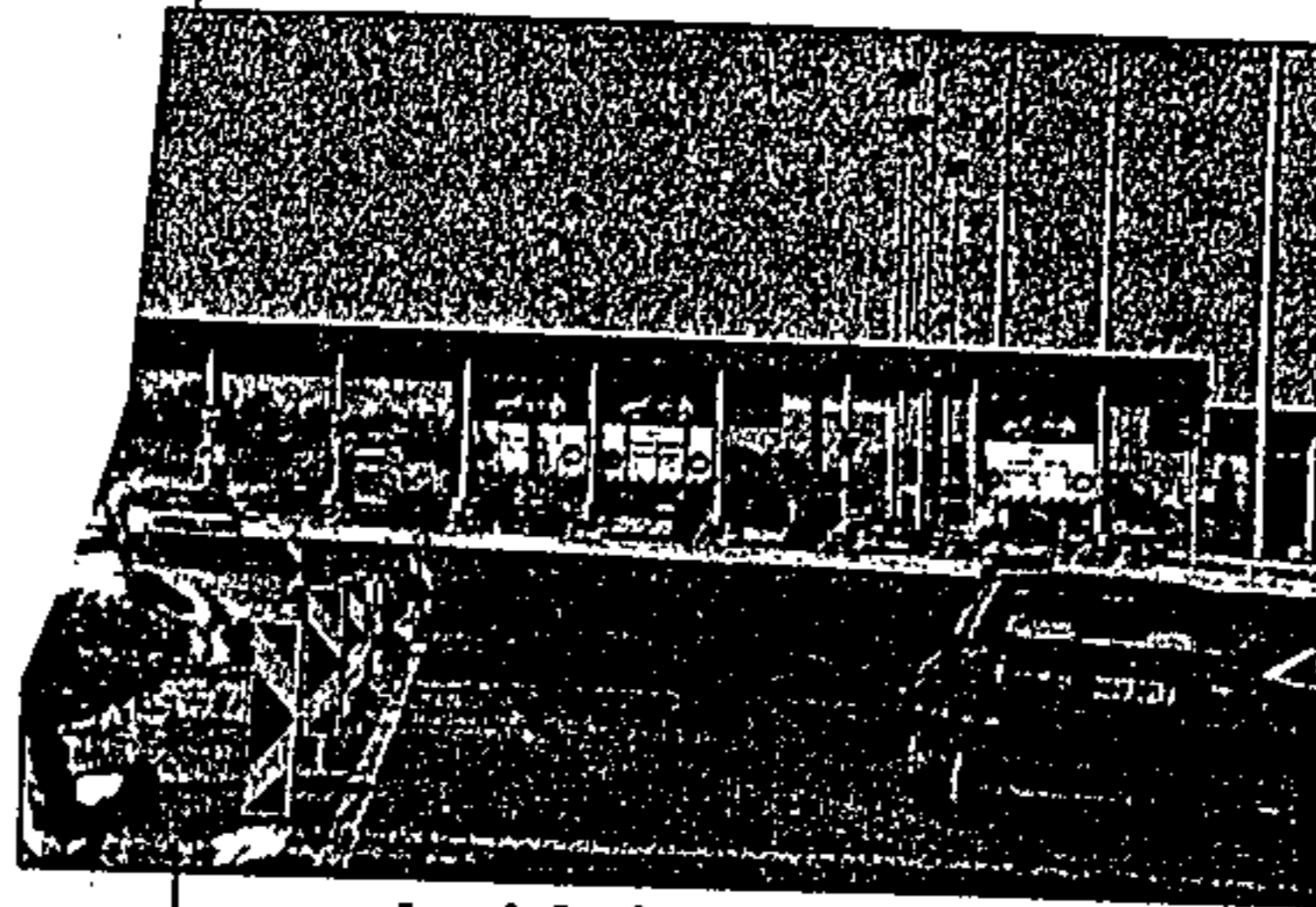
This arrangement "is frustrating and costs us money," says Tollways MD Ian Madden. "Had we not been obliged to get approval for all decisions of any magnitude we would have been busy building the M4 section, south of Johannesburg."

That work is due to start soon. However, Madden doesn't expect the section — between Elands Interchange east of Johannesburg and New Canada near Soweto — to open until the mid-Nineties. It could have been finished much sooner.

The original Bill was thrown out by the House of Representatives in 1988 largely because Ennerdale residents would not be allowed to pass through the Grasmere poll plaza without paying. They argued that though it had been upgraded, it was an existing road that they had used before for free. Furthermore, they noted that they were residents of Ennerdale as a result of the Group Areas Act, not out of choice. Another objection was that the views of the affected communities had not been adequately canvassed.

In the revised version, the process of consultation is expanded greatly. All interested parties within 20 km of a toll plaza on a new road and 20 km on either side of an existing road that is proposed as a toll road, will be canvassed before construction starts.

Though the Bill is not yet in force, the Department scheduled a public meeting this week to gather comment on the proposal for a short extension of the N17 between Springs and Krugersdorp, which would become a toll road. Says Petzer: "We think it's wise to keep everyone informed."



Legislative delay takes its toll

The reworked Bill addresses these problems, says Ed Petzer, the Department's Chief Director, National Roads. He says the tolls on all existing roads that were tolled, such as the Mooi River road and the Ennerdale road, both operated by Tolcon, have been reduced to just cover rehabilitation, maintenance and operating costs. No profit is made. For Ennerdale residents, for example, the charge is 16c a trip.

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Taxi groups to merge

THE motto "Unity is Strength" will be put into practice in Tokoza this weekend with the merger of two rival taxi associations.

The Tokoza Taxi Organisation (Toto) and the Tokoza Taxi Association (Tota) have decided to form one organisation.

The new body's name will be announced at a meeting on Sunday. *Sowetan 23/3/10*

Toto spokesman Mr Lennox Magwaza congratulated members of both associations for "the giant leap in agreeing to merge".

"This shows that Tokoza people have faith in God and do love one another," Magwaza said.

He said members of the two taxi bodies met for the first time two weeks ago.

They then decided to merge.

Sunday's meeting will be held at the Khethekile Primary School in Tokoza at 8.30am.

From poor mechanic to transport tycoon

By BONGANI HLATSHWAYO

ONE would never guess Johannes Cheou was once a backyard mechanic when you walk into his enormous executive office in Chloorkop near Kempton Park.

Cheou now owns a fleet of 25 luxury coaches which transport workers from Soweto, Tembisa, Alexandra and KwaThema to their places of employment, but he is no stranger to hard, dirty work.

He talks modestly about his business success. "I'm publicity shy," he explains. He lives in Kelvin, near Sandton, where he owns a large R250 000 house situated on half an acre.

Simplicity is Cheou's motto. He says he chose to stay in the white suburb of Kelvin because back home in Tembisa two years ago he was threatened by taxi operators who claimed he was running them out of business with his fleet.

"They felt I was taking business from them and as a result attacked one of my drivers at night, killing him with stones."

Cheou says the crunch came when he was threatened on three occasions by a gunman who came to his R150 000 mansion at

Hard work pays off for bus owner

Estziba Section in Tembisa. "I got so unsettled that I eventually had to sell my house for next to nothing. It went for R75 000 because I was desperate to get out of the area."

Today Cheou operates his business from offices in Chloorkop and from his home in Kelvin where his wife Rose does the company accounts.

The road to success for Cheou was not an easy one. He was born in 1939 in the district of Mamelola, Pietersburg, and has three brothers and a sister. Ironically, he grew up in Kelvin, on a farm owned by a Mrs Campbell.

He attended school at Witkoppen and went to Alexandra in 1946 after the farm was sold. The new owners said they didn't want tenants on the farm.

He was taught at primary school by the well-known Alexandra community worker, Mariotie Manganye. He had to leave school in Std 6, but studied at home until he obtained a Std 8 certificate.

"My first job was with J. Viljoen Transport. There I trained for six months as a mechanic before getting into the field.

"This job took me to places like the then Belgian Congo, Zambia and other African states from 1955 until 1967." He got tired of traveling and struggled as a backyard mechanic in Alexandra. After that he joined Coca-Cola as a driver and was later promoted to sales supervisor. He left the job in 1979.

"I ventured into the transportation business in 1980 when I operated a taxi for two years while I accumulated money to buy a 25-seater bus.

"I did some marketing for my business and clinched a few contracts with companies to ferry their employees. "It was tough then as I had to compete with Putco. We used to fight permit. I eventually acquired one and the business grew in leaps and bounds."

Cheou reached the top by entering into lease contracts with bus companies. He is also not frightened by competition "as it urges you to do your best and improve all the time."

He is one of the few successful black bus fleet owners who has

survived competition from white fleet owners. "Service to the people has to come before anything else and I pay my drivers a lot. If you pay decent monkeys," he says jokingly.

Part of his profit is ploughed back into the community - especially in Tembisa and Alexandra.

This year he has sponsored prizes worth R2 000 plus trophies for the Alexandra Football Association's Under-21 League. The Hummeleng Association for the Physically Disabled also benefits

from tours he organises for them each year, and he has started educational tours for school-children.

Cheou has also formed a new company, Goodhope Promotions, with music promoter, Sam "Jiza-Jiza" Mthembu and will be staging festivals throughout the country.

"The whole idea of festivals is not to make money, but to generate money for charity organisations," he says. "As black businessmen we should also do something for our communities, not wait for whites to do it for us."



Johannes Cheou stands proudly before part of his fleet of 25 luxury coaches. Many envy his business successes.

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TCB

Charlie Parkers

Charlie Parkers

233a BREE STREET (between Wanderers and KingGeorgeStreets), Johannesburg.



The coffins of the last victims of Katlehong's vicious taxi war at the graveside.

Last victims of taxi war buried

By SANDILE MEMELA

KATLEHONG yesterday buried the last of the 45 victims of the taxi war that has raged over the past three weeks.

The burial service was held at Huntersfield stadium.

Speakers from the Katlehong Civic Association, Cosatu and UDF pleaded for peace in Katlehong.

"Let us not allow ourselves to be divided by the enemy into tribal groups in the black townships," said a speaker from UDF.

Fourteen other victims were buried together on Sunday last week, while others were buried separately or in the homelands.

The nine buried yesterday were Lawrence Nqokana, 34; Martin Matlabe,

27; Edmond Wattie, 23; Shadrack Malindisa, 42; James Mahlaba, 19; August Tembe, 24; Abel Monisi, 33; Vayu Zwane, 31; and Joshua Manana.

In an emotion-charged ceremony attended by about 10 000 people, the KCA appealed for peace in the area and committed itself to creating normal community relations in the area.

A tent was pitched in the centre of the stadium to shelter bereaved families.

A mass meeting planned for today to discuss the taxi war has been indefinitely postponed. Further details will be announced this week.

Katlehong Civic Association publicity secretary Paul Maseko appealed to all organisations interested in creating peaceful relations in the community to join hands with the KCA.

"The pain of the families has deeply affected the community and we want the bereaved to know that we are with them in their suffering.

"At the same time we appeal to students to return to school to arm themselves for a role in the new society," said Maseko.

East Area Committee chairman Cyril Jantjies said: "There are agents who want to exploit our political differences to cause violence in our communities."

332 Pic: TLADI KUELE
C/press 25/3/90

Fears over attacks on taxis

332

RANDFONTEIN-
Mohlakeng taxi operators
and passengers are living
in fear of their lives since
unknown assailants
started attacking them
during early morning
rides.

On Friday a passenger
was seriously injured and
had to be admitted to hos-
pital when the assailants
hit again.

The attacks have been
going on since the begin-
ning of the month. Three
more taxis were shot at
between Thursday night
and Friday morning.

Soon after Friday's at-
tack, taxi operators
marched on the Rand-
fontein Traffic Depart-
ment to complain.

Sowetan 26/3/90

Tokoza taxi bodies merge (332)

Sowetan Reporter

TOKOZA this weekend set a precedent when its two taxi associations, the Tokoza Taxi Association (TTA) and Tokoza Taxi Organisation (TTO), merged. *Sowetan 26/3/90*

The bodies dissolved its executive committees and formed a single interim committee to run the affairs of the new

organisation called Tokoza Amalgamated Taxi Association.

Elections will be held "sooner than later," public relations officer for the now defunct TTA, Mr Paul Ngubeni said yesterday.

Ngubeni said the new body's first task would be to improve service in the area.

Britons pump millions into city firm

UPT
1145
26/3/90

332

By AUDREY D'ANGELO
Financial Editor

FORMER SA businessman Mr Hugo Biermann and his partner Mr Julian Askin — both based in Britain but with international interests — are making a multi-million rand investment in the Cape Town-based Duros group.

Companies controlled by their family trusts have formed a new consortium to control Duros together with Mr Johan Claasen and Mr Mervyn Key, the two entrepreneurs who built Duros up from a small hosiery company with a market capitalisation of only R6 million in March 1987 into an industrial holding company with a market capitalisation of R150m.

Results published today show that Duros has been hit heavily by high interest rates and by poor performances by food company Gants and hosiery company Arwa in the past six months.

Its earnings for the 18 months to December 31 have fallen to 7,6c a share compared with 60,5c in the year to June 30, 1988.

Last night it announced two rights offers by Duros and by Tollgate Holdings, holding company of the operating companies, to raise R45m each.

Mr Claasen said that the new controlling consortium would be following its rights, which would mean an injection of R45m in foreign exchange from Mr Askin and Mr Biermann.

He and Mr Key said that Mr Askin and Mr Biermann — who is the son of Admiral H Biermann, former chief of the Defence Force — both knew South Africa well.

"They know that Duros, catering for basic consumer needs, is poised to do well as the purchasing power of black people increases.

"They see South Africa as a better place to invest in than Eastern Europe, where economies are in ruins as a result of the way they have been run."

Tollgate Holdings has a listing on the London Stock Exchange and Mr Key said the consortium intended to make use of this to expand in Europe.

Mr Askin and Mr Biermann will look after that part of the business and Mr Claasen, who will replace Mr Henric Diedericks as chief executive of Tollgate Holdings, will run the South African operations.

Mr Diedericks has resigned from all his directorships in the group.

● Duros rights offer — Page 12

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● Duros rights offer — Page 12



Control of Duros Group changes hands

CONTROL OF the Duros Group has passed to a consortium consisting of companies controlled by Julian Askin and Hugo Biermann family trusts, and Mervyn Key and Lawrie Mackintosh.

At the same time Duros and Tollgate (TGH) are announcing a R90m rights offer to strengthen the capital base of the company and reduce borrowings.

An announcement today says the present controlling shareholder of Duros, Johan Claasen, has sold his 54,3% shareholding of 7-million shares to the consortium for R6,50 a share, valuing the deal at more than R45m. Duros closed at R7 on Friday.

CHARLOTTE MATHEWS

The consortium will make an offer to Duros shareholders of R6,50 a share for 54,3% of their shares. 332

TGH CE (SA operations) and Duros director Hennie Diedericks has also sold his holding for this price and resigned all directorships. He will be replaced as TGH CE by Claasen, who retains a substantial shareholding in Duros.

Askin becomes TGH executive chairman and, with Key, joint executive chairman of Duros.

● See Page 7

26/3/90

11 000 killed or hurt in minibuses accidents

AKAS 27/3/90

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The Argus Correspondent

JOHANNESBURG. — Figures released by the Central Statistical Service in Pretoria reveal there were 47 953 minibus accidents in South Africa last year in which an estimated 11 080 people were injured or killed.

In the first five months of 1989 alone (January to May), 20 585 minibus accidents were reported, more than 2 000 more than the same period the year before.

A further look at the figures shows that for every 100 accidents in May last year, 120 died. Fridays and Saturdays were the worst days for collisions.

Serious concern

The Johannesburg Traffic Department has figures which show 5 890 minibuses were involved in accidents within the municipal area of the city last year, leaving 21 dead and 190 injured, 74 seriously. The South African Black

Taxi Association (Sabta) is known to be seriously concerned about the accident problem.

Mr Paul Browning, a transport consultant who specialises in research into and the analysis of the black taxi industry, believes Sabta probably feels the problem is too big to tackle on its own.

Sabta, he added, had instituted a driver-training project known as "Project Spear" (PS) last year. It had taken time to get off the ground but on March 29 Toyota handed over to the management of Sabta four vehicles to be used for driver training at the AA test centre at Kyalami.

Great interest

"Obviously this is only the start," he added. "The difficult part for PS is finance to tackle the problem on the scale it clearly demands."

The Department of Transport, he added, had made funds available for research by the CSIR (Council for Scientific

and Industrial Research) into a taxi-driver training programme and the National Road Safety Council had taken a great interest in the project.

Driver training, however, may not be the only solution.

Mr Browning said that bus companies which trained their drivers ensured they returned to an environment where their training was enforced.

What was missing in the taxi industry was business skills. Were taxi owners more accomplished businessmen they would know accidents were costly and would invest money in training to avoid collisions.

"This, of course, is the key to a more disciplined, safer taxi operation," he added. "If the problem can be overcome, the taxi industry would move to become a more sophisticated transport operation."

Disappointingly, however, the taxi industry today was nothing as professional as it was five years ago. Pressures to get in "that extra trip"

pushed drivers to go as fast as possible which, inevitably, led to more accidents.

Mr Browning said in the early days of the taxi operation (legalised in 1977), most were owner-driven. Today they were being operated by "absentee landlords" who left drivers to their own devices with little supervision. He felt groups of owners should get together to form closed corporations so they could afford to appoint supervisors.

"It is disappointing that 13 years after the launch of the taxi industry it is still very much part of the informal sector," he added. "No advance has been made."

DN

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COMPANIES

BP

B/Py 27/3/90

Transnet to launch Elfi bond issue 'worth R200m'

TRANSNET (formerly Sats) is to launch a new Elfi bond issue soon — which the market estimates will be worth at least R200m — following the success of the previous one which expired at the recent futures close-out.

The news was confirmed by Transnet, and widely welcomed in the derivatives market as likely to boost trade in both futures and options.

The reason Elfi (Equity Linked Fixed Interest) paper stimulates trade in futures and options is because it links interest rates and ul-

ROBERT GENTLE

timate redemption value to the performance of the All-Share index.

Elfi holders are therefore able to hedge their positions by buying or selling All-Share index futures, and can even write options against the actual paper.

Transnet chief dealer Money and Capital Markets Hercules Bloem said: "We will definitely be doing a new issue in early April. The last one was a great success."

He said the new issue would be

handled by Finansbank, which would also be retained as a consultant during the life of the issue.

Although Bloem was not in a position to release exact details, bond market sources said the issue was likely to be short- to medium-term (two to four years) and open-ended. (Supply would be tailored to meet demand.)

This would tend to mirror the last issue, which was launched in November 1986 at R200m and eventually reached R700m by the time of close-out.

Bond market sources said the

interest rate structuring of that issue allowed Transnet to make "substantial" savings in the cost of its borrowings.

Futures traders said the new issue, like the previous one, would stimulate trade in the All-Share index future corresponding to the expiry month of the new Elfi.

"The liquidity in that Elfi-related contract should filter through the entire futures market and eventually allow arbitrage opportunities," said a trader from National Futures & Options.

R45m nets R1,6bn in assets

THE four-man consortium that paid R45m for control of Duros, the 65% holding company of Tollgate Holdings (TGH), has acquired effective control of R1,6bn of assets, it emerged in an interview yesterday.

And the members of the consortium — Julian Askin, 40, Mervyn Key, 41, Johan Claasen, 40, Hugo Biermann, 42, and Lawrie Mackintosh, 48 — have put themselves on the line by agreeing to underwrite the R45m Duros rights offer.

Most of the R45m TGH rights offer will be taken up by foreign institutions.

TGH gained on the JSE yesterday and Duros was strongly bid, despite news of the rights offers. *BIP on 27/3/70*

In an interview yesterday, Key, who becomes joint executive chairman of Duros with Askin, said Askin had been in the country from the UK since early December evaluating the group (Duros and TGH) assets.

BARRY SERGEANT

He said Askin, new executive chairman of TGH, would have as his main concern foreign acquisitions from London, where TGH has been listed for 41 years.

TGH had assets with a "written down" value of R800m, but Key said the real value was at least double, or R1,6bn.

Key said the consortium would have outright control of Duros. With Claasen's remaining shares, the five men would hold about 70% of Duros's issued ordinary 18,3-million shares.

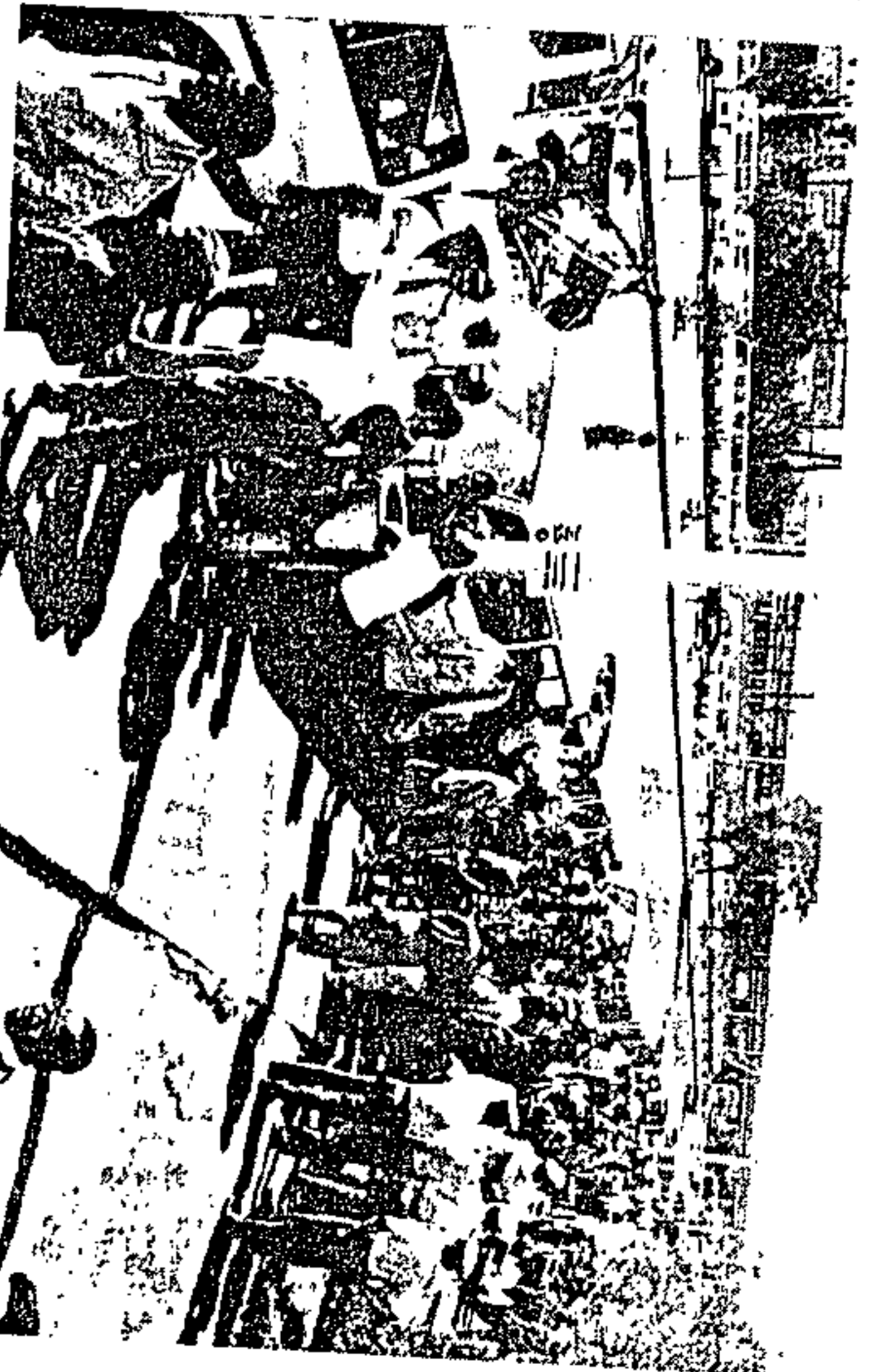
Claasen is a Duros director and also new TGH CE, SA operations. *(332)*

Claasen replaces Hennie Diedericks, TGH CE for 18 months and previously a senior GM at Volkskas. Diedericks's small interest in Duros has been bought by the

□ To Page 2



WHOSE RANK? . . . Members of opposing taxi organisations clashed at the taxi rank outside the Castle yesterday before police and traffic officials intervened.



Members of opposing taxi organisations clashed at the taxi rank outside the Castle yesterday before police and traffic officials intervened.

Cnr T4/15 28/3/90
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Taxi rivals in pitched battle

Staff Reporter

A MAN was seriously injured when fighting broke out between rival black taxi groups in the rank next to the Castle in Cape Town yesterday.

The rivals attacked each other with pangas, wheel spanners and knobkerries and several other taxi operators were also slightly injured.

The trouble flared up when about 15 Western Cape Black Taxi Association (WECBTA) drivers who usually operate between Sea Point and Nyanga, moved their vehicles to the Cape Town ranks. Laguna (Langa, Gugulethu Nyanga) Taxi Association members already present at the ranks objected violently.

Police and a senior traffic official mediated between the two groups and temporarily defused the situation.

Discussions between the drivers were still in progress and the intention was to seek the mediation of the Cape Town traffic authorities today.

A WECBTA executive committee member on the scene of the dispute yesterday said his members had recently obtained permits to operate in the area and could "not understand" the Laguna attitude.

The seriously injured man could not be identified by late yesterday.

Reds to dominate Nederburg auction

ACHMED KARIEM

AN assortment of vintage red Cape wines will be featured when hoteliers, restaurateurs and liquor retailers assemble in Paarl for the 16th annual Nederburg auction on Saturday.

Only 7 992 cases will be on offer, which is down from 1989 when 215 of more than 11 000 cases went unsold.

Wine from 26 producers — 64 red and 27 white wines — will come under the hammer of auctioneer Patrick Grubb, who has knocked down wines to the value of R12,3m since the inception of the auction.

"The quality and scarcity of these wines need no exaggeration: they are among the finest reds ever produced in the Cape and they may not be available for much longer," said auction organiser Bennie Howard.

Nederburg has 16 reds and whites for the leading event on the SA wine calendar, including classics like the 1979 and 1973 Nederburg Cabernet Sauvignon.

Stellenbosch Farmers' Winery is offering 23 wines for the sale, many available only in limited quantities. The rare vintages include a 1967 Chateau Libertas and a 1965 and 1967 Lanzerac Pinotage. Bloem 28/3/90

Restaurateurs can offer all these wines to diners without maturation, since they are drinkable now.

The significantly reduced quantity on offer could increase competition in the bidding, resulting in better prices for producers.

Govt accepts Sabta proposal on taxis

THEO RAWANA

332

GOVERNMENT has approved black taxi organisation Sabta's proposal that acceptance of new entrants into the industry should be shelved until pirate taxis had been legalised, Sabta public affairs spokesman Mike Ntlatleng said yesterday.

Ntlatleng said a delegation of the taxi association met Transport Minister George Bartlett in Cape Town early this month to discuss the taxi industry.

Sabta gained a say in the running of the taxi industry last June when former Transport Minister Eli Louw approved recommendations of a committee comprising Department of Transport and Sabta representatives. Bloem 28/3/90

Sabta's main recommendation opposed the White Paper on Transport Policy, which proposed complete deregulation of all taxis with capacities of up to 16 people, demanding only that vehicles be road-worthy and driven by qualified, insured drivers.

Sabta, fearing that complete deregulation would legalise thousands of illegal taxis and that whites would muscle in on black business, proposed that deregulation be phased in over three years and with Sabta's input.

Ntlatleng said yesterday: "Consensus was reached that the taxi industry is fast reaching saturation point and that a method should be considered to control the number of new entrants."

It was agreed the task of legalising existing "pirates" would be tackled first. This would be done by a national taxi association in conjunction with the department.

Soweto town clerk to

Putco may pull out of Soweto

(332)

PUTCO may be forced to move its business out of Soweto if a proposed bus boycott comes into force on Monday April 2, the company warned this week. *Sowetan 28/3/90*

The demand for an 18 percent reduction in fares may "result in the company having no option but to pull out", a communique from Dr Jack Visser, Putco's managing director explained.

He was aware that such a pull-out would create "immense hardship" for commuters and could lead "to the un-

employment of a large number of people".

Visser yesterday admitted that there were deficiencies in the company's service and pledged himself to improve it as quickly as possible.

He said that Putco's Soweto service sustained heavy losses and it was not possible for the bus company to reduce fares by 18 percent.

"To meet all the Soweto Daily Passenger Committee (SDPC) demands including the reduction will mean unacceptably severe losses.

Sabta ³³² acts on sowetan 28/3/90 safety

By ALI MPHAKI

SABTA has announced the formation of an action group to look into the large number of taxis involved in accidents in South Africa.

Sabta Marketing joint manager Jabu Mabuza said the Taxi Safety Action Group was formed as a result of a Sabta symposium in late January that sought workable solutions to the problem.

Passengers

"The taxi industry is very aware of its responsibilities in transporting millions of people daily.

"Safety for our passengers is our prime concern, and this concern is shared by many organisations that are doing valuable work in this field," Mabuza said.

Membership is representative of a broad cross-section of concerned parties and includes the National Road Safety Council, the Automobile Association, the Southern African Long Distance Taxi Association and the SA Bureau of Standards.

Mabuza said the action group had already co-ordinated plans for immediate action in five areas.

'Askin Factor' stirs up speculation on the JSE

Blom 28/3/90

332

BARRY SERGEANT

YESTERDAY Duros and its 65% subsidiary Tollgate Holdings (TGH) were marked up substantially on the JSE in reaction to the news that Julian Askin was to be executive chairman of TGH in London, mainly to mount acquisitions.

The news that each company was to make a R45m rights issue was turned from the normal share price discount into a premium. That Duros's and TGH's operating companies reported negative dividend covers — rare as hen's teeth — in Monday's results seemed irrelevant.

A stockbroker who watched the rise of Askin in London said: "Askin and Hugo Biermann (a new director of Duros and TGH) are highly respected as business partners in the City of London, among institutions, stockbrokers and investors. Their main motives have been to achieve greater long-term security, build up transferable assets and to escape SA's relatively restricted corporate environment."

The stockbroker said one of the key factors in the Askin/Biermann success was nurturing relationships with institutional backers. "Askin and Biermann have often acted as intermediaries between SA entrepreneurs who want to launch operations abroad, and prospective City supporters. They have successfully launched a number of SA-based businesses in London."

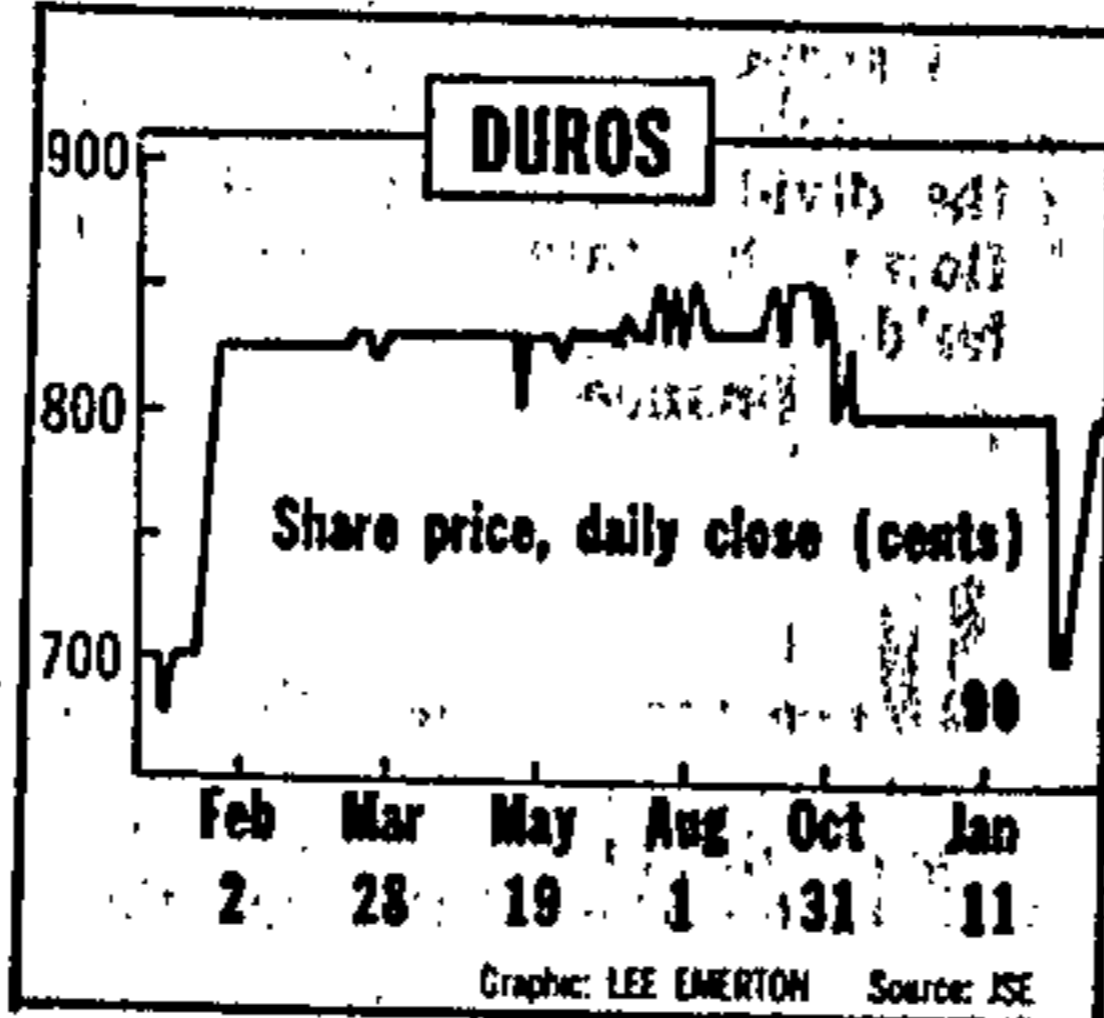
"In most cases, the method used has been a classical shell operation. The common starting point is a run-down company with low market capitalisation and deadwood management. Askin and Biermann have each put in about R15m into buying shares in Duros; they must be convinced that TGH's performance can be substantially improved."

In 1988-89 Askin and Biermann were conservatively valued at £15m each. Suffolk-born Askin, 40, and Biermann, 42, developed computer and reinsur-

ance business in Johannesburg, and then moved to London in 1983.

Their first target was via cash shell Peek Holdings, but after six months the attempt failed. Along the way they had acquired contacts via stockbrokers Rowe & Pitman, Hambros Bank, and other City supporters such as Bankers Trust, Charterhouse, Sun Alliance, Robert Fleming and Coast Investments.

The second target for Askin and Biermann was the Falkirk-based Thomson T-Line, which started life before the First World War manufacturing circus caravans, but which had degenerated



through poor management into a timber merchant supplying the caravan business. It had suffered losses for years and its owners had tried hawking it everywhere.

In the City, nobody bothered about a company in remote Falkirk — except Askin and Biermann. They purchased 61.5% of the company for £500 000, and a £2.57m February 1988 rights issue completed the takeover, killing the company's overdraft with Clydesdale Bank.

Then Askin and Biermann set about their stated strategy, now a trademark: "To grow internally and expand the asset and trading base as suitable oppor-

tunities occur." The rest is history: acquisitions of — among others — Longton Industrial Holdings, Taddale Investments, and the £90m payment to racing tycoon Robert Sangster for Vernons Pool.

At this stage the Askin/Biermann mini-empire spanned interests ranging from electronics assembly to chemical manufacture and flexographic printing. They then turned an eye to industrial group Suter.

By then, substantial acquisitions had reduced their stake in Thomson to about 20%. Ladbroke, attracted mainly by Vernons, mounted a very hostile takeover bid, and won, leaving Askin and Biermann out of the picture but each with about £12m in hard cash.

In little over two years, they had taken the market capitalisation of Thomson from £809 000 to about £120m. Judging on how Duros and TGH have been marked up on the JSE, despite all the downside factors, the market believes that Askin and Biermann can do much the same with TGH.

TGH has interests in textiles, wholesaling and agricultural machinery, passenger transport, and others. The overlaps with Thomson's interests are clear — practically all areas are industrial. Moreover, the group directors reckon that Duros and TGH assets, stated at book value of R800m, are worth between R1.5bn and R2bn. The combined market capitalisation of the listed companies is about R420m, suggesting that the group is vastly undervalued.

The stockbroker concluded: "TGH, to put it cynically, can be seen as an anti-nationalisation-threat stock. The new consortium's commitment is shown in its statement that it will personally underwrite the R45m Duros rights issue. But the strongest blessing for the new move is that Duros will cede most of its rights in the TGH rights offer to London institutions, which will take up the shares."

B/day 28/3/90

Rennies sells security firm in MBO deal

332 BRENT MELVILLE

THE management team of Fidelity Guards (FG) has purchased the R160m-a-year "cash-in-transit" business from the Rennies group, MD and orchestrator of the MBO Roy Macfarlane announced yesterday.

Speaking on behalf of the team, Macfarlane said that the group was "very excited" about the future of the security industry, especially in the prevailing current of deregulation and privatisation.

He was guarded on further details of the buyout, though Rennies chief operating executive Pete Steyn said the cash purchase, made with merchant bankers Corbank Leveraged Investments, was closed to the satisfaction of both parties.

Steyn said the group had decided to sell FG, which has been part of the Rennies fold for 15 years, to concentrate on its core businesses of freight and cargo management, travel and related services.

"Although the security service industry is seen to have considerable growth potential, with FG in the forefront, it was not viewed as fitting in with the Rennies portfolio for the future," he said.

Macfarlane, who has headed FG for 24 years, said there were unlikely to be retrenchments and that none of the employment benefits would change.

FG has 8 000 employees, and a fleet of 1 000 vehicles including about 400 armoured trucks and a national network of more than 70 branches and depots.

Cape Times 29/3/90

Taxi groups agree to swop weapons for words

RIVAL taxi groups have promised Cape Town's traffic authorities to stop fighting among themselves pending talks to see if more space can be made available to them for taxi pick-up points.

Fighting broke out between Western Cape Black Taxi Association and Lagunya Taxi Association members at a rank near the Castle on Tuesday.

A meeting was held between the rivals and acting traffic manager Mr Jan Minnie yesterday morning.

Mr Minnie said the trouble was caused by a misunderstanding between the taxi operators over the taxi rank.

A compromise had now been reached and the original ruling that the rank belonged to no one in particular would again apply.

He said the groups were going to ask the council for more space. — Sapa

Putco to shut down 2 depots

Labour Reporter

Putco is to close its loss-making Springs and Alberton depots — which will mean a cut-down of more than 200 jobs.

The management has blamed the Springs closure on the six-week strike last year.

Some Alberton routes will be taken over by other divisions, but 225 jobs will be lost, Putco managing director Dr Jack Visser said yesterday.

The Springs move is a severe setback for the Transport and General Workers Union.

Accusing Putco of bad faith, it said the company had given repeated assurances that closure was not on the cards, and had made no attempt to consult or negotiate.

Dr Visser said Springs had been approaching a breakeven point even before the strike, but was now losing R200 000 a month.

Putco could have saved on retrenchment pay-outs by dismissing strikers, but had chosen not to, he said. Further evidence of its good faith was the renewal of the depot lease after the strike.

Tollgate on world takeover trail

By TOM HOOD Business Editor

TOLLGATE, the old-established Cape transport company has been transformed into an industrial holding group over the past two years.

Now the company and its pyramid, Duros, are about to step on to the international takeover trail as a result of a R45 million purchase of a controlling stake in Duros.

Joint control was acquired by London-based South African businessmen Julian Askin and Hugh Biermann and Duros director Mervyn Key, who intend to make use of Tollgate's London listing.

The Askin-Biermann partnership made its mark in Britain by turning loss-making Thomson T-Line into a profit-maker and selling it to Ladbrokes last year. They are already tackling the group's high gearing by proposing rights issues to raise R90 million to wipe out debt.

Tollgate's borrowings of R113 million and its subsidiaries' operating debt took R56 million out of the R94 million operating profit.

"We will try and do more for these companies," said Mr Askin, joint chairman of Duros, in a telephone interview while skiing in the French Alps this week.

"The balance sheet was well written down. We will restructure them and strengthen the balance sheet."

He denied suggestions that the takeover was a rescue bid.

"I have known Mr Key for many years and we have been talking

about the companies for some time.

"He had sold his former controlling stake and knew the group well and we have always wanted to do something together."

"This was the perfect opportunity. There was nothing to 'rescue' as the group is soundly based, but we believe our acquisition was perfectly timed.

"I would not invest in a company that I didn't think had prospects.

"Besides raising funds from the rights issues, we will dispose of under-performing assets. We will be fully ungeared very quickly. Borrowings will be taken on for a specific transaction and repaid quickly."

Mr Askin said the subsidiary Gant's had a great future and would be helped by him in the UK to export its products.

The other joint chairman, Mr Key, said as soon as the restructuring was completed by the end of June they would be "a well diversified group in the business of basic consumer industries such as food, transport, tourism, textiles and property with minimum gearing."

Tollgate's turnover was R1 137 million and operating profit R94 million for the 18 months ending December.

Mr Key's forecast was turnover of R1 billion, operating profit of R120 million and a substantially reduced interest bill for the current year.

"We want to achieve earnings of 30c a share this year and 50 in 1991."

New taxi organisation formed

SEVEN independent black taxi associations with a membership of more than 42 000 yesterday

launched a new taxi organisation.

The aim of the new National African Feder-

ated Transport Organisation (Nafto) is to protect taxi operators and commuters nationwide. (332)

Outcry

Cape Times
30/3/90

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on taxis

Staff Reporters
CITY councillors yesterday launched a blistering attack on Cape Town's minibus taxis.

"Yesterday's dream of a golden transport system tomorrow has become today's nightmare," Mr Clive Keegan, town planning committee chairman, said at the council's monthly meeting.

'Mayhem'

Some councillors suggested that the taxi industry be monitored from unmarked cars, while others wanted minibus accidents to be reported separately.

Mr Keegan said black taxis were responsible for "mayhem on the highways, deaths on the streets and gang warfare downtown".

Cape Town was paying too high a price in return for the benefits of a deregulated taxi industry.

The "unbridled indiscipline" of the black taxi industry had to be stopped, he said.

He said that while the city's transport system was integrated, it was now starting to collapse because of a "complete surrender of control over a major sector of our transport system". Despite this, restrictions over black taxis were increasingly being lifted.

"The taxi industry must begin to see itself as part of an integrated system."

While councillor Dr John Son-



COUNCIL CRITIC ...
Mr Clive Keegan

nenberg suggested that a special branch of the traffic police should "monitor" the taxi industry from unmarked cars — and in some instances without uniforms — Mr Clive Bilski wanted minibus accidents reported separately from other accidents.

Mrs Eulalie Stott said that many of the taxis were not unruly. It was unfair to lump them all together.

Mrs Joan Kantey said it was inappropriate for the council to "fulminate" about what was going on when the people being talked about were not represented on the council.

The council resolved yesterday to expand the terms of reference of an existing taxi liaison committee which has thus far operated only as a grievance discussion fo-

rum. The extension now empowers the committee to deal with any issues related to the provision of a "safe and effective taxi service" run in accordance with municipal by-laws.

Later Mr Jan Minnie, assistant traffic manager, said he saw the problem more as relating to the competition which exists between the drivers, power struggles between the controlling bodies and inadequate facilities.

He said ranking facilities were at a premium.

There was a problem in town with the "pick up and drop" system. The facility in town made provision for about 30 "combi taxis" at present, but there were about 100 such taxis vying for those places, with the result that the area was very congested. "So there is a bit of a power struggle for possession of those pick up and drop places."

'Resolved'

Meetings between Sabta (SA Black Taxi Association), the Western Cape Black Taxi Association, the Western Province Black Taxi Association, police representatives and his department had taken place to try to resolve the issue. A compromise had been reached on Wednesday whereby "for the next couple of days" all parties involved would refrain from confrontation.

"Meantime negotiations will take place to see if the matter can be resolved," he said.

Rise in bread price today?

THERE was strong speculation last night that an increase in the bread price of between six and seven cents a loaf could be announced today.

No official confirmation could be obtained.

The increase has been expected since Finance Minister Mr Barend du Plessis presented his budget on February 14, when the bread price subsidy was lowered by R20 million.

Effectively, this meant a drop of R55 million on last year, as in 1989 Mr Du Plessis gave an additional R35 million on top of the subsidy to prevent an increase.

Government is opposed to subsidies as they benefit not only the poor. It is currently looking at other means to assist the under-privileged although no details are available at present.

Court outlaws widow's snores

LONDON. — The uncon-



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Boycott of Putco ³³²

suspended

Soweto 30/3/90
THE planned boycott of the Putco bus service in Soweto which was to start on Sunday has been suspended for a week, the chairman of the Soweto Daily Passengers Committee, Mr Stephen Sangweni announced yesterday.

The decision was welcomed by the managing director of Putco, Dr JA Visser, who said his organisation preferred the use of language and communication over boycotts.

Visser, who said he contacted Sangweni soon after he heard the planned boycott would be postponed, said the two parties agreed to meet to discuss "where we go from here".

ing outside the formal sector, these categories provide work for more than 1,7m (965 000, 602 000, 161 000).

Because of the high income earned from transport, there is no correlation between the number of people involved and money earned.

In terms of numbers, the category which ranks third is home crafts with 326 866. It is followed by services 249 000, other jobs 237 000 and scavenging 164 000.

This research revives the debate on the contribution of the informal sector to GDP. It has been variously interpreted. Some see the results as supporting the argument that its value may be as high as 40%, others that it is more likely to be as low as 10%.

So it provides no conclusive evidence on whether the informal sector can be a meaningful substitute for jobs in commerce and industry, or only complement employment opportunities in the formal economy. What it does is give a useful insight into a world previously ignored in official statistics, except for the pilot project in 1988.

That related only to blacks in the PWV area, while the latest research extends to coloureds and Indians and nationally. Neither includes whites, or other population groups in white urban areas.

CSS estimates a total of 2,7m in the informal sector, in the following groups:

- Blacks 2,5m out of a total 21,3m;
- Coloureds 117 000 of 3,18m; and
- Indians 55 000 of 931 000.

More than 2m of them are self-employed. ■

INFORMAL SECTOR

Taxi trove

Roots of the vicious war between black taxi associations can be clearly traced to the income generated by the industry. It is disproportionately high compared with that derived from other occupations outside the formal sector. FIM 30/3/90

A Central Statistical Service (CSS) survey of the informal sector, made in October, confirms a pilot survey a year earlier, which showed three categories — trade and hawking, crafts and transport — generate most revenue outside of formal employment. By far the highest average net monthly income is in transport:

- Blacks R2 827 (compared with an overall average in the informal sector of R534);
- Indians R2 022 (R785); and
- Coloureds R1 776 (R426).

This puts it well ahead of all other work categories. For blacks and coloureds, closest is trade and hawking with average net monthly income of R489 and R460 respectively, and for Indians, services, with R1 046.

Moreover, it is one of the few routes to affluence, with 18 000 blacks, 106 Indians and 306 coloureds earning over R6 000 (working on own account) in the informal sector.

So incentives are high in an environment providing few opportunities to these groups.

Of the R1,3bn estimated monthly contribution of the informal sector to GDP, the three top categories contribute more than R1bn (respectively R429m, R367m and R291m or, as a proportion of total contribution from the informal sector to GDP, 32,1%, 27,5% and 21,8%). Of the 2,7m people work-

Transport network plan: public urged to help

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By ISMAIL LAGARDIEN

A massive transport network has been proposed for the greater Johannesburg area and the general public will be engaged for input regarding the feasibility of such a system.

This public involvement programme forms an integral part of the

study into the workability as well as the strategies, land use, socio-economic and environmental impact of a system eventually agreed upon.

Mr Bob Stanway, director of Masstran, the

consortium appointed by the Department of Transport (Dot) yesterday said:

"One of the objectives of the study is to involve the general public, as well as the private and public sectors, to such an extent that a recommendation can be made to Government on the optimum mass transport system selected."

"The recommendations is to be made by mid April 1991."

Sabta and Saldta have approved of the study into the feasibility of such a transport system and

Stanway said that mini buses (taxis) are being considered as a possibility. *So we have 347190*

Taxi

He suggested that there could be attempts at formalising the taxi industry and making it less "laissez faire" by moving it into a fully fledged public transport system.

However other modes of transport are also being studied - upgrading and re-organising existing

Sats schedules and routes as well as is the possibility of introducing a light rail car similar to the types used in Europe.

If the public feels it can, in any small way, assist by providing views and ideas, Masstran has opened a public office dealing with exactly such public feedback

If you have any ideas call Masstran at Johannesburg 403 2852/3/4. All ideas will be heard. Masstran believes that public approval will make the eventual decision authentic.