



public works,
roads & transport

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

POLICY & Budget Speech

2020/21





Mr Gillion Mashego (MPL)
MEC: Public Works, Roads and Transport

POLICY AND BUDGET SPEECH

2020/21

ACKNOWLEDGMENTS

**Honourable Speaker and Deputy Speaker,
Premier of Mpumalanga, Honourable Refilwe Mtsweni-Tsipane,
Honourable Members of this August House,
Chairperson of the House of Traditional Leaders, Inkhosi Sandile Ngomane and members
Executive Mayors and Councilors,
Leaders of the ANC, different political parties and faith based organisations,
Fellow Mpumalanga Citizens,**

POLITICAL OVERVIEW

Madam Speaker, this month marks the commemoration of a significant moment in the anti-apartheid struggle, a 1976 uprising where young people challenged the arsenals of injustices inflicted upon them by a white minority rule. The youth struggle sought to demolish the walls of socio-political and economic disparities that defined the black child. The struggle continues!!!

The month of June also pays homage to the birth of the Son of the African soil, President Thabo Mbeki whose vision of an African Renaissance continue to resonate with us. For a Renaissance to happen, it is critical to groom and prepare young people for their responsibilities at present and into the future. Also important, the youth need to be reminded that apart from all the challenges they face, they also have a unique responsibility of expanding the existing vision of Africa's rebirth and renewal.

Honourable members, there is no significant renaissance that can take place while women and children rights are not protected. That is why, it would be a great injustice for me not to express my utter disgust against the femicide and gender-based violence that continue to violate the freedom and safety of women and children in our country. As men, we must speak out on abuse - not in our name!

Recently, the Department lost one of its brightest Chief Quantity Surveyors to Gender Based Violence, Ms Tebogo Mabunda. Her death did not only rob us of a colleague, but it took away a friend and role model to many aspiring young women. Her parents have lost a child, her siblings have lost a sister, and most sadly, her 3 kids have lost their beloved mother.

Fellow Mpumalanga citizens, especially men, As President Cyril Ramaphosa reiterated on his address last week, “If we are serious about ending these crimes, we cannot remain silent any longer. By looking away, by discouraging victims from laying charges, by shaming women for their lifestyle or their style of dress, we become complicit in these crimes.”

COVID-19 OVERVIEW

Madam Speaker, when President Cyril Matamela Ramaphosa, during the 2018 State of the Nation Address, echoed the words of the legendary jazz musician Bra Hugh Masekela, in his song, Thuma Mina (Send Me), the might as well have been referring to our collective action of purpose that is so urgent and critical to fight the invisible coronavirus pandemic. Unlike traditional enemies, COVID -19 can dangerously hide in plain sight!

Honourable members, indeed this has been the most definitive ‘*Thuma Mina*’ moment for our country. A heavy onus rests on Government to see South Africa through the COVID-19 pandemic, yet this pandemic also calls on all of us to be active participants during this state of disaster and beyond. For it is upon the actions of every South African (and every Mpumalanga citizen) that the success of our efforts depend.

Madam Speaker, our response as country has been swift and effective in delaying the spread of the coronavirus. President Cyril Ramaphosa and his executive should be commended in the manner they have led the nation in the battle against the virus. We also pay tribute to the front-line workers, nurses, doctors, community screening field workers, the police and the army who have been in the forefront of our response to this public health emergency.

In this 13th week of an unprecedented nation-wide lockdown, there is a greater demand for Government effectiveness and increased efficiency. In responding to this health crisis, we have an unusual opportunity to address long-standing injustices! It is therefore essential that we adopt a posture that will allow reprioritisation of resources to address the looming public health challenges and economic disruptions.

ADMINISTRATION

Honourable Speaker, addressing these challenges requires an efficient and effective DPWRT. More importantly, it requires a healthy workforce hence the steps we have taken to protect the safety and health of our employees. Apart from the essential workers such as boiler operators and public transport officers, we have limited the number of staff members that come to the office daily in order to comply with social distancing.

Just like many organizations, we have also been forced to make adjustments in our operations due to physical confinement. In this current environment, we are leveraging on digital and innovative technologies to allow our employees to work remotely where possible. At the same time, a window of opportunity has also opened for us to foster a culture of workforce flexibility and build our capacity to respond to a digitised future.

PUBLIC WORKS INFRASTRUCTURE

Madam Speaker, as custodians of government buildings, we have an obligation to prevent the spread of infection in our facilities. To this regard, we have collaborated with the Department of Health to ensure that there is screening of people that are entering our premises. We are further advising those who are planning to visit our offices to wear face masks in line with the health protocols from the World Health Organisation.

In addition, the Department of Public, Works, Roads and Transport (DPWRT) is called upon to make available isolation and quarantine facilities for COVID-19 patients. To date, we have identified 20 State-owned and 70 private-owned facilities for this purpose and costing thereof is ongoing. These properties, which are a combination of government and private sector facilities, have a capacity of 2691 standard beds so far.

Fellow citizen of Mpumalanga, the current data models indicate that we should anticipate an increase in the number of coronavirus patients around August or September. To accommodate this influx, will require rapid expansion of current capacity or modifications of certain health facilities. And so, we are working with the Department of Health to expedite completion of the following projects within the next few months:

- Bethal Hospital
- Various Upgrades in Rob Ferreira Hospital
- Oakley Clinic (recently completed)
- Pankop Clinic
- KwaMdladla Clinic

Honourable members, amidst this pandemic, we continue to provide several enabling services to support the provincial health response. This includes the supply of coal to various public health facilities that are using coal-fired boilers. The lives of many patients depends on these boilers - their steam is used to sterilise theatre equipment, cooking utensils, and linen, as well as for water heating and the general heating of buildings.

Madam Speaker, from 08 June 2020, we saw the re-opening of schools for grade 7's and 12's. In preparation for this opening, the Department of Education and DPWRT had to ensure that schools had minimum safety measures in place. To our advantage, a total of 133 schools across the Province had already been provided with modern and decent ablution units during the previous financial year.

The basic services and sanitation programme has become integral in the fight against the spread of the coronavirus in schools. In acknowledgment of this, both the client and implementing agent had to prioritize their plans in response to COVID-19. This year, 227 schools will benefit from the basic services and sanitation programme while 43 projects are being fast-tracked in anticipation of more grades going back to school.

Honourable members, the demand for social welfare and information has also increased during this health outbreak. Government Service Centres have proved ideal to access targeted relief programmes. On the other hand, libraries offer sanctuary space for many poor learners who cannot escape overcrowding at home. To this regard, 17 projects are planned on behalf of the Department of Social Development and 6 projects for the Department of Culture, Sport & Recreation.

TRANSPORT INFRASTRUCTURE

Madam Speaker, this Department is at the forefront of Mpumalanga's efforts to strengthen the Province's economic growth and job creation. In pursuance of this, we have invested almost R10,8 billion in strategic transportation infrastructure in the previous five years. However, this figure will decrease significantly in the current MTSF due to the withdrawal of the coal haulage grant funding (almost R500 million in current financial year).

The special funding for the coal haulage network has been available since April 2011. This allocation was meant to support sustainable electricity supply in South Africa – 75% generated in Mpumalanga. It is the Province's conviction that these funds were supposed to remain available until the transportation of coal is moved from road to rail and this has not yet happened! Therefore, withdrawal of this grant does not only strain the provincial fiscus but has potential to deepen the energy crisis in the country.

In addition, there is anticipated budget cuts of both the equitable share and the road maintenance grant 2020/21 budget allocations due to COVID-19. Combined, these budget cuts will curtail the Department's road infrastructure delivery programme which means that some projects will take longer than planned to complete. Other projects that planned to commence this financial year may be deferred until adequate budget is available.

Honourable members, our transport infrastructure investment programme optimises the impact of public investment. Last year, the Department delivered a number of roads construction and maintenance projects with various complexities. This includes rehabilitation of the road through New Forest B (D4396 to D4394) and upgrade of the road between Belfast and Arnot (D1110 and D1170) - Public Private Partnership with Xxaro Resource Limited. These projects will help facilitate movement of people and goods.

There are 16 transport infrastructure projects that are currently ongoing from the previous year and of these projects; the following 10 are planned for completion this year:

- Rehabilitation of sinkhole on coal haul Road P29/1;
- Rehabilitation of sections of Road P8/1 between Bambi and Mashishing (Phase II)(18km);
- Upgrading of Road D236 West of Barberton (8km);
- Rehabilitation and brick paving of Road D233 Louisville;
- Rehabilitation of Road D2975 from P258/1 to Daantjie (Police Station) (3km);
- Road D2978 from D2977 in Matsulu B (2.4km);
- Repair of flood damaged bridge on Road D2968 between Numbi and Makoko;
- Upgrade of Road D3973 between Hoxani and Marite (11.4km);
- Rehabilitation of coal haul Road P36/2 from Delmas to Gauteng Boundary (13km); and
- Rehabilitation of coal haul Road P49/1 from Montagu Street, Middelburg to N4

The following new projects will commence during the financial year 2020/21:

- Selective rehabilitation of Road P170/1 between Matibidi and Graskop (km72.5) - tourism route;
- Upgrading of Coal Haul Road D2274
- Rehabilitation of Coal Haul Road from N11 to D1398 North of Hendrina (13km);
- Rehabilitation of P36/1 (R50) between Delmas and N12 (9.1km); and
- Rehabilitation of Coal Haul Road P182/1 (R542) between Van Dyksdrift and Hendrina (13 km)

Honourable members, the rapid increase of roads and other infrastructure has made us more globally connected and susceptible to being affected by events happening on the other side of the world. Put another way, our advancements in infrastructure not only provide us with the means we need to travel and deliver goods throughout the world, it also exposes us to diseases like COVID-19.

This virus further illuminates the extent of the inherited spatial divisions in the Province. As budgets are stretched to enhance our health response, Government has to find new ways to make sure essential infrastructure projects can keep going. Notable, the infrastructure imperative does not go away because of COVID-19, but it remains key to dismantling and redressing the apartheid spatial patterns.

Madam Speaker, the Mpumalanga Provincial Government remains steadfast that rail is ultimately the best solution for the Moloto Development Corridor (R573). However, the recent poor economic conditions have made it difficult for Government to secure the huge capital layout (now estimated above R20 billion) that is required for this project. This situation is further likely to persist due to the COVID-19 outbreak but all is not lost!

Last year, the R573 Moloto road was finally brought under one Roads Authority after Gauteng handed over their section to the South African National Roads Agency Limited (SANRAL). This move is expected to bring more improvements, better coordination and improved investment. To date, certain sections of the road have been completed and an additional R4,5 billion has been allocated over the next five years to improve safety on this road.

TRANSPORT OPERATIONS

Honourable Speaker, public transport is an essential service to provide mobility, also in times of pandemics, not least to provide access to health care facilities. In level 3 of the lockdown, more industries have resumed operations and some learners have returned to school. Therefore, the transport sector must be responsive to enable mobility of both workers and learners.

Having said that, public transport remains one of the highest risk areas in the spread of the pandemic, and our interventions must be cognisant of this fact. We continue to urge public transport operators to adhere to the directives on sanitizing vehicles and put measures in place to give effect to social distancing at all material times. Commuters, must also play their part in containing this virus by wearing facemasks when they are in transit.

Through the support of the Department of Transport, the Mpumalanga Provincial Government distributed various hygiene packs to all taxi ranks in the Province through district municipalities to ensure that these public amenities are not a breeding ground of COVID-19. The Honourable, Ms Refilwe Mstweni-Tsipane launched this programme here in Mbombela on the 9th of April 2020. We have since implemented the same measures in ensuring safe transportation of learners as grade seven and twelve learners returned to school.

Madam Speaker, in most parts of Mpumalanga, taxis dominate the public transport system. However, taxis remain excluded from the current public transport subsidy regime. It is in recognition of this that Government has offered the Taxi Industry, a relief package of R1,135 billion. The relief will be an all-inclusive relief scheme covering Owners, Drivers, Rank Managers, Marshals and other taxi association workers.

The South African Revenue Service (SARS) has been appointed to facilitate the registration and administration of the relief details of which will be made available to relevant stakeholders through various communication platforms. As the Minister of Transport, Mr Fikile Mbalula indicated, Government has noted the representations made by the taxi industry against the conditions set out for accessing this relief support. We are confident that both Government and the taxi industry will find an amicable solution during the ongoing engagements.

Honourable members, the security cluster continues to be a critical enforcer of the coronavirus lockdowns in areas where there is deliberate disregard of regulations. Together with the police and soldiers, our public transport inspectors have been hard at work to ensure that we are able to arrest the spread of this virus and save lives. These brave men and women are amongst many essential workers who are at the front-line of this pandemic.

COMMUNITY BASED PROGRAMME

Madam Speaker, the current global health emergency is having significant social and economic implications on all sectors of society. Small and medium-sized contractors and general workers are the worst affected as they do not have access to credit facilities or unemployment cover. While Government has announced economic stimulus packages to limit the immediate economic impact, this is not enough!

Programmes such as the EPWP provide additional employment and income for poor and vulnerable households. Therefore, the lifting of the restrictions on construction and maintenance of critical infrastructure projects enables a temporary relief for a few workers in the engineering services and construction sector. Going forward, there is a need for increased scope of public employment programmes to ensure long-term recovery effects.

Equally, there is an opportunity to reposition the Social Enterprise Development Programme (SEDP) to address the new demand for job creation. Channelling support through existing programmes such as SEDP, Sakh'abakhi, Siyatentela and National Youth Service will allow for a more rapid response post COVID-19. More significantly, procurement of locally manufactured building materials will revitalize the local and township economies.

PROVINCIAL PRIORITIES

Madam Speaker, this pandemic requires extraordinary responses and as such, we must develop strategies that will guide our actions over the next few months. However, these cannot be cast in stone! As the pandemic unfolds, we are called to release resources to effectively deal with the evolving medical emergency. Despite this, we have committed our budget to pursue the following broad Provincial Priorities in line with the current and previous SOPA pronouncements:

- Spatial transformation
- Improvement of tourism routes
- Accelerate the provision of social infrastructure
- Maintenance of road infrastructure in mining towns
- Safe and reliable public and scholar transport services
- Revitalisation of rural and township industrial economies
- Increase employment in public employment programmes

THE BUDGET

Madam Speaker, The Department's overall budget allocation for 2020/21 experienced a decrease of R368 million or 6,7% when compared to the main appropriation budget in 2019/20 financial year. In essence, this means that there is less money to spend on Government programmes, projects and personnel. I now request this House to consider and approve the budget of the Department of Public Works, Roads and Transport, Vote 8, which is as follows:

1. Administration	R376 528, 000 (Three hundred and seventy six million, five hundred and twenty eight thousand rands)
2. Public Works Infrastructure	R 1, 173, 492, 000 (One billion, one hundred and seventy three million, four hundred and ninety two thousand rands)
3. Transport Infrastructure	R 2, 083, 091, 000 (Two billion, eighty three million, and ninety one thousand rands)
4. Transport Operations	R 1 367, 580, 000 (One billion, three hundred and sixty seven million, five hundred and eighty thousand rands)
5. Community Based Programme	R86, 823, 000 (Eighty six million, eight hundred and twenty three thousand rands)
TOTAL	R 5, 087, 524, 000 (Five billion, eighty seven million, five hundred and twenty four thousand rands)

I Thank You!!!



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