



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
TRANSPORT AND COMMUNITY SAFETY

BUDGET SPEECH

Budget Vote 2022/2023

TUESDAY, 29 MARCH 2022

Time: 11:h00

**Venue: Limpopo Legislature Chambers
Lebowakgomo**



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**BUDGET SPEECH FOR THE DEPARTMENT OF TRANSPORT AND
COMMUNITY SAFETY, VOTE 06, DELIVERED BY THE
HONOURABLE MEC MAVHUNGU LERULE-RAMAKHANYA, MPL
DURING THE LEGISLATURE SITTING OF THE LIMPOPO PROVINCE
AT LEBOWAKGOMO LEGISLATIVE CHAMBER.**

29 March 2022

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Honorable Speaker and Deputy Speaker

Honorable Premier,

My colleagues in the Executive Council,

Chief Whip of the Legislature,

**Chairperson of the Transport and Community Safety Portfolio
Committee,**

Chairperson of other Committees,

Leaders of the Opposition Parties,

SAPS Provincial Commissioner,

Honourable Members of the House,

Head of Department,

Members of the Media Present,

Thousands of followers on social media platforms

Good Morning

Ndi Matsheloni

Madam Speaker

A week ago, President Cyril Ramaphosa gave the nation hope when he announced a battery of measures that for the first time showed signs that our country was going back to normality after two years of harrowing pain brought about by Covid 19 restrictions.

For the first time in two years, we learned that we could now remove our facial masks whilst outdoors and public places as we begin finding our pace in living with Covid 19 as a vaccinated nation. This came as a relief to thousands of people who lost jobs and many whose businesses went under at the mercy of an invisible tiny virus that destroyed families and livelihoods.

This year offers much hope than all the other two tumultuous years we have had. I've got no doubt that we stand on the cusp of great possibilities of normalcy returning in our province. As we come towards the end of the national state of disaster it's going to be all systems go for most sectors and industries in our province. Limpopo's economy is now open for business as we can now travel and trade the best way we know how. Although the virus is not fully obliterated, I'm confident that if tourism is open and stadiums and places of worship are receiving 50% of vaccinated people this can only mean that the transport sector will be fully engaged to its capacity. This is good news for our bus and taxi operators who were already struggling to keep their heads above water.

As tourism gains foothold and momentum in the country, we are encouraging the people of Limpopo and of South Africa to make use of the safest mode of transport available between Polokwane and Johannesburg. The existence of the airport is solely reliant on customers

and through our engagements with Limpopo Tourism Agency, we will market the Airport to ensure that the facility is used to its maximum capacity for the benefit of the province.

You will recall that the airport is now back in full operation after commercial activities were suspended early last year due to a downgrade by the civil aviation authority. It took the Gateway Airports Authority Limited (GAAL) about five to six months to fix the identified risks and as we speak the airport is fully compliant and ready for the challenge.

The Department will transfer **R73.331 million** to Gateway Airport Authority Limited (GAAL) for the 2022/2023 financial year. The funds are allocated to manage and maintain the operations of Polokwane International Airport (PIA) and to sustain the airport license even though it is evident that the allocated budget will not sustain all operations in the airport. We will however make sure that the downgrading of the facility and the grounding of flights does not happen again.

Public Transport remains the backbone of our economy as a rural province where millions of our people rely on public transport to commute from their respective homes to their places of work. It is imperative to ensure that we maintain the passenger subsidy programme to ensure that our people are not side-lined from economic activities due to their geographical location. Buses and Taxis are the common modes of transportation preferred by the majority of our people and they will continue to receive support and empowerment from my department.

An estimated 12 million Passengers across the Province benefitted through the bus subsidy programme during the 2020/2021 financial year and this figure represents a total of 90 606 trips operated, covering close

to 5 million kilometres. We are talking here about an average of 886 buses which were used to ferry commuters across the length and breadth of the province. The Department spent an estimated R 650 million on 26 subsidised contracts in the 2021/2022 financial year, even though Covid-19 lockdown levels and public transport restrictions had a severe effect on all bus operators in the province.

For the 2022/2023 financial year, the Department has set aside an amount of **R707 million** for subsidized services even though the Public Transport Operating Grant (PTOG) has been reduced by **R2 million** which may negatively affect some services. From this grant, an estimated **15 million** passengers will benefit through the passenger subsidy system during the 2022/2023 financial year. We continue to be proud that companies that are receiving government subsidies managed to create and sustain an average of 2 360 permanent jobs in the form of drivers, dispatchers, administrative and financial clerical staff.

The Passenger Subsidy Programme could be considered as an important catalyst for poverty alleviation considering that the services are focused on low-income populations which are in rural areas where there is little or no economic activities. Scheduled subsidized public transport services provide low-income populations with connectivity to places of employment and social amenities in ways that no other private sector organisation can intervene.

Madam Speaker

Furthermore, I'm pleased to reiterate the decision we took to appoint the Council of Scientific and Industrial Research (CSIR) to redesign the bus subsidy networks and service contracts in the province to ensure that

subsidised services are equally spread across the province and to ensure more effective and efficient service delivery. CSIR has completed new contract documents for the five districts in the province during the 2021/2022 financial year. Consultations with all affected stakeholders will commence in the 2022/2023 financial year and the advertising of tenders for new subsidy service contracts will commence in the 2022/2023 financial year. Route surveys and on-board surveys have been concluded which indicates passenger demand. The Department, with the approval of Treasury, extended the 26 bus contracts until March 2024 to provide sufficient time for the rolling out of new tenders.

Madam Speaker

The Department will continue in the 2022/2023 financial year to assist municipalities in establishing and resuscitating Transport Forums. The programme was seriously affected by Covid-19 lockdown levels. Transport Forums create an important platform for industry and community participation in transport matters at municipal level.

LIMPOPO PROVINCIAL REGULATORY ENTITY (LPRE)

The Provincial Regulatory Entity which monitors and oversees public transport in the province had 73 hearings in which they adjudicated on an estimated 2 600 operating licence applications in the 2021/2022 financial year. The entity will continue to conduct monthly hearings in all five districts in the 2022/2023 financial year. An amount of **R2.7million** has been allocated to sustain the services of this very important entity.

The Department received and processed an estimated **15 000** operating licences applications during the 2021/2022 financial year. We will sustain operating licensing services in our five district offices. It will continue to

render part-time satellite services in Waterberg, Mopani and Capricorn Districts to ensure easy access to services and will sustain the satellite services at the Groblersdal Cost Centre and Dilokong Traffic Station.

An amount of **R38,12 million** has been budgeted for the 2022/2023 financial year to sustain the regulation of the public transport industry through the Operating Licence Administration System.

The Department has commenced with a process to address the un-licensed status of taxi operators in the province. An initiative will be rolled out within the provisions of the current Public Transport legislation and transport plans to address the backlog on the issuing of new route-based minibus taxi operating licences.

TAXI INDUSTRY

Madam Speaker

On the taxi industry, we have set aside funds in the 2022/2023 financial year to assist with the administration and the management of the industry. The Department is servicing, apart from other public transport services, hundred and sixteen (116) taxi associations with 7 789 registered members operating **10 690** taxi vehicles with operating licences.

We often experience conflicts in this industry due to various reasons. The instabilities brought by interruptions of public transport services have serious economic implications. The Department will continue to sustain the multi-disciplinary Provincial Taxi Task Team, which was established to address conflicts in the public transport industry.

On Friday last week we woke up to the closure of the R81 road between Mall of the North and Thornhill shopping malls due to taxi conflict. We

condemn with the strongest term the action by one association to disrupt economic activities because of their dissatisfaction on certain issues. Violence will not and has never resolved any problem. We are always open and available to engage with associations and their councils when conflicts arise.

Notwithstanding last week's conflict, I am nonetheless encouraged and delighted by the new spirit of unity and collaboration brought about by the taxi Makgotla in the previous financial year. One of the key areas which the industry is seized with is to professionalize and the commitment to this resolution is bearing fruits. We are currently facilitating workshops for the taxi industry with the South African Revenue Service (SARS) and the Department of Labour to ensure that the industry complies with tax and labour laws. The industry that was at some point viewed as stubborn and not properly led is turning the tide and positive signs are showing everywhere.

Just like hundreds of Taxi Operators country-wide, our own operators were given an opportunity to apply for the National Minister's Covid 19 relief fund for the taxi industry at the end of the 2021/2022 financial year. We believe that they took advantage of the window period and will be amongst the beneficiaries of the scheme.

Honourable Speaker

TRANSPORT REGULATION

The safety of commuters and all road users continue to occupy a centre stage in the work of my department. In the budget vote last year, I highlighted that we spent **R12 million** to acquire official vehicles. This was

done for two reasons; first for visibility and secondly for the reduction of road carnage. I am here to report that we were able to achieve this objective though not to our highest satisfaction.

Using these working tools, Department managed to decrease fatalities by 12.9% (from 1235 to 956) during the past financial year. This was attained through focused speed operations conducted to minimize accidents, drunken driving operations and visible patrol deployments. We focused on the problematic roads identified both by us and the National Department of Transport based on the recorded accidents stats.

I also made mention that the safety of our people is very key, especially learners who cross the roads to access schools. We introduced a safety programme at the district level to ensure that children, pensioners and people living with disabilities amongst others are able to cross the roads with ease. The Department has through its EPWP programme managed to recruit 218 Youth from the five districts and trained them as traffic point duty officials. In this regard, 30 youth from Mopani are currently attending training at Limpopo Traffic College as we speak. In this financial year the last batch of 32 youth will be recruited from Vhembe to make the total of 250.

The inception of this programme has resulted in a sharp decline of accidents involving pedestrians at designated crossing points where drivers were speeding due to non-visibility of officers. We are alive to the reality that communities are expanding and the need for point duty officials is increasing. We will attend and address the need as and when it arises.

The Department continues to ensure compliance at the License testing Centers and Vehicle Test stations. This is also focused at curbing fraudulent issuing of driving licenses and vehicle roadworthy certificates. So far, the process of standardizing learners testing in the province is at completion stage with 31 centers already fitted with the computerized learners License testing system. At the moment only Mankweng and Modjadjiskloof are remaining and the management of these centers have been engaged to ensure compliance of their facilities.

In a bid to improve provision of services to the people, the Department is intending to upgrade traffic stations into multipurpose centers that will ensure inclusion of licensing services which will also improve revenue collection for the province while reducing queues at the existing centers and slow services provided to the general public.

SAPS Oversight

Madam Speaker

The Department will continue to perform its oversight functions on the South African Police Service. We currently have 104 police stations in the province that we are continuously monitoring in terms of their compliance to policing standards, prescripts, and instructions. The department will also conduct customer satisfaction surveys in relation to all the respective police stations I alluded to. The Department will further monitor the District commissioners' offices, specialized units and SAPS garages. The Heads of provincial components will also be engaged to address findings from the monitoring reports.

The Department will conduct a research project on Investigating the Implementation of JCPS recommendations by the Justice, Crime Prevention and Security Cluster departments in strengthening the Criminal Justice System of the Limpopo Province. This research will examine the significance in which the JCPS Cluster is held by the relevant departments and thereby assess whether the recommendations thereof are implemented or not. The study is important to ensure that the justice system of the province is reinforced through this integrated approach and the fight against crime and corruption is intensified.

Madam Speaker

The rate of crime perpetrated against women and children has spiralled out of control and it is a serious cause for concern. To that end, the department is facilitating an increase in visible policing partnering with crime prevention structures to assist in combating the scourge. We are of the view that the ongoing Imbizos led by SAPS both at the provincial and national level are assisting in the fight against Gender Based Violence and Femicide. It is in these platforms where people are able to speak out and challenge police to attend to the cases with urgency.

The Department will continue to support community structures through their participation in the Expanded Public Works- Crime Prevention through Environmental Design Programme. This programme is geared at participants clearing and cleaning contact crime hotspots in the province. A total of **500 participants** will be recruited from the community policing and safety structures, that is 100 from each District. A budget of around **R 2 million** received from the Integrated Grant will be used for this very important programme. In the year under review, contact hotspots were identified, de-bushed and cleaned across the province.

As part of contribution to youth development in the sector, the Department will recruit 300 participants from the Youth Against Crime participants from all police stations. Other members from the patrollers will be Youth Councils from municipalities who will also be patrolling side by side with SAPS in an endeavour to heighten police visibility and make inroads in problematic areas.

A budget of **R3,7 million** has been set aside to procure uniforms and payment of stipend for this project for 2022/23 financial year. The allocated budget is not much but it will go a long way in rooting out crime and other social ills in our communities.

The Department will closely monitor the implementation of the Limpopo Crime Prevention Strategy during the 2020 – 2025 Medium-Term Strategic Framework period. We will strengthen the collaboration with District and Local municipalities to develop the district specific Crime Prevention Strategies.

In partnership with the SAPS, the Department is continuing to work together with community structures such as the Community Policing Forum and Community Safety Forums to assist in the fight against crime. The cooperation and assistance we are getting from the community structures is overwhelming and I can say without a shadow of doubt that most of our successes are as a result of their hard work. We take pride in the result of the good work that our dedicated volunteers are doing in the villages and townships.

This year marks five years since we relaunched both CPFs and CSF in the province and we are at that juncture again where we need to meet and renew the mandate. We are going to relaunch 28 CSFs and 110 CPFs and also take responsibility to ensure that the new structures are capacitated to carry their tasks diligently for the benefit of our communities. The department will also continue to assess the functionality of these structures on a regular basis.

Madam Speaker

In the 2021/2022 Financial Year, the Department of Transport and Community Safety conducted 5 initiatives to educate communities about Domestic Violence and Gender Based Violence. Due to limitation of covid-19 regulations, the initiatives were conducted in densely populated areas such as malls and taxi ranks to interact with as many people as possible as opposed to bringing people in an enclosed venue for better interaction. In the current financial year, the initiatives will be focused on capacity building sessions with SAPS members responsible for implementation of the Domestic Violence Act, Sexual Offences Act and related legislations. This is to ensure that SAPS members improve on compliance, especially when dealing with victims and administration of these cases. This is done to avoid secondary victimization of the victims and failure to secure convictions due to poor investigations.

The department has established a Domestic Violence Act/GBVF compliance forum which focuses on improving SAPS compliance. The compliance forum is also busy with poor performing stations and Detectives to ensure compliance and ultimately to secure successful convictions in GBV and Femicide related cases. We will continue to attend to service delivery complaints against the SAPS and ensure that they are

resolved within 30 days. This is a mechanism to transform SAPS to be a reliable and dependable institution.

The public is aware of the right to complain and to hold any official accountable. We have established a complaints management desk at provincial and national imbizos to register grievances. This is in addition to complaints received through walk-ins, Premier and Presidential Hotline. To ensure improvement on the side of police investigations, the department is conducting court watching brief at 60 magistrate courts per annum. We do this solely to assess the reasons for cases being withdrawn or thrown out of court. Where findings indicate poor police conduct or action, the cases are submitted for reinvestigation and action is taken against affected members.

Madam Speaker

The department will be constructing two K53 testing centres in Seshego and Thohoyandou in the current financial year, 2022/2023. This is to assist citizens with handling and processing their vehicles and driving licenses applications amongst other services.

The successful implementation of the two K53 testing centres will also contribute towards revenue collection in the province.

We will also continue with the refurbishment of the Limpopo Traffic Training College in Vhembe district to complete what we started in the previous financial year. The focus will be on completion of residential block C and a hall, the canteen and kitchen. We are determined to provide

habitable and a conducive studying environment for our aspiring youths. The projects I alluded to above are budgeted as follows;

- Thohoyandou K53 testing centre has an allocated budget of **R14 million** budgeted
- Seshego K53 testing centre is allocated **R4.5 million** for the current financial year.
- Block C and the Hall will share an allocation of **R10 million** budgeted for 2022/2023, while
- The Canteen and Kitchen have a **R3 million** budgete.

Madam Speaker

The twin challenges of poor skills and youth unemployment remain serious problems in our country that require us to address through extraordinary means. In this regard, I am delighted to announce that in this financial year, we will give twenty students, mainly from the TVET colleges an opportunity to put their theory to practice. Students with Mechanical Engineering related qualifications will be placed as interns through a workforce Integrated Learning programme at our government garage facilities.

We will also be recruiting for Traffic Law Enforcement Learnership to close the increasing vacancies gap created by various factors including Covid-19. This will indeed be a life changing experience for **One hundred and fifty** of our young graduates and those aspiring to be Traffic Law enforcers. To our youth, always know this: **What you think - you become!** Nothing is impossible if you are hungry enough and desire to achieve your goal. “Everything you need is already inside of you – So **“just do it”** – to quote the legendary Nike shoes slogan.

Budget

Madam Speaker

The Department of Transport and Community Safety remains the biggest contributor of revenue collection in the province. At the end of 2020/21, the Department collected R651 954 which is 10% above the target of R651 293. In the current financial year, as at end of February, the collection rate was already at 99% of the annual target. The Department will meet the target for the current financial year and also exceed the expectation. The Department has the potential to over collect by bigger margins but the impact of Covid 19 negatively affected many businesses. As a result of this, we therefore anticipate collecting **R717 094** in the 2022/23 financial year.

The total budget for 2022/23 is **R2.366** billion which shows an increase of 1.6% compared to 2021/22 budget, 2023/24 budget is **R2.433 billion** which is an increase of 2.9% and **R2.435 billion** in 2024/25 which is 0.9% increase. Included in the budget, is Public Transport Operation Conditional Grant (PTOG) allocation amounting to **R422.338** million in 2022/23, **R440.951 million** in 2023/24 and **R460,754** million in 2024/25.

REVENUE

The Department contributes almost 47% of the Provincial Revenue through traffic functions. The Department is projecting to collect **R717.094** million in 2022/23, **R748.645** million in 2023/24 and **R782.258** million in 2024/25.

CONCLUSION

As we get on with our task of implementing this budget and of making a difference in the lives of our people, I wish to thank the Acting HoD Mme Jane Mulaudzi for steering this ship to calmer waters. I further wish to thank her management team and all officials for making us to achieve success in the past two difficult years.

The two successive clean audits we received in the last two financial years are a feather on our cap and a good testimony to the hard work and perseverance we endured as officials in this department. There is no magic or miracle in achieving this feat. What we discovered whilst travelling on this torturous road is that - the harder we work, the more luck we seem to have.

Thank you Acting HoD and your team. Thank you to staff in my office for your commitment. Thank you to the Provincial commissioner and heads of JCPS cluster departments; and thank you to all our traffic officers, contravention officers and heads of stations for being good public servants that you are. In you we know the true taste of the meaning of service.

I thank you, Ndi a livhuwa, Ha khensa, Baie dankie!

THE BUDGET PER PROGRAMME IS AS FOLLOWS:

Administration	R599.231 million
Transport Operations	R916.162 million
Transport Regulation	R787.853 million
Police Secretariat of Police Services	R62.316 million

TOTAL	R2.366 billion
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The economic classification is as follows:

Compensation of Employees	R1.107 billion
Goods and Services	R393.107 million
Transfers and Subsidies	R799.617 million
Payments for Capital Assets	R66.223 million

TOTAL	R2.366 billion
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