

DEPARTMENT OF TRANSPORT
KWAZULU-NATAL
UMNYANGO WEZOKUTHUTHA



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REPORT OF THE HEAD OF DEPARTMENT

Part 3

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SECTION 1: INTRODUCTION

In many ways, for the KwaZulu-Natal Department of Transport, the year 2001/2002 was a period of review and consolidation. Our Roads for Rural Development programme and our Road to Wealth and Job Creation Initiative have been subjected to independent assessment to verify whether or not our budget votes have the desired and planned for socioeconomic impact. The findings of Afridata Research, in conjunction with Research International and the independent assessment of Zibambele by the Southern African Labour and Development Research Unit (SALDRU), have proved invaluable in refining our approach to service delivery. It is now our intention to subject all KwaZulu-Natal Department of Transport programmes to independent evaluation.

It is, we believe, critical to assess our progress in managing the transport portfolio towards the realisation of a fully representative transport and construction sector in KwaZulu-Natal. We realise only too well the enormity of the task ahead given the fact that the GINI co-efficient* for the construction industry indicates that it is the second most unequal sector, after agriculture, in South Africa. (* a universal measurement for equality)

The first litmus test for any public service department concerns the percentage of budget that is spent on personnel relative to the budget spent on actual services to the public. The public service has been under pressure to both downsize – that is reduce the overall numbers of staff employed – and, simultaneously, right size – that is to ensure that the staff employed are properly deployed and adequately skilled to ensure an efficient and effective service delivery of core functions in accordance with the government of the day's social contract with its citizens.

It is a matter of public record that since 1994 the KwaZulu-Natal Department of Transport has systematically reduced its number of establishment posts to ensure that a higher proportion of our budget is spent on actual services to the public. It gives me pleasure to report that the proportion of the transport budget spent on personnel in the 2001/2002 financial year was only 25,9%. Our performance in this regard compares very favourably with other provincial departments.

However we have not just reduced our overhead costs, we have made tremendous progress in restructuring and right-sizing the KwaZulu-Natal Department of Transport. This is reflected in our organogram (page 1). Considerable progress has also been made in developing the skills of our staff so that they can achieve higher levels of productivity in service to the public. Our skills development programme extends from Adult Basic Education (ABE) to the work of our Technical Training Centre which is now under the management of our T² programme. Over the past three years 291 technical students from the beneficiary communities affected by the African Renaissance Road Upgrading Programme (ARRUP) have applied to the KwaZulu-Natal Department of Transport for placement. Although the majority of these students are drawn from the Durban Unicity, Pietermaritzburg and Newcastle it is pleasing to note that deep rural areas such as Nkandla (9 students), Nongoma (9 students), Ongoye (24 students) and St Faiths (24 students) are well represented. ARRUP will now provide internship opportunities for technical students. It is anticipated that this will assist the Department in its drive to recruit appropriately skilled technical staff.

The passing of the KwaZulu-Natal Provincial Roads Act (Act 4 of 2001) provided the new legal framework that governs the construction and maintenance of the provincial road network in KwaZulu-Natal. Three key components that can be identified from this comprehensive Act are as follows:

- It is the only legal framework governing the construction and maintenance of the provincial road network in KwaZulu-Natal,
- It creates provision for a balanced road network in the province and recognises rural community access roads as part of the provincial road network,
- It makes provision for public participation in declaring an equitable and balanced road network that meets the mobility needs of all our population and, at the same time, facilitates growth and development of the road construction industry to reflect our demographic profile better.

The passing of the Act has therefore consolidated the many gains that have been made by the KwaZulu-Natal Department of Transport over the past few years and that have fundamentally transformed our service delivery of road upgrading and maintenance systems. Indeed, our growing organisational capacity to implement policy effectively and

efficiently is largely founded upon the creation of established channels of communication that connect the Department to the regions, Rural Road Transport Forums, Vukuzakhe associations and contractors and Zibambele contractors in a systematic and reciprocal manner.

Further, the introduction of Medium Term Expenditure Frameworks (MTEF) has enabled the Department to undertake several large road upgrading projects which will be financed over several years. These projects come under the banner of our African Renaissance Road Upgrading Programme (ARRUP).

All ARRUP projects have been designed to fast track the normalisation of the road construction industry in KwaZulu-Natal by creating opportunities for emerging and well established contractors as well as newly established and well established consultants. Further, all ARRUP projects have been designed to create maximum local opportunities. These include the supply of materials and considerable progress has been made in designing contracts to ensure that the maximum rand value circulates locally and does not leak out to large urban centres.

The KwaZulu-Natal Department of Transport is increasingly committed to a planning process that builds the relationship between integrated transport planning and integrated development planning. We are committed, as a Department, to promoting participatory democracy and co-operative good governance. Once again, this commitment has been formalised on ARRUP projects through the establishment of Project Liaison Committees which are fully representative of all major stakeholders and have been identified by beneficiary communities themselves. These include amaKhosi and Local Government.

ARRUP projects can become an important vehicle to achieve co-operative governance and integrated rural development. Most projects are designed to last at least three years. In effect this means a concentration of technical personnel and plant in rural communities that can be cost efficiently utilised to plan and implement a new dispensation that goes beyond the delivery of road infrastructure. The upgrading of major transport corridors is expected to catalyse a more diversified local economy with new investment opportunities in:

- Agriculture
- Tourism
- Transport
- Construction
- Small industries
- Trade

Such opportunities will be identified through the Department's work with Project Liaison Committees and the Department is expected to play a key role in facilitating the social and economic development of beneficiary communities. Other than local economic development investments, communities are expected to benefit from improved access to government programmes and services, improved access to investors and donors and an increased capacity to manage their own development.

Our stage advancement emerging contractor programme, Vukuzakhe, received a significant boost through the formation of Vukuzakhe Associations across the province and the commitment by the Construction Education and Training Authority (CETA) to pilot 100 CETA learnerships under our Vukuzakhe programme. Our intention with CETA is not so much to train individual contractors but to provide systematically for the development of their business enterprises by giving them access to other learnership opportunities offered by the training authorities established under the Sector Education and Training Authority (SETA) programme which was recently launched by the passing of the Skills Development Act. This will ensure a more holistic approach to the development of Vukuzakhe enterprises and will guarantee their ability to compete and further develop in the market place.

The Department targeted the awarding of 10 000 Zibambele road maintenance contracts for 2001/2002. In all 9 856 contracts were awarded. This is a remarkable achievement given the fact that the Department also committed itself to developing systems to organise Zibambele contractors into savings clubs so as to facilitate the cost efficient supervision and training of contractors. A constitution for these savings clubs has been prepared in consultation with Zibambele

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contractors. There is evidence in support of the fact that several Zibambele contractors have moved beyond the stage of simply being employed and have, themselves, invested in enterprise developments and become employers. Clearly the organisation of Zibambele contractors into savings clubs will strengthen their role in rural enterprise development and will provide the institutional framework to create wealth amongst the poorest of the poor.

In October 2001 the Department initiated an extensive independent analysis of our Roads for Rural Development programme and Road to Wealth and Job Creation Initiative. The study paid particular attention to the Zibambele and Vukuzakhe programmes and was designed to measure the impact of these programmes on the lives of those who had been awarded contracts, their families and the communities in which they work and live. The results of the study are presented in this Annual Report under the Development Directorate. They do provide irrefutable hard evidence to substantiate our claim in the Road to Wealth and Job Creation Initiative that it is possible to put our rural economy on a labour absorptive growth path and to transform a nation of job seekers into a nation of job creators. In the context of job losses in our formal economy the performance of Vukuzakhe contractors in creating new jobs is nothing short of phenomenal.

Equally worthy of special mention is the performance of Zibambele both as a cost efficient road maintenance system and as an effective poverty alleviation programme. The SALDRU finding that, in 2001/2002, 73 cents of every rand within the programme accrued to Zibambele contractors compares very favourably with that of the National Economic Forum (1992 – 1998) which achieved 48 cents in the rand. The performance of Zibambele is even more remarkable given the fact that it is a young programme. SALDRU calculates that with economies of scale in 2002/2003 the awarding of 14 000 Zibambele contracts will result in 83 cents in every rand spent accruing to contractors. This will place Zibambele among the top poverty alleviation programmes internationally.

Our performance has not gone unnoticed. The National Department of Transport note in their Annual Report 2001 that they are: "currently developing a programme aimed at spreading the lessons of the KwaZulu-Natal Department of Transport's Zibambele and emerging entrepreneur models to the other provinces, providing them with assistance in carrying out systematic rural road audits and establishing the required structures for community participation and efficient administration".

It is common cause that the vast majority of KwaZulu-Natal's citizens are dependent on public transport to meet their daily mobility needs. The minibus taxi industry is undoubtedly the most critical pillar of our public transport sector in that it accounts for some 65% of the daily transport needs of the KwaZulu-Natal public. We are all aware that the spatial planning that took place during apartheid as separate development resulted in communities having to travel long distances to workplaces and points of economic production. Such communities are vulnerable to increases in public transport costs. The inherited focus from the past government on bus and rail subsidies results in only some 35% of the commuting public being subsidised.

The democratisation process within the taxi industry has been completed. Of the 252 taxi associations in KwaZulu-Natal, 247 have been referred to the Local Road Transportation Board and new route based licences have been processed.

On 24 April 2001 a fully representative Provincial Taxi Council was elected. We are committed, as the KwaZulu-Natal Department of Transport, to going beyond the regulation of the taxi industry to facilitating its growth and development in such a way that it can diversify its investment and income interests. This will include a review of the public transport subsidy system. The fact that the taxi industry is 99% owned and managed by Black South Africans makes it a critical pillar of any Black economic empowerment strategy, especially a strategy directed towards the empowerment of ordinary citizens.

Road safety remains a priority concern for the KwaZulu-Natal Department of Transport, which is nationally and internationally known for its Zero Tolerance, and Asiphephe programmes.

Violence on our roads takes many forms. These include road crashes, road rage, hijackings and taxi and public transport conflicts that often resemble open warfare. So prevalent are these acts of violence that it has become almost impossible to meet any South African whose life has not been traumatised by one or more acts of road related

violence. The KwaZulu-Natal Department of Transport has developed a comprehensive road safety strategy within a clear understanding that the many forms of violence on our roads are only sustained by a network of greed, corruption and patronage. I am referring here to the fraudulent issuing of licences and permits and the circumvention of procurement procedures and tender regulations. Further, we realise that a wide range of criminal activities succeed because criminals have access to transport. We have therefore launched a co-operative governance initiative with the SAPS, Public Prosecutors office, SANDF, Durban Metro and the Pietermaritzburg Municipality to fight crime. We are also in the process of establishing a Public Transport Enforcement Unit which will deal with public security on our roads. The unit will include an Investigative Unit, Flying Squad and Security Unit within the RTI structures to assist in the prosecution, conviction and imprisonment of perpetrators of road violence, fraud and corruption. It will have capacity to respond timeously to conflict situations and diffuse them before they get out of hand.

It would be remiss of me, as Head of Department, were I not to draw attention to the fact that "doing development" through the KwaZulu-Natal Department of Transport is not unlike trying to drive a motorcar with one foot on the accelerator and other foot firmly on the brake. The community demand for transport services and our innovative programmes is overwhelming. The budgets that we have been allocated are hopelessly inadequate, hence we calculate that the Department is under budgeted by 46% against its road upgrading and maintenance programme. Here it is important to appreciate that roads are designed to have a specific life span, usually 15 to 20 years. Many of our roads were built prior to 1988 under the budget regime linked to a dedicated fuel levy. These roads are nearing the end of their life span and many face premature collapse because of high growth in traffic levels, especially heavy duty vehicles.

KwaZulu-Natal is a gateway province for the rest of South Africa. The ports of Durban and Richards Bay handle some 78% of South Africa's cargo tonnage and account for 80% of the value of exports and imports on the current balance of payments. KwaZulu-Natal's national road network is disproportionately tolled within our province relative to all other provinces in South Africa. High toll fees make it attractive for heavy duty vehicles to use the provincial road network, which is not tolled, in preference to the heavily tolled national roads. We have introduced dedicated enforcement programmes against vehicle overloading, as this is a major cause of road deterioration. In 2001/2002 our Road Traffic Inspectorate (RTI) weighed 147 113 vehicles at our various weighbridges and laid 12 496 charges for overloading.

It must be emphasised that the 12% of vehicles found to be overloaded compares very favourably with the national average as it is estimated that more than 25% of all vehicles travelling on South Africa's roads are overloaded. We are, as a Department, doing well in our battle to conserve our road network. However, without a significant increase in the transport budget we will only succeed in delaying the inevitable. Our undisputed role as a gateway province to the rest of South Africa is in jeopardy.

