



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA



OPENING REMARKS BY THE MINISTER OF TRANSPORT, FIKILE MBALULA ON THE OCCASION OF A MEETING WITH CHAIRPERSONS AND CEOS OF TRANSPORT PUBLIC ENTITIES HELD AT THE RTMC IN CENTURION ON 11 JUNE 2019

Acting Director-General, Mr Hlabisa
Deputy Directors-General of the Department
Chairpersons of our Public Entities
Chief Executive Officers
Ladies and Gentlemen

I must, at the outset, apologise on behalf of the Deputy Minister, Mme Dikeledi Magadzi, who had to attend an urgent engagement with the European Union ambassadors to declare our candidacy and lobby for another term on the Councils of the two specialized UN Agencies, the International Maritime Organisation (IMO) and the International Civil Aviation Organisation (ICAO) later this year.

I must further express my appreciation at the promptness with which you responded to my invitation even though the notice was short. Responsiveness is a culture we must inculcate, not only in respect of our engagements, but also in respect of delivering on your respective mandates.

The focus of this 6th administration is on accelerated implementation, working with all South Africans. Our implementation agenda will be structured around apex priorities, towards which energy and resources must be directed, and around which we must build social compacts with all stakeholders. As implementation arms of the Department, your role in improving the lives of our people and accelerating interventions that not only grow the economy but enable sustainable livelihoods cannot be overemphasised. We must therefore redouble our efforts to increase the pace at which we implement our programmes, particularly those that are intended to improve the lives of our people.

Tremendous progress has been made over the successive administrations since 1994, and each one of my predecessors contributed immensely towards building a transport system that is safe, affordable, efficient, reliable and seamlessly integrated. We are not there yet, and much still needs to be done. We have made a commitment to South Africans that we will move at a brisker pace in

delivering services. We must then inculcate an ethos of Khawuleza in our service delivery model. This must find expression in everything we do, from decision-making to delivering on our respective mandates.

As Board members and Chairpersons in particular, your duty is to ensure that sound corporate governance is a cornerstone of your respective entities. Both your founding legislations and the PFMA (Public Finance Management Act) impose on you serious obligations that are aimed at ensuring that your entities are managed responsibly and emerging risks are mitigated. It is your duty to create an enabling environment for your management to lead the entities effectively. Your duty is not to interfere with the work of the CEOs or advance agendas that only serve to undermine what we seek to achieve. The days of Board members colluding to drive out CEOs only to appoint themselves as Acting CEOs are over. The Minister is the appointing authority and I will not hesitate to act against Boards who undermine this authority. My door is open for briefings and engagements that assist our progress and expedite decision-making. Boards will be subject to rigorous scrutiny and will be held accountable for delivering on the Shareholder Compacts I will be signing with each of you.

The CEOs, in their capacities as Accounting Officers must aggressively drive the implementation agenda and ensure that a culture of promptness underpins all our work. We are under no illusion that challenges loom large in all our entities and we must collectively tackle these, so we are not found wanting. CEOs of our entities must be professionals who are subject experts with the necessary skills to take our entities to new heights. We want CEOs whose commitment to delivering a better life for all South Africans is unquestionable. I will similarly not hesitate to act against CEOs whose conduct detracts us from our mission of delivering a transport system that grows the economy and enable citizens to realise sustainable livelihoods.

Some of you are members of Boards whose terms have lapsed and are on borrowed time. We will move with utmost urgency to ensure that permanent Boards are in place. Similarly, where CEOs are acting or where there is not even an acting incumbent, the Boards must expedite processes to recruit the CEOs. This is an urgent task that must be expedited without delay.

Each of our entities must be seized with the task of transforming the economy to serve all South Africans and create jobs. As government, we have accepted that massive job creation must be achieved on the back of the Industrial Strategy, Job Summit initiatives, Operation Phakisa and private growth initiative. These must find expression in your plans moving forward. In order for us to succeed in this task, our entities must be urgently returned to good health. Right now, most of you are in ICU.

The skills revolution will not succeed if our entities do not rise to the occasion. We cannot sustain training programmes for pilots that only give our

trainees theory, with no prospect of them being able to achieve the number of flying hours to enable them to fly commercial aircrafts. Our cadets cannot forever remain squatters on foreign vessels because South Africa has very few ships on her Ships Register and cannot do their internships at sea on board a vessel. We must bring our collective effort to bear and put in place creative programmes that not only impart technical skills to our youth, but interventions that effectively reverse the tide of youth unemployment.

Tackling the persistence of apartheid spatial planning require of us to work tirelessly in building functional communities by ensuring that public transport is an enabler of both economic and social activity. Integrated transport planning must find practical expression in everything we do. This must not be lip service, but a daily lived reality of our people. Achieving seamless integration starts with Cities and our entities planning together. The integrated ticketing system must be implemented as a matter of urgency. The Department has issued the regulations that formalize the standard. Our entities must lead by example and the private sector will come to the party.

South Africa is a maritime nation and is the African continent's only country with access to and control over sea waters covering 3 oceans. The manner in which we conduct ourselves at multilateral institutions and honouring our international obligations must resonate with this reality. For many years we have sat at the top table at the International Maritime Organisation (IMO) advancing our national interests and now is the time to aggressively drive our economic agenda guided by the recently approved Comprehensive Maritime Policy.

The key tenets of the 6th administration is consequences management and the rule of law. Our obligations to comply with the spirit and the letter of the law cannot be sacrosanct. This equally extends to the implementing all laws we have been entrusted with the responsibility to administer. However, we remain wanting insofar as the implementation of the National Ports Act of 2005. The corporatization of the National Ports Authority is an urgent matter which we should not shy away from tackling. This equally talks to the role of our Regulators in keeping in check operators and ensuring full compliance with the law.

The carnage on our roads continues unabated. It is time we re-imagine our efforts towards ensuring safety on our roads. Seamless integration must be a recurring theme in all our interventions. We must find creative and effective mechanism to create a traffic policing system with a seamlessly integrated value pipeline. National norms and standards must enforce this integration and create a single centre that co-ordinates all efforts. One of the major drivers of inefficiency in our traffic police responsibility is the rampant corruption across the system, from Drivers' Licence Testing Centres (DLTCs) to metro police departments. We must eliminate this scourge in our environment.

Aviation remains a strategic area of our work. South Africa has earned bragging rights as one of the countries with the safest skies in the world. Our aviation regulation is robust and has withstood scrutiny. For many years our membership of the International Civil Aviation Organisation (ICAO) has enabled us to punch above our weight in multilateral agencies and earned us respect among our peers. We must build on the successes and continue to support our entities. This year the SACAA is due for audit and we must do everything in our power to ensure a successful audit.

Passenger rail constitutes the backbone of our public transport system and we have to put in place building blocks to reposition rail as a mode of choice. We are determined to address the challenges currently facing Prasa with the urgency they deserve. Improving operational performance while we address governance issues is a non-negotiable. This includes unblocking bottlenecks that slow down procurement of capital infrastructure, stabilizing the management cohort and ensure liquidity to honour its debts.

Our national road network is in a pristine condition and we must sustain this state of affairs. The same cannot be said about the Provincial and Municipal road network. We must find creative solution to arrest the decline on our roads. Proliferation of potholes and the unabated deterioration of our roads are a huge cost to the economy as these give rise to accidents and fatalities. We are equally under no illusion about the mammoth task we face in implementing the user pay principle due to challenges relating to the Gauteng Freeway Improvement Project (GFIP). This is a matter we are seized with and will find a solution that does not undermine our economy. We must pay particular attention to the maintenance of the secondary and tertiary road network and work with other spheres of government to maximise impact.

Consequence management and the rule of law are going to be guiding principles of our work and we will not tolerate mediocrity. Boards must be fully functional and exercise their statutory duties diligently. Our line of march is to ensure that we infuse a new sense of urgency in our work and we focus on high impact deliverables that South Africans can see and feel.

Accelerated delivery, consequences management and sound corporate governance are non-negotiables. Each one of you will be measured on these three outcomes in addition to what you are expected to deliver. While it is imperative that we deploy appropriate technologies to enhance service delivery, these must not undermine the rights of those who have limited access the internet. Similarly, compliance with procurement prescripts is of paramount importance. Inability to adhere to correct procedure should not be used as an excuse to extend contracts indefinitely. The culture of rolling over contracts because of poor planning will not be tolerated as it exposes our entities to unmitigated risks. Decision-making in enabling functional entities, be it in relation to deploying appropriate IT systems or otherwise should not be delayed where

there is no reason to do so.

We must hit the ground running and package a 100-day plan that focuses on interventions that will transform the lives of our people for the better. This is our first engagement since my appointment and we will be visiting each of you and engage exhaustively on the delivery of your respective mandates. It is my desire to establish this platform as a permanent arrangement for us to meet regularly and address pressing issues that require our collective wisdom.

We must all commit to growing South Africa together through collaborative effort and team work. We are Team Transport and must play our part in taking our country to a higher growth trajectory.

I thank you.

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Issued by:
The Ministry of Transport

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