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**SPEECH BY THE MINISTER OF TRANSPORT AND PUBLIC WORKS ON THE OCCASION OF THE  
SECOND READING OF THE VOTE 10 SECOND ADJUSTMENTS BUDGET 2021/22 AND THE VOTE  
10 BUDGET 2022/23 ON 29 MARCH 2022**

Speaker/Deputy Speaker

Premier

Chairperson and other members of the Standing Committee

Honourable Members

Head of Department and senior officials

Media representatives

Visitors

**Second Adjustments Budget for Vote 10**

Given the fact that the Second Adjustments Budget for Vote 10 is limited to one item, I am sure that Members will understand if I table and deal with this matter right at the beginning before I move onto the Vote 10 Budget for the 2022/23 Financial Year.

This Second Adjustments Budget consists of an amount of R43 396 000 from the Provincial Road Maintenance Grant reallocated to the Western Cape by National Treasury from the original allocations to various under-performing provinces.

This amount has been directed to the following projects:

- C1091.1 – Reseal of the Ashton – Swellendam road in the Cape Winelands
- C1093.1 – Reseal of the N2 near Villiersdorp in the Overberg

- C1100 – Reseal of Holgaten in the Garden Route.

I formally table this Second Adjustments Budget.

### **Vote 10 budget 2022/23**

Speaker, I now turn to the 2022/23 Budget for Vote 10. I do so against the background of what my Cabinet Colleague, the Minister of Finance, in tabling the Provincial Budget on 14 March referred on more than one occasion to as A Budget to Push Forward. He tabled a budget which reflected the courage shown by this Western Cape Government in tackling a string of challenges which we have all, as Government and as citizens of this Province, faced down in recent years – from the Covid Pandemic, through poor economic growth and job losses, to the inability of the National Government to provide essential services for which it and its poorly run State Owned Enterprises are responsible.

Minister Maynier's Budget to Push Forward is not a backward – looking, feeling sorry for ourselves budget. It is a budget which looks ahead with a positive vision of what the Western Cape can be and what it can offer its people.

And so, Speaker, this Budget to Push Forward as a government allocates over the MTEF, amongst others, the following:

- R19.6 billion for JOBS
- R4.4 billion for SAFETY
- R111.3 billion for WELL-BEING, and
- R30.3 billion for INFRASTRUCTURE

Speaker, I have highlighted these specific aspects of the Budget to Push Forward because the Department of Transport and Public Works is directly and materially involved in each one of these critical areas of this Western Cape Government's vision. I am proud of the extensive range of vital activities covered by this department.

As a result, as I have visited the various Districts in the Western Cape, I have been able to see evidence of the contributions made by my Department to improving the lives of people in the Western Cape, whether in the form of new or improved schools, more accessible health facilities, upgraded Youth Care Centres and shared services buildings which bring the Western Cape Government closer to people.

However, Speaker, it would be a mistake to think that DTPW's contribution is limited to the provision of physical infrastructure and amenities.

Ek het byvoorbeeld nou saam met ons Provinsiale Verkeersdienste gewerk en het talle padblokkades en ander verkeersveiligheid en wetstoepassingsbedrywighede bygewoon. Ek is die meeste beïndruk deur die toewyding en professionaliteit van ons verkeersbeamptes onder allerlei omstandighede – laataand, in gure weer, onder druk by ongelukstonele, waar hulle gedreig word met fisieke geweld ens. En hierdie diens word in die belang van ons veiligheid gelewer op 'n 24/7 basis deur die enigste provinsie waarin verkeerswetstoepassing 24 uur per dag werksaam is. Speaker, hierdie vroue en mans verdien ons dank en lof.

Terselfdertyd, Speaker, het ons vervoerbeamptes die weg gebaan met die ontwikkeling van geskikte tegnologie om die reikwydte van ons verkeersbeamptes uit te brei en om ons kapasiteit om padverkeer en openbare vervoerstelsels te monitor en te bestuur, te verbeter. Baie van ons het die geleentheid gehad om demonstrasies van die Vervoernode in werking by te woon en het self die potensiaal wat in-huis bestaan vir beter en doeltreffender openbare vervoerbedrywighede gesien.

The Integrated Transport Intelligence Hub (the Hub) was established in 2018. The Department of Transport and Public Works aimed to develop a centralised data management system, known as the Transportation Data Hub to bring together Departmental data streams in a standardised way to support effective land transport decision-making.

It was proposed that the Branch establish the capacity to perform "Platform Functions" across the Western Cape, which would provide the technological systems required to support public transport improvement, including Intelligent Transport, ticketing, passenger information and data platforms. There was also a focus on addressing data, regulatory and enforcement issues in partner municipalities. The Data Hub created an opportunity through technology interventions to support the core needs of the Branch in addressing the following challenges experienced at the time of drafting the original business case:

- Insufficient capacity and funding for the delivery of improved local transport systems
- A lack of comprehensive and good quality data on land transport in municipalities, including poor quality public transport data
- Ineffective public transport service
- Driver (and public operator) behaviour
- Unsafe / overloaded vehicles
- Pedestrian fatalities

The development of the Data Hub aimed to draw together data resources and create a facility through which land transport planning, licensing, monitoring, operations, regulation and enforcement can be transformed. Branch users can be empowered through timeous access to integrated, high quality, reliable real-time and historic data. This is a core facility in the extension of our traffic management capacity and the development of integrated, technology-rich public transport.

### **Budget details**

Let me now turn to the budget itself. What are the nuts and bolts of the overall Vote 10 budget for 2022/23 and beyond which we are here to address this afternoon? The budget for DTPW for 2022/23 amounts to R9.106 billion. This constitutes a downward adjustment of R63.112 million from the Adjustments Estimate for 2021/22. In the two later years of the MTEF this amount increases to R9.311 billion for 2023/24 and to R9.654 billion for 2024/25.

The increases referred to are largely the result of an additional road infrastructure allocation to stabilise and better align the budget and projects over the medium term. In my relatively short time in office, I have come to understand how important our road network is to the economy of the Western Cape and to the well-being of our citizens. The availability of additional funds over the MTEF will enable the DTPW Roads Branch to address even more of the challenges facing particularly rural communities and communities dependent on the extensive gravel road network – a network which is vulnerable to increasingly severe weather conditions. The details of the entire road network are set out in the Road Asset Management Plan [RAMP].

I am delighted to report to this House that since assuming office I have had the pleasure of visiting and opening a number of important road projects across this Province. Among these are:

- Aberdeen Road or the R61, linking the Western Cape and the Eastern Cape
- Haaskraal Road in the Cape Winelands
- Ashton Arch Bridge, an engineering first in South Africa
- Oosbosch Street in Paarl, in partnership with the Municipality

In addition, there are currently over 50 large roads projects in construction under the control and management of the Department.

The following key projects will commence implementation during the coming financial year:

- C1011 – upgrade of MR281 – Rooihoogte and Draaiberg
- C1183 – periodic maintenance of TR33/5 – Klaarstroom to Beaufort West
- C964.02 – upgrade of TR33/1 – Louis Fourie Road, Mossel Bay
- C0749.02 – rehabilitation and periodic maintenance of MR191 – Paarl to Franschhoek
- C1049.03 – upgrade and rehabilitation of DR01098 – Protea and Waarburgh road
- C802.05 – improvement of MR533 – St Helena to Stompneusbaai

All of these projects are of economic importance and contribute significantly to the integration of communities and to the general mobility needed for a healthy society.

In addition, there are numerous projects in the planning and design stage.

To complete the budget overview, it is necessary to highlight that DTPW functions on the basis of 6 programmes, each with specific responsibilities. The budget allocations for each of these are as follows:

- Administration – R252 697 million
- Public Works Infrastructure – R 2 194 billion
- Transport Infrastructure – R3 953 billion
- Transport Operations – R1 700 billion
- Transport Regulation – R937 952 million

- Community Based Programmes - R 67 904 million

Speaker, Members may also have noticed that in this budget specific programmes and budget allocations have been set aside as priority allocations. Programmes 2, 3, 4 and 5 have been identified as being likely to be impacted by the announcements made by the Premier in regard to changes in the departmental structure of the Western Cape Government. Provincial Treasury has instituted specific limitations concerning virements to and from programmes 2 and 3. Such virements will require prior approval from Provincial Treasury. Even virements between these two programmes require the accounting officer to notify the Treasury.

At present, DTPW is the infrastructure implementing agent for both education and for health. The DTPW is therefore scheduled in the financial year under discussion to spend an additional amount of R1.364 billion on behalf of the WCED and an additional amount of R560.267 million on behalf of the Department of Health. The strategic decisions about these health and education projects are planned and taken by these two departments and implemented by DTPW.

I specifically mention this existing arrangement as in tabling the Provincial Budget on 14 March, Minister Maynier made the following announcement:

*“We are preparing to withdraw Provincial Treasury Instruction 16B, which will bring much needed competition to the infrastructure space, by ensuring the Department of Transport and Public works will be the preferred but not the exclusive implementer of infrastructure projects for the education department and health department in the Western Cape”.*

This announcement has received some media coverage and was, last Friday, the subject of a news release by my colleague, the Minister of Finance, which stressed that the purpose of the withdrawal of Provincial Treasury Regulation 16B was to introduce an element of choice and greater competition in the use of implementing agents.

As the Minister currently responsible for supplying the implementing agency function to Health and Education I have provided the relevant Ministers with an indication of what services are provided by DTPW in delivering the implementing agency function to their departments. This will enable them to make an informed decision about service choices.

As an illustration, DTPW delivered the following on behalf of the WCED during the 2021/22 financial year:

- Capital projects – 601. This includes new facilities, expansions, upgrades and additions as well as mobiles.
- Maintenance projects – 226. This includes preventative maintenance, corrective maintenance and scheduled maintenance as well as ablutions and fencing.

## **Commuter transport initiatives**

### **Blue Dot**

Vote 10, as tabled in this House, provides an amount of R70 million for the undertaking of a calibrated and orderly winding down and evaluation of the Blue Dot Taxi Pilot.

Over the last year, we have worked tirelessly with the minibus taxi industry on the Blue Dot Taxi Pilot project to drive behaviour change, service quality improvements and formalisation,

That is why the violence perpetrated by certain elements within the industry on March 24th must not be misread.

The vast majority of Blue Dot Taxis played no part whatsoever in the events of March 24th and only 2 of the 8 regions participating in Blue Dot, namely CATA and CODETA, were involved in the violence and unrest which occurred on that day. Blue Dot Taxis also found themselves victims of the day's events, with at least 18 vehicles damaged or destroyed.

It is my firm belief that the unacceptable actions of these bad elements should not be used to undermine the hard work and the many successes which have been achieved through Blue Dot over the last year.

As the Premier has noted, Blue Dot is a new tool for responding to incidents of violence. After the unacceptable events of 24th March, my Department immediately placed the regions involved in red status, meaning they were unable to benefit from Blue Dot. This action ensured that there were real consequences for unlawful behaviour, hitting those involved where it counts...in their pockets, in addition to the range of regulatory sanctions which I have at my disposal.

Speaker, at this time it is pertinent to remind ourselves that the Blue Dot Pilot is not the only successful motorised public transport initiative launched by DTPW in recent years.

### **George Integrated Public Transport Network**

The George Integrated Public Transport Network (GIPTN), and the GO GEORGE bus service was spearheaded by the Western Cape Department of Transport and Public Works in partnership with the Municipality of George through the transformation of the George Mini-Bus Taxi Industry.

The GIPTN was the first non-metro nationally to be awarded PTNG funding by the National Department of Transport, and to date is one of a handful of non-metros in which a system is operational.

The first Phase of the GIPTN went live in December 2014 with Phase 1, whereafter Phase 2 (in March 2015), Phase 3 (in May 2015) and Phase 4B (in March 2020) were rolled out, with the department targeting the planned roll-out of the next phase to Thembalethu (Phase 4A) in the 3<sup>rd</sup> financial quarter of this year.

The current operational phases service approximately 14,000 average weekday passengers monitored from September 2021 to February 2022. Following the impact of Covid-19. In February 2022 the service had 16,096 weekday passengers recorded, their highest yet, with 56% of households within 500m of a GO GEORGE service. With the roll-out of Phase 4A, the system will cater for approximately 26,000 average weekday passengers, with 78% of households estimated to be within 500m of a GO GEORGE service.

Recently, the George Municipality obtained an interdict against attempts by certain elements of the MBT industry to disrupt the service, My Department will support the legal actions initiated by the Municipality to protect this valuable public transport asset which serves the people of George.

Municipalities, as the planning authorities, are responsible for determining the supply and demand and I believe that this must be done in a more pro-active manner by all municipalities. This is something that must be addressed as a result of the current B97



route conflict. In addition, Speaker, I will initiate a re-assessment of the overall regulatory regime for public transport where it is within my competence to do so, in order to ensure that it is in line with changing circumstances.

In the same manner, I recently approved changes to the criteria for the certification of Vehicle Testing Stations to accommodate shifting economic and population realities. This can open further business opportunities.

Speaker, not all commuter transport arrangements have to be large scale in order to make a difference to people's lives.

### **Bicycle project**

The Provincial Sustainable Transport Programme was initiated by the Department of Transport and Public Works to support the development and implementation of sustainable transport systems in the Western Cape. The programme aims to develop transport systems through forming partnerships with key stakeholders, including with local municipalities, communities and businesses.

The first such partnership was established between the Department and Stellenbosch Municipality as far back as 2016. We currently have similar partnerships with the Overstrand and Swartland Municipalities. The focus is on improving the conditions for walking and cycling. Within the Western Cape non-metro areas, 35% of people walk to work as their primary mode of transport, and 46% of learners walk to school. Our bicycle distribution programme of which I have had the privilege of being a part has been an instant success and the benefits to the communities involved have been immediate.

### **Electric vehicle strategy**

Finally, Speaker, I want to commend my department, through its Government Motor Transport Trading Entity, for the far-thinking development of an Electric Vehicle Strategy. This strategy will enable the WCG to play a leading role in developments in this critical area – an area which will become of even greater importance in the light of climate change challenges.

Projects which have been identified and in some cases already implemented include:

- The procurement and testing of 13 electric vehicles
- The planning of a provincial electric vehicle charging network
- Research into the conversion of existing vehicles to electric vehicles
- Battery recycling and repurposing opportunities
- The development of a technology management platform.
- A 3 phase 5 year implementation plan.

These visionary developments can only be to the benefit of the economy and the well-being of the people of this Province and beyond.

Speaker, in closing I should like to thank my Cabinet colleagues, the members of the Standing Committees with which we work, the Members of this House and the excellent, hard-working HOD of my Department as well as her staff, some of whom are in attendance today.

I thank you.

**Media Queries:**

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