



transport

Department:
Transport
Province of KwaZulu-Natal

Budget Vote 12 Policy Statement 2020/2021 delivered by the MEC for Transport, Community Safety and Liaison, Honourable M.B Ntuli, MPL, at the KwaZulu-Natal Provincial Legislature in Pietermaritzburg, 04 June 2020

- Madam Speaker, Honourable Nontembeko Boyce;
- Deputy Speaker, Honourable Mluleki Ndobe;
- The Premier, Honourable Sihle Zikalala;
- Honourable Members of the Executive Council (MECs);
- Honourable Members of the Provincial Legislature;
- Mayors and Councillors of Municipalities;
- Director-General of KZN, Dr NO Mkhize;
- Heads of Provincial Departments and State Agencies;
- Traditional Leaders present;
- Leaders of Transport Stakeholder Organizations;
- Various sectors of our society present;
- Officials of Government Departments;
- Distinguished guests;
- Members of the media; and
- Fellow citizens.

1. INTRODUCTION

Chairperson, allow me to rise to table the budget policy speech for Vote 12, which is the KwaZulu-Natal Department of Transport. This budget policy speech is about the fulfilment of a commitment we made to the electorate, who in May 2019 demonstrated an unwavering trust in the African National Congress (ANC). Importantly, this policy speech is about the alignment of our plans with other government policy imperatives, including the Vision 2030, which is the National Development Plan (NDP), and the Provincial Growth and Development Strategy.

We are presenting this budget speech under the theme "*Transport enabling growth and job creation.*" This theme demonstrates our resolve to ensure broader coordination within the transportation sector to stimulate much-needed economic growth, transformation and create an enabling environment for investment. This is also aligned with our approach in the Five-Year Strategic Plan, where we make it explicitly clear that our plan over the next five years is to make a meaningful contribution towards enabling our province to be a Gateway to Africa and the World.

1.1 Scene Setting

Chairperson, the President of the Republic, Honourable Cyril Matamela Ramaphosa in his State of the Nation Address made it clear that our collective efforts must be placed on growth and development. At the centre of this development is the critical role that transportation plays. Infrastructure delivery is the main game changer in the development landscape and in unlocking opportunities within the job market of our country. The Premier of KwaZulu-Natal, Honourable Sihle Zikalala has also emphasised the urgent need to improve our road infrastructure and to connect our people. The theme "***Together, Creating our common future***" is seeking to galvanise all sectors of society to make a meaningful contribution to achieving growth. The Premier was very unequivocal in his expectations from transportation and the strategic role this portfolio plays in unlocking economic opportunities in the province. This budget policy speech seeks to put into action a response to all these commitments and to ensure that we meet service delivery demands.

Chairperson, this year coincides with the centenary of iBhubesi LaseMidlands, our struggle stalwart ubaba uHarry Themba Gwala and our icon ubaba uRaymond Mhlaba. We must all recognize the significance of this milestone because it is Harry Gwala and many others of his generation that fought tirelessly for us to enjoy the freedom and democracy we have today. Gwala died fighting for justice, liberation and for significant change in the lives of ordinary people. At the height of violence in the then Natal Midlands, Mphephethe stood out as a fearless leader, who was willing to face the enemy in fighting for peace. He was exemplary in championing political stability.

Reflecting on Gwala's efforts in building peace in KwaZulu-Natal, former President Nelson Mandela had this to say during his funeral:

"The greatest enemy of the people of KwaZulu/Natal is political violence. There are too many orphans and widows. Fresh graves litter the hills and valleys. Families are torn apart. Now is the time to change all this. Nothing, absolutely nothing, must be spared to ensure that life, limb and property are protected."

Indeed, we share Madiba's sentiments that peace is the foundation on which our developmental agenda can flourish. We pay tribute to our leaders such as Mphephethe because today we are a province at peace. Previously it was difficult to even deliver essential services to some parts of this province because of political tension and resistance but today Mphephethe would be pleased that his government is visible in all corners of this province, changing the lives of the people.

He (Gwala) would be pleased to know that this Department is everyday busy constructing roads and bridges to connect his people. Mphephethe would be pleased that more opportunities are now created for his people to participate meaningfully in the economy of this province. As a champion of peace, Mphephethe would acknowledge that this Department is leading peace initiatives to stabilize the taxi industry and promote regulations.

1.2 Impact of the Coronavirus (COVID -19)

Chairperson, the Coronavirus (COVID-19) will have dire and long-lasting effects on the economy of the country and the province. In the transport sector, this is essentially felt as maritime, rail, air transport and public transport was affected by the restrictions imposed as part of fighting the spread of the virus. The Department is still counting its losses as a result of interventions that had to be made as part of curbing the spread of the virus.

Over and above restricting transport operations, the Department had to shut down operations in a number of public service centres. This was done to protect our staff as well as members of the public. This affected more than **37 134 vehicles**, which were due for renewal. More than **5 806 candidates** for learners' licences were affected and more than **5 033 candidates** for driver's licences tests had to be cancelled or postponed. Overall, we are estimating that **R37 million** in revenue was lost. We are working hard to put plans into action to catch up with the lost period, including working extra hours and working on weekends.

Chairperson, over and above this, we had to suspend all construction and maintenance work as part of the national lockdown, which was declared by President Ramaphosa in March 2020. This also had a serious impact as it will affect our performance outputs and target – but beyond, it will affect our expenditure as the Department. It is clear from engagements with Treasury that there are going to be some serious budget cuts as a result of the Covid 19. The discussions are still on going.

We have also been forced to embark on a reprioritisation exercise wherein some of the projects had to be deferred to future financial years. It is the responsibility of all of us Honourable members to explain these changes and adjustment to the communities.

We are appealing for patience and understanding from our communities as we had to comply with the regulations and play our role in curbing the pandemic.

Chairperson, we once again call on our people to continue observing physical distancing, wash their hands and promote hygiene in all work places. On the same note, we wish to thank our staff from the traffic law enforcement, who are continuing to go beyond the call of duty working with other law enforcement agencies in enforcing the regulations and saving the lives of our people. Equally, we pass our gratitude to the management and staff that continued working during the lockdown period, some risking their lives in the interest of serving the nation.

Chairperson, the Department has developed a comprehensive Recovery Plan, which was shared with the Portfolio Committee. Already work has started in critical areas guided by lockdown adjustment phases. This includes areas such as construction, Provincial Regulatory Entity and Motor Licencing services. This recovery plan will ensure the protection of all service providers working with the Department as all contractors have been asked to develop Health and Safety plans that are project-based. These will be monitored very closely.

1.3 Providing Safe Crossing to Learners (Bridges)

Chairperson, one of the key mandates of the Department of Transport is to ensure mobility and connectivity for the seamless movement of the people and goods. This is done through building of roads and bridges - and many other transportation initiatives. We remain committed to this task because we know the plight of our people, particularly those in rural areas. Like the Premier correctly captured, the topography of our province is further complicating the situation and the pace of development.

We share deeply the pain of our school children, teachers and communities who are faced with crossing crocodile infested rivers and who risk drowning to access education. This prompted us to conduct a study in 2006 on schools adjacent to rivers with a view of prioritizing them in the construction of bridges in the province. The study identified **471 bridges** which needed to be built. Some of those were converted from pedestrian bridges to vehicular bridges because of the demand for all-weather and multi-purpose bridges.

Chairperson, in response to Premier Zikalala's call to connect our people and focus on building more bridges, we are pleased to report to this House that since the study was conducted, at least **208 bridges** have been constructed and completed by this government.

As Honourable Khuzeni announced, we have started planning for the construction of **fourteen (14) Bailey bridges** and **seven (7) vehicle bridges** in this financial year. We also welcome the approach by the Department of Education of mandating all District Directors and Principals to work with us and report timeously where learners are unable to access schools in rainy seasons.

1.4 Under-Expenditure

Chairperson, the Department is working with speed in improving its turn-around plans to improve its expenditure in line with its procurement plans. Over the past few years, the Department has been receiving qualification on audit outcomes and this prompted serious intervention and bold administrative decisions to be taken. One of those has been to drastically reduce irregular expenditure. We have taken a firm stand against irregular expenditure and it has been identified as one urgent area that needed to be addressed. In addressing the irregular expenditure and putting proper systems in place, this has affected the expenditure of the Department in the previous financial year. Among those decisions was to put under review the policy for Vukuzakhe, which meant the suspension of all Vukuzakhe Emerging Contractor's work and orders after the finding by the Auditor-General that the transactions were non-compliant.

As part of improving internal control measures and ensuring value for money, **the Department terminated 25 projects due to non-performance by contractors.** This is mainly caused by contractors desperate for work and as a result they under-quote, some are being liquidated, struggling to maintain cash flow and poor performance.

Moving forward Chairperson, we have put together tight plans to ensure proper analysis of financial risks and improve contract management within the Department.

1.5 (P398/1) M4 Repairs

Chairperson, many of our infrastructure projects were hard hit by heavy flooding in the province last year. This has caused serious deterioration in our provincial road network. The situation has been further compounded by the national lockdown, which prompted the suspension of all our infrastructure projects.

Main Road P398/1 (M4) is a major arterial that provides access between the Durban CBD and the northern areas of the eThekweni and iLembe district municipalities. These include La Lucia, Umhlanga, La Mercy, Umdloti and Ballito. Travelers between the King Shaka International Airport and the City mainly use this road as it is an alternative route to the N2 between the two destinations. The route is heavily trafficked, especially during holiday periods (such as the festive season), in which there is a large influx of tourists to Durban's coastal resorts and beaches. The M4 is also an economic route of the Province as it runs along the coast from Ballito through Umhlanga to the Durban CBD thus attracting tourism.

The substantial rains that were experienced in the days following the initial storms resulted in continual erosion of the embankment, which led to the road becoming undermined and eventually failing up to the road centre-line joint.

Again, from the 09th to 12th December 2019 unusually severe storms and high rainfall volumes were experienced in the Umhlanga area in the vicinity of the failure. Due to the unusual inclement weather, the storm water diversion away from the site failed due to the high volume of storm water through the existing storm water line and subsequently led to the erosion and failure of the western cut embankment.

This led to further erosion through the site and downstream. The damage continued to worsen as the inclement weather was ongoing. It was noted that two houses were evacuated due to the risk of the embankment failing even further. Our initial plan was to open the project to traffic by end of April 2020 – however due to the lockdown period we have had to adjust our target.

Chairperson, we can report to this House that I have personally conducted the inspection of the project and I can now safely report that the road is now ready to be opened for traffic.

We also thank the engineering team working on the project for their dedication and working extra hours, including holidays to ensure that this road is open on time.

1.6 Jozini and KwaNongoma Ring-Roads (by -passes)

Chairperson, the spatial design of our small towns is making it difficult for them to cope with the modern development demands and the population growth. In fact, the current designs of some is now becoming an impediment to economic growth and development. The impact of congestion in these towns (KwaNongoma and Jozini) is also impacting

negatively on the seamless movement of people. At most, during peak-hours motorists would spend more than two hours to pass through the CBDs of these towns. This is a huge concern and something urgent needs to be done. I have since directed the Department to conduct a feasibility study in the towns of Nongoma and Jozini. The intention of this study is to come up with engineering solutions that will provide cost effective alternatives to ease the traffic and allow for the seamless movement of vehicles and people; ultimately improving the economy of these two towns.

In Jozini there are various options that are being looked at by the engineering team and we are now in the process of integrating those plans into our operational plan. The work of conducting investigations in KwaNongoma town has also begun and once the engineering team has finalised its work, we will look at the most viable option and consider it for our operational plan's moving forward. Our long-term plan is that in the next ten years, we must have a serious facelift of these towns and open-up trade by ensuring easy movement of goods and people.

1.7 Progress on iGula Implementation

Chairperson, we have made significant strides to urgently address the issue of economic transformation. Since the introduction of our radical socio-economic programme, iGula, we have witnessed serious progress in the distribution of resources within the transport value chain. This radical shift is largely benefiting our people, who, otherwise would have continued to be deprived of opportunities within the mainstream of economy. Previously we articulated the pillars of iGula as informed by the sector wide charter. Amongst the key pillars for the implementation of iGula is to forge collaborative partnerships with the aim of mobilising the entire sector partners around transformation through the BBEE provincial council, with the Department at the centre of coordination.

As part of Phase One we have prioritised the partnership with Ithala Bank Development Finance Corporation in order to mobilise financial support for targeted enterprises participating in our transformation programmes.

This partnership will assist the Department in accelerating the effective implementation of the radical socio-economic transformation. We are also working with the Department of Economic Development, Tourism and Environmental Affairs through **Operation Vula** to identify other strategic partners who have a significant role to play in supporting transformation initiatives.

Allow me Chairperson to share with Honourable members and this House the progress we have made in the implementation of iGula.

The first phase of the iGula programme has been to internally drive transformation by leveraging the procurement budget to change the economic redistribution patterns. The focus of this phase of iGula was mainly focused within infrastructure programme which is the highest areas of spend with barriers to entry, i.e. Construction, Road Rehabilitation, Maintenance and Consulting services.

Sub-contracting has been a key feature of this phase characterised by the following:

- Contractor Participation Goal (CPG): enforcing the existing **35% sub-contracting to designated groups as well on awarded contracts with CPG**; negotiating with awarded contractors without the CPG component to accommodate sub-contracting opportunities where feasible;
- Review of the Vukuzakhe programme to realign it to the CIDB Contractor Development Framework;
- **Unbundling**: a phased approach to contract scope development enabling more contractors to benefit from long-term contracts and achieve efficient service delivery at the same time;
- **Review Period Contracts**: we have reviewed all period contracts to focus on functionality and not rates. This is done to open the participation to designated groups.

We continue to implement category management as an approach to identifying core areas of spend where transformation and empowerment opportunities exist. Towards this end we have unbundled the Bill of Quantities, this process has revealed that at least 29% of the project cost is material cost. This material cost represents a space where local SMMEs and cooperatives owned by designated groups will be encouraged to participate.

Chairperson, beyond this foundation which we have laid as part of the implementation of iGula, we now have a great story to tell. We have a great story because we have tangible achievements and successes that we have recorded as part of transformation within our infrastructure programmes. Some of the milestones we have achieved are the following:

- 35% Sub-contracting infrastructure spend to entities owned by designated groups at a **value of R119 million** worth has been sub-contracted to **68 entities**
- A value of **R555 million worth of work** has been contracted to **26 black-owned Area Based Consultants**.
- Sub-contracting in Maintenance: this approach is currently being practiced in our Pietermaritzburg Region. To date **R29 million worth of work** has been sub-contracted to **140 black-owned entities**.
- Rehabilitation: **R59 million worth** of work has been subcontracted to **49 black-owned entities**.
- Material sourcing in line with Operation Vula. The Department has unbundled its projects to open access to opportunities for smaller suppliers to provide material for construction. This has been identified for SMMEs and Cooperatives who will be trained to mine and process the required material as well as supply it to the Departmental projects. This will not only enable local beneficiation but also ensure that the Department brokers healthy relationships with Traditional leaders and communities in which we source material. Furthermore, this has the potential to expose participants to the mining sector value chain. This space is considered for

youth-owned entities going forward. This has started in targeted projects in the province.

Chairperson, as I have alluded to the above, the work we are doing expands to the entire transport sector and is not limited to infrastructure. All work done by the Department is underpinned by the iGula principles and all managers are held accountable to this since it is now part of their Performance Agreement.

The Department is also implementing transformation in the security services space and is in the process of awarding the Security Services Contract. Under this programme a value of **R19 million** has been sub-contracted to Military Veteran-owned entities (meeting the 35% sub-contracting). The Department is still in the process of awarding more security contracts targeting designated groups.

Chairperson, we are working tirelessly to transform the public transport subsidised services. This programme is spending close to **R1.3 billion** in the form of a grant from national. The work has been concentrated in four big families, who have been the main beneficiaries – this is now changing!

Currently **11 existing contracts** have been transformed and are awarded to African contractors at a value of **R272 million**. After the negotiated contracts proved not to be making a significant impact, we are now going to an open tender process which will ensure participation by designated groups. Phase Two of the transformation of the subsidised contract will see more than R205 million channelled to designated groups.

The Department is currently in the process of awarding Learner Transport contracts at a value of **R366 million**, and again the target through the preferential procurement will be Africans and mostly role players from the taxi industry.

Chairperson moving forward, we will start the implementation of phase 2 of iGula. Among the key features will be Contractor Development.

The Department took a decision to review the Vukuzakhe Programme and realign the programme to the National Contractor Development Framework so that it complies with applicable legislation but still deliver the envisaged outcome. After numerous consultations with CIDB, the Department has finalised the re-design of the programme. The re-design of the programme is meant to maximise local beneficiaries and facilitate the growth and development of emerging contractors.

The programme will absorb contractors from grade 1 to 4 in the first year through an expression of interest who will be incubated to exit as grade 6 contractors. Structured accredited training and mentorship will be offered in the programme. A selection criterion has been established to ensure that only contractors who want to increase their business knowledge and technical ability enter the programme.

The programme will target **260 contractors** at the first year of implementation growing to **400 contractors** over the five-year period.

2. PROGRAMME ONE: ADMINISTRATION

Chairperson, the general public forms a perception of government from the nature and extent of the services and behaviour it experiences at the hands of public servants. In our determination to ensure that the government has capacity to deliver on its mandate, we must, at all-times adhere to the Batho Pele principles and perform to the great satisfaction of our people. To this end, we have allocated **R459 785 Million** to **Programme 1**.

We want to ensure that there is stability in the Department by reinforcing the employee-employer relationship in our quest to build an ethical, professional, effective and a capable state.

Chairperson, we acknowledge that the process of finalising our new organizational structure has taken too long and is causing some limitations for the Department to achieve its mandate. The Department is approaching the final stages of consultations with Department of Public Services and Administration (DPSA) to improve service delivery which is aligned with the approved Service Delivery Model adopted by the Department.

The end product of this long exercise must be what is best for the Department to execute its mandate and deliver services to the citizens.

Chairperson, we are aware that the delay in the finalization of the structure has affected the staff morale. To this end we are conducting a Culture Change Programme which has been embraced by everyone including Organised Labour. The programme seeks to turn the tide and bring back the culture of Batho Pele, unity of purpose, and selfless servicing of the people of KwaZulu-Natal. We hope that through this programme we will be able to improve the pace on service delivery and be a professional institution.

As at January 2020 the Department had a total of **4 025 staff members** in its establishment. The Department is sitting at a vacancy rate of 17% – however, what is more worrying is that these are mostly frontline services which are affecting service delivery.

2.1 Skills Development

The Department continues to work on a skills audit programme and has since had engagements with the National School of Government to assist the Department to conduct a thorough skills audit. The end result of this is to test the levels of capacity we have, identify gaps with a view of filling them to build the state capacity.

Chairperson, the department commenced with the Bricklaying Apprenticeship Programme in February 2020 **for 50 Zibambele workers**. The duration of the programme is three years and is funded by CETA. The outcome of the programme will result in qualified artisans after they have been trade tested and found competent.

We also commenced with the Road Transport Learnership Programme in October 2019 targeting **93 Zibambele workers**. The duration is one year. The programme is funded

by TETA for an amount of **R4.5 million**. The outcome of the programme will result in certified learners with an NQF Level 3 certificate in Road Transport.

We continue to invest in the engineering students through our bursary programme. There are **10 progressing students** in the programme, two are studying the National Diploma: Transportation Management, one the National Diploma: Logistics Management and seven are studying BSc: Civil Engineering. We are expecting six completions by the end of the 2020 academic year. The budget is estimated at **R2.4 million**.

The Graduate interns are placed in the programme for a period of 24 months in order for them to gain exposure in the workplace so that they can be employable in the future. At least **208 interns** will be appointed in the Graduate Internship Programme during the 2020/2021 financial year.

The Department continues with a mentorship programme which facilitates the professional registration of technical personnel such as Engineers, Technologists and Technicians.

There are currently **84 professionally registered technical personnel** within the Department, 57 are professionally registered with Engineering Council of South Africa, whilst 27 are professionally registered with South African Geomatics Council in the respective categories.

We have continued with in-house technical training specifically in the field of civil engineering. Some of our road projects have already been designed internally.

2.2 DOT adapting to the Forth Industrial Revolution (4IR)

As the world enters into the era of 4IR we cannot downplay its impact on transportation. It is the responsibility of the Department to ensure that it is ahead in terms of technological innovations which will disrupt the transportation space and thus render the current systems absolute in the medium to long-term. Our IT strategy is currently being reviewed to align to 4IR and improve the Department's capacity to improve and deliver services to the people.

While we focus on the external environment, we are also concerned that the operating environment in the Department is characterised by manual and cumbersome paper-based processes that make governance and delivery burdensome. Most administrative processes are still manual and paper-based and pose accounting challenges as record and information management become more and more unmanageable.

We are now engaged in a Digital Transformation project, which will ensure that the Department is able to move with the times and has the necessary infrastructure to deliver such. The Department's Project Management Office (DPMO) is one classic example which aims at advancing professionalization of project management practices through the establishment of a Project Management Office.

At our walk-in centres, research is being conducted on which services can be automated so that citizens can be served simpler, better, and faster. For now, the focus is on the Driving Licence Testing Centres (DLTCs) and the Motor Licencing Bureaux (MLBs). This includes, but is not limited to, providing self-service kiosks, and online services. Waiting in long queues should be the thing of the past. We are also investing in high calibre technology that will assist in assessing the conditions of our provincial road network and we are also utilizing it for accident monitoring in the province.

2.3 Audit turn-around strategy

The Department has developed an audit improvement plan which has been audited by Internal Audit and is currently being implemented within the Department. This strategy seeks to improve our audit outcome and is our resolve to improve governance and accountability. On matters of qualifications, there is already progress since we have met and agreed with Treasury on the way forward with the disclosure of immovable assets. With regard to irregular expenditure, the Departments' intervention to ensure that this is dealt with decisively is underway. To this end all irregular expenditure identified are being investigated. Disciplinary action has been taken where the investigation has been completed.

Other investigations are being finalised and will be sent for disciplinary action where required and then condonement.

Chairperson, we are working hard to improve internal control to monitor irregular expenditure and ensuring that consequence management is applied. Our determination is to improve the governance and financial management of the Department.

2.4 Fighting fraud and corruption

Chairperson, we believe that fraud and corruption are like a cancer that could ravage our institutions if not dealt with as immediately as possible. As part of our anti-corruption strategy the Department has established the Ethics Committee that looks into all unethical behaviour in the Department, including fraud and corruption. One of the key responsibilities of the committee is to ensure that all risks in relation to ethics, fraud and corruption are assessed and to monitor the implementation of the actions identified to mitigate such risks.

During the financial year 2019/2020, there were **10 cases** that were investigated and completed. Amongst those nine (9) criminal cases were opened and one will soon be registered with the police. The Department has been implementing the recommendations as per the investigations report. One official was found guilty and dismissed.

Chairperson, we are determined in fighting fraud and corruption in our testing centres. Attention is given to Driver Licence Testing Centres (DLTC's) as we make serious interventions in curbing the fraudulent issuing of learners and drivers' licences. This is important in ensuring that we produce competent drivers, who understand the rule of law and who value life.

2.5 Security matters

Chairperson, the safety of our staff and property is very important. These are the most valuable assets we have as the Department to deliver on our mandate. The issues of security in the Department are receiving the necessary attention. Work is already underway to put security measures in place at all our premises and inside offices, starting from Head Office, Regional offices, District offices to Area offices. We have had our property vandalised and stolen during public protests – and this must be discouraged because the attack on government property affects service delivery. When our staff live in fear, such will also affect the manner in which we interface with projects and communities.

We are therefore extending our security measures to construction sites where our workers sometimes are confronted by aggressive concerned groups who demand that they get work or business opportunities from the projects.

3. PROGRAMME 2: TRANSPORT INFRASTRUCTURE

Chairperson, transport infrastructure that connects the economies and people of different parts of Africa and the World is key to driving economic growth and socio-economic transformation. Chapter 4 of the Provincial Growth and Development Plan (2019) outlines the strategic importance of transport infrastructure in the overall growth trajectory of the province.

Honourable members, it is estimated that 90% of South Africa's imports and exports are transported by maritime freight and that the ports of Richards Bay and Durban account for some 80% of the value of all goods imported into and exported from South Africa. SANRAL reports that the current number of heavy vehicles utilizing the N3 is 9 000 per day and estimates that users of the N3 suffer losses of nearly R800 million per annum due to accidents and time delays. The increased road freight, particularly between Gauteng and Durban, has placed the KwaZulu-Natal provincial road network under severe strain.

Many of the most heavily trafficked roads have passed their design life, while some heavily trafficked roads are not designed to accommodate freight. This has increasingly manifested itself through road failure, more potholes, higher accident rates, increased vehicle operating costs, longer journey times, higher transaction and logistic costs, reduced productivity, reduced global competitiveness and high levels of public discontent.

It is well documented that the Provincial Road Networks in South Africa have been under budgeted for several decades hence we continue every financial year to increase the budget for maintenance of the existing road network in the province.

Chairperson, it is against this backdrop, amongst other considerations, that has led the Department to adopt a new approach to infrastructure delivery. The new approach places focus on fewer but strategic and catalytic infrastructure rather than too many small infrastructure-built interventions. In assessing its performance on the

construction of transport infrastructure, the Department has identified that it is implementing too many small projects leading to overburdened and poor project management and financial difficulties in completing some of these projects. The new approach places a premium on consolidating the available capacity and resources and focus on completing construction projects on time, budget, scope and with the highest possible levels of quality.

Chairperson, the narrative above gives better context on the complexity of the environment in which our infrastructure exists. It also gives us more reasons why we should continue prioritising both the construction of new projects and maintenance of existing infrastructure. The painful reality, Honourable members, is that our network is severely strained and as a result it is deteriorating rapidly in terms of roads assessment measures. Beyond being over-burdened by heavies and tons of goods, the recent floods are further compounding the situation.

Chairperson, this programme is the core of our existence hence more than 72% of our budget is spent in infrastructure delivery. This financial year **R8.3 Billion** is allocated to programme Transport infrastructure. As part of striking a delicate balance between construction and maintenance, **R3,8 Billion** is allocated to construction and another **R3.7 Billion allocated** to maintenance. Infrastructure planning is allocated **R36 million**, whilst infrastructure design is allocated **R50 million**. The remaining **R738 million** is allocated to programme support infrastructure.

Chairperson, over the next three years we plan to upgrade **229 kilometres** of gravel road to new blacktop. We will also build **130 new kilometres of gravel roads** to connect rural communities **and maintain 280 000 kilometres** of gravel road in the next three years.

We also plan to build **33 vehicular bridges** over the next three years and **27 pedestrian bridges** across the province. This means in total we are planning to build new **60 bridges in the next three years**. This will be in addition to the **208** we already reported above of completed bridges in the province. Indeed, we are a caring government and our people can now connect with important amenities safely.

Chairperson, over and above, the Department will be spending more than **R141 million**, buying new equipment that will mainly be used in maintaining the provincial road network, both paved and unpaved.

3.1 Terminated Infrastructure Projects

Chairperson, we are deeply concerned with the poor performance in the construction industry. The challenges facing the industry, sadly, are affecting both established and emerging contractors. This has left many communities losing patience with government because of the lack of progress in many infrastructure projects. This is also affecting the image of the Department hence we are acting very swiftly now against non-performing contractors. Some are however delayed by unreasonable demands by the so-called business forums, which are demanding unattainable benefits which might cripple the project itself. These and many other reasons, including local conflict between political role players and conflict in traditional authorities are some of the reasons that

require a different approach if we are to continue with the development trajectory in the province.

Chairperson, during 2019-2020 financial year the Department had to terminate approximately **25 contracts** under its Capital Projects which included bridges and road upgrade contracts. This is delaying the commencement of new projects.

As we continue with the implementation, the Department has issued the intentions to terminate additional contractors that are not performing on site; which will increase the number of affected projects. To this end we are commissioning a quick short-term study, which will help us drill down into the causes of failures by contractors so that we are able to intervene appropriately.

In mitigating this challenge, the Department of Treasury has introduced the Standard Infrastructure Procurement Delivery and Management framework that will assist Government Departments to execute their plans on infrastructure. The requirements are to ensure that all projects that exceed R100 million must be presented to the Gateway Review Committee to ensure that the requirements are met before the contract is implemented.

3.2 Projects to commence in the current year (2020/2021):

Chairperson, as part of changing the lives of our people, the Department will prioritise the construction of new projects, some of which will be delivered in a phased approach. The following projects are prioritised to commence during 2020-2021 financial year:

- **P113**, linking Nhlamvini and Highflats in the Harry Gwala District. This project is 34 kilometres long and the estimated cost of Phase 1 is **R75 million**. The project will link the community with schools, clinics and public transport facilities.
- **D77** is located in eNtembisweni outside Greytown. This road is 15.72 kilometres long. The estimated cost of Phase 1 is **R75 million**.
- **P77** linking Dududu and Highflats. A section of 10 kilometres of this road will be constructed at an estimated cost of **R150 million**.
- **P191**, linking Ekuvukeni and Wasbank under uThukela. This road is 17.81 kilometres long. The estimated cost of contract for the next phase is **R75 million**.

3.3 Projects to continue in a phased approach for the MTEF

Chairperson, before we adopted the approach of concentrating in fewer projects, there are some we had already started constructing. We have agreed to complete those and finalise the remaining strategic projects before we commence with the full alignment of our new planning approach. The following are projects that will continue in phases and that are of a strategic nature in ensuring the implementation and fulfilment of the Provincial Growth and Development Plan:

- Upgrade of **main road P296**, located under Amajuba District– the project is 49.5 kilometres and it is connecting Osizweni, eJokisi and Tayside – this road links to a road leading to Dundee, Bloodriver and Vryheid. In this financial year the

Department will be finalising the 5 kilometres section and the budget to be spent is **R2.4 million**.

- **Upgrade of D985**, located under eThekweni Metro. This road links Mbumbulu and uMfume and is 20.5km long and the Department will complete phase 1 of 3 kilometres at a value of **R50 million**.
- **Upgrade of P740**, located under eThekweni Metro, linking the communities of Inkosi Mkhize, Inkosi Maphumulo and Inkosi Makhanya and is 16,83 km long, at a value of **R54 million**.
- **Upgrade of P318**, located under Harry Gwala District, the project will be 33.1 kilometres, phase 2 of project is under construction where the Department is upgrading 11km at a value of **R244 million**. This project is essential in connecting South Africa and the Kingdom of Lesotho.
- **Upgrade of P73**, located under Harry Gwala District which is 72.20km long, and important for tourism investment, at a value of **R822.31 million**.
- **P714 (upgrade)**, located under iLembe District, output of 10 kilometres, linking Ndondolo and Sonkombo under Ndwedwe, at a value of **R285 million**.
- **Upgrade of P700**, located in King Cetshwayo, with output of 4,5 kilometres, linking Ulundi and Empangeni, at a value of **R117 million**.
- **Gumatane/uMzimkhulu river bridge**, linking uMzambe and uMuziwabantu, at a value of **R163 million**.
- **Upgrade of P278**, located under uMgungundlovu District, with output of 11,5 kilometres, located in the Dalton area, to the tune of **R190 million**.
- **Upgrade of D1841**, located under uMkhanyakude District, with output of 6.26 kilometres, linking iNdumo and Manyiseni, with an investment value of **R109 million**.
- **Upgrade of P263**, located under uThukela District, with an output of 4 kilometres, located in Matiwanoskop, at a value of **R91 million**.
- **Upgrade of P52-3**, located in Zululand, with an output of 3,3 kilometres, linking Nongoma and Pongola, at a value of **R56 million**.
- **Upgrade of Main Road P601-2** in uMzimkhulu. The upgrade of the road is currently in progress, with 25 kilometres is complete. The last 10 kilometres will be completed in the 2020/2021 financial year.
- **Upgrade of District Road D1925** in eDumbe. The upgrade of three kilometres is anticipated to be completed in this financial year. This project is a corridor linking Pongola and eDumbe.

3.4 The following are some of the rehabilitation projects completed in 2019/20:

Chairperson, as part of improving the condition of the paved network in the province, the Department rehabilitated a number of provincial roads. In this financial year, we plan to rehabilitate 2 000 000m².

3.5 MOA with National Department of Public Works for SANDF Bailey Bridges

Chairperson, the Premier reported in his State of the Province Address (SoPA) that the Department is now moving with the implementation of the Memorandum of Agreement with the National Department of Public Works which was finalised and signed in February 2020. This will assist in improving the pace of delivery by tapping into the skills reservoir of the SANDF.

Under this programme in the year 2020/2021, **14 Bailey Bridges** are going to be constructed with a combined estimated value of **R110 million**. There are standard approved designs and already the money has been transferred to the SANDF. This is mainly to connect our people with important amenities and economic centres, and to be utilised by pedestrians and light motor vehicles. These structures are not designed to be used by heavies exceeding 16 tonnes, which is the weight limitation.

3.6 KZN DOT partnership with SANRAL

Chairperson, one key strategic approach the Department intends to embark upon in the next five years is forming partnerships with other agencies to improve participation in the transport sector as a whole. Working with the South African National Roads Agency (Pty) Ltd, we are in the process of concluding four Memorandum of Agreements for the implementation of some of the key strategic infrastructure projects in the province.

- **N2/N3 upgrade**

The upgrade details and the alternative plans to address congestion during the construction period. This corridor is important in unlocking economic potential and will ease congestion and allow for an easy traffic flow of freight and other road users. The first phase of this project will be at the value of **R9 billion** and is expected to commence as we are adjusting to the lower levels of the National Lockdown. Already the Department together with SANRAL and other stakeholders have embarked on a series of engagements and processes in order to elevate the traffic congestion during the construction. This is essential in order to manage and direct traffic to other alternative routes.

- **Isandlwana Roads- P372**

Chairperson, the Premier has already announced on the plan to upgrade the Isandlwana heritage route, which is important to the promotion of culture and tourism investment in our province. Working with SANRAL the Department of Transport is in the process of finalising the MoU for upgrading the roads leading to the Isandlwana Heritage site.

This road will service the Isandlwana Primary, Siyanda Secondary, Gadeleni Secondary, Buhlebamangwe Primary, Ncepheni Primary, Ntalantala Secondary, Asibambisane Primary, Kwangedla Primary, ZindlaDlele Secondary and Thulasizwe Primary.

Upgrading of this road will improve the economy of the area as the Isandlwana Heritage site will promote tourism within the area. This road is **31 kilometres in length**. The current estimation for the project is **R170 million**.

- **D1021 Mshwathi River Crossings and KwaXimba Bridge**

Chairperson, we have now finalized the MoU with SANRAL for the upgrading of low-level structures on D1021. There is frequent over-flowing, which affects traffic and making it difficult for the movement of vehicles and people when raining.

Chairperson, we are also engaged in intense discussions over the capacity improvement for KwaXimba bridge on P423 on the Msunduzi River. There have been more than two major fatal accidents on this bridge. When I arrived in this Department I had to attend a scene of a horrendous truck accident that claimed the lives of more than five people in September 2019. Technical assessments are underway and we will be prioritising this project once all the engineering work is completed.

- **P709 Link to N2 - N2 to Amatigulu**

Chairperson, as the Premier announced, SANRAL is now ready to introduce the contractor to resume work on the N2 near Ballito. This project was halted for more than two years, which affected the traffic on the N2 between Ballito and KwaDukuza. The long-protracted court battles were the main reason for the delays on this project. This has now been settled and work is set to resume. We once again want to thank our people for their patience and for working with us.

As part of this we are working with SANRAL to upgrade P709 between N2 and eMacambini. This road is 9 kilometres and will connect N2 to R102 in Mandeni

This road will serve the Wangu Primary, Macambini Primary, Lambothi Primary, Somshoko Secondary, Emthaleni Primary, Macambini clinic as well as Mathubeszwe High School and Amatigulu Nature Reserve.

- **M7 Widening- Pinetown to Harbour**

Chairperson, this province is home to one of the busiest ports, which is the Durban Harbour. The movement of goods from this port to other parts of the country places heavy responsibility on us as the province to invest in road infrastructure that is capable of carrying tons of loads transported. As a province that is a gateway to Africa and the world, one of our strategic functions is to lobby other agencies of government to support and align with our provincial development objectives.

Chairperson, main road M7 is one of the most congested roads within the Ethekwini Municipality area with traffic patterns flowing from the Pinetown area and the N2 South Freeway to the Harbour. The restricted traffic flow between these areas hinders the economy of the province as this is the main route from the N2 South to the harbour. The Department together with SANRAL has thus identified this route as the one that would require capacity improvements in order for the traffic to flow freely and the upgrade of the N2/M7 interchange to a full interchange where there is continuous flow of traffic.

3.7 Progress on New Jersey Barriers in uMkhanyakude

Chairperson, this project is aimed at curbing cross-border crime and curtailing the movement of illegal immigrants between South Africa and Mozambique. The scourge

of motor vehicle theft has been a persistent challenge in the past several years, and this prompted government to look at extraordinary measures. There have been some challenges with this project, mainly around the signing of the MoU with the National Public Works and the Environmental Management Plan. This project is one of the iGula flagship projects as the material is manufactured locally, using local labour and this will ensure the imparting of skills to the locals.

After the intervention of the Premier, we managed to unlock all the bottlenecks and the project is now moving at the required speed.

Chairperson, we are pleased to report in this House that more than 500m of the New Jersey Barriers have been installed. I have personally been in the area and I witnessed the first set of the concrete wall going up. Even though the programme was delayed by the national lockdown, work has resumed and there is significant progress

4. PROGRAMME 3: TRANSPORT OPERATIONS

Chairperson, our strategic task is to provide a safe, reliable and affordable transport system. This programme is important in the realisation of that objective and in ensuring mobility of all the people of KwaZulu-Natal. The main function of this programme includes planning, regulating and the facilitation of the integrated land transport system.

This programme is allocated an overall budget of **R1.7 billion**.

Honourable members, **R108 million** is allocated to transport safety and compliance, **R46 million** allocated to programme support operations and the bulk of the **R1.6 billion** allocated to public transport services. We are, however, concerned with the budget reduction of **R5.609 million** in 2022/23 financial year to this programme due to fiscal consolidation.

Chairperson, we are reviewing our approach when it comes to public transport and funding. This is more particular in provinces such as ours which are mainly rural because the modality of providing transport in urban areas might not be similar to the conditions and must adapt to rural dynamics.

We have refocused our public transport planning approach, to plan for results rather than compliance. The shift is leaning more toward the district service delivery model. Our focus from this financial year will be to improve the level of public transport in the uMkhanyakude District. The Department has planned to make major focus on two areas. – **Manguzi and Jozini**. In these areas the Department will be implementing two major public Transport projects called the Manguzi Transit Concentric Cycle Service and Jozini-Makhathini Transit Concentric Cycle Service.

This programme seeks to improve the delivery of public transport service and facilities, focusing on the most optimum mode of transport. Studies and plans have been finalised. The next stage is the packaging of services and contracting as well as the commencement the designs for public transport facilities. The implementation of the programme will change the public transport experience of passengers as well as

upgrade the minibus taxi industry. The programme will also look at implementing the best solution for the transportation of people with disabilities and the elderly.

Whilst piloting this new approach in uMkhanyakude we remain committed to the subsidisation of **2 074 routes, 1 191 196 subsidised trips** and **41 620 660 subsidized kilometres**.

Chairperson, we are working with the Department of Economic Development, Tourism and Environmental Affairs in investigating possible public transport solution for some of the key corridors such as Durban – Pietermaritzburg, Durban – King Shaka International Airport. These are significant interventions to leverage transport for spatial development and optimization.

4.1 Public Transport Transformation

Chairperson, we are forging forward with our programme of transforming the subsidised public transport operations. As we reflected under iGula, much progress has been made in transforming this service. A lot has been said about a few minority families having a hold and super control of the subsidised public transport operation. Ours is to change this picture to reflect the demographics of the province. Honourable Members, we are unapologetic and unambiguous in wanting to see emerging African operators participating in the mainstream of the public transport economy. Our strategy seeks to achieve a 70% sector representation by the previously disadvantaged individuals/groups and established operators only retaining 30%.

Whilst there is progress, we are not completely satisfied that only 11 contracts out of **44** are in the hands of African operators. Through this effort **220 buses owned by Africans (aphethwe abantu bakithi abamnyama)** are commuting people every day throughout the province and the value for these subsidised contracts is sitting at more than **R272 million**.

What is impressive, Chairperson, is that most of these companies are run professionally, effectively and business-like. This is demonstrating in no uncertain terms that our people have got the capacity and they can prove that when given opportunities! Exactly what this government of the ANC is doing!

Our plan is to double this as we plan to go out on an open tender process that will be guided by the principles of iGula. In Durban alone, transformation contracts are responsible for managing 725 buses every day at a value of **R34 million a month**. Moving forward, Chairperson, our phase 2 will target the remaining districts with about **349 buses** targeting to benefit mainly Africans and designated groups.

4.2 Learner Transport

Chairperson, this programme remains instrumental in shaping the future of our children. Through this programme we have changed the lives of more than **58 000 learners** who on a daily basis are transported for free to school. This year, we have an allocation of **R366 million**. This include the **R136 million** which was approved by the Department of Treasury to cover the shortfall in this programme. Moving forward, we

are still going to lobby very hard Members of this House, to support the request for additional funding to expand the reach of this programme to the remaining poor and needy learners who still have to travel many kilometres to access education.

Shova Kalula programme – This programme remains strategic in supporting learner transport. Both these programmes are aimed at opening doors of learning thus creating access to quality education. This year, we have allocated the budget of **R5 million** in the purchasing of **2 400 bicycles**. Chairperson, it is however important to mention that we are reviewing the mode of provision of bicycles as a mobility solution for learners and the general mode of transport. This include investigating the possibility of local manufacturing to enhance local production as well and expanding opportunities for industrialisation in the province.

4.3 Road Safety

Chairperson, the National Development Plan directs that we reduce levels of violence and fatalities as part of creating a safer society. Road crashes are slowly becoming the worst killer in the world if not attended to with great urgency, resolve and decisive action. This year marks the end of the Decade of Action, which was declared by the United Nations to reduce accidents by half. A critical question we all need to answer, is how far we have progressed to achieve this?

Chairperson, road accidents are over-burdening the state with almost **R30 billion** spent per annum. As stakeholders and various actors, we need to give meaning to the pillars underpinning the existence of the National Road Safety Strategy. We plan to improve our provincial plans and integrate our collective efforts towards the creation of a safer road environment. Amongst the key pillars of our plans moving forward, is to invest massively on technological innovation to assist in tracking driver behaviour, early detection of violations and employing modern tactics to achieve the mind-set change.

Chairperson, more than 40% of people dying on the road are pedestrians, this therefore directs us to embark on vigorous campaigns focusing on pedestrians including intensifying our educational campaigns to communities adjacent to highways and strengthening our partnership with schools as learners are the most vulnerable. Since I arrived in this department, I have attended no less than 10 mass funerals across the province. I have directed the Department to develop proactive measures to curb the scourge and save the Department from becoming a funeral parlour.

Chairperson, this province is ready for the rollout of the Administrative Adjudication of Road Traffic Offences (AARTO), which is due to be fully implemented this year however due to the Covid 19 delays we will expect directives from the National Department. Already our traffic officers have been trained on this new act and we are now assessing the administrative systems in municipalities in the province. More district workshops and roadshows will be conducted to create more awareness on AARTO and its implications. It is our firm conviction that punitive measures such as those contained in this Act will serve as a deterrent to repeat offenders.

5. PROGRAMME 4: TRANSPORT REGULATIONS

Chairperson, the main purpose of this programme is to provide a safe road environment, enforce regulations and promote compliance.

This programme is allocated **R1.03 Billion** In the next five years, we will put more focus on improving existing public transport, in particular, the taxi industry.

This industry transports the majority of public transport users in the province yet little has been done to make it a public transport of choice that is comfortable, safe and to provide a high level of services. We will begin with programmes aimed at capacity building and training, establish a database of all drivers in partnership with SANTACO and also begin the process to corporatize the associations. We believe the taxi industry can be the preferred mode even for private car users, if we all commit and focus on programmes which will upgrade the mode.

The taxi industry plays a major role in the transportation of commuters. Over the years, the industry has demonstrated a huge improvement in commuting our passengers. Working with the Department, the taxi industry will be training **4200 taxi owners and drivers** in this current financial year on issues related to customer care/relations, financial management and other issues that has a major impact on the growth of the taxi industry.

Chairperson, the taxi industry is one of those that was adversely affected during the national lockdown. Most decisions taken were aimed at ensuring that the industry does not become the mass mover of the Coronavirus pandemic. The reduction of load capacity, wearing of face mask and sanitisation of public transport and public facilities might stay with us for a longer period. Government, working with the industry, is working on the plan to ensure that this is sustained and that there is full compliance and strict adherence to these precautionary measures. Like we have said before, all of us must adjust to the new life order to prevent further loss of life and other killer diseases.

However, we wish to extend our warm appreciation and gratitude to the industry for working with the government in fighting this invisible enemy and ensuring that they continue to provide services to our people and at the same time prioritising the safety of the drivers and commuters.

Chairperson, among some of the key strategic issues we are going to discuss with the industry is to improve public transport facilities, working with municipalities. Areas such as Durban Station Taxi Rank is one strategic area for long distance commuters that needs to be investigated and upgraded into a mega public transport precinct.

5.1 Law Enforcement

Chairperson, we are repositioning this province as a zero-tolerance province. This means the attitude and posturing of our law enforcement agency needs to change and they must appreciate the heavy responsibility on their shoulders. Over the next three years the Department will be investing **R188 million** in the Integrated Traffic Contravention Management Systems that seeks to improve speed management on

Provincial and National routes, to curb freight overloading, and manage traffic fines. All this is done to protect infrastructure.

We are also forging ahead with our **365 Integrated Road Safety and Traffic Enforcement Programme**. These will be guided and directed by hazardous accidents spots classification, which means more attention will be paid to high risk areas. As part of our enforcement approach we plan to stop over more than 1 million vehicles across the province. This will be coupled by our integrated approach working with other law enforcement agencies.

Honourable members, it is regrettable that the province in the past financial year we recorded **2 032 crashes** and as a result lost **2 308 lives** due to road accidents. Of those, **354 died** during the festive season period alone.

Chairperson, we already seeing the results and the impact of the Evidentiary Breath Alcohol Testing Machine (EBAT) that has intensified our enforcement operations against drunk drivers. This programme started within the Pietermaritzburg jurisdiction last year and already **1 332 motorists** have been arrested. The use of EBAT has however been suspended due to the Covid 19 and we are engaging on the future of this technology in line with health norms and standards. Currently we are finalising a process of approval of a similar programme to be implemented in eThekweni Metro. As part of improving capacity within the enforcement unit, in this financial year we plan to recruit 60 enforcement trainees.

Due to the unprecedented national lockdown, the Province recorded a decline in the fatalities with only 6 deaths during the Easter long weekend. Ironically, this is an important foundation which we need to build from against the scourge of road fatalities.

5.2 Motor Transport Services

Chairperson, this programme is responsible for the regulation and registering of vehicles in the province. We are experiencing an increase of the vehicle population in the province, which has now reached the **1.5 million mark**. Once again, we are also targeting to surpass our target of revenue collection under this programme of more than **R1.8 billion**. We are expanding our services to all corners of KwaZulu-Natal as we have increased our licencing authority to **85 outlets** in the province. The national government is also trying hard to finalise the issue of standardisation mainly around the registration fee for heavy motor vehicles. Once this matter is finalised, we will see more heavy vehicles registering in the province and avoid the current situation where they opt to go to other provinces because they are charged less. We also plan to conduct **994 random inspections** at all vehicle licencing centres to make sure that there is maximum compliance with the law and to eliminate fraud and corruption. Our view is that if vehicles pass their roadworthy tests fraudulently, that endangers the lives of road users.

5.3 Public Transport Stability

Chairperson, significant strides have been made in promoting regulations and ultimately achieving peace in public transport. The Premier has already directed our Department to work flat out with other stakeholders in achieving stability in the taxi industry. This industry is very essential as the majority of the poor and the working class are dependent on it to reach work and to perform other economic activities. Within the Department of Transport, there is a dedicated unit (Public Transport Monitoring and Compliance) to specifically deal with public transport conflict in its different manifestations. Successful resolution of conflicts within the Public Transport industry also requires an active role to be played by other stakeholders that among others include the following:

- The South African Police Services (SAPS);
- The State Security Agency;
- The Municipalities within which conflicts occur;
- Municipal Police within conflict areas;
- The Road Transport Inspectorate; and
- The Public Transport Industry.

Chairperson, we must, however, note that out of the **246 taxi associations** very few remain with challenges. Our assessment with the industry is giving us clear indications that these have very little to do with route disputes. Instead this is fuelled by internal association power struggles and dynamics. We are currently developing plans working with the security cluster in the industry to embark on a proactive strategy that will prevent further occurrences of violence and killings as associations are preparing for elections next year.

We are also investigating criminal syndicates that are hiding behind the taxi associations whilst collecting illegal fees to sustain the operation of hitmen (***izinkabi***). Emanating from the successes of the interventions of the stakeholders mentioned above, the spectra of instability in public transport seems to have somehow shifted from the usual conflicts between taxi associations and the new trend is seen to be presenting in internal conflicts. These present in two main forms; first it is members of the association fighting with each other and the second is members of the association inviting outsiders into their association to fight their battles. The invited 'others' are usually the feared *izinkabi* who once they are brought into the association, they take over especially the allocation of operations, the collection of money and generally the financial administration of the association. Such are cases in associations such as Bambanani, Umzinto and Vulamehlo Taxi Associations at uGu district and Richards Bay Taxi Association in King Cetshwayo.

What is more disturbing is the involvement of officials including law enforcement agencies, and former military operatives in fuelling the conflict in the taxi industry. In this financial year, we want to develop a policy that will prohibit the participation of law enforcement agencies in the taxi industry.

As part of eliminating violence in the industry, this government convened a Provincial Security Indaba which was hugely successful as we see many illegal security companies

operating in the taxi industry being clamped down upon. Working with PSIRA we want to ensure that all security companies, including their individual members, are vetted, to avoid the recruitment of hitmen fronting as security personnel.

5.4 Operating Licences

Chairperson, the Premier correctly captured the progress we have made in issuing operating licences as part of our mandate to regulate the taxi industry. There is remarkable progress that we have made in this regard since the Provincial Taxi Indaba that was held in Durban, which resolved to uplift the moratorium on operating licences.

Subsequently, the Department has opened four new offices to facilitate the applications and issuance of operating licences. These are located in **Ladysmith, Empangeni, Port Shepstone and Mbazwana**. These are in addition to the already existing Head Office in Pietermaritzburg. This has massively reduced the turnaround time in the processing of operating licences and reduced travel time. Previously only one office was operational in Pietermaritzburg; and was the only centre of processing licences throughout the province. Plans are at an advanced stage to finalise the opening of a new office in eThekweni.

Since the upliftment of the moratorium, more than **2 599 operating licences** have been issued. In total, we have more than **18 000 operating licences** that have been issued in the province. Disturbing though is the fact that more than **4 000 operating licences** have not been uplifted by operators.

Chairperson, government is preparing to host the National Taxi Indaba, which will deal with a number of issues affecting the industry. Amongst these is the issue of regulations, empowerment/economic opportunities, enforcement and other related matters. Provinces have been directed by the Minister to hold their own Provincial Taxi Indabas that will then culminate into a national one with clear contributions from provinces. We will seek guidance from national on this one in line with the Covid – 19.

6. PROGRAMME 5: COMMUNITY BASED PROGRAMMES

Chairperson, the President and the Premier have placed the issue of job creation as an apex priority for this government over the next five years. Through our Programme Five, we intend to respond to this clarion call by our government.

In this programme, we have allocated **R41 million**. This allocation also includes the rollout of our contractor development programme and mentorship for Vukuzakhe Contractors. We plan to create more than **63 000 work opportunities**.

6.1 Expanded Public Works Programme (EPWP)

Chairperson, the Expanded Public Works Programme remains relevant even today. As long as our people still live in abject poverty, this government is therefore duly bound to create work opportunities for them to put something on the table. In this financial

year, we plan to create a minimum of **52 260 work opportunities**. This is mainly on our infrastructure projects. The number of full-time equivalents is **20 000**. In addition, the Department will continue with its poverty alleviation programme Zibambele. These are women-headed households who are responsible for maintaining our road network including the gravel roads.

I have also directed the Department to investigate ways in which we can empower these women with necessary skills in road construction and maintenance and other business opportunities presented by iGula and Operation Vula. In the meantime, the EPWP Directorate has engaged NYDA on the training of **6 000 young people** in the Zibambele programme. NYDA will train the 6 000 Zibambele beneficiaries on Business Management and Entrepreneurial skills. The trainings were anticipated to commence in April 2020 but were disrupted by the outbreak of Covid-19.

Furthermore, 6 300 young people affiliated to the Zibambele programme to be trained on Basic Life Skills and Business Management Skills by NYDA were also due to start in April 2020, and 93 young people were trained on Transport Management through TETA Discretionary grant, to which training commenced in December 2019 as reported in Programme One.

There is also an additional **1 032 people with disabilities** who will be trained on accredited modules. Training is anticipated to commence in the 2020/2021.

According to the approved EPWP Phase 4 proposals, the objectives of the programme is to take the role of public employment to the next level by strengthening the development impacts and multipliers from public employment in order to achieve the vision articulated in the National Development Plan (NDP).

6.2 Vukayibambe Routine Road Maintenance Programme

Chairperson, this programme is aimed at creating work opportunities and impart necessary skills that are needed in the market for young people. Among the key activities that are performed by young people in this regard is traffic accommodation, clearing of grubbing, tree felling, cleaning of drains and water ways among others. In the previous budget speech, we announced **4 000 opportunities** under this programme and we are pleased that **3 200 young people** have been employed for manual clearance of road verges and **800** of them will be selected for training on accredited modules as part of their exit plan.

6.3 National Youth Service

Chairperson, it is my pleasure to announce that under the **National Youth Service 850 young people** will be trained on accredited modules in the 2020/2021 financial year and **50 learners** are to be trained on accredited bricklaying apprenticeship through the Zibambele programme.

6.4 Contractor Development Model

Chairperson, moving forward, we will start the implementation of phase 2 of iGula. Among the key features will be Contractor Development. The Department took a decision to review the Vukuzakhe programme and realign the programme to National Contractor Development Framework so that it complies with applicable legislation but still delivers the envisaged outcome.

After numerous consultations with CIDB, the Department has finalised the re-design of the programme. The re-design of the programme is meant to maximise local beneficiaries and facilitate the growth and development of emerging contractors.

The programme will absorb contractors from grade 1 to 4 in the first year through an expression of interest who will be incubated to exit as grade 6 contractors. Structured accredited training and mentorship will be offered in the programme. A selection criterion has been established to ensure that only contractors who want to increase their business knowledge and technical ability enter the programme.

The programme will target **260 contractors** in the first year of implementation growing to **400 contractors** over the five-year period.

7. CONCLUSION

Chairperson, in conclusion I wish to recognise the hard work by the Department in ensuring that we continue to deliver much needed services to our people. Allow me to extend words of appreciation to **Mr. Snothile Hlophe** who is an RTI officer in Kokstad for winning the award of being the best traffic officer in the country. Mr. Hlophe alone recorded the highest number of drunken driving arrests in the country by arresting **123 motorists**. These motorists would have killed your family and relatives, or maybe anyone amongst us in this house. This behaviour by Thumbeza demonstrates that within our public service we still have a crop that goes beyond their line of duty to serve people with utmost diligence and humility.

Allow me to also thank the Premier of the province, Honourable Zikalala and the entire Executive Council. My greatest appreciation to the people's movement, the African National Congress (ANC) for affording me the opportunity to serve as a member of the Provincial Executive Council and to contribute to changing the lives of our people for the better.

I also wish to thank the management and entire staff of the Department led by former Head of Department, Mr. Gumbi, for their hard work in ensuring that this Department plays a significant role in the promotion of economic growth and improving the road network, including the transportation system of the province. Most importantly, we still have a mammoth task on our shoulders to deliver on the expectations of our people, the majority of whom is still waiting for tarred roads, and for concrete bridges to touch their villages. We dare not disappoint them!

I also wish to thank the Portfolio Committee Chairperson, Honourable Siboniso Duma and all honourable Members of the Transport Committee, for their guidance in ensuring that the Department returns to its greatest heights.

Lastly, please join me in extending my words of gratitude to my wife MaZulu for being my shoulder to lean on as I continue to execute my political work.

In closing, as we celebrate the 100 years of Harry Gwala, allow me to remind the house of the profound words of former President Thabo Mbeki, about our journey and our determination for the future:

"Necessarily, the great journey we have undertaken has to be, and is about redressing the harm that was caused to all Africans. It is about overcoming the consequences of the assault that was made on our sense of pride, our identity and confidence in ourselves. Through our efforts, we must achieve the outcome that we cease to be beggars and deny others the possibility to sustain racist prejudices that dehumanises even those who consider themselves superior."

Indeed, this government is determined to advance the developmental trajectory, empower the previously marginalised and restore the dignity of our people.

Chairperson allow me to present a budget of **R11.6 billion** for the KwaZulu-Natal Department of Transport as we seek to create a transportation system that is an enabler to economic growth and development.

I thank you.