

POLICY AND BUDGET SPEECH:
Department of Public Works Roads and Transport 2011/12

Hon. Speaker Mr William Lubisi

Hon. Deputy Speaker Violet Siwela

Hon. Premier Mr David Mabuza

Hon. Members of the Executive Council

Hon. Chairperson of the Portfolio Committee on Public Works, Roads and Transport as well as
Members of the Committee

Hon. Members of the Mpumalanga Provincial Legislature

Traditional Leaders

All stakeholders from the Construction and Transport Sector present

Comrades and compatriots

Ladies and gentlemen

It is an honour and privilege to address this august house at the end of the May month. We started the month by celebrating Workers' day, where we highlighted victories and challenges that workers have had over many decades of workers' struggle. We salute the workers of South Africa, without whom the political liberation of South Africans would not have been possible. We acknowledge that the worker's struggle is still far from over and that we must continuously celebrate May 1st lest we forget about their struggle.

This month was also remarkable in that on the 18th May 2011, masses of our people went to the local government polls where once more millions of our people gave the ANC led government a further mandate to focus on government priorities and provide a better life for all. Commenting on our mandate to deliver, one of our revolutionary leaders and former President of the ANC, Comrade O.R. Tambo once said:

"The answer cannot be quick or easy. But it must be found - and found. not in words but in deeds, in action in struggle. It requires that we should know the goals of the national democratic revolution and refuse to fall victim to promises of pies-in-the-sky made by demagogues who know they cannot even deliver a stale slice of bread"

We must show respect for this trust and mandate, by continuing to play an active and purposeful role that does not leave service delivery and the socio-economic transformation of our communities to chance. We have criss – crossed the length and breadth of our Province, listening to the needs of our people. The people have spoken and the message is loud and clear. More and more people are demanding a speedier pace on service delivery.

We are therefore called to deliver services at a faster pace, lest some of our people lose their patience and begin to think that this hard earned freedom is an illusion, and agree with Frank Zappa when he says regarding freedom:

"The illusion of freedom will continue as long as it's profitable to continue the illusion. When the illusion becomes too expensive to maintain they will take down the scenery, pull back the curtains, move all the tables and chairs, and you will see a brick wall at the back of the theater."

It is for these reasons, among others, that we believe that the Department of Public Works, Roads and Transport remains at the centre of efforts to transform our society and to grow our economy by providing the necessary infrastructure as well as a safe and affordable transport system. The delivery agreement for outcome 6 signed with the Premier of Mpumalanga Mr D.D. Mabuza cannot be over-emphasized. The department is committed to the provision of an efficient, competitive and responsive economic infrastructure network. We are aware that there are no quick fix solutions to address the infrastructure backlog due to limited financial resources. The department commits itself to deliver on infrastructure to the best of its ability within these financial restraints. Our Annual Performance Plan(APP) has been structured to best address these challenges and also the needs of our communities.

2011/2012 has been declared the year of Economic Development and Job creation. We are confident that through outcome 6, more decent jobs will be created and the high level of unemployment will be curbed.

ADMINISTRATION

Institutional rearrangement

We are in a process of reviewing the departmental structure in view of the envisaged transfer of the Traffic Management Programme from the Department of Public Works, Roads and Transport to the Department of Safety, Security and Liaison. This is in line with the proclamation by the Hon. Premier D.D. Mabuza made on the 3rd of May 2011. The envisaged transfer is effective from the 01st of June 2011.

Payment of invoices within 30 days

Honourable Speaker, one of the major challenges that the department has been faced with over the past year has been payment of all service providers within a period of 30 days after rendering service. The department managed to rollout transversal financial systems to seven (7) cost centres to ensure prompt payment of service providers. This is in line with the President's and Premier's call to pay all service providers within 30 days. This year, we will focus our efforts on ensuring activation of data lines at all offices where the transversal financial system was previously installed. This action and other changes will improve the cash-flow of those doing business with government. Improvement in payment time lines will also be realised. It is our commitment to protect our service providers and all those doing business with the department.

Restructuring of GMT

Honourable Speaker, the Executive Council took a decision to centralize the management and control of state vehicles to the department in a bid to curb misuse of government vehicles in the Province. To this end, the department has appointed a service provider effective from May 01, 2011, who has started fitting tracking devices and other monitors in all state vehicles. The installed system will assist the department in tracking the movement of our vehicles 24/7. The system will pinpoint the position of our vehicles, record their speed and keep a record of the driver's behaviour. The vehicle can be immobilized from the control centre at any point in time. We are confident that the department will be highly assisted in managing and controlling state vehicles and that the Mpumalanga government will realise important savings from this intervention. The days of spotting government vehicles in taverns and weekend abuse will soon be over.

PUBLIC INFRASTRUCTURE

Provincial Infrastructure Master Plan

Honourable Speaker, the Executive Council mandated the Department of Public Works, Roads and Transport to put together a Provincial Infrastructure Master Plan in the previous financial year. The plan will bring coordination to all infrastructure planning and delivery within the province. It will also guide the provincial government on identification of infrastructure demands and investment requirements. This new mandate requires the department to extend its interaction beyond its traditional client departments (Education, Health, Social Development and Culture Sports, & Recreation). The facilitation will extend to all role players in the infrastructure development. The completed plan will be aligned to the Mpumalanga Provincial Growth Path and will be updated on regular basis to ensure relevance to the ever changing socio-economic conditions.

A task team comprising of all infrastructure oriented provincial/national departments, municipalities and some government funding agencies has since been established to deal with the work at hand. A series of meetings between the relevant role players have been held to date. Notwithstanding unforeseen challenges, the final document is expected to be available by February 2012.

Integration of the infrastructure delivery function

Honourable Speaker, the department has sought ways of improving working relationships between itself and the client departments. This approach includes participation of representatives from the client departments in the infrastructure procurement and payment processes. Meetings between the department and client departments have been introduced to discuss progress relating to implementation of infrastructure projects and payments of service providers. We are confident that these activities will greatly assist in alleviating many challenges related to infrastructure delivery in the province.

Education Infrastructure

The total number of projects for the DOE in the 2010/2011 financial year were 494 with jobs created amounting to 4 538. One forty nine (149) projects were completed in that year, creating 2 543 jobs. It is envisaged that out of 345 projects planned for the 2011/2012 financial year, 1 995 jobs will be created.

Health Infrastructure

The total number of projects for the DOH in 2010/2011 financial year were 47 with jobs created amounting to 26 723. Sixteen (16) projects were completed in that year, creating 4 761 jobs. It is envisaged that out of 19 projects planned for the 2011/2012 financial year, 5 431 jobs will be created.

Social Development Infrastructure Projects

The total number of projects for the DSD in 2010/2011 financial year amounted to 8 with jobs created amounting to 180. Three (3) projects were completed in that year, creating 93 jobs. It is envisaged that out of 4 projects planned for the 2011/2012 financial year, Eighty Seven (87) jobs will be created.

Culture, Sport & Recreation Infrastructure Projects

The total number of projects for the DSRC in 2010/2011 financial year were 6 with jobs created amounting to 248. It is envisaged that out of 5 projects planned for the 2011/2012 financial year, Ninety Eight (98) jobs will be created.

ROADS INFRASTRUCTURE

The department is also responsible for Thirteen Thousand Eight Hundred and Twenty Five (13 825) kilometres of road networks of which Five Thousand Two Hundred and Ninety Five (5 295) Km is surfaced and Eight Thousand Five Hundred and Thirty (8 530) kilometres is gravel.

Road upgrading

During the previous financial year, the department completed Three (3) road infrastructure projects namely:

1. P166 Phase 1 in Mbombela
2. P166 Phase 2 in Mbombela
3. Daantjie to Luphisi road

A total of R156 million budget has been allocated for the upgrading of ten (10) roads from gravel to surface. Six (6) of these projects will be completed in the current financial year:

- Road D4390, D4385 and D4387 between Rolle and Oakley(Phase 1)
- Road D481 between Mooiplaas and Ekulindeni
- Road D2964 between Diepdale and Swaziland Border
- Road D2944 between Boschfontein and Magogeni
- Road D4421 between Arconhoek and Limpopo Provincial Boundary
- Road D2945 between Sibange and Boschfontein

The above stated are multiyear projects.

The following four (4) projects have been awarded in this financial year:

1. Road D2976 between Daantjie and Mpakeni
2. Road D3969 and D3974 between Rolle and Oakley (Phase 2)
3. Road D1859 and D1870 between Marloth Park and Komatipoort:
4. Road D2975 between Luphisi and Siphelanyane

Maintenance

In order to keep a balance between constructing new roads and maintaining the massive infrastructure that we have, we have allocated a maintenance budget of R504 million for the 2011/12 financial year in order to provide routine and preventative maintenance in the Province. Job creation targets for this programme is set at Seven Thousand Three Hundred (7300) job opportunities

Coal Haulage Network Management

Honourable Speaker, infrastructure development remains one of the high priorities of this Government. In this current financial year more emphasis has been put on rehabilitation and re-construction of the Provincial Coal Haulage Network.

The department is in partnership with external stake holders in an effort to reconstruct coal haulage routes. In this regard Eskom has committed Nine Hundred and Fifty million Rand (R950m) for use over a three-year period. This amount is used for routine emergency and preventative maintenance of the coal Haulage Network. The budget covers both National and Provincial roads. Furthermore we are in discussion with SACMA (South African Colliery Managers Association), an affiliate of the Chamber of Mines to repair some of our roads.

The Department of Public Works, Roads and Transport has set aside a budget of R532 million has been set aside for the rehabilitation and reconstruction of the provincial coal haulage network. While it is insufficient for the entire network, which is estimated to be rehabilitated at a cost of R6.3 Billion Rands , it is our view that this allocation will assist in improving our road conditions in the coal haulage grid. The coal haulage project list for the year ahead consists of the following multi-year projects:

- Rehabilitation of road P95/2 between Gauteng border south of Bronkhostspruit and Delmas**
- Rehabilitation of road P50/1 between Ermelo – Morgenzon**
- Rehabilitation of road P53/2 between Leandra and Standerton Rehabilitation of road P132/1 South of Kriel power station**
- Rehabilitation of road D1398 Arnot power station to Hendrina**
- Rehabilitation of road D914 South of Middelburg**
- Rehabilitation of road P52/3 between Kriel and Ogies**
- Rehabilitation of road P182/1 between Van Dyksdrift and R35**

PUBLIC AND FREIGHT TRANSPORT

Public Transport Infrastructure

Honourable Speaker, mobility and accessibility remain an everyday challenge for the majority of people in Mpumalanga, especially in the rural areas. Non-Motorized Transport has proved to be an alternative mode of transport in these areas. The department's commitment in the rollout of these projects is highly valued by the affected communities.

In the previous financial year, the department completed Integrated Rural Mobility Access (IRMA) designs for Mkhondo, Albert Luthuli and Dr JS Moroka municipalities. For the year 2011/12, a budget of R2,8 million has been set aside for the designs of IRMA projects in Bushbuckridge and Nkomazi Municipalities.

During 2010/11 financial year, the department completed five (5) of the seven (7) planned IRMA projects. The projects are listed as follows:

1. Mkhuhlu Pedestrian Bridge
2. Phiva 1 culvert
3. phiva 2 culvert
4. phiva 3 culvert
5. Mdladla culvert

There were delays in the construction of the two Ntombe bridges.

The following IRMA projects are planned for construction for the 2011/2012 financial year.

- Mambazane culvert
- Gedlembane culvert
- Nyongane culvert
- Daantjie culvert
- Newscom culvert
- Boschfontein 4km sidewalks
- Construction of bus shelters

Scholar Transport Management

Hon. Speaker, the transportation of learners, safely and timely still remains a high priority for the department. The department has put measures in place to ensure that the vehicles used to transport scholars are roadworthy and reliable. The department provides for subsidization and management of scholar transport operations. With the new contracts set to roll out in July this year, we are confident that the hiccups in the transportation of scholars will be a thing of the past.

Empowerment of the Public Transport Industry and Bus Subsidization

Honourable Speaker, we have made a provision for financial assistance towards training and administration to the taxi industry. Furthermore the department has made provision for the commuter bus subsidization and monitoring in the province in the current financial year.

Non-Motorized Transport

In our endeavour to promote Non-Motorized Transport, the department donated 6000 bicycles through the Shova'Kalula Bicycle Project. This project complements Scholar Transport by donating bicycles to learners who travel between 3 and 5km to school. The department also donated 48 animal drawn carts to various rural communities. During this year, we have made a provision for the donation of 6000 bicycles and 48 animal drawn carts.

TRAFFIC MANAGEMENT

The department has 827 traffic officers and 362 vehicles.

Over the past year the number of crashes increased from 5471 in 2009/10 to 5480 in 2010/11, the number of fatalities however dropped from 1226 to 1094. The above mentioned figures indicate that we have fewer traffic officers and vehicles patrolling our provincial roads and an extra 1000 km of national roads traversing the province. In order to make a significant impact on decreasing the number of road crashes, serious considerations will have to be made in increasing visibility of our traffic officers on roads. Road Safety education must also be elevated, and in this regard we have a number of programmes that are aimed at educating our road users. We have established provincial road safety councils in line with the national mandate aimed at curbing road crashes and fatalities.

The department partnered in road safety education with different stakeholders. We currently have a number of partners who are road safety ambassadors in their own rights. As an example, the department has established an Alcohol Evidence Center in Kwamhlanga in partnership with SAB.

The department has done very well under road safety education.

We have taken a team of 16 South African drivers to represent the country in Austria in the driver of the year competition. Four of these drivers came from Mpumalanga. Out of the 21 countries that participated in the competition, South Africa obtained position no. 7.

In the national road safety debate held in Cape Town on the 23rd/26th September 2010, Mpumalanga province came first in both categories A & B.

In the number 1 Taxi Driver campaign, Mr Raymond Ngomane from the Sabie Taxi Association obtained position 1 and he was a winner of a Toyota Quantum Ses'Fikile.

The queue in the licensing centres have been haunting the province for long. Based on the challenge the department has introduced a queuing system pilot project at the Mbombela traffic station. This has proved to be a success story.

EXPANDED PUBLIC WORKS PROGRAMME

Job creation

Honourable Speaker, one of our main challenges encountered in this programme is in the reporting system. Most of the required information does not reach us on time for capturing. The signing of protocols between the office of the premier and stakeholders has greatly enhanced the reporting process.

In keeping with our EPWP targets of creating 237 170 EPWP jobs by 2014 the province has set a target of 45 990 jobs opportunities to be created in 2011/12. In the past year we created 40 415 job opportunities which surpassed our target of 32451 by 7964. The highest job creating sector is infrastructure with 13 499 jobs, followed by social sector with 12 194 jobs, followed by non state sector with 8 234 jobs and lastly the environmental sector with 6 488 jobs.

Emerging contractor development

The upliftment of our people to take advantage of the available economic opportunities remains paramount for this department. In our quest to achieve this, we allocated a total of 56 projects to emerging contractors during the fourth quarter of the last financial year. In this current financial year, the department will enroll 40 emerging contractors.

National Youth Service

550 beneficiaries were enrolled on the National Youth Service programme in the previous financial year. Theoretical and practical training of these beneficiaries commenced in August 2010 at various FET colleges in the province. The department will enroll 500 youth in this current financial year.

CONCLUSION

Honourable Speaker, let me conclude by quoting one of the World's great leaders who was an inspiration to many, Martin Luther King Jr :

"If you can't fly then run, if you can't run then walk, if you can't walk then crawl, but whatever you do you have to keep moving forward."

Indeed, it is in this spirit that we have crafted this budget speech. The department will keep on moving forward. The service delivery machine is moving in the right direction and the communities are beginning to feel and touch the fruits of freedom. *Bietjie, bietjie maak meer! Kancane, Kancane, Kuzoze kulunge.* It is not the hours we put in our work that count, it is work we put in the hours that matters.

Honourable Speaker, allow me to thank the Premier of Mpumalanga, Mr. D.D. Mabuza and my colleagues in the Executive for their unwavering support and guidance. A word of appreciation is further extended to the, Portfolio Committee of Public Works, Roads and Transport, Members of the Provincial Legislature, Provincial Treasury and Macro-Policy for oversight and continuous guidance and support. I express my sincere appreciation and thanks to the Head of Department, Mr. K.M. Mohlasedi and his team of senior managers, and the entire staff for their hard work, support and co-operation. Honourable Speaker allow me to further thank the Traffic Management programme for having worked with the department very well over the past years. We wish them well in their new department.

Honourable Speaker, it is now my pleasure to present the budget for 2011/2012 for approval as follows:

• Administration	R 531,721 million
• Public Works	R 428, 198 million
• Roads Infrastructure	R1,574,515 billion
• Public and Freight Transport	R882,021 million
• Traffic Management	R295,581 million
• Community Based Programme	R63,989 million

TOTAL: R3, 776,025 BILLION

Honourable Speaker and Members of the Legislature, I thank you