



**DEPARTMENT OF  
ROADS & TRANSPORT**  
**MEC OF ROADS AND TRANSPORT, PINKY KEKANA, MPL**

**BUDGET VOTE SPEECH DELIVERED TO  
THE LIMPOPO PROVINCIAL LEGISLATURE**

**THURSDAY, 18 MARCH 2010**

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Honourable Speaker and Deputy Speaker;

*"Transport is a fundamental quality of life issue. Our collective progress in making it safe and responsive is a measure of where we are as a nation and as individuals".*

- Let me begin, however, by expressing appreciation to the Premier, and my Executive Council colleagues for leadership, comradeship and support;
- To the Members of the Provincial Legislature and the Portfolio Committee on Roads and Transport for advice and helpful criticism;
- To the leaders and members of the opposition for playing their role in this House and other Committees of the Legislature;
- To the Mayors of Local Municipalities and Executive Mayors of District Municipalities: for continuing support and co-operation;
- To the Chairpersons, Acting Chief Executive Officers, Board Members, Management and Staff of our public entities: the Roads Agency Limpopo, Gateway Airport Authority Limited, the Operating Licensing Board: for sterling services in their respective areas of work;

"Limpopo in Motion"

- To our law enforcement agencies all over the province, we want to thank them for the valuable role they play in reducing road crashes and fatalities;
- To Transnet Freight Rail (TFR), Passenger Rail Agency of South Africa, INTERSITE, road freight, bus and taxi industries and trade unions, and to the many private sector role-players for their contributions and support – technical and otherwise;
- Taxi council, driving schools, the Limpopo Chapter of South African Women In Transport for work being done as part of the transport family;
- Traditional and religious leaders for their guidance during the many consultations and engagements we have with them. Your inputs and support at our events is indeed truly appreciated;
- Finally, to the Head of Department, officials in the department, for dedicated work and support; and
- Distinguished guests, comrades and friends.

It is due to your efforts as role-players that I am able today to put before you a number of significant achievements in the transport sector. I am glad to be able to do so, because it is important that we register successes in the face of the many challenges still facing us.

*Honourable Speaker,*

We are under no illusions about tackling the many challenges we face. But we do ask the question -why do so many of us in this growing nation find it so hard to record and celebrate our milestones of progress with the same energy that we devote to picking out

the dark cloud behind every silver lining?

*Honourable Speaker,*

The fact that the invention of a motor car is still considered a huge revolutionary milestone in the history of the development in general is in itself an indication of the important role played by transport in the economy and in society at large. Today, it is no wonder that oil or rather fuel in general dictates the state of health of economies the world over, and ours is no exception. As the price of fuel increases, it increases the price of transport and by extension the prices of production, provision of various services and puts a burden on the cost of living.

While the role of transport in our economy is well-documented, our people know the importance of transport from their everyday experiences, as they go to work, to school, to hospitals, to traditional offices, to visit friends and relatives. Our people know the hardships of staying in rural areas because of scarce public transport. The presence or absence of an efficient public transport system can be a matter of life and death to a sickly person in the rural parts of our province. The same could be said of a hungry person, of a person seeking a job in order to escape the entrapment of poverty, basically transport affects all the spheres of our development and human endeavours.

*Honourable Speaker,*

As Roads and Transport we are of the firm view that our most effective tool against

poverty is the creation of gainful employment. The challenges of poverty and inequality require that accelerated growth take place within the context of an effective strategy of redistribution. Inequality is not only an immoral creation of apartheid, but also a liability for growth and development.

*Honourable Speaker,*

As the Department, we have adapted and sharpened our strategies to give effect to the Premier's call in his State of the Province to address some of the 14 key action programmes identified as economic growth points in the Limpopo Employment Growth and Development Plan, which amongst are: *"integrated industrial development, regional economic development and integration, public infrastructure investment, safety and security, etc"*. As Roads and Transport, we believe that as we grow the provincial economy our transport infrastructure upgrading and expansion must match the transportation demands. To realise the goals set, we believe the private sector can play a meaningful role to fund infrastructure development and thus assist the public sector.

*Honourable Speaker,*

We aim to position public transport as the preferred mode as opposed to private car use. We have commenced with rural transport development mapping project with the intention to demonstrate through information maps the co-ordination of service delivery within nodal points and economic hubs. This process will ensure that we have district-wide planning and investment in inter-modal public transport facilities.

Our people know that the ANC cares about the huge impact transport issues have on their lives as well as on our economic growth and development. Our ability to spearhead growth and development would therefore be partly measured by our success or failure to provide a transport system consistent with the demands in our economy and the needs of our people.

*Honourable Speaker,*

It is for this reason therefore, that the capacity to meet the social needs of our people, while at the same time locating transport as an important driver of economic growth and development will require of us to continuously assess the capacity of our transport system. Our failure would invariably impact negatively on the rest of the province and indeed the provincial economy. Therefore, we dare not fail! Together we must provide leadership, avail and implement appropriate solutions with vigour and solid determination.

Some of the challenges we are faced with relates to a growing economy that resulted, amongst others, in shortages of energy supply, hence the load shedding, a growing population which is now increasingly integrated into our towns that was previously locked into the reserves of homelands. How can we forget an old and ailing transport infrastructure that was built to serve the few but now due to the imperatives of the new dispensation must serve all our people?

*Honourable Speaker,*

We cannot talk about transport and economic development without a brief reference to what has located public transport at the centre of our economic development. It is perhaps for this reason that I want to make a brief reference to the National Household Travel Survey, which says:

- 38 million citizens live in households with NO access to a car,
- 40 million citizens do not have a driver's licence,
- 14 million learners walk to school,
- 13.7 million citizens use public transport at least once a week,
- 7 million workers and learners use public transport,

It is quite clear that despite the growth in car use, public transport and walking are still the predominant “lifeline” forms of mobility for the vast majority of South Africans in order to access work, schools and services.

*Honourable Speaker,*

As the ruling party, the African National Congress has since the dawn of the democratic dispensation, embarked on a programme of reversing the legacies of the previous regime, its unjust policies and reaffirmed a culture of people's rights. At the watershed Polokwane Conference, we re-affirmed and gave effect to the following priorities:

- Improving public transport system to benefit the rural and urban poor;
- Accelerating infrastructure development both as an instrument of growth and as

an employment driver; and

- Improving the effectiveness of programmes directed at the second economy and poverty eradication.

Furthermore, the ANC is committed to strategic economic priorities aiming for long-term transport policy in the country and in particular rural provinces such as Limpopo. This is based on key areas such as:

- *Public Transport*
- *Freight logistics improvements;*
- *Roads Infrastructure; and*
- *Road Safety.*

*Honourable Speaker,*

### ***Public transport***

We inherited massive levels of poverty and gross spatial distortions from apartheid. The result has been a catastrophe. Meaning in reality, the poorer you are the greater the distance you have to travel resulting in a bigger proportion of the working class spending a lot of their income on public transport. The further you are from work and social amenities the more socially excluded you are. That is why I say: every positive transformation in the transport system directly touches the quality of life of our people.

With the Public Transport Strategy and Action Plan now in place, we are moving from

basic commuter operations to Accelerated Modal Upgrading and Integrated Rapid Public Transport Networks, which are characterized by:

- Integrated feeder service including walking, cycling and taxi networks;
- Integration of meter taxi services and long distance intercity service;
- Upgraded modal fleet, facilities, stops and stations;
- Extended hours of operation of between 16 to 24 hours;
- Peak frequencies of 5 to 10 minutes, off-peak frequencies of 10 to 30 minutes; and
- Target 85% of all residents in urban areas to be within 1km of rapid public transport network.

*Honourable Speaker,*

In this regard we are working with the national Department of Transport and local government structures. Our road-based public transport subsidy should benefit the commuter through a more equitable subsidy system for buses and taxis by integrating transport networks suitable to specific commuter needs. We will during the 2010/2011 financial year finalize Integrated Public Transport Network (IPTN) plans and immediately start with implementation in Sekhukhune at a cost of R50.0 million.

*Honourable Speaker*

The minibus taxi industry is a critical pillar of the South African public transport sector, currently being the most available mode to the largest number of transport “customers” across a variety of income and need segments. According to the National Household



Travel Survey, taxis carry 65% of the 2.5 billion annual passenger trips and serve as the base-load public transport carrier both during peak and off-peak transport times.

Already when the national Department of Transport embarked on process for the Transformation and Recapitalization of the South African Taxi Fleet, part of the challenge was that the average 9.8 years of age or 85% of maximum useful life. 75% of these vehicles were purchased second-hand, while only 16% were purchased new. Safety issues are a result of current operating conditions and the absence of effective regulation and enforcement, as well as the nature and quality of the vehicles used.

*Honourable Speaker,*

The majority of minibus taxis are not purpose-built passenger carrying vehicles. They are typically built on a light commercial vehicle platform, converted for passenger use. Their width and height mean that their stability under load is severely undermined, which is why these vehicles tend to overturn and thus contribute significantly to high number of road crashes. The age of the fleet is a major safety hazard, and impacts significantly on operator returns. Operators lose revenue due to poor vehicle performance and the level of downtime for serious maintenance. While it could be argued that many operators are making sufficient returns to plough capital back into recapitalisation, the reality is that they do not.

Since the initiation of the scrapping process Limpopo alone has received 5,420

applications to have taxis scrapped and 4,910 have already been scrapped and owners reimbursed to the tune of R249, 819,700 million. This, process, will go a long way in phasing out “di-skorokoro” which endanger the lives of our people.

*Honourable Speaker,*

Our preliminary intervention which includes the proposed forensic audit to look at the permit administration system has identified major bottlenecks on how routes of taxi operators were registered and how permits were either converted or transferred. As part of this comprehensive process, we are also going to be fine-tuning our business processes to shorten the period within which operators receive feedback on their applications. Initial indications point to a bigger problem which must be confronted head-on, otherwise we run the risk of continually having an unstable industry ravaged by conflict and violence.

Bus operators continue to benefit from the subsidy system with 19 operators contracted to us. 1314 buses render subsidized service with 1446 drivers permanently employed in undertaking approximately 997 612 subsidized passenger trips at a cost of R441million per annum. For the next financial year we have set aside an amount of R485 million, which will indeed go a long way in ensuring that we cushion our commuting public and escape the ravages of inflation, rising fuel costs and other related-costs. We hope to increase the number of operators who benefit the subsidy system from 19 to 25.

*Honourable Speaker,*

According to the National Household Travel Survey, of the 13 million learners we had, about 10 million (76%) of them rely on walking as the only mode of transport to get access to education. Furthermore about 3 million learners (23%) walk more than 6 kilometres to get to schools. The majority of these learners are in rural and farm schools. The Department will distribute 1 850 bicycles to rural schools in the province to enhance their mobility. The extension of bicycle transport both rural and urban areas is not just a matter of facilitating access to bikes and creating jobs related to their maintenance, but have incorporated safety, as an important element!

As part of the broader safety promotion strategy, we will during the course of the next financial year run programmes to highlight the important issue of making animal drawn carts more visible, especially at night. In this regard, the Department will equip an additional 25 animal-drawn carts with safety appliances.

*Honourable Speaker,*

I want to use this opportunity here today to announce that as department in terms of rural development, we are ahead and have implemented the first phase of the development of the Rural Transport Strategy which seeks to provide for the current transport needs of households in rural area, including those of subsistence farmers; bulk transporters and public transport operators.

Inter-modal developments planned by the Department will ensure a direct interface

between bus and taxi service and space will be opened up for a vibrant and well regulated on-site trading sector. In this regard we are working closely with INTERSITE in making a contribution to making a commuting experience that is efficient, more integrated, more-user friendly and safer. Already, as part of our programme, we will commence with the construction of two Public Transport Intermodal facilities in Burgersfort and Giyani and 460 million is allocated for these projects.

*Honourable Speaker,*

I want announce here today that we have completed Phase 1 of the development of a provincial Passenger Rail Plan in collaboration with the Passenger Rail Agency of South Africa (PRASA). Four priority routes (Seshego-Polokwane, Polokwane-Moria, Polokwane-Lebowakgomo and Polokwane-Mokopane) have been identified for feasibility studies which will commence in 2010/11 financial year. A feasibility study will also be done on a speed passenger rail service between Polokwane and Gauteng.

*Honourable Speaker*

### **Freight Logistics and Corridor Development**

The current market share split for goods transported by road and rail of 87% and 13% respectively is neither sustainable nor desirable. The increased movement of freight among our towns is an indication that we need to invest more in freight logistics and corridor development.

Transnet Freight Rail (TFR) in conjunction with our Department developed a Freight Rail Plan for the province. As part of the Branchline Strategy we will revitalize some of our rail lines to ensure economic sustainability of small towns and rural communities. Phase 1 of the Freight Rail Plan assessed the current rail network, analyzed forecasted freight demand up to 2015 and identified possible volume growth and rail service demand.

The outcome of the study assessments recommended the following projects to be pursued through Phase 2 of the Freight Rail Plan development:

- a) Do conceptual planning of a rail Freight service between Tzaneen/Letsitele – Durban/Cape Town.
- b) Request Transnet Freight Rail to investigate the improvement of the rail service levels between Polokwane / Tzaneen / Letsitele and the Ports.
- c) Establish a Citrus Hub, with sorting, packing and cold storage facilities in Polokwane.
- d) Establish Fresh Produce Market in Polokwane together Departments of Agriculture and Economic Development, Environment and Tourism.
- e) Establish a train service between Polokwane and the ports.
- f) Establish volume commitments from the stakeholders.
- g) Establish an MOU between Transnet Freight Rail and Limpopo Province.
- h) Conduct a study on establishing other cargo consolidation hubs.

The study further recommends that the following projects should be pursued through

Phase 3 of the Freight Rail Plan development:

- a) Conduct a study for mineral mining commodities within the Province to understand the volumes and their sustainability.
- b) Establish a multi-purpose terminal in Polokwane with the ability to offer an empty turn in depot, full container management, containerization
- c) Create road access to the multi-purpose terminal
- d) Establish other cargo consolidation points.

*Honourable Speaker,*

### **Roads Infrastructure**

Premier Mathale in this House said I quote “the process of improving the living conditions of rural communities cannot be completed without real construction and upgrading of roads facilities where our people live”. As a department we have gone further by creating about 2 169 jobs through 30 roads-related EPWP projects. Hence, EPWP planning will be given more energy and geared to establishing more than 1 800 full-time equivalent jobs and 5 000 job opportunities to assist in routine maintenance of our inventory. Needy women-headed households will be given preference in this respect. We have been allocated R235 million of Conditional Grant to change the lives of the poorest in our province. We vow to work tirelessly to improve this area of our work, especially given the technical capacity and poor planning issues already identified and being sorted out as a matter of priority attention.

We recognize that for transport to be a driving force for economic growth and social

development, the requisite road infrastructure must be in place for efficient transportation. In this regard Roads Agency Limpopo is responsible for management control, planning, development of the Limpopo road network.

The MEC for Finance, Saad Cachalia during his Budget speech said that Limpopo will have full Infrastructure Delivery Improvement Programme roll out. This will enhance the planning and timeous implementation of projects and thus spending patterns. The Infrastructure Management Unit of the Provincial Treasury monitors value for money for projects under Roads and Transport in addition to the Auditor-General's work. Periodically, a team comprising officials of the National and Provincial Treasuries, Roads and Transport and RAL randomly selects a project to conduct a site visit to assess financial and physical progress. The last such was conducted between 23 and 25 November 2009 on a road project from Giyani to Phalaborwa, during which the team met RAL project managers, Consulting Engineers and contractors. The team expressed satisfaction about physical and financial progress.

*Honourable Speaker,*

The Limpopo Employment Growth and Development Plan has been adopted in response to the new political mandate which aims to foster rural development, create jobs, amongst others. The province has identified three regions to drive the LEGPD: Lephalale Coal and Energy Complex, Burgersfort Industrial and Mining Complex and Musina to Africa Supply Hub Initiative. Our investment in road infrastructure will assist in the functioning of the

economy in terms of the soon to be finalised Provincial Roads Master Plan and for the regions to have improved and better access to markets and resources.

Just this past weekend RAL has requested proposals from suitably qualified individuals or companies to be appointed as Transaction Advisors for the establishment of the Limpopo Provincial Roads Fund. The Transaction Advisory Team should comprise of a high calibre team of suitably qualified and experienced financial, technical and legal advisors to assist the Agency to prepare a case to be made for financial assistance from Development Bank Southern Africa.

*Honourable Speaker*

### ***Construction of bridges***

Using the latest overall Bridge Condition Index conducted on 757 bridges we received an overall rating of satisfactory to good. However, there is a limited percentage of bridges which require specific critical and urgent maintenance or reconstruction. In this regard the strategy will be to maintain the drainage structures in the marginal category to good and 15 bridges were already identified for maintenance. There will be a continuous assessment of bridges.

We are pleased to announce that three contracts for bridge construction were awarded during March 2010 for:

- Lutanandwa bridge on the Louis Trichardt / Thohoyandou road in Vhembe;



- Seloane Bridge in Mopani; and
- A bridge on the Deerpark / Tshabane road in Mopani.

The total amount that will be spent on these three bridges is about R59.5 million and are planned to be completed during the 2010/11 financial year.

Additionally we have set aside an amount of R54.0 million for 2010/2011 financial year and already appointed consultants to commence with designs and construction:

- A scoping report to determine whether we need a road or bridge to cross the Olifants River and thus link the Mankele community in Sekhukhune to Penge;
- Maredi to Senyatho bridge in Sekhukhune; and
- Reconstruction of the collapsed bridge on the Nzhelele / Thohoyandou road at Fondwe in Vhembe.

In total, we will be spending during 2010/11 financial year an amount of R121.5 million on bridges.

*Honourable Speaker,*

### ***Upgrading of roads***

We will be completing our multi-year upgrading projects started in 2008/09 financial year which shall see us achieving tar roads with total distance of about 50 kilometres at the total cost of R292.0 million. A further amount of R 165.0 million has been budgeted for new upgrading of roads during 2010/2011 financial year which shall see us tar roads with

total distance of about 30 kilometres. At the end of the 2010/2011 financial year the total distance that would have been tarred is about 80 kilometres at the total cost of R457.0 million.

We are in the process of appointing consultants to design the road that connects the Rapotokwane and Litho communities in Witlaagte. The construction of this road will also start during the 2010/2011 financial year. Part of this programme includes the construction of the following roads:

#### **Capricorn District**

- Polokwane to Matlala to Tibane to Schaffhaussen to Masehleng and Murasie
- Lebowakgomo to Dithabaneng to Tooseng to Marulaneng
- Mogoto to Rakgwatha to Madika

#### **Mopani District**

- Giyani to Phalaborwa
- Rita/Tikkieline to Burgersdorp to Julesburg to Callaise to Balloon to Sekororo
- Lenyenye to Thabina to Mogoboya to Khujwana

#### **Sekhukhune District**

- Ga-Matlala to Ga-Mmela to Tsimanyane to Kromdraai
- Zamenkost to Uitvlugt to Doornlaagte to Tshikanoshi
- Alverton to Rietfontein to Kgautswane

#### **Vhembe District**

- Tshituni to Musekwa

- Tshisaulu to Phipidi

### **Waterberg District**

- Ga-Magongwa to Mosesetjane
- Sepharane to Mmahlogo

### **Route R33/R517: N11 (Marble Hall)/Modimolle/Mabatlane (Vaalwater)/ Lephalale**

This inter-linking road is a very important and strategic for the province given that it is largely positioned to play a critical role in the economic revival of the region. The N11 coming as far as Richards Bay to link with Lephalale, a major economic hub of the province. The length of this road is estimated at about 224 kilometres and a major portion of this road needs urgent upgrading. It is estimated that to upgrade the entire route will require in excess of R500 million. The scope of work will mainly be to strengthen the road pavement, widening as well as issues around safety. The designs of this road are completed and an amount of R200 million has been budgeted for implementation during 2010/11 financial year. The balance of the funding will be provided in the subsequent financial years.

*Honourable Speaker,*

May I remind the opposition and others that it is political parties that contest elections and therefore it becomes logical for the ANC to determine and set out priorities as per the mandate from the electorate. When people protest the first point of call is the MEC

responsible. To be told in subtle language give public entities a blank cheque is rather disingenuous. We hold onto our position with the full might of an elephant.

Our position on RAL is largely informed by the need to clear matters on whether government is deriving value for the money we invest. It must be fully justified to accept why 1km of road should in some instances cost R10 million whilst other provinces are paying considerably less than that. It cannot be right that more 90% of RAL construction work goes to 7 big companies under the guise of not meeting CIDB grading requirements. We will with no shame open the space for our people to fully participate in the economic life of this province. We will challenge anyone who argues morally and otherwise on how can it be for one company to get work to the tune of R440 million within two years? Were the risks thoroughly analysed to the extent that if such a company was to collapse, what would be the response plan? As government we have a responsibility not only to spread the cake, but also mitigate the risks. Our people did not vote overwhelmingly for the ANC to be told that only a select few companies are the only ones capable to build roads. Government procurement for the ANC is an important lever and instrument to change people's lives.

*Honourable Speaker,*

PriceWaterhouseCoopers has been appointed to commence with a forensic audit into the past operations and functioning of the Roads Agency Limpopo (RAL). This investigation will focus on approximately twenty projects for each financial year covering the past five

years starting from 2004/5 to 2008/9. The department remains convinced that the conclusion of this investigation will bring an end to the controversies that have dogged the Agency for a considerable period of time. Most importantly, the outcome of this audit will help the Agency to improve on its planning and implementation processes in a manner that will help the Institution and the department live up to the expectations of the people of Limpopo.

Our actions are hardly of a corrupt or of a weak administration which our detractors want us to believe. We will live to what President Zuma said during the January 8 statement. I quote “corruption poses a serious threat to our struggle to build a caring society and it erodes the moral fabric of our society. It is a threat that must be fought inside and outside the State”.

*Honourable Speaker,*

### ***Government Motor Transport***

The condition of our surfaced road network calls for intervention and will receive priority attention. We have budgeted over R550 Million for maintenance of surfaced roads and 30 tenders have already been awarded to service providers. We are on course to fully equip our roads maintenance division with trucks, tippers and 20 graders at a cost of R65 Million.

We will soon be calling for proposals to re-organise fleet management in the province. We

intend appointing a Transaction Advisory team to assist with the investigation of the viability of PPP arrangement in the provision of fleet services for the entire provincial government. The study will amongst others: identify and analyze total fleet cost incurred by each department in relation to their operations; and analyze the current levels of vehicle utilization by each department in Limpopo province.

We continue to make strides in the contribution to job creation and in this regard we have empowered 285 SMME's through the maintenance and repair of state vehicles and 200 of these SMME's fall in within the category of Broad Based Black Economic Empowerment.

*Honourable Speaker*

### ***Skills Development***

We are fully aware that developing talent and skills is an unmatched investment. Already we have 240 bursary holders, 113 young people on learner-ship programmes and 338 people on internship. The bursary programme targets scarce skills such as Mechanical and Civil Engineering, Financial Management, Transport Economics and Transport planning. The learner-ship programme is on road construction and road safety education. For the next financial year 187 bursaries will be awarded, 228 interns will be recruited whilst 60 will be put on an internship programme.

*Honourable Speaker,*

### ***Road Safety***

Since the launch of Arrive Alive as the lead campaign for promotion and enforcement of road safety and road-user responsibility, we can confirm that road safety awareness has improved greatly. But we also know that we have scratched the surface of the road safety problem. We have expanded the focus of Arrive Alive beyond traffic enforcement and traffic safety education to also include adequacy of road signage, traffic calming measures and traffic engineering. The most important shift we are making is from 'seasonal period only' approach to a planned and co-ordinated year-round enforcement.

As a department we are getting to grips with the underlying causes of crashes and fatalities on our roads. We are looking at structures and systems that have a bearing on road traffic quality and safety management.

Honourable Speaker, delivering his State of the Nation Address, President Jacob Zuma said "we continue our efforts to eradicate corruption and fraud in procurement and tender processes and in applications for driver's licences among others". In this regard I am pleased to announce the following:

- That since we engaged the services of the South African Post Office to renew vehicle licenses about 127 252 transactions have been processed at 23 post offices. We will be extending this service to a further 12 post offices so as to improve access to services.
- That we joined hands with South African National Road Agency Limited in PPP and built three (3) new weigh-bridges at Mokopane, Polokwane and Moutse aimed at

rogue overloaders. Work has already commenced on Groblersbrug, Rathoke and Mooketsi at an estimated amount of R5.4 million. We hope this will help protect and thus preserve our roads infrastructure.

- That we have introduced Computerised Learners Licence Test system to eliminate fraudulent issuance of learners licences at a cost of R20.8 Million at Lephalale, Tzaneen, Polokwane, Marble Hall and Makhado. The system is a touch screen and is available in all official language. The learner's licence being the entry point in driving has been freed from the shackles of corrupt examiners. I invite members to join me on the 26 of March 2010 when the official launch will be taking place in Polokwane.
- We have recently cancelled over 42 driver's license that were fraudulently acquired and have suspended six (6) eNaTIS Users and two examiners due to their alleged involvement in corrupt license activities.
- That the Department is in the process of implementing the Best Practice Model in line with the Road Traffic Management Corporation's Strategy 2015. The Best Practice Model is a service delivery model for motor vehicle registration and licensing functions, whose objectives are to: reduction of fraud and corruption, improvement of service delivery, improvement of uniformity of licensing processes and improved cost-effectiveness and lastly cleansing of data on eNaTIS. The system will be piloted in the provincial help desk and three registering authorities i.e. Polokwane, Tzaneen and Makhado. Already we are training 28 contract workers for the implementation of best practice model at the provincial help desk.



- The department will construct four multipurpose testing centres which will accommodate testing of motor vehicles, testing of driving licence, road safety and law enforcement. The centres will be built at Muswodi, Dilokong, Northam and Lulekani. The department will again upgrade Giyani vehicle testing station from Grade “B” to Grade “A” in order to be able to accommodate testing of heavy motor vehicles. We have set aside R71 million for these projects
- The department has issued out a Government Gazette Notice of a new source of revenue in terms of private vehicle testing stations. As all private testing stations are operating on eNaTIS, they now authorize the issuing of roadworthy certificates on the system and the manual system ceases to function. An annual administration fee of R1 000.00 will be paid to the department by all private testing stations.

When he delivered his State of the Province address on the 18<sup>th</sup> February 2010, instantly our Premier Mr. Cassel Mathale emphasized the importance of safety and security of our people on our roads. Roads and Transport will take the baton and respond accordingly.

We will be:

- Installing sophisticated mobile cameras and recorders in our traffic vehicles to record all moving traffic violations such as overtaking on barrier line, reckless and negligent driving.
- Fitting some of our vehicles with an Automated Number Plate Recognition System that is able to detect and release particulars of offences and outstanding fines

committed by the targeted vehicle. The system is linked to eNaTIS and can reveal all other vehicles which are registered in the name of the owner of the vehicle scanned. These vehicles can further detect all the outstanding fines of other vehicles registered in the name of the owner of the scanned vehicle. This will assist us in dealing with more than 200 000 outstanding warrants of arrest for traffic violations in the province. In this regard we will be:

- Equipping all traffic officers with new fire arms and provide new set of uniform at a cost of R15 Million;
- Procuring 35 traffic vehicles at a cost of R5 million; and
- Establishing 30 additional scholar patrol points throughout the province to ensure safe crossing on our road network and streets for learners at primary school level.

*Honourable Speaker,*

### ***2010 FIFA Soccer World Cup***

Limpopo Roads and Transport will be ready to ensure safe and effective travel for FIFA Soccer World Cup visitors. In this regard we are working closely with the Host City Polokwane on the implementation of the Transport Operational Plan and ensure the successful implementation thereof. We will also support Public Viewing Areas through the provision of transport to and from the PVAs. 2010 Soccer World Cup projects will be resourced as follows:

- Traffic enforcement: R25.0 million

- Public Transport to run both taxi and bus operations: R25.0 million
- Roads Agency Limpopo for road signage: R3.5 million
- Gateway Airport Authority Limited for infrastructure-related projects: R49.0 million;

*Honourable Speaker,*

I want to conclude my speech by presenting to this House the full character of my Budget Vote Speech. The budget is as follows:

**Overview of 2010/11 budget and MTEF estimates**

Programme	Adjusted appropriation	Medium-term expenditure estimate		
	2009/10	2010/11	2011/12	2012/13
	R'000	R'000	R'000	R'000
Administration	436,715	430,516	446,554	472,087
Roads Infrastructure	487,462	1,560,517	1,916,428	1,976,456
Public Transport	607,917	691,226	818,255	874,173
Traffic Management	259,256	320,416	331,728	312,170
E P W P	227,405	234,675	249,043	263,986
<b>Subtotal payments and estimates</b>	<b>3,018,755</b>	<b>3,237,350</b>	<b>3,762,008</b>	<b>3,898,872</b>

**Economic classification**

Programme	Medium-term expenditure estimate			
	2009/10	2010/11	2011/12	2012/13
	R'000	R'000	R'000	R'000
<b>Current payments</b>	<b>1,441,636</b>	<b>1,605,041</b>	<b>1,846,429</b>	<b>1,952,274</b>
Compensation of employees	685,148	766,460	808,615	849,046
Goods and services	744,934	838,581	1,037,814	1,103,228
<b>Unauthorised expenditure</b>	<b>11,554</b>			
<b>Transfers and Subsidies</b>	<b>1,424,297</b>	<b>1,315,559</b>	<b>1,422,031</b>	<b>1,457,836</b>
Provinces and municipalities	0	0	0	0
Dept. agencies and accounts	957,416	818,184	894,013	888,063
Public corp. and private enterprises	460,422	485,272	522,895	564,363
Households	6,459	12,103	5,123	5,410

<b>Payment for capital assets</b>	<b>152,822</b>	<b>316,750</b>	<b>493,548</b>	<b>488,761</b>
Building and other fixed structures	100,275	235,880	246,700	233,145
Machinery and equipment	52,547	80,870	246,848	255,616
<b>Total economic classification</b>	<b>3,018,755</b>	<b>3,237,350</b>	<b>3,762,008</b>	<b>3,898,871</b>

Total Departmental expenditure budget for 2010/11 is R3.237 billion; which is 7.2% increase as compared to R3.019 billion for previous financial year.

**Programme 1: Administration** = R430.516 million which is 1.4% decrease as compared to previous financial year budget.

**Programme 2: Roads and Infrastructure** = R1.561 billion; 4, 9% increase as compared to previous financial year.

**Programme 3: Public and Freight Transport** = R691.226 million 13, 7% increase as compared to previous financial year.

**Programme 4: Traffic Management** = R320.416 million 23, 6% increase as compared to previous financial year.

**Programme 5: Expanded Public Works Programme** = R234, 675 million 3, 2% increase as compared to previous financial year.

Included in the above mentioned budget there are transfers to the following public entities:

- **Road Agency Limpopo R768.184 million:** 14, 4% decrease due to relocation of maintenance responsibility back to the department.

- **Gateway Airport Authority Limited R50.0 million:** 3, 8% decrease due to less work on 2010 Soccer World Cup.

## **Revenue Budget**

Total Departmental Revenue Budget for 2010/11 is R245.189 million which is 5.1% increase as compared to R233.309 million for previous financial year. The Department estimate to collect R239 million by the end of the current financial year which is 2.6% above the budgeted amount.

Honourable Speaker

This Budget we hope will go a long way in pushing back the frontiers of poverty that have afflicted our province. We count on every member in this House to play their role in making this Budget a success so that we can reach the finishing line. Let us make the solutions proposed possible for our people while leaving behind a lasting legacy for posterity to build further on its own development.

Thank you!