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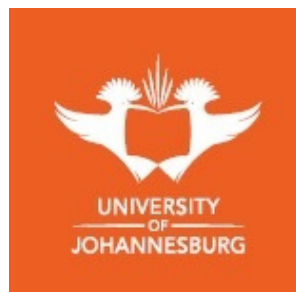


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Driving the necessity for change in public transport in South Africa

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**PROFESSOR ROSE LUKE
DEPARTMENT OF TRANSPORT AND SUPPLY CHAIN MANAGEMENT
UNIVERSITY OF JOHANNESBURG**

Welcome address

“Public transport has been in the spotlight since the start of the lockdown regulations. We first saw Regulations allowing for only 50% capacity in busses and trains, a move that had an immediate impact on income and ability to cover costs.

The pushback from the taxi industry saw capacity increased to 70% and finally to 100%. It highlighted the tight margins in the industry, but also the power of the taxi industry.

During this time many of the structural issues in the public transport industry came to the fore - thin margins, underfunding, political imbalances but also how critical public transport is to the well-being of all South Africans.

The pandemic also highlighted what the public transport sector needs. Formalisation, subsidisation, equity, balance, city-wide network plans and more interconnectedness to name a few. We do need a bigger picture - a bigger transport picture allowing us to work towards better accessibility and mobility for all. Now more than ever, we need to work for change in the system.”



DR ISMAIL VADI
SENIOR RESEARCH ASSOCIATE
UNIVERSITY OF JOHANNESBURG

Opening address

The past 18 months have been a perfect storm for the public transport industry.

Not only did public transport users see a drop in 70% usage, but they were also unable to operate at full capacity.

“The Covid-19 pandemic was a major setback for the industry with many service providers facing financial collapse or stress,” said Vadi. “Decreased levels of co-ordination has also been experienced and many transport infrastructure projects have been stalled. The only winners so far appear to be the minibus taxi industry.”

Going forward and planning for the next ten years will require coming to terms with the new normal introduced by Covid-19.

“One has to ask what the effect of this pandemic will be on future travel plans,” said Vadi.

“Will people continue to work from home and avoid commuting? Will new ways to connect replace face-to-face meetings resulting in less road, rail or air travel? Will people turn to individual modes of travel like biking or cars, shunning crowded public transport services?”

According to Vadi, if after lockdown 30% of the current workforce elects to work from home and 10 - 20% of the workforce is left unemployed, traffic demand on roads may be reduced by 20 - 40%.

This will create immediate spare capacity on the road network resulting in reduced congestion and a larger number of current public transport users of “choice” returning to private car use.

“To date, lockdown regulations have not been relaxed to normalise operations and bus services and metered taxi and e-hailing services remain restricted to 50% of licensed capacity.”

Vadi said immediate interventions were needed to win back public transport users. “Cleaning and disinfection standards adopted during the pandemic should continue and be reinforced with innovative cleaning technologies. We need a campaign communicating sanitary measures conveying a positive image of public transport and its benefits.”

Speaking specifically about Gauteng Vadi said the provincial integrated transport master plan needed reviewing and updating. “Is there a new 5-year plan and do other provinces have similar plans,” he asked indicating the need for more collaboration across provinces and various levels of government.

Now more than ever, Vadi said there was a need for strategic transport plans, but also integrated implementation plans.

Suggestions and Solutions

PRASA

The time has come to see the problem for what it is, said Vadi. "This is an example of significant institutional failure, poor corporate governance and mismanagement.

There are serious allegations of corruption and state capture, and the business model is financially unsustainable."

Prasa was also facing rapidly declining ridership and the suspension of rail corridors.

Commuter rail infrastructure has been destroyed with the estimated cost of restoration close to R120 billion.

"There is very little chance of reviving commuter rail in the short term," said Vadi.

With this in mind, the opportunity existed to review the Prasa model with a range of Private-Public Partnerships to consider.



Gautrain

A feasibility study has been completed for the expansion of Gautrain, but the process has seen inexplicable delay and is currently awaiting treasury approval.

The next phase will see 152km of new rail laid with 19 new stations across Gauteng. It will be rolled out in 5 phases with the first two running from Marlboro to Sandton, Randburg, Cosmo City, Little Falls, Roodepoort and Soweto.

When completed this rail service will cut 86 minutes per trip off the commute between Sandton and Soweto.

BRT

The Bus Rapid Transit (BRT) system is also questionable. "The only progress recorded has been the completion of the Atterbury route in Tshwane," said Vadi. "The suggestion is to complete existing projects and cancel all future BRT planned projects. The question can be asked if the bus franchise should not rather be awarded to private companies based on travel demand and need."





JAMES ROBB
MANAGER: GEORGE INTEGRATED PUBLIC TRANSPORT NETWORK
WESTERN CAPE DEPARTMENT OF TRANSPORT

The current scenario of public transport in South Africa

Public transport is central to the economy and daily lived experience of the citizens of this country. Considering that the majority of South African households have no access to a car and rely on public transport and non-motorised transport to access opportunities including work and education, it is clear that without public transport services the economy could not function.

“We have endured lockdown and the severe implications for our people and the economy,” said Robb referring to the Covid-19 pandemic. He believes that public transport interventions will play a critical role in helping to facilitate economic recovery.

An integrated transport network is a vision for the entire public transport sector in the country. “To date, there are very few instances of integrated public transport systems locally and therefore, there is still much to do to achieve this vision.”

He said the Geoge ITPN, aptly titled Go George, was one of the country’s leading public transport initiatives that had seen all-round socio-economic benefits in George. Furthermore, it was changing perceptions and creating an opportunity for restructuring and had highlighted some of the shortcomings in various areas.

“This project has seen large-scale national and provincial investment and the full inclusion and transformation of the local minibus taxi industry. We have successfully rolled-out phase 4B of the project earlier this year.”

Whilst not without challenges, efforts were ongoing to ensure the rest of the project would go ahead.

According to Robb, three challenges underpin public transport at present.

The decline in subsidised public transport utilisation, access to dignified public transport services, and spatial planning for inclusive and affordable public transport.

South African cities, he said, were typically characterised by high unemployment rates and low-income levels. It resulted in a lesser quality of life and a subsequent lower travel demand. Current trends point to a gradual decline in the utilisation of subsidised public transport modes (rail and bus services) in favour of private vehicles and minibus taxis.

The consequence of this trend results in continuous traffic congestion, placing additional pressure on existing road infrastructure.

Furthermore, the lack of operational subsidy contributes to marginal profitability, as seen in the minibus taxi sector.

NATIONAL TREASURY

South Africa

ULRIKE BRITTON
CHIEF DIRECTOR: URBAN DEVELOPMENT & INFRASTRUCTURE
NATIONAL TREASURY

Funding scenarios in public transport

South Africa's poorest households still spend too much on public transport.

According to Britton, almost two-thirds of households spend more than 20% of their income on public transport, while 80% of the most affluent spend less than 10% of their earnings on public transport.

It was not surprising considering that car ownership was also the highest among high-income earners.

"The poorest households in the country are public transport captive. More than 70% of households are public transport captive yet our spatial development and land use planning is centred around car owners and not public transport users," she said.

Several aspects must be considered with transport systems – where are people travelling to, how close are they situated to the service, when are they travelling, for how long, what is the safety and comfortability and most importantly, how affordable is it.

"It must not just be affordable to the user, but as our fiscal position deteriorates it also needs to be affordable to government," emphasised Britton. "Public transport has very interesting interrelationships. The demand impacts on the cost of supply, but the reverse is also true – the cost of supply impacts demand."

An efficient public transport service is where a low cost of supply matches the demand. The measuring of this efficiency requires that the cost of supply, relative to the cost of conveying passengers, is measured properly.

In South Africa, public transport demand was characterised by long trip distances and one direction line haul with very high peak demand.

"All passengers travel long distances, in the morning peak, from residential areas to centres of employment and return in the evening. Densification on this basis is not efficient," said Britton.

An efficient system would see passengers making shorter trips – some in the forward direction and others the reverse – along a corridor throughout the day. "This would allow one to increase revenue with the same cost structure," explained Britton.

"In South Africa, there is a mismatch in development. Where people live and where they work, and the economic opportunities are, are not the same place. It has resulted in an inefficient urban spatial form."

Britton explained the interdependency that existed between transport, housing and land-use saying in the local system due to the mismatched development the ability to recover the cost of transport from fares remained very low.

According to Britton, it remains essential that land value is captured better in the country. "Mixed-use corridors where different users travel part of the way to destinations and where demand is evenly spread through the day in both directions is the most viable form of efficient public transport."

Changing the demand and spatial use profiles mattered to cost.

She said while opportunities for bridging the financing gap did exist, it would require much intergovernmental collaboration.



**JACK VAN DER MERWE
CHIEF EXECUTIVE OFFICER
GAUTENG TRANSPORT AUTHORITY**

Where would we like to be with public transport in ten years?

One year ago, Corona was a pale lager produced by Mexican brewery Cerveceria Modelo and was commonly served with a wedge of lime or lemon in the neck of the bottle to add tartness and flavour.

With this stark reminder of how quickly things can change in the world, Van der Merwe started his presentation saying the future was currently very uncertain. More and more, unrelated global issues have a direct impact on South Africa. Taking an unconstrained view of public transport in 2030 was not an easy undertaking. "Planning for the future in the current unknown and disruptive environment requires one to take the known unknown and the unknown unknown into consideration."

He said the public transport sector was riddled with complexity and there were no easy answers available to many of the challenges faced.

Citing the National Transport Master Plan 2050 Van der Merwe said an integrated, smart, and efficient transport system supporting a thriving economy that promoted sustainable economic growth, supported a healthier lifestyle while providing safe and accessible mobility options, and that socially included all communities, remained the transport sector's goal.

Focussing on the next ten years, he said, some critical steps were necessary. "Starting with governance. There must be political stability at all three spheres of government. There must also be legislative certainty with Acts promulgated being implemented and enforced."

Also, said Van der Merwe, it was of critical importance that Director Generals and Heads of Departments remained in their field of expertise. "These are experienced professionals and should not move with the politicians when they are re-deployed to a different portfolio. Senior staff are experts in transport and must be committed to the departments for the long run."

Van der Merwe said he hoped that in ten years institutional arrangements had been addressed and that state-owned entities were streamlined to deliver on their mandates, sufficiently capacitated to do their jobs and operating with strict controls on budget, procurement and delivery goals with the consequence of failure being applied.

He said one aspect of public transport that had to be addressed in the coming years was that of customer-centricity.

"Looking at the fixed elements of a trip – duration, total cost and modal transfers, the variables include safety, dependability and functionality of modal transfer nodes. As a service, we have to get this right. At present Metro Rail has an availability statistic of only 60% and an average delay of 40 min per trip. Practically that means a commuter has a 40% chance of a train arriving and when it does come it is 40 minutes late."

The system had to be designed with the customer in mind, said Van der Merwe. Funding and financing must also be on the agenda. "In ten years, I would like to see that National Treasury has finally realised that public transport is a social service and must be subsidised, that there is control in place to ensure that these subsidies are used effectively and efficiently and that a long-term funding regime has been developed for public transport."

He said going forward Transport Authorities needed to be established and capacitated to coordinate transport planning, land use planning and economic planning.



PHOTO: COURTNEY AFRICA/AFRICAN NEWSAGENCY(ANA)

MAWETHU VILANA HEAD OF STRATEGY PRASA

PRASA's turnaround plan

PRASA faces some significant challenges, but change is taking place albeit slow.

This was the word from Vilana who said it remained unfair to compare the state-owned public rail operator to Gautrain.

"There has been some mention of privatisation during this forum and it remains unclear what one would be seeking to achieve or gain by doing this. This is public transport. It is a public good and must be provided for as such."

According to Vilana, the key to turning PRASA around lies in the ministerial mandate as set out by former transport minister Blade Nzimande and being enforced by the current administration.

"The change is happening, but it is painstakingly slow. The message, however, is that it is happening. We do not want another failure of a state-owned entity."

He said the goal of the mandate was to address all the matters raised in the Auditor-General's report and ensure that there were no repeat findings.

"This mandate calls on us to accelerate interventions aimed at improving operational performance, expedite implementation of the modernisation programme, with a priority focus on fencing, signalling, per way and station upgrades and to introduce security interventions across all corridors."

It also included undertaking a review of PRASA's organisational design and business model, urgently developing the capacity to manage PRASA's capital programme, and working with other state entities in the short term.

PRASA also faced ongoing issues impacting on its business, said Vilana, such as theft and vandalism. This continued to have severe financial consequences. Operational safety, stability in leadership and its ability to spend were other concerns.

"As a result of the challenges we face, train set availability declined by 51,3% and only 478 018 trains scheduled for 2019/20 against 639 007 in 2017/18 - a decline of 25,2%," said Vilana. "Availability of train sets operated reduced to 376 813, a decline of 21,17%. Our on-time arrival for trains is down by 11,5%."

Also, revenue generated declined by 1% to R649 million, and only two projects completed in 2019/20.

Going forward Vilana said PRASA wanted to elevate their customer value becoming more customer-centric.

The turn-around strategy would be delivered in three phases of which the first was stabilisation. "We are now hell-bent on stabilising the business, stopping the leakages and ensuring the business is reliable. Once we have stabilised it and recovered services we will start the second phase of growing the business followed by the third phase of expansion looking at what the opportunities are for PRASA."

He said there were six pillars for the strategy - safety and security, operational safety, integration, passenger and customer-centricity, leadership and skills, and finally, funding and affordability.



DALENE CAMPBELL
EXECUTIVE DIRECTOR: TRANSPORT
CITY OF CAPE TOWN

GERSHWIN FORTUNE
PORTFOLIO MANAGER: INTEGRATED TRANSPORT
CITY OF CAPE TOWN

Where we should be with public transport in 10 years

The public transport sector has some big obstacles to overcome if one considers that 43% of low-income families' annual earnings is spent on transport, 33% of carbon emission from the sector is due to an increase in private vehicles and that congestion, currently has a cost of about R2,8 billion.

According to Campbell, it is a situation that requires all hands on deck. "If one looks at the public transport 2030 outputs there is much work that has to be done if we want to achieve the goals.

It will require some review of policy and strategy as well as some institutional arrangement and reform."

Some of the 2030 goals include restoring rail as the backbone of public transport, implementing refined bus rapid transit corridors in major metropolitan areas and creating universal access to public transport.

Campbell said it was essential that integrated land-use and transport planning improve, while integrated transport planning was also necessary. "As we journey towards 2030 we need to introduce a sustainable transport funding model and create transport capacity at local government level."

She said in the face of Covid-19 public transport was facing much change including an increased focus on safety and hygiene.

"We are also going to have to incorporate new transport technology looking at developments around autonomous vehicles and drone technology."

Fortune said issues around institutional arrangement and reform continued to hamper the sector. "We have so much legislation that speaks about the decentralisation, consolidation and integration of public transport functions at the local sphere of government to ensure service delivery," he said. "Our transport structure, however, remains incredibly fractured. How do you deliver integrated transport if you have multiple role-players and decision-makers in this space? The national government should consider the viability of supporting the devolution/assignment of functions for various public transport modes to local government. This should be guided by a devolution strategy."

He said a new arrangement was also required for fiscal management.

"Our overall objective must be to minimise travel time, travel cost and passenger vehicular kilometres while maximizing service quality."

With land-use being the most important overall cost driver significantly influencing financial viability it was time that solutions were found.

"There is no silver bullet solution. No one mode can respond to all passenger needs. Passenger needs are as diverse as they are different."

Fortune said it was imperative to have a multi-modal transport approach. "In Cape Town, rail will remain the backbone of public transport while introducing bus rapid transit to fill in the gaps where the rail is missing."

Furthermore, it was essential to understand that minibus taxi services were the glue holding public transport together and finding solutions to the challenges facing this sector, in particular, was just as important.



REPORT: BREAKOUT SESSION 1
CHAIRER BY LEIGH STOLWORTHY
MANAGER: INTEGRATED TRANSPORT PLANNING
CITY OF CAPE TOWN

Delegates attending this session looked at the variety of challenges facing the public transport sector.

They agreed it was important to focus on the railways as this remained the backbone of the public transport system.

“First and foremost, we have to focus on fixing the rail service. Rail has a critical role to play. It has to provide a functional and efficient service,” said Stolworthy. “Secondly, improved special planning was a must. The ability to integrate land use and transport is critical. The right spatial form creates the sustainable transport demand profile that allows one to get a bidirectional flow and improved seat renewal.”

The group discussed the alignment of infrastructure and stable and continued leadership as contributors to an efficient public transport system.

According to Stolworthy, while some of the bigger challenges might take time to find solutions for, there is some low hanging fruit such as approving and implementing policy-in-waiting.

“Policies and regulation - specifically around rail - can bring about much-needed change. The potential of greater involvement of the private sector in the public transport space is also something achieved relatively easy.”

The harder nuts to crack were the issues that would need time and much effort across the three spheres of government.

“The short term approach to rail has to be addressed. We need to develop a rail strategy and then stick to it. Instead of that, it keeps changing. It is difficult to solve this challenge because of how the government is structured. Also, the relationship between spatial planning and land use would require time to develop proper solutions.”



**REPORT: BREAKOUT SESSION 2
CHAIRD BY BAZIL GOVENDER
EXECUTIVE MANAGER: SOUTH AFRICAN BUS OPERATORS ASSOCIATION
(SABOA)**

During this session delegates narrowed talks to two specific issues that can be seen as systemic process flows within the transport entity – data and integration.

Firstly, said Govender, data integrity and validity were crucial in the sector especially if one considered that most of the referencing and sourcing points generally refer back to the national household transport survey of 2014.

“This is not incorrect but is the last valid data timeline and benchmark that we have. We need to get to a point where public transport records are valid, current and updated on an ongoing basis.”

The group also discussed how data could be used to build a business case for what would become any public transport plan or any planning that needed to take place.

“Concurrent with that is the initiating of mobility audits across all spheres of societies – business, labour, government and current operators – all collated at the local level and built towards a city competence, and ultimately developing an integrated public transport plan.”

The second topic was integration, currently severely impacted by the disjointed and disconnected approach to transport at various tiers of government. Delegates agreed there was no common thread or overall big picture at the different government levels and a silo approach remained the order of the day.

“We must do away with this approach. We must get discussions concurrent with all modes and sectors at the same time in the same place,” said Govender.



**REPORT: BREAKOUT SESSION 3
CHAIRIED BY VUYISILE MAJOLA
CHIEF EXECUTIVE OFFICER: UBUNYE GROUP**

A point of emphasis raised in the third breakout session was the need for a big picture approach to transport.

Giving feedback the Department of Transport's Siphso Dibakwane said it was just as important that the sector be understood from an infrastructure point of view.

"Transport is not like the department of health where you can choose to use a certain type of medicine, but change it if it does not work. Transport is far more permanent," he said. "We are dealing with the legacy of the past and the question is how do we retrofit the system we have to make it meet our demands today? The reality is that it is a mammoth task to look at densities and find solutions."

Another legacy to deal with was the policy choices made with ideas imported from overseas. "We continue to try and make these concepts work according to what we have, when there might have been local ideas and solutions that could have worked much better," said Dibakwane.

Delegates also spoke about the need for government-wide buy-in into the transport sector and the impact of a committed approach.

"Covid-19 has shown us how important the public transport sector is and we need government across departments and sectors to take a stand. If one looks at the theft of rail cables as an example and how this is economic sabotage, then the minister of police must give his full support and commitment to the minister of transport. It is not just a transport problem. All government departments must commit."

Funding also came under the spotlight with delegates agreeing that new models needed development specifically considering the decline in public transport services, and addressing what the sector required. Majola said subsidies were also discussed.

There was agreement that more subsidies were necessary. Delegates emphasised that one mode of transport must not be promoted over another. "Instead, we must look at the disposition of the country and see what modes we need in different sectors, different geographic locations and different communities and then deliver the transport mode that meets the needs of the people."

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