

National Assembly Budget Vote Debate

Budget Vote 40 Debate Transport

Monday 15 July 2023

Hon. D. Selemolela

South Africa has one of the most developed transport networks in different modes of transport on the African continent that is based on best international standards and practice. It is a functional transport system that operates on a daily basis for the movement of goods, people, freight and services. Legislation and regulation in the sector is based on international conventions to which the country is a party with other countries. The programmes of the Department conform to the policy and priorities of national Government in terms of the National Development Plan and the Economic Reconstruction and Recovery Plan.

The Department is a policy department which has entities which serve as implementing agents. It has seven programmes which cover all modes of transport with an overall budget of R 80,645 billion. This is only a slight increase from the previous budget, but it is no small budget and it is expected by the Portfolio Committee that the Department and its entities will ensure that it achieves optimal value for every Rand spent. The budget reflects that departmental costs are under 2 percent of the overall budget. with bulk of the budget being dedicated to programmes and projects to be implemented by the entities. This includes provincial and local road maintenance and development as well as developing the BRT bus service in different local municipalities. It is imperative that the Department ensures that provincial departments have the capacity to implement road maintenance and development in the provinces. Furthermore, it is imperative that the development of the BRT bus system is expanded to other municipalities in this financial year and the term of the 7th Parliament.

While the transport sector was negatively affected by Covid 19, devastating floods and unrest, the last administration made important progress in terms of road and commuter rail infrastructure development. Prasa opened 31 out of 40 rail corridors and taken delivery of 200 train sets which were locally manufactured. In addition Prasa has refurbished 261 railway stations to functionality and have a further 33 under construction in this financial year. The entities under the Department while financially struggling during Covid 19 are all going concerns which means that under the last administration of the ANC Government the SOE's in the Transport sector recovered. The entities have stable boards and good corporate governance and financial controls have been restored. A cursory glance at the Auditor General's Report in the last financial year indicates that all SOE's in the transport stable received unqualified audit reports except for the Road Accident Fund.

The Road Accident Fund has a major debt liability which requires the attention of the executive and the department as this will need to be fixed with the Act amended if

not completely replaced. The issues between the AG and the Road Accident Fund require urgent resolution and are a hangover from the 6th Parliament.

Programme 3 on rail transport has a transfer budget of some R19.5 billion. Commuter rail functioning efficiently is critical to improve the lives of the working class and poor. Commuter Rail is the safest and efficient mode of transport as well as being the cheapest mode of transport. Prasa must continue on the positive trajectory of restoring the rail infrastructure and the efficiency of service through the development of rail stations which serve the community. It is important that Prasa is able to increase its passenger numbers in the process of restoring rail services. Over the MTF it is important that manual signalling on the rail system is replaced with automated rail signalling.

An efficient commuter rail system which reduces the transport costs for the working class and poor which currently utilises more than one form of road transport places more disposable income in the pockets of these families and reduces their travel time thereby improving the quality of life for many township communities.

Communities must ensure that these critical facilities which improve their lives are protected from vandalism and report all incidences of criminality to law enforcement agencies. Law enforcement agencies need to deal effectively with any form of criminality against public assets.

Programme 4 on road transport has a budget for transfer of some R43.5 billion which includes transfers to provinces. Road transport remains the principal mode of transport for the movement of people and goods and plays a critical development role for the economy. SANRAL has embarked on major road infrastructure projects. SANRAL's new projects will include some 90 major capital works projects larger than R500 million each which will go out to tender during the three year medium-term period. National Treasury has allocated about R21.5 billion per year for the maintenance and improvement of SANRAL's 19,262km non-toll network. Moreover, a total of 940 projects will be embarked upon in the next three years, of which 325 are already under construction. These include the refurbishing of the N3 between Durban and Johannesburg. The development of the road between Durban and Port St Johns will reduce road travel time and connect these markets. There are also major bridge projects being undertaken by SANRAL in the Eastern Cape. We are expecting SANRAL to complete the projects within the allocated time frame and budget. We will eagerly await the outcome of these important projects as part of the parliamentary oversight into the entities.

Minister we need to advance from the strong foundation which was left by the last ANC administration in the transport sector that needs to go to the next level of delivery for the people and the country as transport is a key driver of inclusive economic growth and job creation. This current 7th administration needs to ensure

the further development of roads at a national, provincial and local level as well as rail infrastructure. Port development and freight rail development needs to occur.

What is it that members seek to seek to achieve from this budget vote? Our focus on the challenges in the transport sector is based on the need for transport infrastructural restoration and further development to ensure inclusive economic growth and job creation. We seek a more efficient and cheaper public transport system for the working class and poor both in commuter rail and bus services. We seek a well maintained road system in all parts of the country. We seek improvement in rail services for passenger and freight rail. We seek that Government policy on the movement of goods from road to rail occurs at a faster pace than what has been occurring as it makes economic sense to spend less on road maintenance and utilise rail for the movement of goods. . .

The Government of National Unity under current fiscal conditions seeks impactful and qualitative spending which gives the most value for money and ensures that transport infrastructure is developed and the public transport system improves the quality of life for people. In other words we seek a better life for all. This is critical to ensuring the implementation of the Economic Reconstruction and Development Plan. Therefore corruption has no place in the delivery of an efficient transport sector in the country as it is a key driver of the economy.

The ANC supports this Budget Vote 40 of Transport.

Thank You