

## Budget Acceptance Speech

### Vote 10 – Transport and Public Works.

Minister Robin Carlisle

Mr Speaker, I rise today in support of the Department of Transport and Public Works budget 2013/2014 in the amount of R4,639,226,000, rising to R5,038,029,000 and R5,975,764,000 in the outer years of the MTEF.

The **administration vision** which informs the structuring of this budget is that of creating an open opportunity society for all so that people can live lives they value.

The **departmental mission** is to develop and maintain appropriate infrastructure and related services for sustainable economic development which generates growth in jobs and facilitates empowerment and opportunity.

This provision and maintenance of infrastructure is the core responsibility of the department.

When a state fails to maintain its assets, it fails as a state – functionally, economically, politically and socially – and eventually descends into chaos, as is happening in much of South Africa.

Nowhere is this more apparent than in the failure of rail, which is driving more and more freight and passengers onto roads that are less and less capable of sustaining their increased loads.

Whilst the Province has been able to maintain its roads, it is not able to influence the policy and action of a national government presiding over the steady deterioration of its most important mobility asset.

**Our departmental imperative** is to deliver our mandated services to our 6 million provincial citizens, and particularly to those two millions who live below the poverty datum line.

#### Core functions.

Our vision and mission dictate the seven core functions of this department:

1. To conduct the overall management and administrative support of the department,
2. To promote accessibility and the safe, affordable movement of people, goods and services through the delivery and maintenance of transport infrastructure that is sustainable, integrated and environmentally sensitive, and which supports and facilitates social and economic growth through socially just, developmental and empowering processes.
3. To plan, regulate and facilitate the provision of public and freight transport services through our own resources and partnerships in order to enhance the mobility of people and commodities, and provide access to safe and efficient transport through an integrated public transport network.
4. To utilise provincial property (immovable assets) to act as a catalyst in achieving provincial objectives related to economic growth, social development and a sustainable environment.
5. To provide an appropriately authorised transport environment through the registration and licensing of vehicles, associations, operators and drivers; the issuing of driving licences; the certification of motor vehicles as roadworthy for use on public roads; the issuing of permits for abnormal load vehicles and events on public roads and to record crash data, exercise overload control and promote safety on public roads.
6. To plan, regulate and facilitate the provision of accommodation for client departments and related entities; manage the provincial property portfolio for the optimum benefit of all concerned; render professional, technical and implementing agent services in respect of buildings and other related infrastructure and facilitate infrastructure planning in the Province of the Western Cape.
7. To co-ordinate, monitor and evaluate the implementation of the EPWP and to develop and empower communities and contractors.

**Ministerial Priority Programme 1:** The creation of a highly effective department and the freeing up of resources through instituting efficiency measures and programmes.

Let me say again, as in previous years, that this Department poses greater management challenges than any other in the administration. In addition to

its budget of R4,639 Billion, it manages and implements a further R2,186 Billion on behalf of its client departments, for a total of R6.825 Billion .

It is responsible for managing assets in excess of R130 billion – R80 billion in fixed assets and R50 billion in roads. More importantly, it has a higher discretionary spend than all of the other departments put together.

Compensation of employees makes up only 7.5% of the total spend. To my knowledge, our output to compensation ratio of 13 to 1 is unique in South Africa and probably globally.

Let me say again that this ratio is the finest tribute I can pay to the management and staff of my department. For every Rand of salary they receive, they deliver R13 of output and services.

### **Schools, schools, schools.**

It is also appropriate to note the enormous increase in infrastructural investment that has occurred in this department and in its implementing function during my watch. Setting aside the huge increases in Health and General Works infrastructure spending, let me concentrate on Education.

In the last 4 years of ANC control (2005/06 to 2008/09) R630 million was spent on educational infrastructure.

In the past 4 years (2009/10 to 2012/13) R1.720 billion was spent on educational infrastructure – an increase of 173% or R1,090 billion – effectively trebling the spend.

Well, might the taxpayers ask – where did the rest go?

But this is only the beginning. In the three years of the MTEF – 2013/14 to 2015/16, our educational infrastructure spend is planned at R3.3 billion.

While annual educational infrastructure spending under the ANC averaged at R157.5 million per annum, in the seven years to the end of the MTEF, the average annual spend in this regard will be in excess of R700 million per annum - more than 4 times what the ANC achieved.

By 2016, this administration will have built close to 100 new and replacement schools. This is a phenomenal achievement by an equally phenomenal team. Gary Fisher, Thando Mguli and your truly amazing staff - take a bow. You are achieving the impossible.

You are demonstrating service delivery as it has never been done before. You are building schools faster, smarter and cheaper than has ever been done in the past. These schools are amongst the best, and the vast majority of them are for the communities that have long needed such an investment in education.

So the opposition can keep talking the talk on delivering to the poor while we continue to deliver real service to the poorest of the poor in the Western Cape.

These remarkable achievements would not have been possible were it not for the confidence shown in my department by National Treasury and National Education Department – a confidence sometimes not echoed in our own ranks – and for that to Ministers Gordhan and Motsheka my grateful thanks. We will not let you down.

### **The end of an era – daar gaan `n man verby.**

Sadly, My Head of Department, Mr. Johan Fourie, stands down in October 2013.

This is his choice and certainly not mine. For 40 years he has served South Africa with skill, courage, wisdom and dedication. He knows only one master – the people of this province – and he is their faithful and extremely hardworking servant.

He exemplifies all those virtues which should characterize a public servant; integrity, impartiality and a burning concern that the people's money should serve the people's needs.

In three years he has transformed my department and taken it from disgrace and demoralization to the highest levels of probity, and one in which every member is proud to serve.

It was my privilege to have served with him.

I have never seen his like in the private or public sector, and we will not see it again.

Enjoy your retirement, Johan, for no one has worked harder for it than you.

In previous budget speeches, I have reported on all programmes and branches in great detail. To avoid repetition, I will confine myself to areas of main importance, achievement and risk.

### **Programme 1 – Administration.**

#### **Office of the Minister and Management of the Department**

I am well supported by my Head of Ministry Sanele Nyoka; PA Bles Smit and Media Liaison Officer Siphesihle Dube; as well as our small but excellent administrative staff. My Protector, Errol Jobs, achieves the impossible in getting me to most places on time.

My budget remains the lowest in the administration and probably in the country. I have made one overseas trip in my term. Three of my senior officials have been recruited on promotion.

This report and the budget as a whole are a testimony to the effectiveness of the management of the department, which operates through a small team and regular Top Management meetings.

#### **Corporate support.**

Great strides have been made in the very complex field of supply chain which governs our procurement. This goes together with the ever increasing proficiency of our administration and accounting, increasingly augmented by the population of our micro structures.

The department again achieved an unqualified audit.

#### **Departmental strategy.**

From the outset, the department has been driven by strategic considerations increasingly augmented by policy.

Strategic Objective 3 (SO3) is well founded and managed, and the department is actively involved in all appropriate SOs, notably SO1.

#### **Building the future.**

Masakh' Isizwe is evolving into a truly excellent bursary scheme. Our bursars outperform the University averages by considerable margins. The relationship with our private sector and academic partners is strong and enthusiastic, and I remain puzzled that this initiative has not been taken up by other provinces.

Our first diesel mechanics graduate this year, and the apprenticeship scheme has now been extended to the construction sphere.

## **Legislation.**

The Western Cape Transport Infrastructure Bill has now been passed into law, shortly to be followed by amendments to, and regulations flowing from the Provincial road Traffic Act.

The Provincial Legislature will also shortly consider the Amended Applicable Title Deed condition for the Founders Garden.

## **Programme 2 – Public Works. – R1,28 ,2193.**

### **Overview**

The programme makes provision for a R105 million increase in maintenance which, together with the significant increase in the building of replacement schools, will contribute to meeting our goal of reducing the maintenance backlog by 16%.

The budget has been reduced by the transfer of regeneration funds and the budgets for property transactions to the Asset Finance Reserve in Provincial Treasury.

Government Immovable Asset Management Act (GIAMA) will be implemented and complied with during the year under review, a first for South Africa.

### **General Buildings Facilities**

General Buildings Facilities attends to all other client Departments' needs for infrastructure maintenance and facilities management and has a total budget of R440 million, excluding health facilities and education facilities.

General Buildings Facilities plans to engage in 459 maintenance projects and 29 major capital projects, as well as day-to-day management and maintenance of provincial government owned facilities. An estimated 5 000 decent job opportunities and 1200 EPWP work opportunities will be provided, as well as attending to the maintenance of selected facilities for children with disabilities.

To mention a few the major projects that will be implemented in the next financial year:

1. The upgrade of 4 Dorp Street, including its ground floor and balconies, as well as 7 Wale Street, are scheduled to be completed by October 2013.

2. Khayelitsha Shared Service Office Block for Education, Health, Social Development and Agriculture will be the first 5 Green Star Building of the Provincial Government and is scheduled to be completed in May 2014.
3. Karl Bremer Office Block for Health is currently in the design phase and construction is scheduled to commence in the 2013/14 financial year for completion in the 2015/16 financial year.
4. Ottery Office Block for Education is currently in the design phase and construction is scheduled to commence in this financial year for completion of construction in the 2015/16 financial year.
5. The Alexander Education Precinct for office accommodation upgrade and examination centre expansion is scheduled to be completed within the 2013/14 financial year.
6. Modernisation and refurbishment of prioritised floors in the following buildings:
  - 9 Dorp Street
  - 1, 3 and 4 Dorp Street
  - 27 Wale Street
  - 4 Leeuwen Street
  - the Goulburn Centre in Goodwood; and
  - York Park in George.
7. Completion of all the replacement and upgrade of lifts in the CBD buildings, in particular 4 and 9 Dorp Street.
8. Upgrade mechanical, electrical and general buildings of the provincial and national archives building.

### **Works Education Facilities**

Total Education Budget managed by Public Works as implementing Department amounts R1 272 849 billion to finance 28 new schools and 14 Accelerated Schools Infrastructure Delivery Initiative (ASIDI) replacement schools, 57 Grade R Classrooms and 150 maintenance projects, thereby creating a total of 6 000 decent Jobs 1200 EPWP work opportunities. Among others, the following schools will be completed in as indicated:

**Schools scheduled to be completed in the 2013/14 financial year, to name a few:**

**ASIDI**

1. Sophakama Primary School (514295/2012) ASIDI
2. Sophumelela Secondary School (514188/2012) ASIDI
3. Valhalla Primary School (514266/2012) ASIDI
4. Heideveld Primary School (514247/2012) ASIDI
5. Kasselsvlei Primary School (514286/2012) ASIDI
6. Kensington Secondary School (514229/2012) ASIDI
7. Knysna Secondary School (514307/2012) ASIDI
8. Delta Primary School (514202/2012) ASIDI
9. Die Duine Primary School (514220/2012) ASIDI
10. Parkview Primary School (514335/2012) ASIDI
11. Wesfleur Primary School (514326/2012) ASIDI
12. Willemsvallei Primary School (514344/2012) ASIDI
13. Hawston Primary School (514211/2012) ASIDI
14. Portia Primary School (514238/2012) ASIDI

**Schools scheduled to be completed in the 2013/14 financial year, to name a few:**

**Project Name**

1. Group 06: Entshona Primary School (461152/2010)
2. Group 06: Fairview Primary School (461114/2010)
3. Group 06: Plantation Primary School (461133/2010)
4. Group 07: Rusthof Primary School (460383/2010)
5. Group 07: Wes-Eind Primary School (460368/2010)
6. Group 08: St Thomas Primary School (461171/2010)
7. Group 10: Garden Village Primary School (467068/2010)
8. Group 10: Silversands (Wesbank) Secondary School (466594/2010)
9. Group 10: Vuyiseka Secondary School (466488/2010)
10. Nal'ikamva Primary School (407209/2009)
11. Group 03: Kathleen Murray Primary School (466542/2010)
12. Group 04: ACJ Phakade Primary School (460143/2010)
13. Group 04: Bottelary Primary School (460168/2010)
14. Group 04: Itsitsa Primary School (460110/2010)
15. Disa High School (517849/2012)
16. Group 02A: Formosa Primary School (465099/2010)
17. Group 02A: Pacaltsdorp Primary School (465155/2010)
18. Brackenfell Secondary School (22913/2005)
19. Group 07: Wellington Primary School (New) (460375/2010)
20. Masakhane Primary School: Gansbaai (493160/2011)



## Works Health Facilities

As implementing department for Health Infrastructure, Works Health Facilities manages a total Health Infrastructure Budget of R893 800m pertaining to 84 capital projects and 240 maintenance projects, which will create 5,430 jobs and 600 EPWP Work Opportunities.

Projects in Retention / Final Account as at 1 April 2013

No	Project Name	Type of Infrastructure	Total Cost of Project R'000	Budget for 2013/14 R'000
1	Athlone Western Cape College of Nursing	To convert garages into workshop	1 576	50
2	Athlone Western Cape College of Nursing	Security upgrading	2 674	133
3	Beaufort West Forensic Pathology Lab	Retention/final account	11 461	50
4	Ceres Hospital	New EC	13 700	100
5	Du Noon Clinic	Replacement clinic	6 900	50
6	George: Harry Comay TB Hospital	Hospital upgrade Phase 1	4 500	20
7	George Hospital	Hospital Upgrade Phase 3	90 964	2 000
8	Grabouw CDC	Upgrade of existing CDC	14 000	30
10	Khayelitsha Hospital	New hospital and ambulance station	530 000	100
11	Knysna new CDC (Witlokasie)	New Community Day Centre	36 500	600
12	Malmesbury - Wesbank CDC	New Community Health Centre	29 750	1 000
13	Mitchell's Plain Hospital	New hospital	500 000	10 000
14	Observatory Groote Schuur Hospital	NMB fire detection ph 2	5 000	50
15	Paarl Hospital	Hospital Revitalisation	477 000	5 000
16	Paarl TC Newman CHC	Community Health Center upgrade	45 000	50
17	Riversdale Hospital	Phase 3 upgrade	11 138	
18	Stikland Nurse College	AC in Auditorium	500	20

No	Project Name	Type of Infrastructure	Total Cost of Project R'000	Budget for 2013/14 R'000
20	Tulbagh Ambulance Station	New Ambulance Station	6 700	50
21	Worcester Hospital Phase 4	Hospital upgrade phase 4	55 800	200
		<b>Total</b>	<b>296 700</b>	<b>166 656</b>

### Projects expected to reach Practical Completion in 2013/14

No	Project Name	Type of Infrastructure	Total Cost of Project R'000	Budget for 2013/14 R'000
1	Bellville Karl Bremer Hospital	New Emergency Centre	55 000	26 605
2	Caledon Hospital	Upgrade - Disa ward phase 2	13 600	2 370
3	Delft ARV	ARV counselling unit and pharmacy	15 500	15 500
4	Du Noon CHC	New Community Health Centre	68 000	47 550
5	George Hospital	Hospital Upgrade Psychiatric Ward <sup>1</sup>	14 500	13 700
6	George: Harry Comay TB Hospital	Hospital Renovation Phase 2	5 700	200
7	Goodwood Ruyterwacht CDC	New Community Day Centre	11 000	1 000
8	Heidelberg Ambulance Station	New Ambulance Station <sup>1</sup>	7 000	7 200
9	Knysna Hospital	New emergency Centre and OPD	45 000	27 500
10	Malmsbury Ambulance Station	New Ambulance Station	13 200	500
11	Phillipi CDC Inzama Zabantu	IDU upgrade	13 000	8 000
12	Riversdale FPS	New Forensic Pathology Laboratory <sup>1</sup>	8 500	8 000
13	Robertson Ambulance Station	EMS including electrical upgrading	10 500	9 000
14	Robertson Hospital	New Bulk Store	6 700	6 000
15	Tygerberg Hospital Emergency Centre	Upgrading emergency department	10 000	2 500

No	Project Name	Type of Infrastructure	Total Cost of Project R'000	Budget for 2013/14 R'000
		<b>TOTAL</b>	<b>296 700</b>	
	<sup>2</sup> Red Cross Children's Hospital	Additions to centre	9 870	

### Projects in planning as at 1 April 2013

No	Project Name	Type of Infrastructure	Total Cost of Project R'000	Budget for 2013/14 R'000
<b>EXISTING PROJECTS</b>				
1	Atlantis Wesfleur Hospital	New Emergency Centre and Paediatric Ward	14 500	2 500
2	Beaufort West: Hill Side Clinic	Replacement clinic	16 000	2 500
3	District Six CDC	CDC replacement	70 000	15 000
4	Mannenbergh GF Jooste Hospital: temporary EC at Klipfontein Hub (Heideveld CHC)	Enabling work for the GF Jooste Hospital Project: new Emergency Centre at the Heideveld CHC	42 000	35 000
5	Mitchell's Plain Hospital	New District 72-hour Assessment Centre	22 000	20 200
6	Napier Clinic	Clinic Replacement	10 000	1 000
7	Observatory Groote Schuur Hospital	Upgrade of the Emergency Centre	45 000	1 500
8	Observatory Groote Schuur Hospital (FPI)	New Forensic Pathology Laboratory	110 000	9 000
9	Observatory Valkenberg Hospital	Renovations to the existing buildings	80 000	10 000
10	Observatory Valkenberg Hospital	Forensic Village (framework agreement)	350 000	9 000
11	Observatory Valkenberg Hospital	Acute Village (framework agreement)	450 000	4 000
12	Observatory Valkenberg Hospital	Pharmacy, OPD, Werf (framework agreement)	100 000	1 000
13	Paarl Hospital	New Psychiatric Unit - final phase	30 000	15 000
14	Prince Alfred Hamlet Clinic	Clinic Replacement	16 000	1 600
15	Stikland Nurse College	College renovations	2 250	2 000
16	Strand Nonzamo: Asanda Clinic	New Clinic	26 000	50
17	Wolseley Clinic	New Clinic	14 600	2 003

No	Project Name	Type of Infrastructure	Total Cost of Project R'000	Budget for 2013/14 R'000
18	Worcester Hospital Phase 5	Hospital upgrade phase 5	32 000	9 160
19	Worcester CDC	Extension for a Dental Suite	3 600	600
20	Worcester: Boland Nurse College	Additional Nurses accommodation at the Erica site	9 800	7 000
21	Worcester: Boland Nurse College	Erica Hostel upgrades	9 000	3 000
22	Worcester: Boland Nurse College	Training facility at Keerom including fence	24 000	361
23	Wynberg Victoria Hospital	New Emergency Centre	30 000	2 000
<b>TOTAL EXISTING</b>			1 506 750	153 474
<b>NEW PROJECTS</b>				
1	De Doorns Clinic	Clinic Extension	5 500	Postponed
2	Gansbaai Clinic	Extension to the existing clinic	10 500	Postponed
3	George Tembalethu CDC	CDC Renovations	28 000	978
4	George: Eden Nurse College	Upgrade nurse hostel (York Hostel)	10 000	400
5	Green Point Somerset Hospital	72 hour assessment unit	13 700	100
6	Helderberg Hospital: EC	Emergency Centre Upgrade	10 000	1 500
7	Houtbay CDC	CDC replacement	45 000	50
8	Laingsburg Ambulance Station	Replacement ambulance station	7 000	100
9	Laingsburg Clinic	Clinic upgrade and extensions	5 000	Postponed
10	Laingsburg FPL	Replacement FPL	7 000	100
11	Mannenbergh New GF Jooste Hospital	Hospital Replacement	600 000	5 000
12	Mitchell's Plain Lentegour: WCRC	Relocation Orthotic & Prosthetic Centre	34 500	50

No	Project Name	Type of Infrastructure	Total Cost of Project R'000	Budget for 2013/14 R'000
		to WCRC		
13	Observatory Groote Schuur Hospital	Masterplan	5 000	2 000
14	Ravensmead CDC	CDC replacement	45 000	Postponed
15	Rondebosch Red Cross Children Hospital	EC upgrades and additions	20 000	50
16	Rondebosch Red Cross Hospital	Radiology & ICU Upgrade and Extension (in partnership with the Trust)	48 000	12 000
17	Stellenbosch Hospital	Emergency Centre Upgrade	12 000	200
18	Worcester: Boland Nurse College	Erica Hostel maintenance	2 500	1 000
		<b>TOTAL NEW</b>	<b>908 700</b>	<b>23 528</b>
		<b>TOTAL EXISTING AND NEW</b>	<b>2 415 450</b>	<b>177 002</b>

In order to accelerate delivery of infrastructure, in particular the increased budget, this Department will increase capacity to deliver by appointing additional personnel and securing the services of outsourced implementing agents, packaging contracts to attract higher graded contractors, utilizing repeat design to save on time of designing, appointing term and framework contractors over a period of three years in order to avert delivery delays caused by lead times associated with the procurement process and enable departments to have readily available contractors to deliver.

### **Property and regeneration.**

The first regeneration income of some R2.2 million, from the lease of the Sea Point School, marks an important milestone in the profitable management of our property assets.

The intention here is to build a strong positive net cash inflow into the Asset Financing reserve by the sale or lease of Provincial properties and the accommodation of our staff in owned rather than leased out properties.

To this end we have purchased the York Park building as our provincial headquarters in George, and, over time, all provincial undertakings will be housed there.

The cost of purchase will be recovered in the first 10 years, and thereafter our current expenses will be reduced by approximately R10 million per annum escalating at 12% p/a.

In addition, we have purchased property in Maitland to house the Government Garage, thereby preparing the GG precinct for appropriate mixed income and residential development.

We will shortly go out to tender on the construction of a building on the site owned by the Western Cape Government in Leeuwen Street. This is a PPP project and will accommodate the Department of Education.

Major developments are planned for the Artscape/Founders Garden precinct including major extensions to Artscape, largely financed by National Treasury as well as parking to service CTICC, the Christiaan Barnard Hospital and Artscape itself.

Cabinet has approved draft frameworks for the massive Two Rivers Urban Park development to be co-developed with the City and strategically led by the Cape Higher Education Consortium. TRUP is planned as a sustainable development, self-sufficient in terms of bulk services. Early identified tenants are a health cluster and the SA headquarters of Square Kilometer Array Africa (SKA).

It is now ministerial policy to dispose of all properties not required by the administration or having been identified as having regeneration potential. Such disposals would be aimed at mixed income housing proposals, and will include, (subject to Education and School Governing Body approval) excess land at certain schools.

### **Properties sold under the previous administration.**

The sale of the Conradie site will be cancelled during this year as certain contractual obligations were not met.

The sales of Erf 2067 Strandfontein and Erf 159166 Heideveld were cancelled, inter alia for non-payment of purchase price, but these cancellations were overturned by the Cape High Court.

### **Programme 3 - Transport Infrastructure (Roads) – R1995792.**

The budget is largely unchanged when compared to 2012/13, but shows substantial increases in the two outer years totaling some R700 million arising from increases in the Roads Maintenance Grant and the PES.

The decline in “construction” is due to funding being kept in reserve by Provincial Treasury for allocation in the Adjustment Estimates.

Whilst the department continues to be challenged by the condition of unsurfaced roads, 93.5% of all kilometers travelled are on “good” to “very good” surfaced roads, which is at the upper end of global standards.

The list of road construction and maintenance projects totaling R1.723 billion is detailed in the budget. Members will however be pleased to note that planning will commence, subject to City Of Cape Town approval, on the construction of a third lane in both directions on the N1 at the Durban Road Interchange at an estimated cost of R125 million. This will significantly reduce peak congestion.

In addition, I have asked the department to consider the realignment of the Borchards Quarry interchange on the N2 to improve access to Philippi, where the City is involved in a major regeneration and employment project.

### **Chapmans Peak PPP.**

Despite a residual court challenge in this area, the toll plaza is likely to be completed in June 2013.

### **Toll Roads**

Notwithstanding a statement by National Department of Transport (NDOT) in 2012 that no future toll roads would be considered, SANRAL has decided to press ahead with N1/N2 Winelands tolling project.

The Western Cape Government will continue to support the City in its opposition to such tolling. We share their insistence that full and detailed construction and tolling costs must be revealed by SANRAL.

Whatever these may be, the impact on agriculture of tolling those sections will be extremely negative, and will lead to further unemployment in already impoverished communities.

We are also opposed to the excessively high costs of the Somerset West bypass and the commissioning of the second tunnel at Huguenot.

It is my view that the issue of tolling can be tested by the outcome of the election in the Western Cape in 2014.



## **Programme 5 – Transport Operations – R862.864M**

### **Public Transport.**

The Public Transport Operating Grant (PTOG) and its attendant operational costs make up R805 million of this Programme budget.

In terms of the National Land Transport Act (NLTA), both the PTOG and those portions of the Regulating Entity which relate to the Metro must migrate to the City. Plans in this regard are well advanced, but the migration must be seen in the context of the public transport generally.

The Province's requirements in this regard are set out in great detail in the Provincial Land Transport Framework, which in turn informs the Integrated Transport Plans of all provincial municipalities.

The City has set up a Transport Authority charged with managing – but not operating – public transport in the city and, after due process, in a number of adjoining municipalities.

*The most important modality in public transport is rail.*

Metrorail Western Cape was until recently distressingly dysfunctional, but under new regional management has improved off a low base. Punctuality and security have both improved, though the latter still leaves much to be desired, particularly on the southern line. The number of functional train-sets has increased from 79 to approximately 100, still well short of the 130 required.

In addition, tenders have been awarded for the replacement of the Western Cape Metro signaling systems and for the 25 year replacement of existing train-sets with new train-sets.

It is expected that the first 15 new train-sets will be delivered on to our system during 2015.

Metrorail and the City are engaging on a number of fronts, including on a CCTV monitoring system that will have train stations monitored by CCTV cameras that will feed directly to the Goodwood Traffic Management Centre (TMC).

### **Road Based Public Transport.**

The main problematique faced is in the area of road based public transport, in which the principal players are the Mini-bus taxi industry; Golden Arrow Bus services and the MyCiti Vehicle Operating Companies.

The PLTF (Provincial Land Transport Framework) requires that broad agreement be reached on the broad planning of road based public transport with all stakeholders.

Such agreement on the way forward will form an essential element in the City's Integrated Transport Plan, due to be published later this year.

This sensitive negotiation is now underway, but the levels of anxiety felt by all road based operators must not be overestimated.

Both the City and the Department are agreed that road based operations should be hybrid, allowing for taxi operators to choose as to whether they would become part of larger operating entities or to continue operating their existing routes.

There are many uncertainties, particularly with regard to future funding. Critical to the success of an integrated public transport system is that it be affordable, not only to commuters, but also to the municipalities involved therein. MyCiti has captured a significant slice of commuters, and ticket sales for both Metrorail and GABS are significantly increased.

It is expected that the department's goal in increasing the public transport share of total commuters will be met.

### **Rail freight and medium/long distance passenger rail.**

Both rail and passenger rail have dwindled to very low capacities. Whilst the Province has been successful in persuading PRASA to run additional passenger trains to East London and Queenstown during the three peaks, little or no dialogue has occurred with Transnet with regard to freight.

The Department's goal with regard to increasing the proportion of rail freight will not be met.

### **George Mobility Project.**

After many years of negotiation, we are almost ready to go on the first non-Metro public transport system in South Africa.

Special thanks to Deidre Ribbonaar who has plugged away with such courage and grace for so many years. Special thanks also go to Hannes Mouton and Darryl Jacobs who have clinched financing of R400 million over the next three years. This has been an outstanding achievement.

### **Programme 5 - Transport Regulation – R299.591M**

#### **Licence fees.**

After 6 years without increases, the Western Cape registration and license fees are now in the middle to lower band of fees charged in other provinces. We have thus recommended an increase of an average of 5.3%, which recommendation is presently undergoing public participation.

All license fees realized are ring-fenced for road maintenance.

License fees are expected to realize R1.077 billion in 2013/14.

### **Transport administration and licensing.**

This Branch is well managed but fraud in the testing of drivers and vehicles is a very serious challenge. In a sting operation in Oudtshoorn, a number of licensing staff and driving instructors were arrested. Road worthy testing is plagued by a massive national fraud at present.

### **Operator license and Permits – MTB industry.**

The Provincial Regulatory Entity (PRE) continues to deliver an ever improving service. They interact continuously with SANTACO and individual associations. The strict policy preventing unlawful and violent entry into the industry has held the number of operators in the City at about 7000, whilst the market has continued to grow, thereby leading to greater prosperity for operators and owners.

It is my policy to deal officially with SANTACO whose endeavors we fund, and only to deal unofficially with so called mother bodies.

Disputes within three Bellville associations led to three murders; violence on the rank and the assault on one of our senior staff.

After months of negotiation and dispute resolution, we have, stopped all transactions pertaining to them for a period of two months, and with the full support of all law enforcement agencies, will close all routes used by those associations.

The employment relationship between owners and operators on the one hand and their drivers and 'gaardjes' on the other is unlawful, unsatisfactory and a direct cause of bad taxi driving.

Neither the unions nor the relative national entities are addressing this serious matter.

### **Law enforcement – weighbridges.**

Some 640000 vehicles will be weighed in the province in 2013/14  
The percentage of overloaded vehicles has dropped from 4% in 2009/10 to 2.5% in 2012/13.

R80 million will be expended on the construction of a further weighbridge at Gouda to close a notorious overloaded truckers rat-run.

### **Law enforcement – Provincial traffic.**

Whilst Cabinet believes that traffic police should operate within this department, it has been agreed to defer this transfer until later in 2013.

Let me take this opportunity to thank all the members of the law enforcement agencies operating on the road. Yours is a tough, thankless and sometimes terrible job.

### **Law enforcement – Safely Home.**

The fatality rate on roads in the Province has been reduced from 1739 for the year ended December 2008 to 1262 for the year ended December 2012. The annualized figure to February 2013 was 1202, a reduction of 30%.

Our research indicates that such reductions have not been achieved elsewhere in the world.

All classes of fatalities have been reduced with the exception of motor cycles where it has increased by 25%.

Pedestrians and drivers/passengers make up the largest cohort of fatalities. During this year a number of identified Pedestrian Hazardous Locations have been identified for action, commencing with Nekkies on the outskirts of Knysna and Lansdowne road.

Actions taken will include community involvement and education; the appointment of pedestrian bridge marshals; better lighting; access control measures where appropriate; and more pedestrian robots.

As far as drivers/passengers are concerned, Average Speed over Distance (ASOD) has been extended to include R61 (Beaufort West to the Eastern Cape border); N1 (Three sisters to Worcester) and will include the R27 (Melboschstrand to Saldanha).

Seat belt compliance, particularly of back seat passengers, is very low. A major campaign will be run to encourage and enforce compliance.

Much greater use will be made of cameras to cover blind rise hot spots. The emphasis in all these initiatives will be prevention rather than fining or arrests.

Additional staff will be appointed in the research area as well as in the "reporter/witness" programmes. It is intended to greatly expand this area with a target of 100000 motorists reporting offenses to us.

There is a pressing need for greater law enforcement resources. Safely Home remains deeply concerned regarding weaknesses in the criminal justice system:

- Breathalyzer technology is still undergoing required technical processes.
- Blood samples are still taking up to a year to be processed.
- Too often the crash management policing is not adequate to result in convictions.
- Courts are not capable of dealing with the case loads.

In the Rheenendal bus tragedy, no charges have yet been laid despite two expert investigations, commissioned by the department, clearly indicating that the bus was un-roadworthy. I closed the vehicle testing station responsible for issuing the bus in question with a roadworthy, only to be overturned by the courts.

Never the less, Safely Home has made huge strides and our target of 50% reduction by December 2014 is expected to be met.

### **Provincial Motor Transport Trading Entity.**

The "Government Garage" (GG) continues to operate efficiently, operating a fleet of some 4500 vehicles which are replaced at about 3.5 year intervals.

All of the accounting changes required by the Auditor General have now been completed.

### **Programme 6 – Community based programmes – R51.672M**

This programme manages both the EPWP and the development and empowerment of communities and contractors.

EPWP targets for 2012/13 will be significantly exceeded.

Targets for 2013/14 are 94425 work opportunities which will include 37770 youth; 51934 women and 1889 people with disabilities.

The province co-ordinates administration flows for the whole province.

### **Conclusion**

To our thousands of partners – in National; provincial and municipal government; In the private sector; the universities; the NGO`s; on the roads – without you we could not achieve anything.

To the Chairman of the Standing committee on Finance – sincere thanks for an efficient and well run operation.

To the Premier and my cabinet colleagues – you are a dream team and we will be the best run regional government in the world.

To my staff – senior and junior – young and old – I hope you are as proud of yourselves as I am of working with you.

To my wife Margaret and my daughters Frith and Erin who have been so patient for so long – soon enough I will be all yours.