



GOVERNMENT CLEARLY DESPERATE TO IMPLEMENT AT ANY COST

SAVRALA has often applauded the Gauteng Freeway Improvement Project (GFIP) upgrades and is not unwilling to pay its respective share, but is yet to be convinced that the current urban toll model is the most efficient and cost effective.

An independent transport regulator should have been in place at the beginning of this process to ensure that there is reasonable oversight and due administrative process. In its absence, the fact that, in Gauteng we will be expected to pay R6,2bn to collect approximately R20bn, a collection cost of 30% over five years without any real transparency of the real costs involved is reason alone for grave concern.

Today's announcement also does little to convince Gauteng road users that Government has displayed a genuine willingness to engage constructively and transparently with key stakeholders and the public at large. During the ORT Steering Committee process, established earlier this year to address the concerns of various broad based stakeholders, the Department of Transport held a press conference an hour before the final consultation meeting took place to announce their recommendations. One wonders what was the point of consulting. Last month we also noted the formal request by Business Unity South Africa directly to the Minister of Transport and the SANRAL CEO for access to key information, which to date remains outstanding.

The GFIP tolling debate created the perfect opportunity to discuss, as broad based social partners, various funding options to tackle the road infrastructure backlog in the context of developing a reliable, safe and cost effective public transport system. The Governments desperate bid to steamroll the GFIP urban toll process has demonstrated an ability to decree a 'user-pay' methodology for all one day but, conveniently, when faced with threats of non-compliance from the taxi industry, decides to exempt 'qualifying commuter taxis and buses'. Today's announcement is notably thin on the rationale for the exclusion which in effect implies that potential toll users must, in addition to normal taxes and levies, now also subsidise public transport.

While Government may view today's announcement as a further step towards the planned ORT implementation, we remain hopeful that there still remains opportunity for broad based stakeholders to engage with Government to identify a more holistic long-term strategy and a better funding model with national support.

ENDS

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