



Quarterly Newsletter for Friends of Golden Arrow Bus Services

# INTERCHANGE

VOL 22 | ISSUE 3 OCT 2013

page 3

Participation in Broad-Based Empowerment extended

page 6

HCI BBEE rating improves

page 7

Golden Arrow celebrates bursary holders

page 4

**GABS enters new era  
in public transport**



Golden Arrow Bus Services  
(Pty) Ltd/(Edms) Bpk  
Reg No 1992/001234/07

**Editorial Office:**

103 Bofors Circle, Epping Industria  
PO Box 1795, Cape Town 8000

**Redaksiekantoor:**

Boforsirkeel 103, Epping Industria  
Posbus 1795, Kaapstad 8000

**Iofisi yomhleli:**

103 Bofors Circle, Epping Industria  
PO Box 1795, Cape Town 8000

Tel: 021 5078800 | Fax: 021 5341520

Website: [gabs.co.za](http://gabs.co.za)

E-mail: [information@gabs.co.za](mailto:information@gabs.co.za)

**Editor / Redakteur / Umhleli:**

Bronwen Dyke

**Contributors / Bydraers /**

**Omnye umbhali onegalelo:**

John Dammert

Bronwen Dyke

**Design & Layout:**

Oaktree Marketing Solutions

**Golden Arrow's Mission:**

To operate safe, reliable passenger transport services designed to meet the needs of our customers and by applying sound business principles, to create a secure future for the company and its people.

**Golden Arrow's Missie:**

Om veilige, betroubare passasiersvervoerdienste te lewer, gerig op die behoeftes van ons klante en, deur gesonde sakebeginsels toe te pas, 'n seker toekoms vir die maatskappy en sy mense te skep.

**Umnqophiso kaGolden Arrow:**

Ukufaka iinkonzo zothutho luka wonkewonke ezikhuselekileyo kunye nezithembekileyo kwaye nezilungiselelwe ukukhawulelana neemfuno zabakhweli bebhasi zalenkampani oku kufezekiswa ngokusebenzisa imithethosiseko yoshishino ephilileyo, nokwakha ikamva elikhuselekileyo lwalenkampani kunye nabantu bayo.



Nic Cronjé

CEO: Golden Arrow Bus Services

## NOTE *from* NIC

### Corridor Project has massive potential

The recently launched *Voortrekker Road Development Corridor* project that is led by the *Tygerberg Partnership* and designed to transform and rejuvenate this node is certainly a refreshing approach to optimal land usage and allied developments, which could become the panacea for genuinely integrated public transport.

The project, which is part of the Mayor's *Urban Regeneration Programme*, embraces regional businesses, universities, hospitals, the City of Cape Town, the Western Cape Government and local communities as part of the design process in a creative and participative manner.

This corridor, designated as an urban core group amongst five others identified in the development of Integrated Public Transport Networks (IPTN) across the metropole, has possibly the greatest potential to yield the kind of solutions required to propel spatial planning in the City along the right trajectory.

The 24 kilometre artery has ample space on either side of the roadway to craft an ideal mix of physical infrastructure to nurture high levels of residential densification and mixed developments that appropriately integrate the living, work, welfare and recreational imperatives of modern day city living.

Moreover, as it is the link between the metropole's busiest public transport interchanges, the node can, with proper spatial development planning, evolve as the ideal model to accommodate the City's Bus Rapid Transit initiatives. Requisite passenger throughput from high residential densities with short trip distances at regular frequencies spread over a long operating horizon will certainly provide a sound basis for a sustainable IRT system.

The corridor also runs parallel to the heavy rail link serving the north-eastern suburbs and with ingenious park-and-ride demarcations at stations along this track, significant strides can be made to entice private car users to migrate to public transport and thereby alleviating the high levels of congestion experienced along the N1.

We applaud the Mayor for accommodating this initiative in her urban regeneration programme and hope that Transport for Cape Town in particular takes heed of the immense potential it holds for advancing a sustainable solution to the public transport tribulations of the City. 

# Bus Strike causes massive inconveniences to passengers

The three-week long national bus strike that hit the commuter bus industry in April of this year caused untold inconveniences to the 200 000 commuters who daily rely on scheduled bus services in Cape Town.

In the aftermath to the strike, Golden Arrow Bus Services conducted a survey among passengers and commissioned the Department of Applied Mathematical Sciences of the Cape Peninsula University of Technology to analyse the data and to quantify the negative consequences experienced by passengers.

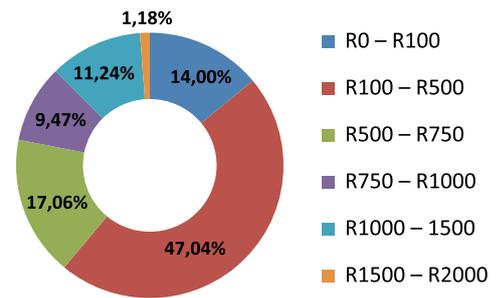
A staggering statistic computed was that passengers had to fork out R49.8 million in extra expenditure to meet their travel demands and that the local metropolitan economy lost a colossal 130 000 man-hours through late coming and absenteeism during the strike. In addition to this, one third of the passengers were subjected to disciplinary action through late coming and other violations of their employment conditions directly linked to the absence of buses on the roads.

If account is taken of the loss of income to employees and revenue losses suffered

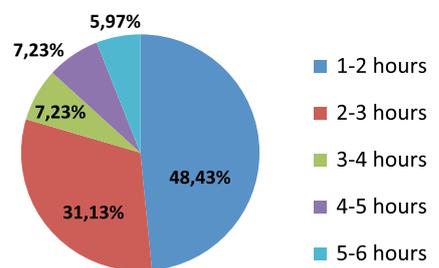
by the company, the aggregate monetary impact of the strike is of gargantuan proportions which severely dented an already fragile local economy. It should be abundantly clear from the survey that strike action causes immeasurable harm with all of the social partners incurring inordinate losses in the process.

The pertinent lesson to be drawn from this unfortunate occurrence is that the larger, collective interests of the social parties should guide the process instead of being overshadowed by the narrow positioning of rights in collective bargaining. Passengers are the lifeblood of the commuter bus business and persistent inconveniences suffered by them will almost certainly prompt a modal migration which the industry can ill afford. 

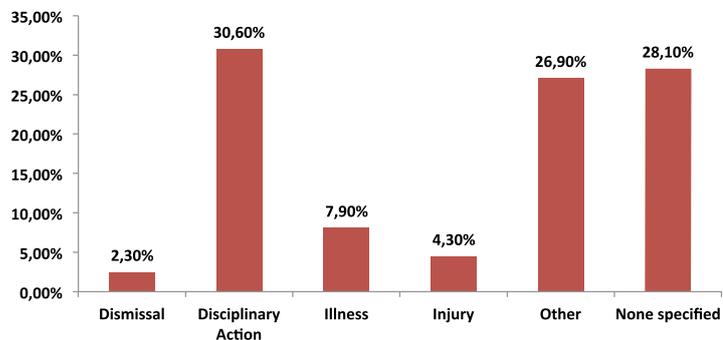
Average Extra Cost Estimate Incurred per Customer



Average Daily Time Lost per Customer



## Inconveniences Suffered



## Golden Arrow extends its participation in Broad-Based Empowerment

With the conclusion of the MyCiti 12-year Vehicle Operating Company (VOC) contracts, Golden Arrow Bus Services' (GABS) has extended its participation and commitment to broad based empowerment in the commuter bus industry as envisaged in the national land transport act.

GABS' ground-breaking empowerment joint venture partnership which was forged in September 2001 with Sibanye Bus Services (Pty) Ltd., has now been

extended with the formation of the Table Bay Rapid Transit (TBRT) vehicle operating company, which is a joint venture consisting of GABS, Siyakhula Bus Services and Abahlobo Transport Services, two emerging black-owned bus groupings.

According to TBRT Director Gretel Hornischer from Siyakhula: "This is a very exciting time for us. As small local groupings, Golden Arrow gave us the chance to share in the knowledge resources that they have

accumulated over 150 years of providing scheduled passenger bus services."

The partnership has been a symbiotic one and Golden Arrow has also gained immeasurably from the Sibanye association. "It is so fitting that after 12 years; GABS, Siyakhula and Abahlobo are once again entering uncharted terrain together and for another 12 years. We look forward to this new era as TBRT makes its mark as an operator characterised by an excellence-centred ethos," says GABS General Manager Francois Meyer. 

# GABS enters new era in public transport

The recent signing of the 12-year IRT operating contract with the City of Cape Town has catapulted GABS into a new era of public transport. GABS operated on a month-to-month interim contract with the Western Cape Provincial Department of Transport since 1997 and the 12-year contract has now introduced a measure of much needed certainty into the contracting regime which is sine qua non to the business planning process.

The defining feature of the 12-year contract is that it is inherently performance based with penalty sanctions meted out for delays, unpunctuality, tardiness and unsanitary buses. As it is a gross-based contract, the vehicle operating company (VOC) is exempted from fare collection and has as its sole focus the operation of the buses according to the schedule determined by Transport for Cape Town (TCT).

The conclusion of the 12-year contract comes after GABS has operated the IRT service along the trunk route between Tableview and the CBD on an interim basis for the past 18 months, and was finally

consummated after many sessions of exhaustive negotiations. One of the obstacles that needed to be overcome was the creation of a separate entity; the Table Bay Area Rapid Transit (TBRT) vehicle operating company in order to comply with the cross shareholding regulations of the IRT regime. TBART is a joint venture between GABS, Abahlobo

Transport Services and Siyakhula Bus Services which will exclusively attend to the management of the 12-year operating contract with TCT.

For the foreseeable future, the 12-year contract will be subsidised on an operating deficit basis (as in the case of PRASA), with the shortfall in revenue and costs to be jointly



TBRT Executive Director Toto Ntsobi signs the IRT contract as Executive Mayor Patricia de Lille looks on



TBRT Director Gretel Hornischer adds her signature



TBRT Director Mark Wilkin seals the deal



covered from proceeds accruing from National Treasury's Public Transport Operating Grant and the City of Cape Town's operating budget. At the conclusion of the contract, it is assumed that TCT could exercise the option of renegotiating new contracts with existing operators or putting it out to tender from anew.

Much will depend on the performance of the operating companies in terms of avoiding penalties and positioning themselves as preferred suppliers at the end of the 12 year period. GABS' General Manager of Operations, Francois Meyer is upbeat about the challenges of the new operating contract. "Our 150 year pedigree in the road based public transport space and our on-going efforts to re-engineer best practices in bus operations will stand us in good stead to comply and even exceed the service level indicators stipulated in the IRT contract", said Meyer.

TBRT will operate a fleet of 61 peak buses with a staff compliment of approximately 242 employees based at the Tollgate depot in Woodstock and will provide feeder services from Atlantis and the CBD as well as on the trunk route from Tableview. ☺

## GABS walks away with honours in national publications competition

The 10<sup>th</sup> annual SA Publication Forum competition is aimed at rewarding excellence in internal and external corporate communication media and attracts in the region of 150 entries from across the board every year. Experts in the fields of graphic design, photography, communication and writing meticulously adjudicate all entries and provide professional feedback to participants. GABS entered its flagship quarterly external publication, "Interchange" and the "GABS - commemorating 150 years" coffee table manuscript in this year's competition.

Competing against mega-budget blue chip corporates, state owned enterprises and government departments, GABS walked away with three momentous accolades;



Finalist in the Best One-off publication, Finalist in the Best External Newsletter category and a special award for Excellence in Writing & Communication in the coffee table publication.

"The awards are a testimony to the rich tradition within GABS to tell the story and reflect the rich and proud legacy of a Cape Town icon. As a small team, the GABS Corporate Development department is proud of the distinctions achieved in the competition and the lessons gained from this will guide us to achieving even greater heights as we strive to improve all aspects of corporate communication emanating from the company" says Corporate Development Manager, John Dammert. ☺



## Management and union members engage in frank discussions

**G**olden Arrow's annual union/management training session was held at the Medical Research Council on 6 September 2013. The aim of the event is to create an environment in which frank discussion can take place in a neutral environment where traditional hierarchies do not exist. This year's programme did not fail to disappoint and a few detours from the original agenda ultimately led to a truly meaningful dialogue.

Chief Executive Officer, Nic Cronjé, opened proceedings with an illuminating presentation highlighting the true state of the bus industry in South Africa as well as Golden Arrow's position therein. The presentation explored, inter alia, the impact of subsidy shortfalls, this year's strike and the issue of contracts as well as the formation of Table Bay Rapid Transit (TBRT). Ultimately it was Cronjé's assertion that the way forward must include increased funding, longer term contracts and public transport systems that are not a burden on ratepayers. The floor was then opened for any questions, which served as a very effective ice breaker.

Given Finance Minister, Pravin Gordhan's announcement of reforms to the retirement industry, it seemed only fitting that some light be shone on what employees can expect when these come into effect. Ken Russell, a retirement specialist at Alexander Forbes



was therefore on hand to discuss the preservation, annuitisation and standardisation of retirement funds.

Highlighting the dynamic nature of such training sessions, Miles Hartford, a leading Relationship Building Initiative (RBI) practitioner with vast experience and knowledge in the field of transforming stakeholder relationships facilitated an open forum in which a number of pressing issues were addressed. This was tied to a brief presentation and discussion on some key relational concepts including positional versus interest styles of bargaining and how these can influence stakeholder relations.

According to Meko Magida, Human Resources Executive, these annual training sessions have the potential to transform the relationship between management and unions. "The ultimate aim of the workshop is to empower participants and to ensure that they leave the session well equipped to deal with future challenges in the workplace, but it is also about strengthening the working relationship between us in order to ensure that Golden Arrow is able to forge ahead safe in the knowledge that all stakeholders are working towards the same goal," said Magida. ☞

## HCI BBEE rating improves

**G**olden Arrow Bus Services' holding company, Hosken Consolidated Investments (HCI), has again been rated as one of the leading Empowerment companies listed on the Johannesburg Stock Exchange. Evaluated by Empower Logic, the SANAS (South African National Accreditation System) accredited BEE Verification Agency, HCI improved its Broad Based

Black Economic Empowerment rating from last year's score of 85,26% to a noteworthy Level 2 rating of 89.43%.

Being a black-owned and controlled company, any company that HCI acquires or invests in receives the full recognition of the group's BBEE Level 2 accreditation. HCI's Black Economic Empowerment Profile is summarised below. ☞

### HCI's BBEE Profile





**FUTURE LEADERS:** The GABS' bursary holders take a moment to celebrate how far they have come

## Golden Arrow celebrates bursary holders

**G**olden Arrow has always recognised the importance of education as a tool for empowerment and it is with this in mind that a bursary scheme was initiated in 2000. The need for such a scheme was further compounded by the scarcity of talent in South Africa and globally. The scheme therefore not only serves as an example of responsible corporate citizenry but also ensures the continuous availability of skills to sustain the company's growth. The bulk of bursaries are awarded in the engineering, human sciences and commerce fields.

The scheme is aimed at tertiary level education at any recognised university in the Western Cape and seeks to benefit previously disadvantaged students as well as indigent students. Each bursary comprises a comprehensive package that covers both financial and developmental support throughout the study period. The selection itself is done independently by Universities, based on the applications they have received for the academic year.

A recent event held at the Learning and Assessment Centre hosted GABS' bursary students, management, HCI Foundation bursary scheme staff and Chris Lombard of the Cape Peninsula University of Technology's Department of Advancement. The purpose of the event was to celebrate the student's achievements, discuss mentoring programmes and look at how important partnerships are in making the scheme as successful as it is.

Christian Roberts, an intern at Multimech (Golden Arrow's central maintenance hub situated in Epping), is also a bursary student. Like so many students in South Africa, he did not know how he was going to pay for his studies and things were not looking good. He was fortunate enough to be recognised by Cape Peninsula University of Technology as a candidate for a Golden Arrow Bursary and the rest, as they say, is history. Speaking at the event on behalf of all the students present he gave everyone there an insight

into what his relationship with Golden Arrow has meant to him. "I was always interested in large vehicles and trucks and the opportunity to work at Golden Arrow has really been a Godsend, from the moment I walked into the workshop at Multimech everything has been such an incredible learning experience, I am also very fortunate to have Gideon Neethling (Divisional Engineer) as a mentor," he explained. Roberts also took the opportunity to thank GABS: "Thanks to Golden Arrow we now have a foundation to build on and a bright future, we are all very grateful".

According to Meko Magida, Human Resources Executive, the bursary programme is still very much a work in progress. "We are looking at increasing the number of students at any one time from five to ten on a permanent basis as well as providing structured developmental support to recipients," he explains. Given the impact that the bursary scheme had on these students' lives thus far, Golden Arrow will continue to seek innovative ways of giving back to the communities which it serves. 

# GABS proudly supports Cotlands

**G**olden Arrow Bus Services (GABS) fleet travels the equivalent distance of five times the Earth's circumference every day, which is truly amazing. This would not be possible without the company's life blood, the people of Cape Town. In turn GABS aims at uplifting the communities that we serve in a variety of ways. Cotlands is one such project and Golden Arrow is truly honoured to assist with the organisation's work. This non-profit organisation (NPO) assists poor, vulnerable and orphaned infants through their formative stages by providing effective, high impact health, psychosocial and early learning play based development opportunities. In an attempt to assist Cotlands perform this amazing task, Golden Arrow funds a nursery located at the organisation's Somerset branch.

This funding provided by GABS allows Cotlands to run a fully-functional nursery complete with medical supplies, nappies and all the required equipment. In addition to this the funding provides for portions of the salaries of the professionals that take care of these babies who are often malnourished, are in protective care, suffer Fetal

Alcohol Syndrome (FAS) or are suffering from terminal illnesses and are in desperate need of specialised care. According to Monica Buitendag, the Director of Cotlands Western Cape, "these children arrive either through hospitals or via court order. At that point, health, psychosocial and educational tests are carried out and pending results, a course of action is planned specific to that child. This is maintained at all times during the child's time in residence at Cotlands with all those interacting with the child required to keep written records in order to make accurate decisions regarding the child's future, a future that is also aided by Cotlands who offer assistance to families even after the baby has left us."

This partnership with GABS has seen Cotlands Western Cape successfully reach its Ten Year Anniversary and the message from Buitendag is that they cannot fight this fight alone, but if there is one thing that this partnership with GABS has proved, it is that this is a fight that can be won if we all contribute in making the future a possibility for these vulnerable kids. ↻



**SAFE AND WARM:** The GABS' sponsored nursery provides a safe haven for vulnerable and orphaned infants