

Transport spending will rise to R74bn

MARCH 1, 2013

Publication: BizCommunity

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national treasury

Department
National Treasury
REPUBLIC OF SOUTH AFRICA

Overall spending on transport will increase by 9.7% to R74bn according to the National Treasury's Budget Review.

The Review, released on Wednesday (27 February), said the National Development Plan emphasised the need for priority investment in cost-effective freight transport and urban public transport.

The Review said during 2013, investment in new cranes and terminal re-engineering will boost container capacity at Durban Port by about 21% to 2.89m 20-foot equivalent units.

It also said the introduction of a transport regulator should help ensure cost recovery in a manner that is fair and competitive for freight customers.

The state-owned Passenger Rail Agency of SA (PRASA) was working to improve the quality and capacity of its commuter rail services.

The Budget Review said transfers from the fiscus totaling R4.2bn have been allocated for this purpose over the next three years, complementing revenue raised from user charges.

"Contract negotiations were in progress and the first coaches will be delivered in 2015," the Review said.

Investments in bus rapid transport systems were continuing in Johannesburg and Cape Town, with Tshwane, Nelson Mandela Bay, Rustenburg and eThekweni expected to begin construction of their networks in 2013.

During 2012 the final Gautrain link was completed, which will help to alleviate highway congestion in and around Johannesburg.

The Budget Review said SA's road network required significant continuing investment to ensure that trade and commuter arteries support a growing economy and efficient movement of goods and people.

The SA National Roads Agency Ltd (SANRAL) is responsible for national roads maintenance and upgrading.

SANRAL spent R2.9bn on rehabilitation over the Medium-Term Expenditure Framework period for national road improvements and R2bn on rehabilitation of coal haulage roads in Mpumalanga.

Provincial spending on roads is expected to total R27.6bn over the medium-term.

“User charges raised through toll fees remain an important additional source of funding for national roads,” the Budget Review stated.

The Airports Company of SA completed its core capital investment programme in 2011 and its capital expenditure has tapered off to R237m. This amount covers minor refurbishments, replacements and preparatory work on runways at the Cape Town and East London airports, and on tunnels to remote aircraft standing at OR Tambo airport, the Budget Review said.