

# KWAZULU-NATAL DEPARTMENT OF TRANSPORT BUDGET SPEECH 2001/2002

Presented by the Honourable Minister of Transport, Mr Sibusiso Ndebele

Mr Speaker  
Honourable Members of the Provincial Legislature  
Members of the Transport Portfolio Committee  
Friends of the Department of Transport  
Distinguished Guests  
Fellow Citizens

In September 1999, I attended the first African Transport Ministerial in Atlanta hosted by the US Secretary for Transportation, Mr Rodney Slater. I was invited in my own right and also requested by Minister Dullar Omar to represent South Africa, perhaps in recognition of my being the longest serving Minister of Transport in the Democratic Republic.

The conference was attended by almost all Ministers of Transport from our continent.

Its theme was:

**Transport: the ties that bind**

It had a poignant sub-theme

**“If you can get there you can trade there”**

An exchange of goods and services is the distinctive feature of human civilization whether conducted by abasiki bebunda or through the Internet.

It is this that underlines the centrality of transport to human development.

As we herald the new millennium, we are sharply aware that, but for the invention of the wheel, human kind would have hardly made any progress at all. It would thus be a tragedy if in our province, in our country, in our continent there are communities on whom the wheel has made absolutely no impact – which carry on their life as if the wheel has not been invented.

The year 2001 marks the **MILLENNIUM AFRICA PLAN**, marks the dawn of the **AFRICAN CENTURY** and emphatically marks the **KWAZULU-NATAL DECADE**. We say that all that has been left undone in the area of peace, of reconciliation, of democracy, and of development in **KWAZULU-NATAL** must and will be done in this decade.

Painfully conscious of the enormity of the task before us, we in the Department of Transport, declare at least, a seventy-two hour working week for everyone above the rank of Assistant Director. We shall lead by example and we shall run while they walk.

In only six years of democratic government we have moved from a South Africa isolated from the rest of Africa and the world to a nation that is increasingly respected internationally and expected to play an important role in the Millennium African Renewal programme. The Millennium African Plan on global partnerships between Africa and the rest of the world is based on mutual self-interest. Africa requires critical investments in human resources development and communications technology that will speed up the transformation process and bridge the digital divide between developing and developed nations. Equally critical to the Millennium Africa Plan is a commitment

to peace, stability and democracy. It is in the interests of developed nations to contribute to Africa's renewal because a developing Africa will generate increased levels of employment and wealth and would, therefore, increasingly become an attractive market for the world's goods. There can be little doubt that our political liberation and our improved economic performance have breathed new life into the realisation of the African Renaissance.

South Africa is seen by the world and progressive humanity as a country of hope. South Africa is playing a pivotal role in the re-emergence of the continent as a self-respecting and respected partner in the world order. If South Africa is to play this role successfully, KwaZulu-Natal has a critical role in demonstrating that peace and reconciliation is not only desirable but is the only option, that non-racialism is not only correct but is possible, that democracy is the only acceptable method of conducting human affairs and that development is not optional.

Not only is KwaZulu-Natal home to more than a fifth of South Africa's population, it is also considered to have a strong comparative advantage, over other provinces, in the agricultural, manufacturing and transport sectors. Our performance as a province, does therefore, have a critical impact on South Africa's competitiveness in global markets. We, in the KwaZulu-Natal Provincial Legislative Assembly, are under a serious obligation to consolidate our non-racial democracy and coalition government to build our South African nation and to contribute to the African Renaissance. It is critical therefore that we move effectively to tackle poverty and its very wide range of causes and effects.

Budget Speech day is an annual event. As such it provides an opportunity for me, as Minister of Transport, to reflect on how best to use the transport portfolio budget with a view to both building the future of this province and, at the same time, reducing the current level of persistent poverty which has undoubtedly reached crisis proportions.

Let me say upfront that by and large the KwaZulu-Natal Department of Transport has performed well during this past financial year. Our achievements have received considerable acknowledgement by independent assessors. We were awarded Gold, Silver and Best Practice in the Premier's Batho Pele Good Governance awards. Impumelelo selected the KwaZulu-Natal Department of Transport as one of the top 300 affirmative action companies in South Africa. What makes this very special for me and our Department is the fact that we are the only provincial department nationwide that was acknowledged to have performed within the top 300 affirmative action companies. Impumelelo also awarded their coveted top prize to Zibambele for the reduction of poverty and improvement in the quality of life of poor people.

Despite these wonderful acknowledgements of our work, we realise only too well that we have a long way to go before we overcome the apartheid legacy of separate development and how this has structured our provincial road network, our public transport systems and our construction and transport industries.

Here one must be ever mindful of the facts that:

- The roads and transport systems that were built up during apartheid furthered that government's objectives of segregation and separate development. Our transport systems must now link all local communities and markets to the regional and national economy to guarantee national, provincial and local social and economic integration.
- Our roads and transport systems were built up in a climate of isolation from the international community as South Africa was considered a pariah among the nations of the world. Over the past six years South Africa has become integrated into the global economy. The long distances between South Africa and its trading partners necessitate

the efficient and cost effective transport of South Africa goods in order for us to be competitive on global markets. Globalisation for South Africa signals a shift in our economy from minerals and agriculture to manufacturing and tourism.

In my first few years as MEC of Transport in KwaZulu-Natal, by and large, budget allocations were still held captive by a legacy of past choices. We have worked hard to disentangle the apartheid and post apartheid transport visions on a road-by-road, bus subsidy by bus subsidy and route-by-route basis. This has now been consolidated in the passing of the KwaZulu-Natal Provincial Roads Act. Our roads and transport systems must reflect our economic priorities as a nation and as a province. Global competitiveness requires us to develop intermodal transport systems, which are linked to development corridors and modal interchange nodes. Spoornet recently tabled their restructuring proposals, which will have a significant impact on increasing rail's market share of transport in South Africa. The KwaZulu-Natal Department of Transport and Spoornet will cooperate to ensure an integrated transport plan for our province. The road and rail network linking KwaZulu-Natal's harbours and airports to our nation's products and international markets is critical in facilitating the shift from economic isolation to global competitiveness and from a transport network to support minerals and agriculture to one that facilitates manufacturing and tourism. This is the logic that informs the Spatial Development Initiatives and the Industrial Development Zones.

In his State of the Nation address on 9 February 2001, President Thabo Mbeki summarised the objectives towards which we, as portfolio ministers, must apply our minds and, of course, our budgets:

“The objectives we seek to achieve are moving the economy onto a high growth path, increasing its competitiveness and efficiency, raising employment levels and reducing poverty and persistent inequalities.”

We are expected, therefore, to improve our competitiveness as a nation by lowering input costs throughout the economy and to tackle poverty ;by focussing on micro economic issues and by levelling the playing fields. We are expected to use our budgets on people centred local economic development projects, which are founded in the context of economic growth, redistribution and global competitiveness.

Today I will use the opportunity of my budget speech to take stock of appropriate building blocks that have been put in place to take the KwaZulu-Natal transport portfolio forward within the guidelines and planning objectives provide by President Mbeki to achieve sustainable development, economic growth, job creation and poverty relief. These objectives have been endorsed as the key policy priorities identified for the Medium Term Expenditure Framework (MTEF), by both provincial and national cabinets, namely:

- Economic growth
- Employment creation
- Equity and social development

I would like to reassure this Legislative Assembly and particularly Minister Peter Miller that our budget has been allocated against what we are expected to achieve which is a bit more substantial than “tinkering at the margins.”

#### **Provincial Transport Budget:**

2000/2001	R855 875 000
2001/2002	R1 083 120 000
Year on change (26,55%)	R227 245 000

## Budget allocations

Roads	R810 449 000
Road Traffic	R159 389 000
Public Transport	R 16 655 000
Administration	R 87 529 000
Auxiliary and Associated Services	R8 677 000

## Building Block to Meet Our Challenges and Policy Priorities

### Personnel Expenditure

During his budget speech Minister Miller raised concerns that: “In the 199/2000 financial year personnel expenditure absorbed fully 59,73% of the total budget, up from 56,21% in 1997/1998. While this percentage is projected to fall to 55,57% for the 2000/2001 financial year, it is expected to rise again in the medium term”.

It gives me great pleasure to report to you that the proportion of the transport budget spent on personnel in our 2000/2001 budget was 35,23% and that this is budgeted to drop to 32,47% in our 2001/2002 budget and to 30,7% by 2003/2004.

It is a significant achievement that we have managed to reduce our number of establishment posts from 8 062 to 5 834 (of which only 4 733 are currently filled) but, at the same time, we have also succeeded in increasing the number of professional posts in key public interest portfolios. For example in 1994 the Road Traffic Inspectorate had a staff complement of 350 enforcement officers. Today the Road Traffic Inspectorate employs 515 enforcement officers, which is an increase of 32% since 1994. The restructuring of the KwaZulu-Natal Department of Transport is predicated on similar professional staff growth patterns in all other key public interest portfolios including Road Safety, Road for Rural Development, Emerging Contractors, Zibambele, Public Transport and the regulation of the Taxi Industry.

The Department has reduced its number of establishment posts while at the same time increasing its professional capacity with the full co-operation of its 17 unions. What is more, it has begun to reflect a gender balance in senior management structures, which is in line with the targets set by the Department of Public Service and Administration of 30% women senior managers in Government. It was only in 1997 that White males commanded almost 80% of the top salaried positions in the KwaZulu-Natal Department of Transport. In 1997 only 4 women were employed in the Department at salary level 8 (Senior Administrative Officer) or higher. Today we have 49 women employed at salary level 8 and higher.

Despite the fact that there is a general shortage of women engineers and technicians in South Africa we none the less have:

- 2 women Deputy Chief Engineers.
- 1 woman Engineer
- 2 women Assistant Engineers, and
- 2 women Chief Industrial Technicians.

This, of course, is not enough.

But it is a South African “gender in engineering” issue and not one arising from a KwaZulu-Natal Department of Transport basis.

Similarly the Road Traffic Inspectorate, which is 61 years of age, has historically been a male dominated profession. So much so that until 1996 women were not admitted as traffic officers. There are now 44 women provincial Inspectors and I am happy to report that each year's new intake shows an increasing ratio of women officers.

In February 2000 Dr Kwazi Mbanjwa was appointed Head of the KwaZulu-Natal Department of Transport. Since then he has embarked on an ambitious and revolutionary restructuring process of senior management and women now occupy 3 of the most senior positions in the Department. I am certain that when our One Stop Shops become fully operational there will be a conscious attempt to recruit women into middle management positions.

The radical restructuring of the KwaZulu-Natal Department of Transport to now deliver on its mandate and vision has taken tremendous discipline and mature leadership. I would like to thank and congratulate Dr Kwazi Mbanjwa, senior management and union leaders for their commitment to structure a transformed KwaZulu-Natal Department of Transport that puts innovation and leadership at the heart of our delivery systems to bring customer needs and customer satisfaction into sharper focus.

The KwaZulu-Natal Department of Transport will continue to "right size" its structures. In the process we will strengthen our professional capacity and, at the same time, increase the value of work that is outsourced. The KwaZulu-Natal Department of Transport will continue to be race and gender affirmative both in the appointment of staff and in the awarding of contracts.

## **ROADS**

2000/2001 budget allocation	R 673 976 000
2001/2002 budget allocation	R 810 449 000

I have often quoted the words of the late John F Kennedy who said:

"It is not the wealth of a country that builds roads, but it is the roads that build the country's wealth."

These words capture the critical role of roads in the development of any country's economy. Without an appropriate road network there will be no real creation of wealth. Equally true is the fact that the poor condition of the road network is a drain on the economy in that it dramatically increases vehicle operating and transport costs which translate into higher production costs, higher marketing costs and, of course, less money in our pockets.

I have repeated the immortal words of John F Kennedy today because I am ever hopeful that you, my colleagues, will take them to heart and deliver to me the budget that I ask for.

The KwaZulu-Natal Department of Transport has completed its Roads Needs Assessment Study. The study highlights the deteriorating condition of our provincial road network. The key findings include:

- 57% of our blacktop roads and 60% of our gravel roads are considered to be in a poor condition.
- Approximately 20 million kilometres are travelled on KwaZulu-Natal's rural road network every day at an estimated road user cost of R7,25 billion per annum and the poor condition of parts of the rural road network results in unacceptably high vehicle operating costs amounting to R1,29 billion above the norm per annum. This reflects a cost to the

economy that is largely borne by poor people. The premium of R1,29 billion per annum is greater than the annual budget needed over five years to upgrade and maintain the entire road network to an acceptable and appropriate standard (Rand value 1999/2000).

- An appropriate budget to upgrade and maintain the provincial road network would create almost 90 000 jobs. Here I would like to use this opportunity to congratulate all who were responsible for documenting the Road to Wealth and Job Creation Initiative as it is this initiative that now forms the backbone of our National Integrated Rural Development Strategy. As you are aware, in his State of the Nation address, President Mbeki committed Government to budget for a multi-year programme to achieve integrated rural development and to address rural poverty.

The findings of our Roads Needs Assessment Study were developed into an Implementation Plan for Conserving the Road Network. This was submitted to the Department of Finance and Provincial Treasury in August 2000. The Implementation Plan for Conserving the Road Network is, in some ways, a conservative document because it advocates time frames to upgrade and maintain our road network that are perhaps too long. You can judge for yourselves.

The Implementation plan for Conserving the Road Network advocates a baseline budget for roads of R1 022 million to do the following:

- Rehabilitate 4 702 kilometres of blacktop roads, rated as poor condition, over 11 years.
- Reseal 2 288 kilometres of blacktop roads, rated as fair condition, over 7 years
- Re-gravel 24 741 kilometres of main, district and local roads, rated as poor condition, over 6 years
- Upgrade 800 kilometres of gravel road carrying in excess of 500 vehicles per day to a blacktop standard, over 4 years
- Upgrade 8 313 kilometres of community access roads to low standard gravel road using labour intensive methods, over 20 years.

Although it did not form part of the Implementation Plan for Conserving the Road Network strategy and budget, I would have also requested an additional R166 million per annum, over a ten year period, to upgrade 3 500 kilometres of gravel roads, which carry more than 300 vehicles per day, to low cost blacktop. This would result in a minimum vehicle operating cost saving of R140 000 per kilometre per annum which, incidentally, is an annual saving of 28% on the estimated cost of upgrading to low cost blacktop. Makes good cents!

I firmly believe that the budget of R1 022 million indicated in the Implementation Plan for Conserving the Road Network is a conservative budget given the time frames envisaged. Our road network is a critical factor in determining the economic performance of KwaZulu-Natal. In KwaZulu-Natal 80% of people and goods are transported by road. It stands to reason, therefore, that if our road network fails our provincial economy will collapse and the costs of providing the public with services will escalate.

We dare not allow this to happen!

This is certainly not the first budget speech in which I have raised concerns over the continued under funding of roads in our provincial budget allocations. Indeed, I remember well that last year Mrs J M Downs spoke strongly, during the debate on the transport budget, in favour of increasing the roads budget immediately rather than having to pay the price at some later date should there be no increase. It is noteworthy that a recent report commissioned by the AA Road Traffic Safety

Foundation found that the under-funding of roads since 1988, with the abolition of the dedicated fuel levy for road construction and maintenance, has resulted in a cost to restore the road network which is now seven times more than would have been needed had adequate maintenance been carried out. The total cost of restoring the South African road network is now calculated at a staggering R65 billion.

Again, let me quote the immortal words of John F Kennedy:

“It is not the wealth of a country that builds roads, but it is the roads that build the country’s wealth.”

How right she was then. How right he is now!

In 2000/2001 I was able to allocate only R608 507 million of the transport budget (71,1%) towards roads. Over and above its baseline budget the Department was allocated a conditional grant of R46 million for critical periodic maintenance involving resealing and rehabilitation of road surfaces, specifically on major routes. This year R810 449 million (74,8%) of the transport budget has been allocated towards roads.

This is still some R212 million less than the budget that I have now outlined under our Implementation Plan for Conserving the Road Network and R378 million less than what I consider to be the minimum budget required to sustain and grow the KwaZulu-Natal economy. Here I must emphasise that a dedicated budget of R1,2 billion per annum, to restore and upgrade the KwaZulu-Natal provincial road network, is premised on a ten-year work plan. It would be in the public interest and in the interest of the construction industry, SMME development and job creation to accelerate the programme by voting a higher-level budget.

For your information the following outlines the costs of roads per kilometre.

4 lane undivided	R5 million
2 lane blacktop	R2 million
Low standard blacktop	R500 000 – R1 000 000
High standard gravel	R300 000 – R500 000
Low standard gravel	R100 000 – R250 000

Despite the doom and gloom surrounding our provincial and national road networks, it gives me great pleasure to announce that this coming financial year the KwaZulu-Natal Department of Transport will embark on several major road upgrading projects. Our intention is to design the projects in such a way that all road builders become involved in ensuring the success of the projects, working together co-operatively as a team to build the new face of the construction industry in KwaZulu-Natal. This development is only now a possibility because of the adoption of the Medium Term Expenditure Framework which allows for multi-year planning.

Our intention in these large upgrading projects is to unbundled contracts in such a way that the well established contractor enterprises will team with emerging contractor enterprises to build the road on independent contracts but as inter-dependent contractors. Further, that work which does not fall under the critical path of road construction will be independently contracted to emerging contractors under our Staged Advancement Emerging Contractor programme.

Our plan to promote the new face of the construction industry in KwaZulu-Natal does not stop here. We are talking about roads that serve communities that are hopelessly under-provided for but which have a huge development potential, particularly a potential for market agriculture and tourism. We do not want to build a road from Mtubatuba to Vryheid when the first thing that enters the motorist’s head is. “How quickly can I complete this journey?”. We want to build roads that encourage people to travel more slowly and to stop and enjoy the physical and cultural diversity of

KwaZulu-Natal. We intend, therefore, to include a road beautification programme which will accommodate rest stops with clean toilet facilities and landscaped indigenous gardens. These rest stops will be maintained and kept clean by Zibambele contractors. They will undoubtedly become a focal point to market handcrafts, garden produce and refreshments.

In other words we will now use our road construction programme within the true spirit of the African Renaissance which recognises that we are African irrespective of our race. It has always been our Government's policy that one can have Black Africans, White Africans, Coloured Africans, Indian Africans, Chinese Africans, etc. What makes one African is a sense of belonging to Africa. In other words the African Renaissance is about roots and not race. This is why South Africa is so often referred to as the Rainbow Nation. Our roads programme will build the new rainbow construction industry in KwaZulu-Natal which will secure economic empowerment and upliftment precisely because it is in the best interests of all stakeholders that we work to normalise the road construction industry. To quote our President, Thabo Mbeki, from 1998:

"I think that the emergence of Black business in the country provides a secure atmosphere for business in general. For clearly, you could not have a situation in the country where you have democratised the politics of the country and don't do the same with regard to the economy. Because, if you did that and left it for many years, these newly franchised masses will rebel against that. I think that it is in the interest of all business to ensure that we deracialise business in the same way as we deracialise the politics of the country in the interest of all business in the country."

I have always advocated that the KwaZulu-Natal Department of Transport's dedicated budget to support emerging contractors was allocated in order to develop an appropriate context in which the normalisation (Africanisation) of the road construction industry in our province could occur. The increased budget allocations for roads and the adoption of the Medium Term Expenditure Framework now allows us to specifically plan for this outcome on large road projects. In this financial year we have budgeted R56 million for the design, planning and start up of several large road projects which, we believe, will make a critical difference in the economic growth of KwaZulu-Natal. We will set aside a larger budget share in future years and will continue to lobby for additional funds. The large road projects that will be initiated in 2001/2002 are:

- Main Roads 235, 52 and 49 extending from Mtubatuba to Vryheid via Nongoma and from Nongoma to Pongola (105,3 kilometres at a cost of R136,8 million):

These are rough gravel roads with above average maintenance needs due to the high traffic volumes in excess of 650 vehicles per day. It is an important corridor serving the development nodes of Nongoma and Hlabisa. Both these centres have hospitals serving large rural communities. It will be the only blacktop road serving an area of 2 500 km<sup>2</sup> and will serve as an important tourist route linking the World Heritage destination of the Greater St Lucia Wetland Park, the Hluhluwe/Umfolozi Game Park and the cultural and historical sites associated with the Zulu Kingdom.

- Main Roads 15 and 50 extending from Kranskop to Nkandla and Eshowe (89,2 kilometres at a cost of R115,9 million):

A network of rough gravel roads serving local communities and tourists. Attractions for tourists include the Nkandla forest and the grave of King Cetswayo. A surfaced road will kick-start the opening up of a large rural area with a massive backlog in infrastructure and proven high agricultural potential. The district of Nkandla has a land potential not dissimilar to that found around Cedara. Despite its good land potential its population lives in desperate poverty with a dependency ratio of 27 unemployed to 1 employed.



- Main Road 100 extending from Verulam to Inanda via Ndwendwe (41,5 kilometres at a cost of R53,9 million):

A rough gravel road with high maintenance costs. Sections of road are carrying up to 1 100 vehicles per day. It serves a densely populated rural area on the outskirts of the Durban Metro area. Inanda has been earmarked for funding under the Urban Renewal programme. As you know, Inanda's rich history makes it an important living symbol of our South African Renaissance. The blacktopping of Main Road 100 will open up an area which has a rich potential for cultural tourism.

- Main Road 68 extending from Highflats to Umtentweni via Dweshula and St. Faiths (51,2 kilometres at a cost of R66,6 million):

A rough gravel road with high maintenance costs due to the high traffic volume. Sections of road are carrying up to 1 200 vehicles per day. It is a major link through a vast rural population. The road passes through the rural centre of St Faiths which has the only hospital in the district.

- Main Road 399 extending from Edendale to Taylors Halt via Nxamalala (12,2 kilometres at a cost of R15,9 million):

A rough and dangerous gravel road serving as a major commuter route. The traffic composition is largely busses and taxis and the traffic volume is 500 vehicles per day.

- Main Road 296 extending from Isizweni to Buffalo Flats (48,6 kilometres at a cost of R63,2 million):

A rough gravel road with high maintenance costs due to the high traffic volume of up to 650 vehicles per day. It is an important commuter route serving a large area of rural settlements. It provides the link between the two major towns of Dundee and Newcastle.

**The total cost of upgrading these 348 kilometres of roads will be R452,3 million.**

I would like to repeat that we only have R56,0m to kick-start these major road projects this financial year. If the funds were available we would be able to complete the construction of these road projects to change economic potential of KwaZulu-Natal. These roads will be upgraded and maintained through a series of joint venture and "team" contracts that draw in all our road contractors from Zibambele to the well-established and profitable enterprises. I am pleased to inform you that we have been approached by several amakhosi with the view to fencing well-trafficked roads and working with them to ensure appropriate livestock containment measures. I mention this in response to the query from the DP member, Mr R E Keys, at last year's budget speech. I would like you to know Mr Keys that we did take your concerns seriously and that provision is made to introduce appropriate livestock containment systems under the recently approved KwaZulu-Natal Provincial Roads Act.

We will continue to respond to the needs of the emerging contractor sector in our Roads for Rural Development programme which has a strong focus on local roads. The budget allocation for local roads in 2000/2001 resulted in the construction of more than 200 local roads and some 100 minor bridge structures. This gave new access to 478 050 people, 405 schools and 129 clinics. In addition 8 170 kilometres of road were bladed under a programme which requires close co-operation between our regional staff, amakhosi and Rural Road Transport Forums to identify blading programmes. As you know, under our Roads for Rural Development programme, local roads are prioritised by our Rural Road Transport Forums. I would like to use this opportunity to thank them for their willingness to serve both their communities and the Department. At last

year's budget speech Mr T D Ntombela raised a concern that the Rural Road Transport Forums and Regional Councils need to co-operate more closely in planning infrastructure priorities. I realise, of course, that Mr Ntombela's concern was not his alone. I believe the strong presence of Rural Road Transport Forum members on municipal structures and vice versa will greatly enhance co-operation between spheres of government at grassroots level. Certainly we will encourage this.

Over and above its baseline budget, the Department was allocated a conditional grant of R46 million for critical periodic maintenance involving resealing and rehabilitation of road surfaces, specifically on major routes. Unfortunately at the beginning of the year the road network suffered further extensive damage caused by flooding. A special grant, from the National Command Centre for Emergency Construction, of R27 million in midyear and a further R33 million towards the end of the year assisted the Department with effecting repairs to flood damaged roads. These included the Mkaya/Phongola river bridge at the request of the Phongola Cane Growers Association. This helps in transporting 132 000 tons of sugar cane to the Mill per annum. On our site inspection accompanied by Hon member Combrink we decided to provide a permanent structure due to professionalism in the Department of Transport.

### **Emerging Contractor Programme**

I am pleased to inform you that the number of contracts issued by the KwaZulu-Natal Department of Transport to emerging contractors has grown considerably over the past four years, so much so that during this financial year 911 contracts were awarded to emerging contractors with a contract value of more than R160 million. In the process 766 476 workdays were created as a direct result of contracts awarded to emerging contractors. This demonstrates the potential for the emerging contractor programme to put the rural economy on a labour absorptive growth path. This year we have targeted an investment of R250 million in the emerging contractor sector. We anticipate an overall investment of more than R1 billion in the emerging contractor sector during this MTEF funding cycle (2001/2004).

The emerging contractor sector does experience serious barriers that constrain performance. These include access to finance, plant and training. The KwaZulu-Natal Department of Transport has taken the decision to intervene and assist the emerging contractors in removing those barriers that continue to constrain performance and which inhibit the normalisation of the construction industry in KwaZulu-Natal. The Department is in an advanced stage of piloting "plant support schemes" in a public/private sector partnership programme with Bell Equipment and Bell Finance. "Plant support schemes" will access emerging contractors to reliable plant at affordable rates on all KwaZulu-Natal Department of Transport contracts. The KwaZulu-Natal Department of Transport has budgeted an initial R12 million to facilitate this process. The Department is further prepared to play a facilitating role which will allow well performing emerging contractors to access finance and plant on the basis of being awarded multi-year contracts.

The growth in the emerging contractor programme has been quite phenomenal. The emerging contractor sector is an important stakeholder in the future of our provincial and national economy and features prominently in Government's intentions to put the rural economy on a labour absorptive growth path. Government must accordingly be prepared to absorb some of the risks that will remove barriers in performance. However, it must do so cost effectively and in a way that will build the institutional capacity of the emerging contractor sector to compete effectively on the open market. To this end of the KwaZulu-Natal Department of Transport will assist emerging contractors to form associations to more effectively facilitate access to training, support services, bulk being, finance, plant and the ability to lobby Government and other interest groups.

## Zibambele

I am also pleased to inform you that the KwaZulu-Natal Department of Transport's Zibambele programme, which received the Impumelelo award as the top programme in South Africa with a focus on the reduction of poverty and an improvement in the quality of life of the poor, did meet target of 6 000 annual contracts. Our intention is to increase the number of Zibambele contracts in 2001/2002 to 10 000. It is also our intention to move the Zibambele programme to its second phase which is to assist Zibambele contractors to organise themselves into savings clubs. We have budgeted to increase the value of Zibambele contracts in 2001/2002 which, we believe, will be an added incentive for Zibambele contractors to join savings clubs.

The potential for Zibambele savings clubs to break poverty cycles should not be underestimated. Even if each Zibambele contractor was able to save R30 per month, this would represent a collective saving of R3,6 million per annum. Our intentions is to assist Zibambele contractors to gear up their savings either through investments in Women Empowerment Investment Portfolios or in small enterprise developments. There is, of course, no radon why Zibambele savings clubs cannot progress through our Staged Advancement Emerging Contractor programme.

The lack of diversity in rural economies contributes significantly to their marginality and inability to recover from crises (drought, floods, cholera, HIV/AIDS). Household survival strategies are, of course, restricted by the marginality of the rural economy even in good years. We anticipate that Zibambele small enterprise developments and the increase in plant through the emerging contractor programme will contribute significantly to diversifying the rural economy and increasing the range of choices that people can make on how to deploy household labour.

Thus far 98% of all Zibambele contracts have been awarded to women-headed households. The reason for this is that rural women are the most disadvantaged sector in our country and women headed families comprise the most destitute families in KwaZulu-Natal. I am not talking about isolated cases. 46% of all Black African children in South Africa live only with their mothers. Their mothers are ill equipped to meet the challenges of an industrial economy and globalisation. Unequal access to education during the apartheid years disadvantaged some sectors of our society who grew up during this period. No sector in South Africa has been more disadvantaged, more marginalized than rural Black African women and, of course, their children, so much so that in many of our deep rural areas in KwaZulu-Natal less than 40% of the population is functionally literate. Even today a third of all children in South Africa between the ages of 6 and 14, who currently do not attend school, live in KwaZulu-Natal. In South Africa some 66% of Black African women with no formal education are described as being not economically active. Zibambele has put our rural people to work, particularly women, who would normally be left out of any opportunity because of their poverty. In the process the long-term prospects of the family are enhanced through improved access to schooling, nutrition, training and credit. The R33,5 million budgeted for Zibambele is a small cost compared to the dignity that it brings to rural women who can now support heir children who, they can now hope, will have a better future than their own.

Our Zibambele programme has been well received and recognised both nationally and internationally. It will shortly be introduced to other provinces. It is regrettable, therefore, that the banking institutions have not responded to Zibambele accounts in a spirit that has, at heart, the need to eradicate poverty and to give the poorest of the poor a stake in our economy. I am appealing to the banking sector in KwaZulu-Natal to come on board and work with Government to support the struggle against poverty in our province.

## TRANSPORT

2000/2001 budget allocation	R14 940 000
2001/2002 budget allocation	R16 655 000

Public transport is an issue that touches the lives of the vast majority of South Africans, particularly our Black majority. For most Black people in South Africa, public transport is their vital link to work, services, recreation and opportunities.

The KwaZulu-Natal Department of Transport is acutely aware of its responsibility to regulate and transform the apartheid public transport system into one that can take its rightful place in a democratic South Africa. However, we are also acutely aware that a transformed public transport system will not, in itself, meet the mobility needs of all our citizens.

### Rural Mobility

One does not need to look very deeply into South African society before one realises that women, even more than donkeys, are “beasts of burden” daily transporting heavy loads of water, firewood and groceries to meet their household needs, quite often while also carrying a baby on their back. I have always found it disturbing that, in South Africa, we have developed the technology that allows golfers to transport themselves and their clubs around golf courses but we have not yet developed any solution to assist rural women.

Rural populations have a wide range of mobility and transport delivery needs that are not yet catered for:

- In KwaZulu-Natal, most agriculture is done on small plots which are located some distance from people’s homes. There is no transport delivery system in place to allow farmers to transport their crops from fields to home. For the most part crops are transported by women.
- Pension payout points are the focus of large informal markets where hawkers trade in a wide range of goods. For the most part these goods are transported by women.
- Rural populations consume a wide range of goods that are purchased from urban areas. There are no delivery services from general dealers, bus stops or taxi drop-off points. For the most part consumer goods purchased are transported to homes by women.
- A household’s daily firewood and water needs are all transported by women.

These observations highlight that, in rural communities, the vast majority of daily delivery needs are met by women. Women have become “beasts of burden”! This is a condition that results in premature aging.

The KwaZulu-Natal Department of Transport has investigated how other countries deal with the delivery needs of rural populations. It is an interesting fact that in Asia, what are termed “cargo tricycles” carry more tonnage than all the motorised vehicles in the rest of the world. As a result of our investigations, the KwaZulu-Natal Department of Transport has concluded that a range of tricycle options could be introduced to meet the delivery needs of both rural and peri-urban populations. I have arranged for a prototype to be displayed in the foyer. The three models of cargo tricycle that are available are pedal power, battery operated and petrol driven engine. Their suitability for filling the niche to transport groceries, water, firewood, market and garden produce, etc. will depend on terrain. We believe they could also be suitably introduced to assist street

traders in transporting, displaying and marketing their goods in an efficient and aesthetically pleasing manner.

The introduction of cargo tricycles will not only fill a valuable niche market it will also create a whole new range of employment opportunities in rural communities. Think on the difference it would make to the lives of rural women were entrepreneurs with cargo tricycles located at key points such as general dealers, bus and taxi drop-off points, pension pay-points, water sources, markets, etc. We are currently investigating how best delivery bicycle models can be introduced, where they are most needed and how our local community organisations, such as Zibambele savings clubs and Rural Road Transport Forums as well as Taxi Associations through Umthombo, can become equity partners in this exciting business venture.

This year the National Department of Transport will begin the Shova Lula project which will roll out 15 000 tricycle transport packages nationwide. The KwaZulu-Natal Scholar Bicycle Project, which was a recommendation of our Rural Mobility Needs Assessment Study, has been selected as one of the projects to be implemented under Shova Lula. The Transport Directorate has piloted scholar bicycle projects in the Weenen and Izingolweni areas. It is anticipated that the recommendations from the pilot project will be available in June 2001.

### **Minibus Taxis**

I will now report on the progress made in regulating the minibus taxi industry in KwaZulu-Natal.

The minibus taxi industry in South Africa has by far the largest market share in public transport. Despite all the difficulties that continue to plague the minibus taxi industry, there is evidence to show that the industry is increasing its market share against all other modes of transport.

Despite its turbulent history, despite the fact that during apartheid it was unregulated, the minibus taxi industry is today the most critical pillar of our public transport sector. Not only is it the most available mode of transport, it is also the most affordable to the public. Government has therefore taken considerable steps to regulate the minibus taxi industry in the best interests of public safety and to transform it into a more profitable business in which income is derived from a wider basket of income generating enterprises and not just fares.

The KwaZulu-Natal Department of Transport has now completed the democratisation process. More than 320 applications were received from Taxi Associations had the same Chairman for more than 14 years. 252 Taxi Associations now have properly elected office bearers. These have, in turn, been organised into 16 Regional Taxi Councils who, in turn, elect their representatives plus 6 office bearers to the Provincial Taxi Council. In June 2001 the South African Taxi Association Council will be duly elected.

Under the Be Legal Campaign any illegal taxi operator who was a member of a recognised taxi association in June 1997 has until 30 September 2001 to register legally. Being registered legally means that the operator is granted a permit that specifies route as well as starting and end points. Taxi operators that have not been granted permits will be considered illegal and will not be allowed to operate.

The most widely publicised and certainly the most ambitious Government intervention in the minibus taxi industry has been the re-capitalisation programme. The KwaZulu-Natal Department of Transport has been heavily involved in the taxi re-capitalisation process. We expect that the successful tender will be announced shortly and that production of minibus taxis, specifically designed for passenger safety and comfort, will begin this year.

After many frustrating years of efforts to end taxi violence in KwaZulu-Natal, Cabinet appointed a judicial Commission of Enquiry into taxi violence and related matters. The Commission, which was established in May 2000 and chaired by Judge Gerald Alexander, submitted its findings and recommendations on 24 February 2001.

The Commission enjoyed full powers to deal with all aspects of taxi violence. It was tasked with ensuring that those taxi operators, drivers and their associations who are involved in taxi violence and other criminal activities be arrested and prosecuted. To this end the Commission is linked to the Special Projects Prosecutions Unit and to a Special Police Investigative Unit.

The Commission's brief was to not only cleanse the taxi industry of all criminal elements which are responsible for a wide range of problems, but also to investigate the structural causes of taxi violence. In this sense the Commission acted as the TRC of the taxi industry in KwaZulu-Natal in its attempt to understand why violence exists, what form it takes and who is behind the violence.

The Commission has made several valuable recommendations. These include:

- that State bodies investigating taxi violence and related problems should be co-ordinated into one investigative unit.
- that the prosecution of the perpetrators of taxi violence should be speeded up to protect witnesses.
- that the current system of appointing rank managers who are employed by Taxi Associations should be replaced with independent rank managers appointed by the relevant municipalities.
- that Taxi Associations be appropriately constituted and that their finances be duly audited.
- the introduction of a uniform tariff, applicable to all routes.
- the introduction of season tickets for daily commuters.
- the introduction of clearly visible and distinctive markings on taxis that identify the taxi operators, Taxi Associations and routes.
- the establishment of Commuter Associations to protect the interests of commuters and to put an effective brake on improper operating standards
- the training of taxi operators
- a 24 hour taxi "hotline" to allow the public to report any transgressions

I believe that, once these recommendations have been implemented, together with the findings of the Independent Taxi Tribunal which is dealing with the problems of the long distance Taxi Associations, we will begin to see an end to taxi violence in KwaZulu-Natal and that the minibus taxi industry will undoubtedly grow and develop as a triumphant model of the Black entrepreneurial spirit.

### **Bus Subsidies**

The National Department of Transport devolved the Administration of KwaZulu-Natal's bus subsidy functions to the KwaZulu-Natal Department of Transport in April 1997. At present the KwaZulu-

Natal Department of Transport administers and monitors 38 subsidised bus contracts at a value in excess of R20 million per month.

The KwaZulu-Natal Department of Transport has commissioned forensic audits on several bus subsidy contracts. While we await the final results of these audits, early indications are that there is corruption and that some KwaZulu-Natal Department of Transport officials may be involved. I do not want to jeopardise the findings of the audit nor the legal action that might follow by disclosing more details of the investigation at this stage. I hope that you will respect the integrity of our investigations by not pressing for more information until the audit and our investigations are complete. I can assure you that we will root out corruption if it is there to be rooted out and we will act on the findings of the investigation no matter how painful this might be.

## **Rail Restructuring**

Spoornet's proposed restructuring of its corporate model is set to significantly alter provincial participation in the rail transport network. Presently the structure consists of:

- Mailine Passenger service
- Coal link
- Oryx
- Luxrail
- Goods Freight Business

Under its current proposals, it will retain Oryx and Coal link, and a percentage of the Goods Freight Business. Provinces will then have the option of taking over the balance of the Goods Freight Business depending on its own economic development imperatives. The structuring of the Provincial Rail Business will be one, or a combination, of provincial public or privatised entities or a concessionary arrangement.

## **ROAD TRAFFIC CONTROL AND ROAD SAFETY**

2000/2001 budget allocation	R153 784 000
2001/2002 budget allocation	R159 389 000

Since 1994 the KwaZulu-Natal Department of Transport has introduced programmes that advocate that road safety is everyone's business and responsibility. For the most part road accidents are not accidents. They could have been avoided had motorists and pedestrians obeyed the laws of the road. Road safety will only become a reality when South African road users internalise road safety norms and values and respect the fact that the laws of the road are designed to protect road users. Our responsibility, as Government, is to assist our public to make the cultural and behavioural changes necessary to bring about a culture of road safety and road tolerance and to protect the public from those who continue to disregard the law of the road. We have therefore coupled a Zero Tolerance enforcement campaign, to detect and deter lawbreakers on our roads, with a mass communication and education strategy designed to inform the public of critical road safety issues. It is our hope that an informed public will become a supportive public, a public that puts its influence behind our Zero Tolerance campaign.

Because our roads are unsafe, it may appear to the road using public that our strategy has not worked. This is not the case. The Annual Traffic Safety Audit published by the Automobile Association (AA) in February 2001 reports that road accident fatalities in South Africa peaked at 11 157 in 1990 but had decreased to 9 068 in 1998, a drop of 15,2%.

Our Zero Tolerance enforcement campaign is administered by the Road Traffic Inspectorate (RTI) while the social contract between Government and the public to make road safety everyone's business is administered by our newly formed Road Safety Directorate which includes Asiphephe.

Our road safety initiatives in KwaZulu-Natal have made a major contribution to the development of our national strategy known as The Road to Safety 2001 – 2005. The Road to Safety 2001 – 2005 recognises that bad driving, a disregard for the rule of law on our roads and a high pedestrian fatality rate are features of our South African society. It is therefore essential to deal with road safety as a year round concern and not simply as a feature of holiday fever.

The adoption of The Road to Safety 2001 – 2005 will introduce a wide range of programmes which, we believe, will make public and private transport safer. I would like to stress that these programmes are not new to KwaZulu-Natal. They have been part and parcel of our holistic approach to road safety for several years. The fundamental difference that The Road to Safety 2001 – 2005 brings is that road safety programmes will now move up a gear and will be budgeted for as a year round concern.

We have gone about our Zero Tolerance campaign in a scientific way focussing on the major known causes of road collisions. These are speed, drunk driving, overloading, unroadworthy vehicles and negligent driving.

During the past financial year the Road Traffic Inspectorate, as part of our Zero Tolerance campaign, has:

- Screened the speeds of more than 4 million vehicles on our roads.
- Weighed 100 000 heavy-duty vehicles to test for overloading. A recent report commission by the Automobile Association calculates the cost to our country as R650 million per annum in road damage caused by overloading. KwaZulu-Natal became the first province in the country to be selected by the National Road Agency to enter a policing partnership to control overloading on our major arterial routes. Our intensified enforcement campaign has reduced the incidents of overloading to less than 10% of all vehicles checked. This is the lowest in the country.
- Checked the validity of more than 320 000 drivers licences.
- Conducted more than 200 000 alcohol breathalyser tests.
- With the Department of Justice, established Roadside Holding Courts to bring swift administrative justice to traffic offenders. Current Roadside Holding Courts are established on the N3 North Cato Ridge interchange, N2 North Umdloti interchange, N2 South Park Rynie interchange and N3 South Bergville interchange.
- Launched our Remote Communications System which allows traffic officials to check whether there are outstanding traffic fines registered to a particular vehicle when that vehicle is stopped by the traffic officials.

The Trafman system for managing data and information is currently being installed in all 24 Road Traffic Inspectorate offices. This will assist the Department in the recovery of fines as well as provide traffic officers with critical information concerning drivers licences, accident management and vehicle roadworthiness. The introduction of the Trafman system will, for the first time, link Road Traffic Inspectorate stations in outlying districts, such as Nqutu and Nongoma, to the KwaZulu-Natal Department of Transport's data network. The introduction of the Trafman system will undoubtedly contribute to the improvement and success of road safety campaigns.



Enforcement campaigns have been significantly strengthened by the passing of the Administrative Adjudication of Road Traffic Offences Act (AARTO) and the Road Traffic Management Corporation Act as well as the introduction of a Points Demerit System for drivers licences. Increasingly South Africans will have to come to terms with the fact that a drivers licence is not a right and that if they break the law of the road they will pay.

Our newly formed Road Safety Directorate has been hard at work to promote a culture of road safety and to ensure that all sectors of the public are better informed to contribute to a safe road environment in KwaZulu-Natal. Musicians, artists, political leaders, religious leaders and other celebrities have all joined our road safety staff on mass communication campaigns. Asiphephe (Let Us Be Safe) has taken awareness campaigns into even remote communities through the establishment of Community Road Safety Councils and the signing up of amaKhosi as Patrons of road safety. It has also vigorously promoted pedestrian safety through the Omela Ngasekhaya (Get Thirsty Near Home) campaign. Road safety education has been extended into schools as part of their curriculum development. Schools have also participated in projects and programmes such as Child in Traffic and Scholar Patrol, Road Safety in Sports and the Participatory Educational Techniques project. The last mentioned project was chosen as the best community youth project nationwide by the Road Transport and Education Committee.

The KwaZulu-Natal Department of Transport joined hands with top South African artists, who have national and international followings, to promote road safety through music by recording the Asiphephe CD. The CD was launched in Durban on 31 October 2000. You will find copies of the CD in your folders.

The close co-operation between the Road Traffic Inspectorate and the Road Safety Directorate will be taken a step forward this year by a programme which focuses our resources on strategic high accident risk areas which are mapped by Red Spots and Black Spots. For your interest a map detailing Red Spots and Black Spots is presented in the foyer (scaled down maps are included in your folders). Red Spots on the map signify points on the road network where there have been serious collisions and fatalities. These usually occur on high traffic volume roads. Black Spots on the map signify danger zones that have been identified by Community Road Safety Councils. These usually occur on low traffic volume roads. You will see that circles can be drawn on the road network to include Red Spots and Black Spots. These circles reflect a catchment population that is most at risk in terms of road safety. Our intention is to introduce a comprehensive programme of Zero Tolerance with community road safety awareness and education campaigns, including pedestrian education, to the communities that fall within each circle.

## **CORPORATE SERVICES AND ADMINISTRATION**

2000/2001 budget allocation	R73 026 000
2001/2002 budget allocation	R87 463 000

The Chief Directorate : Corporate Services is responsible for support services to the KwaZulu-Natal Department of Transport.

Over the last year the Chief Directorate oversaw, on behalf of the Deputy Director General, the restructuring of the KwaZulu-Natal Department of Transport. This has ensured that the Department's delivery objectives are met through reconciling structures and staff allocations with the budget and the delivery needs of the people of KwaZulu-Natal.

## **Human Resources Development**

The equity plan for the Department has been submitted to the Department of Labour. The equity plan sets race, gender and disability targets for staff composition within the Department. Skills audits are currently being prepared. This will allow the Department to streamline staff development programmes and ensure more efficient service delivery. The skills audit will assist the Department in developing career paths for staff in line with the restructuring of the Department. The Directorate has continued to run a Management Development Programme and 30 middle and junior managers have registered for the course this year. In August 2000 14 staff, who were registered in 1999, graduated with a Management Development Diploma which is now certified through the University of Durban/Westville. The Directorate continues to provide Adult Basic Education Training. This year 140 students graduated from the course and a further 58 students registered to write the Independent Examination Board exams in November 2000.

An employee assistance programme, which is designed to provide social and psychological assistance to staff as well as guidelines for supervisors, has been developed and will be implemented in 2001.

## **Technology Transfer (T<sup>2</sup>) Centre**

The T<sup>2</sup> Centre was established to provide for the effective transfer of "Best Practice" transport industry technology to meet the current development needs of KwaZulu-Natal and the Eastern Cape.

It was originally established as part of a joint co-operation agreement between the United States Federal Highways Administration (FHWA) and the KwaZulu-Natal Department of Transport. Since then the T<sup>2</sup> Centre has extended its operations to include the SADC Region.

The passing of the African Renaissance and International Co-operations Fund Act (Act 51 of 2000) will undoubtedly enhance our role in securing appropriately skilled technical people who are essential for the growth and development of our country and the African continent.

Current programmes include:

- developing information technology based management systems, including a Project Information Management System (PIMS) for business plans and a Contract Management System (CMS),
- an internship and mentorship programme for newly qualified technical staff,
- a programme to access and train heavy construction machine operators on site, and
- a programme to train roadwork's foremen.

The T<sup>2</sup> Centre also oversees an exciting research programme which will provide vital information for the cost efficient performance of the Department. This includes:

- establishing a quarry and borrow pit Data Base for KwaZulu-Natal,
- alternate technologies to re-gravelling,
- high performance low cost river crossing structures, and

- general scoping of appropriate technology worldwide

The KwaZulu-Natal Department of Transport has budgeted R2 million for building alterations to accommodate the T<sup>2</sup> Centre. The T<sup>2</sup> programme is already the focus of considerable national and international attention. It is important therefore that the T<sup>2</sup> programme be appropriately accommodated. The T<sup>2</sup> Centre has been commissioned to oversee the building alterations using appropriate technology methods. It is anticipated that the methodology used will prove valuable in KwaZulu-Natal's urban renewal programmes.

## **Procurement**

Our procurement office continues to develop its good working relationship with the Provincial Tender Board. In 2000 a further exemption from the Tender Board to extend the staged Advancement Emerging Contractor Programme to include a Stage 4 contract up to the value of R1,5 million was obtained. Procurement is responsible for unbundling all outsourced contracts to ensure that previously disenfranchised population groups receive a fair share of Department work.

## **Motor Licensing**

Motor licensing continues to expand its accessibility to the public by appointing agencies to act on its behalf where the number of registered vehicles exceeds 2 000. Thus 69 Post Office agencies have been appointed to issue vehicle registration licences. This system has made vehicle registration less time consuming for hundreds of thousands of motorists but particularly those living in more remote settlements. The Motor Licensing Bureau was the Silver Award winner in the Premier's Good Governance Batho Pele awards.

The Motor Licensing Bureau has been appointed to manage the Department's Traffic Camera Office. This appointment has significantly increased the collection of fines. It is envisaged that the office will secure as much as R10,5 million from the payment of fines this financial year.

## **Provincial Motor Transport**

Corporate Services has successfully championed the Department's struggle to stamp out corruption and fraud. The Provincial Motor Transport Directorate was the Gold Award winner in the Premier's Good Governance Batho Pele awards for dramatically reducing operating costs by stamping out corruption and vehicle abuse.

Provincial Motor Transport has outsourced the province's fleet management contract to Wesbank with a condition that 80% of all repair work is allocated to emerging contractors. Although this initiative was only launched in 1999, 593 of the 850 merchants contracted by Wesbank to maintain and repair the provincial motor fleet are categorised as either SMME or emerging contractors.

The systems developed by Provincial Motor Transport and Wesbank KwaZulu-Natal have been accepted in principle by the Board of First National Bank. The intention is to roll out the programme nationally. This will not be confined only to Government contracts but will also include the corporate business sector.

## **FINANCIAL MANAGEMENT**

The KwaZulu-Natal Department of Transport has created a finance management portfolio at Chief Directorate level. That the Department has benefited from having an internal audit facility and

financial manager for the past several years is evident in the presentation of Directorate business plans. Almost all budget allocations for 2001/2002 have been made against clear performance criteria to measure the cost effective delivery of services and outputs. The introduction of sound financial systems has significantly improved our relationship with the Provincial Treasury and the KwaZulu-Natal Department of Finance.

## CONCLUSION

Over the past several years the KwaZulu-Natal Department of Transport has focussed its budget on putting innovative programmes in place that do make a difference in the lives of all our public. The difference that we are seeking to make is:

- The construction and maintenance of a provincial road network that meets the mobility needs of all and creates an enabling environment for economic growth.
- The establishment of an affordable public transport system in which the public can exercise a choice on how they wish to travel.
- The establishment of intermodal transport systems which are linked to development corridors and modal interchange nodes.
- A safe road environment.
- A reduction in poverty through the provision of access to isolated communities and through the creation of work and entrepreneurial opportunities.

In closing I would like to point out that the KwaZulu-Natal Department of Transport is widely acknowledged to have used its portfolio to introduce affordable and innovative solutions to do reduce poverty and do provide poor communities with hope.

Mr Speaker, I am emphasising the role of the KwaZulu-Natal Department of Transport in the reduction of poverty because I think that all of us present today, in this Legislative Assembly, acknowledge that the greatest challenge that we face as a nation and as a province is the eradication of poverty. Poverty is our most pressing social problem. Poverty is the common denominator in chronic ill health, malnutrition, the spread of HIV/AIDS, TB and other preventable diseases, illiteracy, innumeracy, escalating crime and hopeless apathy.

Central to the lasting eradication of poverty is the creation of sustainable job opportunities that increase the productivity of our country.

Central to the lasting eradication of poverty is Government in programmes that factor an understanding that the poor remain persistently poor because too few opportunities exist for them to improve their lot and that avenues for self advancement are historically linked to the advancement of the more privileged sectors of society at the expense of the underprivileged.

Central to the lasting eradication of poverty is the redistribution of opportunities and resources and the creation of an appropriate institutional framework to ensure that the poor can take advantage of new choices.

There is no doubt that our Zibambele, Emerging Contractor, Emerging Merchant and Taxi Industry programmes have done just that. They have created jobs where no jobs existed before. They have created opportunities where no opportunities existed before. And they have, in the process, contributed to the upgrading and maintenance of valuable public assets.

In other words, the KwaZulu-Natal Department of Transport has used its budget in the best interests of a KwaZulu-Natal Renaissance.

The KwaZulu-Natal Department of Transport can make a greater contribution to the sustainable reduction of poverty in KwaZulu-Natal. We can increase the number of Zibambele contracts. We can create an appropriate environment for the normalisation of the construction industry in our province. We can provide the public with an affordable public transport system. We can address the mobility and transport needs of the poor in a holistic way.

We can, of course, only do this if we receive appropriate budgets. We have, I believe, introduced affordable solutions to address deep rural poverty and we can, I believe, move from the eradication of poverty to global competitiveness. We can build our KwaZulu-Natal Renaissance and, through this, contribute to our South African and African Renaissance.

Finally, I would like to acknowledge the tremendous support I have received from Dr Kwazi Mbanjwa and his management team in the performance of my portfolio as Minister of Transport. They have worked tirelessly and selflessly to ensure that the public receive value for money from the KwaZulu-Natal Department of Transport. In the final analysis the success of the Department is dependent on our field staff whose responsibility it is to implement management's programmes. I would like to thank all of you for your hard work and your support.

Thank you