



# transport

Department:  
Transport

**PROVINCE OF KWAZULU-NATAL**

PROSPERITY THROUGH MOBILITY.



**BUDGET VOTE  
SPEECH  
2017/2018**



**MR. T.M. KAUNDA**  
MEC for Transport,  
Community Safety and Liaison



## **BUDGET VOTE SPEECH 2017/2018**

Presented to the KwaZulu-Natal Legislature  
on Thursday, 20 April 2017

**Budget Vote 12 Policy Statement 2017/18 delivered by  
MEC for Transport, Community Safety and Liaison, Honourable T.M. Kaunda,  
at the KwaZulu-Natal Provincial Legislature  
in Pietermaritzburg on Thursday, the 20<sup>th</sup> of April 2017**

- **Madam Speaker, Honourable Lydia Johnson;**
- **The Premier, Honourable Willies Mchunu;**
- **Deputy Speaker, Honourable Meshack Radebe;**
- **Honourable MECs;**
- **Honourable Members of the Legislature;**
- **Your Worships, the Mayors, and Councillors of Municipalities;**
- **The Acting Director-General;**
- **Heads of Departments and State Agencies;**
- **Traditional Leaders present;**
- **Leaders of Transport Stakeholder Organisations;**
- **Various sectors of our Society;**
- **Officials of Government Departments;**
- **Distinguished guests;**
- **Members of the media; and**
- **Fellow citizens.**

## **Introduction**

Madam Speaker, I rise to table Vote 12, which is the budget policy statement of the KwaZulu-Natal Department of Transport for the financial year 2017/18. This policy statement reflects continuity on our developmental approach to implement our mandate of providing roads and transportation infrastructure services to citizens. As such, we will retain our running theme, which is “Road Safety is Our Collective Responsibility.”

This year’s budget also, critically, marks the beginning of our journey to transform our department into a truly responsive, effective and efficient service delivery engine. From the onset, we wish to affirm that we will drive a sustained programme of changing our people’s lives for the better in the still underdeveloped, rural and township communities.

In the year of honouring the life and legacy of Oliver Tambo, the late former President of the African National Congress, which is the governing party, we aim to be decisive and goal-oriented in our approach to service delivery. We will build on the work of my predecessors the last of whom is now our Premier, uBaba uMacingwane. We will retain our programmatic approach as we set set our sights firmly on achieving radical socio-economic transformation.

## **Strategic focus**

We remain inspired by the Freedom Charter, which President Tambo described as “the sum total of our aspirations...the uniting creed of all the people struggling for democracy and for their rights; the mirror of the future of South Africa”.

In honour of “OR”, we are seeking to implement the Freedom Charter, and all the resolutions of the African National Congress that give meaning to it.

That is why we are seized especially with the clause that declares that; “the people shall share in the country’s wealth!”

It is our utmost belief that we must transform our economy to ensure that all people have equal rights to trade and manufacture.

We also hold firmly the view that industry and trade must be controlled equitably, if it is to advance the well-being of the people as a whole.

**In the medium term, we are working to achieve the following five strategic imperatives:**

1. Improve the department's administrative governance and skills base to create an effective and responsive department that is accountable and achieves a clean audit;
2. Decisively implement the Radical Socio-Economic Transformation programme;
3. Intensify the delivery of roads and transportation infrastructure programmes in line with our mandate and guided by a prioritisation model;
4. Involve communities and relevant stakeholders as active participants and partners in implementing departmental programmes; and
5. Create an effective traffic management and a safe road environment to reduce road crashes and fatalities in the province.

### **Our 2017/18 budget**

Madam Speaker; **our R9.96 billion** budget allocation for 2017/18 will be invested into expanding roads and transportation infrastructure. We are very conscious of the economic pressures in our country and the world, hence we will be prudent in our investments. Importantly, we are committing **73 percent** of the total budget into transformative roads and transportation infrastructure, to aid and catalyse economic development and growth in the province.

**73% of our total budget of R9.96 billion is invested in roads infrastructure development.**

All of this investment is focused centrally on connecting rural communities to each other and to places of work and towns; learners to schools; social security beneficiaries to pay-points and patients to clinics and hospitals, among others.

It is also, critically, leveraged to advance economic empowerment of Women, Youth, People with Disabilities and Military Veterans. But it is also about addressing the triple challenges of poverty, unemployment and inequality.

We will drive these programmes while emphasising fiscal discipline and prudence, in light of budget cuts, which are approximately **R700 million** in the next three years due to:

- The Provincial Equitable Share and Own Revenue Reduction, resulting in R27 million in 2017/18; R31 million in 2018/19 and R55 million in 2019/20;
- Remuneration of Izinduna, which totals R32 million over three years;
- Baseline adjustment of R1.7 million; and
- The Provincial Roads Maintenance Grant, which has been reduced by R210 million in 2017/18; R224 million in 2018/19 and R86 million in 2019/20, respectively.

### **Radical Socio-Economic Transformation**

Honourable members; our commitment to Radical Socio-Economic Transformation is resolute, and combines planning for the medium to long-term, while emphasising implementation of quick wins.

Our department's Integrated Radical Socio-Economic Strategy, has already been presented and endorsed by the Provincial Executive Council.

**Radical Socio-Economic Transformation is now fundamentally our strategic policy thrust.**

This endorsement is a major boost for us, and it confirms that Radical Socio-Economic Transformation is now fundamentally our strategic policy thrust.

It is going to pervade the bloodstream of our department both internally and in terms of our relations with all our stakeholders including suppliers, service providers, and most importantly citizens.

We are well aware that transforming the deeply entrenched current socio-economic structure, which was built to disenfranchise Africans in particular and Blacks in general, is not an easy task.

Indeed, we quite understand, without any shred of naivety, that it is a process that will require extensive consultation and education of all stakeholders.

It is going to require us to be firmly set on action, and more action, to make socio-economic change our new way of life.

In this regard, we are forever guided by the wise words of Dr. Kwame Nkrumah, the founding President of independent Ghana.

In his 1963 book titled "Africa Must Unite", President Nkrumah wrote instructively that:

*"For freedom is not a commodity which is 'given' to the enslaved upon demand. It is a precious reward, the shining trophy of struggle and sacrifice. Nor do the struggle and sacrifice cease with the attainment of freedom. The period of servitude leaves behind tolls beyond what it has already taken. These are the costs of filling in the emptiness that colonialism has left; the struggle and the toil to build the foundation, and then the superstructure of an economy that will raise up the social levels of our people that will provide them with a full and satisfying life, from which want and stagnation will have been banished. We have to guard closely our hard-won freedom and keep it safe from the predatory designs of those who wish to re-impose their will upon us."*

To this end, we will be undergoing an overhaul of our departmental policies, systems and processes. We will reengineer these systems and processes to effectively increase participation of particularly Africans and Blacks in general in the transport sector value chain. We will pay special attention to changing attitudes and mind-sets of both members of staff and our external stakeholders, especially our main service providers.

Honourable members; I am unwavering when I say for us achieving a fair and equitable distribution of work and wealth is non-negotiable.

Our strategic approach adopts a transportation sector-wide view, because we believe it will unlock phenomenal growth of not only our provincial economy, but that of the country at large. KwaZulu-Natal, is after all, strategically the import and export gateway into the country, and Africa at large.

**In this regard, our Integrated Transport Sector Socio-Economic Transformation approach is:**

- Underpinned by a focus and emphasis on empowering Africans, and is aimed at transforming the Transport sector in line with the demographics of the province;
- Guided by the Integrated Transport Sector Codes and recent Treasury reforms;
- Premised on inter-governmental relations to ensure strategic collaboration across departments, municipalities as well as State agencies and entities;

- Seeking to leverage transformation opportunities across transport sub-sectors; and
- Lifting the gear in ensuring compliance with the amended Broad-Based Black Economic Empowerment, Preferential Procurement Policy Framework and other relevant legislations, to radically change patterns of ownership, management control, skills development, enterprise and supplier development as well as socio-economic development.

Furthermore, our approach will entail a collaborative effort to involve all stakeholders in transport sub-sectors including Bus Commuter and Coach Services; Taxi Industry; Public Transport; Road Freight; Maritime Transport and Service Industry; Forwarding and Clearing as well as Rail.

Our programme, honourable members, is named "IGULA", which in addition to its isiZulu meaning, is in this context an acronym for the "Inclusive Growth, Unity and Economic Liberation of Africans in particular and Blacks in general".

**It is going to be anchored on 10 pillars; namely:**

1. Transformation of the KZN transport sector in line with the Integrated Transport Sector Transformation Codes;
2. Radical procurement reforms;
3. Enterprise and supplier development;
4. Enforcing regulatory and licensing mandates;
5. Collaborative partnerships;
6. Establishment of a Provincial Roads and Infrastructure Agency-
7. Industrial Development programmes;
8. Establishing a KZN Integrated Transport Institute;
9. Revitalising road safety programmes; and
10. Driving a sector-wide technology development.

**This programme will furthermore be supported by procurement reforms. These reforms will entail the following interventions, which are aimed at local empowerment and the development of rural and township economies, involving social and small enterprises as well as cooperatives:**

- Developing a Jobs Procurement Policy Framework that links procurement to creation of jobs in all contracts;
- Ensuring that the department's discretionary spending generates a defined set of sustainable

- jobs in each financial year;
- Establishing a job seekers' database of unemployed graduates;
- Requiring service providers to provide work-plans for job creation;
- Developing a Community Based Procurement Policy Framework aimed at ensuring integration of community members in departmental contracts;
- Ensure that social enterprises, which are owned by the community, drive participation of targeted sectors while promoting self-reliance and social justice;
- Development of a Collaborative Procurement Policy Framework to promote public-to-public collaboration in strategic sourcing of common goods and services and beneficiation across the value chain;
- Implement Off-Take Agreements to promote industrial public private partnerships in the strategic sectors such as Asphalt and Bitumen Production, Road Aggregates and Yellow Plant. The department will through off-take agreements resuscitate the Government Garage in order to upskill informal and non-trade tested mechanical and panel beating service providers in the townships and rural areas;
- Through Enterprise Development and Contractor Incubation Programme, the department will effectively implement the 30% minimum local content requirement, and incubate a critical base of contractors (estimated at 50 per district for the next three years); and
- Leverage the Enterprise Development and Contractor Incubation Programme to provide Bulk Buying Small Enterprise and Contractor Support as well as facilitate mergers and acquisitions and sub-contracting opportunities.

### Road Safety

Madam Speaker, we remain concerned about the continued high rate of road crashes and fatalities in the country, but particularly in the KwaZulu-Natal province.

The two recent fatal crashes involving a bus and mini-buses, which took place in Ntunjambili last Saturday, the 15th of April, and in eMzambe on Monday, the 17th of April, respectively, are a gruesome reminder

of the work that awaits us to create broad societal awareness. Again, we wish to send our deepest condolences to the affected families, and a speedy recovery of the injured people who are still in hospital.

We need to drastically change our approach to road safety to save people's lives. This will entail escalating focus on partnerships with all sectors of society, including Public Transport; Freight and Logistics; galvanising the alcohol beverages, retail, telecommunications, and automotive industries, amongst others; the interfaith; and the media.

This approach is based on our running theme, "Road Safety is Our Collective Responsibility"; and anchored on our "Operation Valingozi" road safety education and awareness campaign. As part of this, we will escalate the road safety education, community outreach and law enforcement activations throughout the year, not just during busy holiday seasons.

At this instance, it is opportune for me to express my sincere gratitude to the Provincial Executive Council, and members of the Transport Portfolio Committee, as well as Mayors in different municipalities, who are already leading from the front.

I cannot emphasise more the seriousness of the impact caused by the road carnage on our socio-economic wellbeing, and our country's future. The solution lies in working collectively to change people's mind-sets and attitudes at home, at work, in places of sports and recreation, on the road through law enforcement roadblocks and general visibility.

We have to increase investment in education and awareness campaigns, leveraging the pervasive social networks, mainstream media, and community outreach platforms.

The main areas of great concern remain road users' (both motorists and pedestrians alike) failure to respect road traffic rules and signs, speeding, driving under the influence of alcohol, as well as unlicensed drivers and un-roadworthy vehicles.

We will institutionalise the "Youth in Road Safety" structures as we map out comprehensive and targeted programmes focusing on the youth, who are the largest base of victims of road crashes and fatalities.

Similarly, our sector-wide involvement plan will ensure partnerships with business, labour, the interfaith, public transport, freight and logistics as well as community based structures.

One of these partnerships is with the SAB, which has already invested in six Alcohol Evidence Centres in the province, a programme addressing the scourge of drinking and driving.

We will also, as a province, adapt the National Road Safety Strategy 2016-2020 and ensure that we have our own provincial strategy that talks to the nuances of KwaZulu-Natal. Losing one life is not acceptable; but losing more than 300 lives in just one Festive Season is grave enough to cajole all of us into action.

### **Impact of Technology in the Transportation Industry**

Honourable members; technology is making a huge impact across industries in the world, but especially in the transportation sector. The digital age, what is also known as the Fourth Industrial Revolution, is characterised by the convergence of technologies and industries, and is changing or “disrupting” the way we move people and goods around.

Global innovations are steaming ahead, and are propagated by the advent of artificial intelligence, where machines or robots are taking over human tasks or roles.

## ***We cannot afford to lag behind technological advances in the transport sector.***

Among the technological advances we see are the pervasive growth of mobile application-based services, self-driving vehicles, flying cars and extremely high-speed trains. As a province and country, we have to adapt to these ground-breaking changes brought by advances in technology or risk being left behind.

Lagging the digital age will clearly be suicidal. In fact, our slow pace of adoption of technology risks rendering most of our developmental and empowerment initiatives, including legislation and policies, obsolete.

As a department, we have renewed our strategic focus on improving systems and processes through deploying cutting edge technologies, which will result in improved interaction with citizens, other government spheres, stakeholder groups, partners, motorists and road users.

We are also conscious about safe-guarding our intellectual property, even when we enlist the support of external service providers. The latter is critical to avoid the undesirable experience we have seen with the legal case involving the eNatis system.

### **Aligning National and Provincial Priorities**

Honourable members; we continue to be guided by the pillar priorities outlined in the National Development Plan 2030 and the Provincial Growth and Development Plan 2030, largely aimed at addressing poverty, unemployment and inequality.

### **Job creation**

The department created 132 649 work opportunities in the last three year – of which 43 360 were created in the last financial year – through the Expanded Public Works Programme (EPWP), incorporating the Zibambele Roads Maintenance programme. We expect to maintain this performance, amidst budgetary constraints.

### **Rural development**

Our budget spending remains focused on improving roads and transportation infrastructure in mainly rural and underdeveloped areas.

To this end, our “Operation Kushunquthuli”, will gain speed as we connect communities through the rollout of new corridors.

This entails building **215 kilometres** of new gravel and access roads in 2017/18, which will total 615 kilometres by 2019/20. A total of **285 kilometres** of gravel roads will be upgraded to tar over the next three years.

In addition, 13 new pedestrian and 7 vehicle bridges will be built this financial year, totalling to 60 by 2019/20. Already, the Nyakana and Mabhobhane river vehicle bridges we announced last year will be completed in this current financial year.

These bridges will make it easier for members of the community, especially school learners, to cross the Uthukela River, with dignity.

Long will be gone the days when girl learners had to undress while crossing the river to school and risk their lives to all forms of danger, including crocodiles. This is the real, empowering effect of our work.



## **Youth and skills development**

We have realigned our Programme 5, which focuses on Community Based Programmes, and have refocused one of the directorates into specifically looking at the shaping programmes for Women; Youth and People with Disabilities.

In line with our Radical Socio-Economic Transformation Strategy, the revived sector focus will find true expression in the department. We aim to build a technical skills base of engineers and transportation professionals and economists, to lead this transformation agenda in this department, which is the lifeblood of the economy.

This implies that we will increase our investment in bursaries and tighten contracts to ensure that we extract value for the money invested in training these young people at universities.

Over the last three years, the department has granted more than 31 bursaries towards funding students who are studying BSc. Civil Engineering degrees; 10 students studying Transportation Management, and 11 bursaries for students studying B-Tech Civil Engineering, and 1 LLB student.

Of the total external bursaries, 19 have already graduated and have been placed within the department. In the current year, 11 bursaries have been granted to BSc Civil Engineering students. In the last seven years, the department has provided funding for more than 250 external bursaries and 131 internal bursaries.

### **Furthermore, the department is training:**

- 240 candidate technicians working towards obtaining professional engineering, technologist and technician qualifications;
- 39 graduates across fields who are on the department's year-long internship;
- 25 apprentices in earthmoving equipment mechanic qualification in partnership with Bell Equipment and the Transport Education and Training Authority;
- 18 tradesmen aids appointed as artisans;
- 16 Work Integrated Programme, in partnership with Amajuba TVET College.

## **Health**

Our focus on employee health and wellness continues with awareness programmes for HIV and Aids, diabetes, cancer as well as TB.

Moreover, we will intensify joint activations with the Department of Health, during road safety campaigns, in road blocks, taxi ranks, and taverns.

## **Fighting corruption**

Eradicating fraud and corruption within our ranks and at our service delivery stations is a priority. We are clear in that we have to service citizens with efficiency and while doing so, ensure that they are treated with utmost humility, respect and dignity.

Whether they are looking to obtain driver licences, to renew vehicle and driver licences, or they are pursuing opportunities to provide a service; they should be treated fairly, ethically and professionally.

In terms of the cases of suspected fraud and corruption being investigated, we have requested the Provincial Treasury to ensure that they are resolved with speed.

This, we believe is critical to fair administrative justice even for those individuals who are being investigated. Furthermore, we will continue to work with the Provincial Internal Audit Services, Forensic Investigation Unit, and other law enforcement agencies, to root out fraud and corruption in our department.

## **Supporting provincial tourism and agriculture**

All our investment in roads and transportation infrastructure as well as skills bolsters economic activity through the movement of people and goods. Specifically, we contribute to other provincial priorities through upgrades of roads that support tourism and agricultural growth.

These include Sani Pass, linking South Africa to Lesotho (and which is being handed over to SANRAL); P700, from Empangeni to Ntambanana to Ecengeni Gate of Hluhluwe and Mfolozi Game Park to Ulundi. They also include P435, which is a major boost to the Ndumo development node and P127 in eMpendle linking to the Underberg; as well as P73, from uMzambe to Highflats.

## **Working with municipalities through COGTA**

Honourable members; we remain committed in ensuring integration of our programmes with municipalities in the province. These cut across all services offered within the mandate of the department.

In this financial year, at the inter-governmental level, we will be working through the Department of Co-Operative Governance and Traditional Affairs (COGTA) to ensure better coordination and capacity building in terms of the following initiatives:

- Roads and transportation projects prioritisation;
- The establishment of Municipal Regulatory Entities;
- The implementation of the Rank Management System;
- Safe-keeping of state assets in municipal facilities, including graders; and
- Building capacity of municipalities to invest in their own roads and transportation services.

### **National infrastructure projects**

KwaZulu-Natal remains strategically positioned as the gateway to Africa and the world. The province is benefitting from national Strategic Infrastructure Projects, including the northern mineral belt, through increased rail capacity from Limpopo to Mpumalanga and Richards Bay. It also stands to benefit from the development of the 570 kilometres-long rail network to Mpumalanga with Richards Bay via Swaziland.

Major investments by state-owned transport agencies such as the Passenger Rail Authority of South Africa (PRASA) and the South African National Roads Agency (SOE) Limited (SANRAL).

PRASA's projects that are currently underway or nearing completion include Duffs road station platform height rectification, Pinetown line mast pole replacement and re-signalling project.

SANRAL's pipeline of roads development projects in KwaZulu-Natal is currently estimated at R21.6 billion. It includes multi-billion Rand's worth of completed projects, which have improved traffic flow, created hundreds of jobs and work opportunities for small construction enterprises, such as:

- Umngeni Interchange in Durban;
- Dr. Chota Motala Interchange in Pietermaritzburg;
- KwaBhoboza interchange in Mtubatuba;
- The Kokstad overload control centre;
- An overload control centre in Mooi River; and
- The recently completed Traffic Control Centre in Eteza.

**They also include the currently under construction projects such as:**

- The major interchange upgrade in Mount Edgecombe and Gateway that is nearing completion at an estimated cost of R1.1 billion.

This interchange will also markedly improve traffic flow in the flourishing uMhlanga, La Lucia Ridge and Cornubia areas.

- A new, 34 kilometres long dual carriageway on the N2 between Mthunzini Toll Plaza and Empangeni, at an estimated investment of R1 billion; and
- A R276 million upgrade of the Hammarsdale interchange.

### **Departmental programmes**

We will continue with our programmatic approach to service delivery continues. Critically, we will now be placing more emphasis on revamping programmes that were transformational and introducing new initiatives as part of Radical Socio-Economic Transformation strategic focus.

## **PROGRAMME 1: ADMINISTRATION**

We believe enhanced service delivery to citizens depends upon a clean, accountable, efficient and effective administration system. As part of this, the department will leverage a Project Management Unit (PMU), which has been enrolled, for support in implementing the objectives of the radical socio-economic transformation strategy. The PMU will also ensure there is skills transfer to members of staff.

That is why we are allocating **R335 million** to this programme, which will now be housing our Radical Socio-Economic Transformation programme.

In line with the Provincial Executive's instruction to all departments to reprioritise critical posts because of cost-cutting measures; the department is currently sitting with 176 vacant, critical posts, which we are working to fill. It is important to fill these posts, also in light of natural attrition of approximately 180 employees per annum due to opportunities elsewhere, retirement, and natural causes.

The department currently sits on 49% representation of women across races in Senior Management and 47% in the entire workforce while people with disabilities constitute 1.16% up from 0.71%.

We acknowledge this is work in progress, and we will redouble our efforts to ensure that we prioritise the appointment of women when we fill vacant critical posts across all levels.

We believe that maintaining a healthy relationship with Organised Labour is critical for continued unity and team work, both which are crucial for effective service delivery. I am pleased to announce that the department launched the General Public Service Sector Bargaining Council (GPSSBC), to ensure regular interaction with Organised Labour, in June last year.

Commitment to clean governance is paramount, albeit the department is currently in an undesirable position where it has received adverse audit opinions for three consecutive years.

### ***The department's turnaround strategy will improve service delivery and audit outcomes.***

We are now working to implement a turnaround strategy to help improve the audit performance, and service delivery.

It also involves implementing Supply Chain Management and Treasury reforms that integrate progressive changes brought about by the Preferential Procurement Policy Framework Act amendment announced last year. This will also find expression through set asides and the implementation of the Provincial Procurement Indaba resolutions.

#### **PROGRAMME 2: TRANSPORT INFRASTRUCTURE**

Madame Speaker; Programme 2 focuses on transport infrastructure. It gets the bulk of our budget at **R7.2 billion** or 73% of the total budget.

Essentially, this programme is home to the catalytic projects that will advance our Radical Socio-Economic Transformation programme.

In terms of the budget spread; we are allocating R1.2 billion towards rehabilitation of roads; R2.1 billion into the construction (upgrade from gravel to tar) of new roads and bridges, and R3.4 billion towards maintaining existing infrastructure. The remainder of R500 million is budgeted for support, planning and design.

Our province has a network of 8 100 kilometres of tarred or black-top surfaced roads and 24 000 kilometres of gravel roads. Maintaining a fair balance in the maintenance of existing and construction of new roads infrastructure remains critical.

So is our continued focus towards improving and upgrading rural and township areas, as part of the ANC government's strategic focus on developing underprivileged communities. In addition, all tenders will require a 35% local empowerment, while projects will be unbundled to enable emerging contractors to participate and contract with the department directly.

#### **Roads Infrastructure Prioritisation Model**

In addition, in view of the huge backlog and the increasing demand by communities for roads upgrades; we have developed a Roads Infrastructure Prioritisation Model. This model will be shared with all stakeholders and communities so that we can work together as partners in development. Importantly, this model will ensure that prioritised projects are:

- Reflective of the fair balance we have to strike in development of roads networks across districts in the province, and based on consultation with affected communities,
- Prioritising the underdeveloped rural communities most in need;
- Ensuring that projects are completed within budget and on time;
- Involve emerging consultants and contractors across the entire value chain of roads construction from the targeted sectors including youth, women and people with disabilities;
- Economically benefit local communities and leave legacy projects, in line with our Radical Socio-Economic Transformation programme's objectives; and
- Ensure that citizens rightfully claim ownership and custodianship of the developmental initiatives taking effect in their communities.

This is in keeping with the injunction by the Zambia's founding President Kenneth David Kaunda, who when addressing the question of African development in 1966, said:

***"We must think and think and think again about how best we shall serve and not about how important we are as leaders of our people, or how we can safeguard our own positions as leaders."***

#### **Projects completed within the medium term**

Honourable members; last year we highlighted a several roads upgrade projects that we said were going to be completed within the medium term.

**I am proud to confirm that the following projects have been completed, and they are:**

- Main road P68, from St. Faiths to Highflats, in Ugu and Harry Gwala districts, which is a total of 48.8 kilometres, has also been completed.
- Main road P732 between Izingolweni and Bushy Valley in Port Edward within Ugu district and stretches for 18.1 kilometres, has been completed;
- Main road P36/2, between Nquthu and Nondweni under uMzinyathi District, which is 24 kilometres long, has also been completed;
- Main road P373 between Jolwayo and Ntababomvu in Umsinga under the Umzinyathi District, and is 22.2 kilometres-long, has been completed;
- Main road P271, located between Paulpietersburg and Piensrand in eDumbe, stretching 14.1 kilometres, is complete;
- Main road P499, located between Dondotha and KwaMbonambi, and is 13 kilometres-long, has been completed;
- Main road P451 in KwaHlabisa, stretching 26 kilometres is complete and will boost tourism and agriculture industries; and
- All of the above roads add to the list that includes 15.7 kilometres-long P496 (John Ross), which has also been completed.

**Furthermore, the following bridges were completed in the last three years:**

- Nsuze River Vehicle Bridge on P706 in Nkandla in King Cetshwayo, has been completed;
- Ngubevu River Vehicle Bridge on D1271 between Tugela Ferry and Ngubevu River has been completed;
- Kleingenoed iBisi River Pedestrian Bridge in Umzimkhulu has been completed;
- Memeza and Engujini iBisi River Pedestrian Bridges, also in Umzimkhulu, have been completed; and so has the
- Nsetheni Ifidi River Vehicle Bridge, connecting four roads in Okhahlamba Local Municipality in the Uthukela District, has been completed.

**The following include roads projects that will be completed within the current MTEF period:**

- A total of 73.5 kilometres of main road P700, between Empangeni and Ulundi, has been completed. A further 18 kilometres is under construction, connecting P253 between Enseleni and Melmoth; as well as P230 in Empangeni and will be completed in 2018.

- Main road P230, stretching from Empangeni to Eshowe, in King Cetshwayo District, stretching 31.3 kilometres has been completed with minor finishes outstanding;
- Main road P435, between Skhemelele to Ndumo, in uMkhanyakude District, which is 17.3 kilometres-long, is also complete, with minor finishes outstanding. This road is key to the Ndumo Inkululeko Development initiative of the provincial government;
- Completion of 13.5 kilometres of D168 between Highflats and Nhlanguwini in Harry Gwala District, with the remaining 5.5 kilometres to be finalised in this financial year;
- Main road P112 between Highflats and Ncalu in Umzimkhulu and stretches for 14.25 kilometres;
- Main road P419 between Bethlehem and Nkumba in KwaSani and is 23.2 kilometres long;
- A total of 19 kilometres of main road P49 between Ngome Hill and Nongoma town has been completed with only 2.8 kilometres remaining to be finalised in this financial year;
- Main road P368 in KwaKopi in eMzinga will be completed in the MTEF with 9.7 kilometres already completed and 13.8 kilometres still outstanding;
- Main road P36/2 between Nquthu and Nondweni under uMzinyathi district, stretching for 23 kilometres has already 20.6 kilometres completed and only 2.3 kilometres outstanding;
- UMgungundlovu access roads, which are Impendle Road; Thondokuhle Creche Road; Mkhiz'obomvu and Shange Roads in Willowfontein will be completed in this financial year;
- eMondlo access roads, which are Matsho Thomba Road; Nkotleni Road; Khondlo Road (a); Khondlo Road (b); Mcozi Road; Duma Street and Kwabalele Road, will be finished this financial year; and
- Mabhobhane River Vehicle Bridge in Maphumulo and Nyakana River Vehicle Bridge in KwaDukuza, in the Ilembe District will both be completed in this financial year.

**Other key projects currently underway, include:**

- The upgrade of Main road P125 between Underberg and Swartberg in KwaSani, which is 41.8 kilometres-long and is expected to be completed in the 2022/23 financial year;
- Main road P712 between Mthandeni and White Hill in Ndwedwe Local Municipality in Ilembe District to be completed within the medium term;

- Upgrade of D1880 from Gaasfontein to Nsingane River in eDumbe in the Zululand District and intersects to the already completed P271, stretching for 22.27 kilometres will be completed in 2022/23 financial year;
- Progress has been recorded in D1867 in Belgrade in oPhongolo where six kilometres have already been completed and the next phase of nine kilometres will be completed in the medium term. This road will ultimately link oPhongolo to eDumbe and Vryheid;
- D883, which is 23.21 kilometres-long between Endulinde and Samungu Clinic in Mandeni, in Ilembe District, will be completed in 2022/23 financial year;
- Already 15 kilometres of the 52.3 kilometres-long main road P17 between Greytown and Ngubevu in Umvoti Local Municipality in Umzinyathi District, has been completed and the remaining 37,3 kilometres is scheduled to be completed in 2022/23 financial year;
- Main roads P2 of 1 and P2 of 2, located between Mount Edgecombe to King Shaka International Airport in Ethekezi Metropolitan Municipality are part of the R102 Development Corridor, and of national importance because they provide access to the airport and the Dube Trade Port.
- The 15.1 kilometres-long, dual carriageway upgrade with eight (8) bridge structures is planned to commence late in this financial year and be completed in 2022/23 financial year; and the
- Gumatane Bridge in eMzambe, where there was a horrific crash, will be constructed within the medium term. Design and environmental impact assessment processes are already underway.

#### **Roads naming and renaming legacy project**

Honourable members, we are working with the Provincial Department of Arts and Culture, towards launching the Roads Naming and Renaming Project during the course of the new financial year 2017/18. The Roads Naming and Renaming Legacy Project aims to achieve social transformation objectives and will ensure that the citizens of this province identify and derive pride in associating with the names of our roads. Currently, the large majority of our roads are identified by numbers preceded by alphabets i.e. “N” for national roads, “P” for provincial roads; “D” for district roads and “L” for local roads.

The journey we are taking will be consultative to encourage wide participation of affected communities and stakeholders, including municipalities and traditional councils.

#### **Public transport infrastructure development**

We will in this financial year, finalise the Integrated Public Transport Network (IPTN) plan for Harry Gwala District, which has been the only one outstanding. Furthermore, we will be assisting district and local municipalities with processes to implement their Integrated Transport Plans and Public Transport Plans, which should be part of their Integrated Development Plans.

We are busy with the designs of the public transport facility in Umzimkhulu and construction will commence in October 2017. The construction of the estimated R50 million facility will create at least 20 job opportunities and involve emerging African contractors. It is expected to be completed in 2019. The facility will make provision for taxi and bus loading and holding areas, a wash bay, service area, offices, ablutions, and shops.

Last July we handed over the completed R87 million eMtshezi Public Transport Intermodal Facility.

### **PROGRAMME 3: TRANSPORT OPERATIONS**

Programme 3 on Transport Operations involves planning, regulation and the provision of integrated land transport services, as well as road safety education. It receives **R1.4 billion** budget.

Nearly R1.27 billion of the total budget is allocated to Public Transport Services, which includes Subsidised Bus Services and Learner Transport services.

#### **Learner Transport and Safety**

Learner Transport, which we administer together with the Department of Education (DOE), gets R195.3 million.

The learner transport budget remains too small to meet the dire need for this service across the province. Through this programme, we are already supporting 47 700 learners attending more than 315 schools.

Honourable members; let me also apprise this house about the process we have started to hand over the administration of the provincial learner transport programme back to the DOE.

We believe this process will assist in streamlining administrative governance, but also improve provision of the service to learners most in need.

Working together with DOE and Treasury, we will seek ways to improve access by especially the most-needy learners, in more than 3 000 schools that travel in excess of three (3) kilometres to school.

Moreover, in this financial year, a further 3 000 bicycles will be distributed to learners, adding to the existing network of approximately 10 000 bicycles already enjoyed by learners who cycle to school daily. In addition, we are extremely concerned by the continued loss of lives of learners in avoidable road crashes. The Ntuzuma minibus and bus head-on collision that claimed the lives of five (5) learners and injured 17 more, should never be repeated.

To address this challenge we have launched a sustained law enforcement drive that focuses on learner transport operators.

We are further encouraged by the amendment in the National Land Transport Act, which is going to be effective next month that unambiguously outlaws transportation of persons in bakkies for profit.

We wish to emphasise that parents and guardians should ensure that their children are transported in roadworthy and legally operating transport modes.

### **Transforming Subsidised Public Transport Services**

In the last financial year; the department facilitated the negotiated participation of African-owned bus operators in the Subsidised Bus Services, which culminated in the signing of nine (9) empowerment contracts last October. These contracts amount to R158 million out of a total Provincial Transport Grant of R1.16 billion.

There is room for improvement, hence we will be proceeding with the transformation of the subsidised bus services within the ambit of the Radical Socio-Economic Transformation programme, and guided by the Bus Commuter and Coach Sub-sector code.

In this financial year, we will ensure participation of African operators is increased to at least 50% of the subsidised public transport contracts.

### **Transforming the Taxi Industry for growth**

Honourable members; for years we have worked tirelessly through the leadership of my predecessors to obtain peace and stability in the KZN taxi industry. When I took over this portfolio last year June; the first stakeholder group I met with the Premier was the taxi industry, precisely because it was critical for continuity of purpose.

I am reasonably proud to announce progress in consolidating taxi industry peace and stability. Working with the industry, through the South African National Taxi Council (SANTACO), we agreed to lift the moratorium on the issuance of new operating licences. This process is well underway and guided. It does not mean a free-for-all; however, it about working to resolve long-standing issues around licenses, to finally arrive at a point where every taxi on the road is operating legally.

***Working with SANTACO, we are consolidating peace and stability in the taxi industry.***

### **Beyond this, we have put measures to sustain peace and stability, including:**

- Strengthening the capacities of municipalities to oversee public transport;
- Implementing rank management systems that return control of ranks to municipalities;
- The department is currently undertaking an economic viability study of the industry, from which findings will inform transport plans of municipalities;
- Opening of regional Provincial Regulatory Entity's licensing offices. In addition to Pietermaritzburg head office; we now have offices in Empangeni, Ladysmith, Port Shepstone; and will soon launch the latest office in kwaMhlabuyalingana; and
- We are currently finalising the Public Transport regulations, which will further create clarity on resolving industry issues while helping consolidate the gains already made in attaining peace and stability.

The Department has also partnered with SANTACO to provide training to leadership at regions and associations. This includes participation in the training of 160 women who are taxi operators.

A further 218 taxi operators will benefit from this training and development in the new financial year.

In addition, our partnership with SANTACO, through the organisation's Hlokomela campaign, which aims to promote good customer service and taxi driver behavior, amongst others, is continuing to bear results. While on this point, we must as a province express our disgust at the so-called "taxi rapes" which have been reported in the Gauteng province.

We wish to assure citizens that such behavior will not be tolerated in this province and in the country as a whole. Working with the industry, community safety structures and other stakeholders, as well as the police, we will deal harshly with such emerging ills in our society.

Honourable members; in line with our Radical Socio-Economic Transformation approach, the taxi industry sub-sector will receive a special focus as defined in its sub-sector code.

We believe strongly that the taxi industry should grow, and this entails operators participating across the value chain. Beyond operating minibus taxis, operators should be involved in areas including vehicle warehousing, distribution, sales and maintenance. In their own right, they should become manufacturers of parts such as tyres, electronic management systems, scrapping administration agents, produce diesel, as well as access other opportunities in the value chain.

### ***The taxi industry must grow to participate across the entire transport economy value chain.***

Finally, they should also be seeking to advance in technology to keep up with the digital revolution, as evidenced by the "disruption" caused by already global services such as ride hailing applications. We are working nationally to ensure that our laws appropriately respond to these new services by ensuring that fair competition and adherence to operating regulations.

#### **Improving Road Safety**

South Africa is a signatory of the UN Decade of Action for Road Safety (2011-2020), which aims to reduce road crashes and fatalities by 50% come 2020. We are refocusing our Road Safety education and awareness campaigns and beefing up effective law enforcement and traffic police visibility across the province.

Working with municipal authorities we will be increasing traffic law enforcement in high road crash zones, including in municipal roads, where a substantial number of cases are reported.

Our "Operation Valingozi" campaign, launched in 2010 has helped galvanise the KZN public, but falls short of expectations as shown by statistics, including high rates of non-compliance with road traffic rules including driving un-roadworthy vehicles; drinking and driving; and excessive speeding cases.

National statistics show that African youth and pedestrians are the worst affected by the road carnage.

This calls for our road safety education and law enforcement to pay special attention to these segments of our road user population, without neglecting the rest of the other road users. We should be concerned by this trend, which is threatening the future of our country.

The "Road Safety is Our Collective Responsibility" theme, adopted in 2014 continues to be our rallying call for coordinated and joint effort with all stakeholders and sectors of society.

We will put steam in this joint effort, ensuring that as government we lead from the front. Broad societal engagement is the only way to create national consciousness on road safety.

We are pleased with the progress in working collaboratively with the Justice system, which has already yielded massive sentences meted against traffic law transgressors, including those involved in fraud and corruption at the Driver and Learner Testing Centres.

There is also progress in the implementation of the demerit system as part of Administrative Adjudication of Road Traffic Offences (AARTO), with the launch of AARTO mobile offices already taking place across provinces since last month.

The implementation of the demerit system will greatly assist in deterring irresponsible road user behavior, critically among drivers.

The province successfully hosted two important events in relation to road safety. One was the National Road Safety Summit, which took place in November 2016. The other was the National Traffic Indaba held in December 2016.

Our strategy moving forward will incorporate resolutions emanating from these engagements.

## **PROGRAMME 4: TRANSPORT REGULATION**

The Transport Regulation programme focuses on law enforcement and ensuring a safe road environment through regulation of traffic on public infrastructure, and the registration and licensing of vehicles and drivers. It receives **R861 million** budget – the bulk of which (R661 million) goes to law enforcement operations.

### **Motor Licensing**

Honourable Members, we continue to improve systems and processes to eradicate fraud and corruption at our Registering Authorities. The motor licensing unit manages the renewal of approximately 1.6 million vehicle licences annually, serves 2.8 million citizens a year, and generates in excess of R1.5 billion in revenue.

This unit's focus has also been to extend services to various parts of the province, including the relocation of Registering Authorities in Tugela Ferry, Mbongintwini, Bergville, Richmond and Plessislaer. In the current financial year, an additional three (3) registering authorities will be opened in Maphumulo, Mbazwana and Hlabisa.

***Motor licensing contributes R1.5 billion to the provincial fiscus, helping expand access to services to outlying areas.***

The department has further facilitated the opening of nine (9) Vehicle Testing Stations in areas including Port Shepstone, Ladysmith, Ballito and Phoenix. There will be 11 Vehicle Testing Stations opened this year in areas such as Jozini, Thornville, Verulam, Bergville and Newcastle.

In terms of the proposed, provincial Motor Vehicle Licence Numbering System, the department continues to await the finalisation of the national Department of Transport's processes.

The new national numbering plan will ensure standardisation across the country; carry the national flag, and inherent security features. It is intended to help prevent crime and support road safety objectives.

### **Improving Traffic Management**

We are escalating our focus on beefing up our traffic law enforcement capability. Traffic law enforcement visibility on the road, especially during peak traffic weekends and holidays, as well as at night (between 18h00 pm and 06h00 am), is critical.

These are the periods when we experience a lot of road crashes. As such, we are reviewing our ways of working and reprioritising the department's Road Traffic Inspectorate (RTI) to conduct more 24-hour law enforcement coverage.

***We will work with municipalities and districts to directly address high road crashes and fatalities on their road network.***

In addition, we are paying particular attention to training and re-training of officers to ensure that they are ready to confront bad road user behavior.

We will furthermore roll out the "Closing the Ranks" programme, which entails staging road blocks from Thursday through to Sundays and the "Safety Fridays" campaign. As well, we will intensify focus on vehicle testing for roadworthiness.

Last month, we engaged with traffic commanders from various municipalities as a way of fostering team-work and better working relations between the province and municipalities.

Going forward, we will look especially at road crashes and fatalities statistics in municipalities and districts to ensure they are attended to with a direct law enforcement plan.

### **Driver Licence Training Programme for Matriculants**

In the spirit of socio-economic empowerment; we will be launching a special project aimed at equipping matric learners with driver licence training.

This programme will focus on high achievers, and serve as an incentive to perform well in especially maths, science and economics subjects.

In this regard, we will work closely with the Department of Education to ensure that this programme is structured in a way that is sustainable and achieves the desired results.

Critically, when it is off-the-ground, it will go a long way in creating the model driver; one who is competent, law-abiding and values life.



## **PROGRAMME 5: COMMUNITY BASED PROGRAMME**

Programme 5 on Community Based Programmes implements strategies that lead to the development and empowerment of communities through job creation and poverty alleviation, and emerging contractors.

In this financial year, the programme receives **R35 million** budget.

It also has to support and promote economic transformation through the awarding of R2 billion's worth of contracts over the Medium Term Strategic Framework (five-year) period between 2014 and 2019, to emerging contractors, especially in the Vukuzakhe Emerging Contractor Development Programme (CIDB Grades 1-3).

### **Realigning the Empowerment Programmes**

The department is realigning its organisational structure and setting up a dedicated Youth Directorate to focus on youth empowerment programmes. In addition, the department will create programmes for all the targeted sectors:

- Women, Youth, People with Disabilities and Military Veterans; and
- Widows in the Public Transport sub-sector.

In line with the Provincial Procurement Indaba 2015 Resolutions, the department is reviewing its Supply Chain Management practices to ensure their effective implementation and the increased participation of the targeted sectors.

***We are realigning our empowerment programmes to create a Youth Directorate to drive targeted youth initiatives.***

Starting in this financial year, we will work towards achieving the set targets in all our department's procurement, namely; youth (35%; women (30%; people with disabilities (5%) and military veterans (10%).

Sector-specific programmes will further integrate our interventions for increased impact and effectiveness.

### **Vukayibambe Youth Development Programme**

The youth programme incorporates the following sub-programmes:

- Pothole Patching Project;
- Supply by youth-owned enterprises and co-operatives of kerbs concrete;
- Driver licence training programme for matric students, focusing on incentivising students excelling in Maths and Science;
- A Youth Road Safety Champions programme to drive advocacy for road safety; and
- A Bursary programme for Civil and Transportation Engineering as well as Transport Economics studies.

### **Imbokodo Women Development Programme**

The women programme will focus on the following sub-programmes:

- The supply by women-owned co-operatives of protective clothing and other gear;
- Supply by women-owned enterprises and co-operatives of kerbs;
- Revitalisation of the Zibambele Roads Maintenance programme and Zibambele Savings Clubs; and
- A Scholar Patrol Programme focusing on road safety.

***Community-based Transportation Committees are being reconfigured to be effective and address locally all relevant sector issues.***

### **Community-Based Transportation Structures**

The department is integrating its community liaison structures into a single structure that will handle all transportation related matters and needs in the different communities.

These structures are established from a ward level up to municipal and district levels.

We are now fast-tracking the process of reconfiguring these transportation committees.

This process will culminate in a consultative indaba, which will be held in the first quarter of this financial year, where we will present the new model of transportation committees.

## Conclusion

Madam Speaker and Honourable Members; I wish to conclude by expressing my sincere appreciation of the opportunity to serve the people of KwaZulu-Natal and South Africa, which has been granted to me by the African National Congress.

I am equally grateful to Honourable Premier Mchunu for your continued support, both as my predecessor, but also as my Premier.

Similarly, I wish to note and confirm that I truly value the effective oversight role played by the Portfolio Committee on Transport, under the leadership of the chairperson, Honourable Ntombikayise Sibhidla-Saphetha.

Our effectiveness as a department also rests on the support and good working relations we enjoy with all our transport industry stakeholders, which we truly value.

I am thankful of the support from the management and staff of the department, and my office, under the leadership of the Head of Department, Mr. Sibusiso Gumbi.

I remain deeply indebted to my family, especially my wife (uMaXaba) and children, who are my pillar of strength.

Achieving the strategic objectives of the radical socio-economic transformation in KwaZulu-Natal specifically and in South Africa broadly, will require collective action. This is due to its cross-cutting nature; from soft but critical issues of changing hearts and minds; to real, hard-core issues of altering the economic structure; socio-economic transformation calls on us to be resolute, steadfast and open-minded.

We must, in the final analysis, agree with founding President of Tanzania, Julius Kambarage Nyerere, who when speaking on the topic of leadership and managing change in 1998, the year before his passing, observed that:

***“The present generation of leaders have not only to deal with the effects of economic realities... they have also to do so when the expectations of the people are higher than the general understanding of what is happening and why... Yet leadership today is very much about water, food, jobs, shelter, education, and community. It is about organising our communities, and rallying the people to the kinds of action which will increase the supply of these goods and services to the people – all of the people.”***

With that acknowledgment in mind, honourable members; I ask this House to approve this investment in the accelerated socio-economic development and growth of our people in the amount of R9.96 billion for 2017/18.

*I thank you.*





## *KwaZulu-Natal Legislature*

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### **BUDGET VOTE SPEECH 2017/2018**

**“Road Safety is our Collective Responsibility.”**



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