



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA



**SPEECH DELIVERED BY THE MINISTER OF TRANSPORT, MS
BARBARA CREECY, AT THE TRANSPORT BUDGET VOTE IN THE
NATIONAL COUNCIL OF PROVINCES, 29 JULY 2024**

Honourable Chairperson

Chairperson of the Select Committee on Transport, Public Service and
Administration, Public Works and Infrastructure, Mr Frederik Badenhorst

Provincial Delegates to the NCOP

Fellow South Africans

Honourable Members

Last week in his Opening of Parliament Address President Ramaphosa set about detailing the priorities of the new Government of National Unity. During his address the President highlighted the important linkages between a functioning transport and logistics sector and economic growth.

As the new Minister of Transport I will today outline the seventh administration's priorities for the sector, and detail the ways in which the Department, working with the provincial and local spheres of government, is taking decisive action in ensuring that it contributes to South Africa's economic growth and improves the lives of our people.

Honourable members

Our roads are the crucial arteries of our economy, connect our rural and urban communities and ferry our people to their jobs, homes and places of employment.

However, due to budgeting constraints and lack of capacity many of our provincial and municipal roads are in a state of disrepair, leading to logistical challenges and accidents that claim countless lives every year.

As our local and provincial governments face financial challenges it is essential that we investigate new models for the financing of road and infrastructure projects.

Since 2003 strategic road transfers have occurred where the maintenance and upgrading of strategic roads have been transferred at the request of the

relevant provincial government to the Department of Transport who then refer the request to SANRAL.

Criteria used to evaluate the suitability of a road transfer include considerations of the road's role in existing road freight networks, spatial development imperatives, SADC cross-border traffic and passenger flows, tourism flows and population distribution.

This approach to road maintenance management has been endorsed by the President, and to date over 17 250 kilometres of roads have been transferred from provinces to SANRAL. By the end of the sixth administration SANRAL had received written applications from 6 provinces to take over the management of significant sections of their road networks.

These transfers are crucial in that provinces experiencing capacity or budgetary constraints will be able to reprioritise their budgets to improve the conditions of other roads that fall within their jurisdiction. The concern however is that SANRAL and the Departments budgets will then have to be increased in order to factor in the additional kilometres of road that they are now responsible for.

SANRAL's second tier projects are upgrading existing road networks and addressing the need for additional infrastructure. This includes the work being undertaken to upgrade the N2 KwaMashu section 25 interchange to

the Mdloti river bridge section, and the upgrading of the EB Cloete interchange, both in Ethekwini. Both projects will enhance community safety by improving road surfaces, expanding lanes, and improving pedestrian access to services such as schools and clinics through the building of pedestrian bridges.

Programmes such as these second tier projects contribute to the socio-economic wellbeing of their communities through providing employment and using the services of SMMEs. In 2023/2024 financial year SANRAL provided almost 12 000 job opportunities, and employed the services of over 2000 SMMEs mostly from local communities in the vicinity of specific projects.

A number of SANRAL's flagship projects that are in the process of being constructed will also provide much needed employment opportunities to South Africans alongside their socioeconomic benefits.

The N2 Wild Coast road project in the Eastern Cape consists of 112km of new greenfield road, and is estimated to provide 8000 jobs, whilst the N2 Richards Bay to Ermelo section consists of 415km of upgrades with an estimate of over 19 000 jobs being created during the project's lifespan.

SANRAL has also been assisting provincial and local authorities in maintaining their road networks through grants such as the Rural Roads Asset Management Systems (RRAMS) grant and the Provincial Roads

Management Grants (PRMG). Through these direct grants roads are graded, resurfaced and potholes repaired. However, these funds are often unspent or returned to Treasury.

During this term of office, as part of an assessment of the Department's operations, the effectiveness of these grants will be reviewed, in order to ensure that these funds are being spent effectively and that citizens are benefitting from the road upgrades intended to be financed by these grants.

It is encouraging to see that alternative arrangements to fund road maintenance are being explored in provinces and municipalities.

In this regard the Northern Cape Provincial government has been partnering with the Development Bank of South Africa to fund infrastructure projects. This partnership has already helped address the housing shortage in the province, and it is envisioned that a second phase of this partnership will focus on the development and maintenance of the province's roads. This is essential in a province where only 3 800km of the 26 000km road network is tarred. This can be viewed as a pilot project for such future collaboration between development finance institutions and different spheres of government.

[waiting for more information from NC Premier's office]

Honourable members,

Road safety will be one of the Department's priorities during the Seventh Administration. Over 10 000 people are killed on our roads annually, and this is a situation that cannot be normalised.

We understand that the majority of road accidents occur during the late hours of the night and early morning. Increased patrolling and traffic surveillance is necessary to drive down our number of road fatalities, whether it be visible patrolling on highways or increased roadblocks to curb drunk driving during these peak accident times. Therefore, it is important that we accelerate processes for the implementation of a 24-hour shift system to provide for greater traffic law enforcement visibility across South Africa.

To this effect, five provinces, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga and the Western Cape have all made positive steps in ensuring that traffic policing in South Africa becomes a occurs 24 hours a day and seven days a week.

Honourable Members

In many of our provinces the road networks are being rapidly degraded by increased traffic of trucks carrying ore such as manganese and iron, as well

as coal. Much of this freight should be transported via rail, but due to vandalism and infrastructure damage the increase in heavy duty trucks has led to accidents, damage to road infrastructure and increasing traffic as vehicles find alternative routes.

As part of the recovery of Transnet the Road to Rail Migration Plan (FRRMP) aims to divert rail friendly cargo back onto our railways. This is being done as part of the work of the National Logistics Crisis Committee.

The recovery of our passenger rail system is also a key step towards making our roads safer. PRASA has recovered 31 of 40 passenger rail corridors, allowing access to train services at 268 stations that have been refurbished to basic functionality to date.

Due to the current economic climate and the lack of safe public transport South Africans are spending a greater proportion of their income on alternative methods of transport. By enacting reforms in the passenger rail sector a more cost-effective and reliable train service will be made available to those who cannot afford private vehicles.

A return ticket from Diepkloof in Soweto to Park Station in Johannesburg costs R18 [need to verify]. This is cheaper and safer than road travel, and is more affordable for people, especially the youth, looking for job opportunities

in our cities, and will allow people to contribute to our economy. Rail transport must therefore enable access to economic opportunities, not hinder it.

Replacing and upgrading signalling equipment at recovered rail corridors is a positive development that will revitalise the passenger rail sector. This will increase the punctuality of train journeys and decrease the length of passenger trips.

Nationally Prasa has re-signalled six of the lines it operates. These include the Cape Town-Simonstown, and Mabopane-Pretoria lines. Work is continuing to be done to rehabilitate the Cape Town central line and relocate the households currently occupying sections of the rail line. The spirit of cooperative governance requires that the City of Cape Town works with PRASA and National Government to revitalise the central line and bring it back to service. Such collaboration is essential in addressing the challenges facing our sector.

Consultation regarding the National Devolution Strategy for rail is ongoing, with capacity and economic sustainability key concerns for the enactment of such a policy.

Honourable members.

A healthy and vibrant transport sector means a healthy and growing economy.

By focusing on maintaining our roads, revitalising our rail network, and prioritising road safety, I will ensure that during my term as Minister my Department will continue to partner with the different spheres of government to see that the transport sector acts as a catalyst for economic growth, and helps to improve the lives of our people

I thank you.