

## Why there is a transport problem

Bus fares are going up again. The National Transport Commission (NTC) — a government appointed body that considers application for increases in fares has given the go ahead to Mitchells Plain Bus Service Ltd and Atlantis Bus Service Ltd, to raise their fares. The last time strong opposition resulted in a victory for the people. This time the people's opposition has not given a positive result. This article examines the actual hearing and raises a few questions.

The National Transport Commission met on the 17th and 18th February to decide on the increases. Present there in the board room were the slick directors of the bus companies, ordinary people from the communities and the officials who made up the NTC.

What do we mean by the transport problem?

As more and more factories were built, people began to move to the towns. These people quite often made their homes near to their places of work. And since they lived to-

gether, and worked together, a strong unity was developing. The government felt threatened by this unity and also to keep the centre of the towns white, began to break up long established communities. The Group Areas Act and Urban Areas Act destroyed overnight the community spirit & unity that took years to build.

Over 300 000 people in the W. Cape were removed. Whereas previously they could walk to work, now they had the extra burden of huge transport costs.

Transport costs are also high because in all the areas in and around Cape Town, transport is provided by a single company — there is a monopoly.

Let us have a look at the various groups present in the boardroom. There were a large number of people from community and worker organizations. It is people from the communities who are forced to use the buses whether they like it or not. The spokesperson of this group mentioned the

Group Areas Act, their bad living conditions, the high rents, the high cost of living and the low wages — the conditions that make people angry. They mentioned too that transport is an essential service — like collecting garbage and should not be provided for profit! That many people cannot afford the present bus fares let along any increases.

Some of the big shareholders of the bus company were also there. Their lawyer argued that since they were not making enough profit they deserved an increase. It was not their concern that people have been moved to distant townships.

Sitting in front were the 4 member commission. They eventually decide whether we pay more bus fares or not — they do not use buses! Since they have been appointed by the government, one would expect them to be sympathetic to the policies of the government. And this was largely true.

They often interrupted spokespersons of the people to say "that is politics" and politics is not responsible for high bus fares! Also government departments work closely with bus owners. For example during the 1980 bus-boycott, Dept. of Transport inspectors forced people of "pirate" taxis and trucks and into the buses.

## Factreton anger

EXTRA rooms, garages and storerooms built by the people of Factreton long ago are being demolished by the City Council.

This has angered the people who decided at a recent mass meeting to send a delegation to see Council about the matter.

The meeting was attended by more than 200 people. Many people volunteered to help with a survey to find out more information about the problem.

In one week all of Factreton was surveyed by the volunteers. The matter was brought to the KFR & TA by a member who had been issued with a demolition



notice.

Several housemeetings were held and Council was invited to a meeting and asked to stop all further demolitions in the area.

Before the mass meeting the residents learnt from Council that all demolitions had been stopped until they

could reach an agreement with the people at a meeting.

At housemeetings people gave the following reasons for building the structures:

- The houses are too small and people need more sleeping-places;
- There is no storage space in the houses;

- The streets are too narrow and unsafe. People need to protect their cars;

- The kitchens are too small for families to have their meals.

Further meetings have been planned in the area to prepare people for the delegation to Council.

## 'Hands tied' says DIVCO

THE Belhar Civic Association last month sent a delegation to the Divisional Council to discuss problems in the area.

This was done after the civic had been actively involved in the rents campaign.

Belhar was one of the areas worst hit by rent increases. For this reason, the community generally responded well to the campaign as a whole and to the Day of Action in particular.

The hopes and expectations of the community were high when

the Cahac delegation discussed the rent issue with the Minister. His response together with the decline of the Rents Action Committee, spurred the association to see the Divisional Council.

A delegation of ten people handed a detailed memorandum to Divisional Council. But the response of this local administration was very similar to the response of Pen Kotze.

Despite this, the delegates felt they had discovered some useful things they otherwise would not have known.

Firstly, Divisional Council protested against the size of the delegation. They said it was highly irregular to see more than two representatives from an area.

They then refused to discuss the memorandum dealing with the rent increases and evictions in any detail.

The government was responsible for determining rents, they said. Divco did not make one penny profit on the houses they rented, they stressed.

"Our hands are tied. We depend on the go-

vernment for funds and can do absolutely nothing in areas," came the response when delegates asked questions about the lack of facilities in the area.

This was their answer to questions about poor medical facilities as well. They refused to take any responsibility for the problems experienced by residents.

They even ignored the point that the ash bricks were breeding places for bugs saying that the people themselves had brought the bugs to Belhar.

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## Bus fares — story behind increases

shareholders as a special dividend in March 1981.

(The rest was used to pay back a loan).

This meant that all the shareholders suddenly received a dividend that was bigger than the value of their shares.

Even Jan Pickard, one of the biggest and wealthiest shareholders in City Tramways, said that the payout had "not benefitted the company's image."

But the people who pay bus fares are not interested in "image".

For them it is a question of bread and butter. They know that the R48-million that was paid to the shareholders of Tollgate Holdings came out of their pockets.

Two months after this huge payout to the shareholders, Tollgate wanted to increase City Tramways fares again. It gave the same argument that it needed more money to buy new buses but this time nobody believed them.

When the National

Transport Commission saw how angry the people were about these dealings of Tollgate they decided it would be best to refuse the fare increase.

This year City Tramways have not applied for fare increases again. They have, however, been granted increases because of the petrol price increase.

But another bus company Associated Bus Holdings (ABH) half-owned by Tollgate, has applied and has

been granted increases ranging from 15% to 33%. ABH runs the bus service to Mitchells Plain and Atlantis.

At the hearing of the National Transport Commission in Cape Town recently, the lawyer acting for ABH said a 30% increase was necessary to meet rising costs.

"The problem is not profits, it is survival," he said.

An investigation into ABH has revealed the following facts:

Between 1977 and 1980 ABH made an average profit of 35% every year. (R350 000 after tax on an investment of R975 000). After the railway line to Mitchells Plain was opened in 1980 many people started using trains instead and ABH made a loss of R75 000.

Then ABH applied to the Department of Transport for enough money to put them back in the same position, making the same amount of profit as

they did before the railway line was opened. In the past the Department has always granted very generous compensation.

The money that the Government pays out in compensation comes from the taxpayer. That means that while people are paying their train fares, their tax money is being used to keep up the profits of a bus company even when people aren't using the buses.

These disclosures have angered people even more — particularly as the Board of Trade and Industries has laid down a guideline of 15% profit for companies that have a near-monopoly over goods and services they provide.

Tollgate Holdings has a near monopoly over all bus services in Cape Town and a captive market because people have to use buses. Yet companies belonging to Tollgate have shown profits of 35% to 60% in recent years.



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