

Address by the Honourable Deputy Minister of Transport, Ms Sindisiwe Chikunga (MP) on the Occasion of the Budget Vote Debate 35, Parliament, in Cape Town on 18 May 2018

Honourable House Chairperson

Honourable Minister of Transport, Dr Blade Nzimande

Honourable Minister and Deputy Ministers

Honourable Members of Parliament

Our Guests in the gallery

Ladies and Gentlemen

INTRODUCTION

In his State of the Nation Address the President of the Republic, His Excellency, Honourable Cyril Ramaphosa was emphatic about Government's responsibility to continue improving the living conditions of the majority of South Africans. Even more so, in this year in which we celebrate the legacies of Mama Sisulu and Dr Nelson Mandela.

Our commitment to the people's contract to create work and fight poverty has been impressed upon us by our people's voices across the corners of our land to do things better.

Sizwile! We have listened and we have heard. As team transport, we acknowledge the leadership of our President and assure our people of effective service delivery by saying to the President and our people, "Thuma mina!"

SKILLS DEVELOPMENT AND TRAINING

Chairperson,

Government's Outcome 5 mandates us to develop a skilled and capable workforce to support an inclusive growth path as articulated in the 2014-2019 Medium term Strategic Framework and the National Development Plan.

We have thus established a national multi-stakeholder structure which is tasked to align all our skills development initiatives as National and Provincial Departments of Transport, TETA, and SOEs. This exercise aims to ensure that the transport sector training and skills development value chain, maximally make use of available resources, streamlines all initiatives, get rid of duplication, addresses recruitment, intake and absorption of youth and acts as a catalyst for the employment of the masses of unemployed young people.

As part of this exercise, we will convene a training and skills development-focused meeting with the transport private sector.

The Department's budget for skills development stands at R 20, 914,000.00 for the 2018/19 financial year.

TRANSFORMATION

Chairperson;

Historically the transport sector for the longest time has been discriminating on most of its professions on the grounds of class, gender and race.

The miniscule transformation progress registered in the aviation sector is a deliberate structural and systemically embedded resistance by gate keepers who are non-developmental and anti-transformation in their outlook.

The current status quo reflects that we have 20 054 pilots in South Africa. Of these 18 613 (90.6%) are whites, 1280 (6.3%) are African, 373 (1.9%) are Indian and 238 (1.2%) are coloureds. In respect to aircraft engineers we have 1759 (86%) whites, 312 (11%) Africans, 47 (2%) Indians and 36 (1%) coloureds. Even on Cabin Crew we have 19 922 (89.72%) whites, 1592 (7.1%) Africans, 420 (1.9%) Indians and 274 (1.2%) Coloureds. These disparities are also reflective in all other aviation professions including the pass rate at the aviation private academies. In aviation the issue of class, gender and race discrimination is still very much prevalent.

We will thus, unapologetically take drastic measures to foster the transformation agenda, eradicate gate keeping and bottlenecks by eliminating the reliance on privately owned aviation academies which have a record of discriminating State funded African students while promoting and qualifying all their white counterparts.

Chairperson,

We will ensure that transformation is realized, because the Department of Transport together with its State Owned Entities remain the Constitutional custodian of the rights of the people of South Africa in the transport sector.

Among the aviation transformation initiatives, SACAA in partnership with ENAC a French National Aviation Academy has a scheme which currently funds 32 bursars 15 of whom are females. A sum of **R10 million** has been allocated for the next intake in September 2018. And the ATNS Academy continues with the training of Air Traffic Controllers. In our midst we are graced by the presence of our Aeronautical Engineers who are SACAA Bursary holders Ntumeke Scott and Mothibi Boingotlo.

Ladies and gentlemen;

- As the transport team we are committed to the women and the youth empowerment, for instance the Road Traffic Infringement Agency (RTIA) has signed a Memorandum of Understanding with SANWIT on Enterprise Development (ED) Programmes on the AARTO programme. The investment value by the RTIA is projected at **R180 million over three years**.

Responding to the 2016 39th ICAO Assembly Resolution A39-30 on ICAO Gender Equality Programme, the SACAA in cooperation with the International Civil Aviation Organization (ICAO) and in collaboration with UN Women and UNESCO will be hosting the world's first Global Aviation Gender Summit in Cape Town during this financial year.

Employee Wellness

Honourable Members;

Our staff in the transport sector is our critical human capital and therefore assets to the country. As a sector we are cognisant of the prevailing health challenges. To this end, the National Department of Transport has concluded A Transport Sector HIV/AIDS; TB and STI Strategy. **Employee Health and Wellness Budget is R 1 815 000. In this regard allow me, honourable members, to commend the excellent work done by the Employee Wellness as well as the Capacity Building Units of the Department of Transport.**

TRANSPORT SAFETY

Land Transport: Road and Rail Transport

Ladies and gentlemen,

The Department of Transport continues to make a difference in the lives of many learners in rural and farmland areas, through our Shova Kalula initiative which supply learners with non-motorized mobility in the form of bicycles. We will procure a further 9 300 bicycles for 2018/21 period at a cost of R20 million.

The National Roll-Out of AARTO

Esteemed guests,

In preparation for the national roll-out of AARTO and to ensure that we have an educated and empowered road user community; in its marketing, education and awareness campaigns, RTIA has allocated **R150 million in the current financial year.**

The Railway Safety Regulator (RSR) continues in its directive to provide rail safety and **for the 2018/19 financial year will receive R286.1 million** towards the implementation of its mandate which will include greater professionalization safety personnel and sophistication of equipment.

AVIATION TRANSPORT

Our aviation State Owned Entities continues to grow in stature through-out the world. ACSA have recently concluded several Memoranda of Understanding (MoUs) with airport authorities in Sub-Saharan Africa for collaborating on, and providing airport services.

The airport authorities with which MoUs were concluded include, Liberia Airports Authority, Cameroon Civil Aviation Authority and Namibia Airports Company.

The Air Traffic and Navigation Services (ATNS)

ATNS has unlocked the value chain in its Capital Expenditure (CAPEX) acquisition process. In order to heed the call for localization and extensive local industrialisation, the Company continues to encourage partnerships between international Original Equipment Manufacturers (OEMs) and emerging local companies for skills transfer and enterprise development.

The introduction of local enterprises into the CAPEX value chain will result in less reliance on international Original Equipment Manufacturers (OEM) for the upkeep of our aviation infrastructure.

In order to continue with the development and application of technologies for safer skies, the ATNS has allocated R1.7 billion in the 2018/19 financial year.

ACHIEVEMENTS

MARITIME TRANSPORT

Ladies and gentlemen

In the last budget debate of 2017, we announced to this House that we were gearing up to contest for a Council seat at the International Maritime Organization (IMO) under Paragraph C. We are most honoured to report that South Africa represented by the National Department of Transport retained its IMO Council seat. We would like to thank the Portfolio Committee on Transport and Cabinet for their unwavering support.

On Operation Phakisa Oceans Economy in the Transport and Manufacturing category, to date we have a R6.9 billion investment and have created 4507 jobs.

Chairperson to respond to the implementation of the Cabotage Chapter of the Comprehensive Maritime Policy we now have a 100% female black-owned company with a specific focus on the energy sector called Semona, which has partnered with HARPS Holdings a private investment company with a strong presence in Africa and interests in Oil & Gas, Marine, Trading, and Real Estate.

The second company is Mnambithi Shipping a 100% Black owned company which is in the process of purchasing a chemical tanker vessel with the aim of registering and flagging the vessel locally. And this will increase the number of registered vessels and will be the first 100% Black owned South African registered vessel.

Fellow South Africans,

Port stakeholders have traditionally complained about the historically high pricing of container and vehicle export cargo dues as compared to low export cargo dues for raw materials such as coal. The Ports Regulator's Tariff strategy for implementation over the next 10 years, addresses the re-balancing of tariffs towards more cost effective prices. Over the past 5 years the Ports Regulator has announced below inflation overall increases in favour of reducing the cost of living to South Africans and the cost of doing business with international markets.

Chairperson,

Esteemed guests,

In the last budget debate we promised to come back and report to this House on the outcomes of the ICAO's Universal Safety Audit for our civil aviation programme. Today we are proud to mention that we excelled in the audit.

The results reveal that South Africa's Effective Implementation rating has increased from 83.83% in 2013, to the current 87.39%.

This rating is significantly higher than the world average of 60%, and positions South Africa as number 1 in Africa, and number 31 globally.

If we had failed this audit, it would have meant that South Africa would be locked out of the world's aviation space and no major international airline would have wanted to fly to South Africa.

CONCLUSION

As I conclude, I wish to officially welcome and thank the Honourable Minister and his Office for the provision of an amicable working environment, thank the MECs of Transport in Provinces, thank the Office of the Deputy Minister, the portfolio committee and extend my appreciation to the acting DG and the staff of the DOT and Chairs and CEOs of our State Owned Companies for their support. Together We Move South Africa Forward.