



REMARKS BY TRANSPORT MINISTER DR BE NZIMANDE ON THE OCCASSION OF THE LAUNCH OF THE GIBELA TRAIN FACTORY, IN DUNNOTTAR, NIGEL

24 October 2018

Programme Director

*His Excellency, The President of the Republic of South Africa,
Mr. Cyril Ramaphosa;*

Premier of Gauteng Province, Mr David Makhura;

Deputy Minister of Transport, Honourable Sindisiwe Chikunga;

Gauteng MEC for Roads and Transport, Dr Ismail Vadi;

All other MECs present here today;

*Executive Mayor of Ekurhuleni Municipality, Cllr Mzwandile
Masina;*

The Ambassador of France, Mr Christophe Farnaud;

*Members of the PRASA Board, led by the Chairperson Ms
Khanyisile Kweyama;*

Acting Director-General of the Department, Mr Chris Hlabisa;

*The Executive Management of PRASA, led by the Group Chief
Executive Officer, Mr Sibusiso Sithole;*

The Management of Gibela;

Acting DDG of Rail Operations, Mr Jan de Villiers;

Heads of Provincial Departments of Transport,

Officials from all spheres of government;

Members of the Media;

Ladies and gentlemen;

It is with a great sense of pride and honour that I welcome you all today as we officially launch this ground-breaking, innovative, state of the art train manufacturing factory.

As the Transport sector and government at large, I am happy that the construction of this Train Manufacturing Factory is now completed.

Our Rolling Stock Fleet Renewal Programme has been designed to achieve a number of key Government objectives such as the delivery of quality services to citizens, revitalization of South Africa's rail engineering industry through local manufacturing and ensuring that an initial 65 % of local content is set as part of the Government's Industrial Policy Action Plan (IPAP2), employment creation and skills development as well as Broad-Based Black Economic Empowerment.

This development is in line with the opportunities presented to us by the Fourth Industrial Revolution, and forms a key pillar in

terms of the implementation of the National Transport Master Plan (NATMAP 2050).

Through NATMAP 2050, we have a plan for South Africa that is comprehensive, multi-modal, integrated, safe, affordable, accessible and a dynamic transport network, which provides a sustainable framework not only for implementing transport but also for providing infrastructure and services.

Your Excellency

Historically speaking, the railways have played and continue to play a pivotal role in the day-to-day lives of South African communities, especially in rural areas.

Apart from the telegraph line, the railway was often the vital link to the outside world.

Before the Second World War, few people, if any, had motor cars or access to any such transport other than the iron horse and carriages.

The railway station was often the hub of public and business life: a social rendezvous for arriving and departing passengers, and

a point of collection and delivery for townsfolk and businesspeoplemen.

At this point the mail and newspapers arrived regularly, as well as milk and fresh produce, and from here farmers would dispatch their harvests to the markets.

The station master ranked among the pillars of society in the town or village, along with the headmaster, the doctor, the bank manager and the clergyman. He prided himself on the condition and the appearance of his station and competed enthusiastically with other station masters to see whose station looked the best.

However, railways in South Africa operated almost more than a century without an overarching rail policy framework that guided its development. We today have a Rail Policy for South Africa.

Ladies and Gentlemen

The De Villiers Report (1986) is one of the historic record that have contributed to the current status of rail infrastructure in South Africa. The then Apartheid government cut back the budget on new rail investment and the consequences thereof are evident today.

Today more than 50% of South Africa's rolling stock and rail network is more than 50 years old. This impact negatively on service delivery especially the movement of freight and commuters ; and this adversely affects the growth of our economy because workers' productivity is hampered by late arrivals or non-appearance at workplaces due to technical or mechanical challenges to the services Students miss exams and new job applicants miss interviews.

The freight industry is equally affected by the challenge of the inadequate service which does not match the economic growth trajectory resulting in over reliance on trucks which impacts on road users and pressure on the drivers of especially long distance freight haulers.

Ladies and Gentlemen

The consequential obsolete rail infrastructure and rolling stock, inefficient operations, and under-utilisation of the network has resulted in the significant loss of market share to road, with rail only carrying 11% of the market share while road carries 89%.

There are large volumes of rail friendly goods transported on the road, which has an adverse effect on the road infrastructure. We have seen the increased number of trucks on South African

roads, which not only damage our roads but also contribute to the increased road crashes and fatalities.

As a result of historic challenges, railways in the country have increasingly lagged far behind in comparison to other railways that have participated in the railway renaissance.

Consequently, they are no longer able to compete effectively with other transport modes in the pursuit of delivering their rightful share of the national transport task and are further unable to support the country's export into the global market.

Noting the consequences of a lack of a National Rail Policy, as a Department we embarked on a process of developing the policy and has developed the White National Rail Policy.

The policy advocates for the facilitation of a movement of passengers and cargo from road back to rail in the medium to long-term period.

It has indeed been a long journey to get to this point, but I am glad that we are finally here and today, President, -you will be officially launch this new, ground breaking train manufacturing plant in South Africa and Africa.

Ladies and Gentlemen

Whilst lauding this new infrastructure development it would be prudent of me to touch on the challenges currently facing the transport sector, and particularly rail transport.

There is constant abuse, deliberate acts of sabotage and criminal elements affecting our rail networks, particularly in the Western Cape corridor.

As a result, I have convened a National Transport Imbizo in Cape Town on Saturday, 27 October 2018, to address these challenges.

We will work with our entities, all tiers of government other key stakeholders, and communities to address these issues.

Ladies and Gentlemen

On this historic occasion it gives me great pleasure to introduce your President, the President of the Republic of South Africa.

He was moulded by the Trade Union Movement serving as the first secretary of the National Union of Mineworkers (NUM) in

~~1982, the first General Secretary of COSATU in 1986, a position he held for five years.~~

He also held the position of Secretary-General of the African National Congress (ANC), Deputy President of the ANC, Deputy President of the country, and currently holds the dual positions of President of the ANC and President of the Republic of South Africa.

President Ramaphosa chaired the Constitutional Assembly in 1994 that finalized our Constitution in 1996, having led the ANC negotiating team in our constitutional negotiations from the early 1990s.

Let us all rise and welcome, His Excellency, the President of the Republic of South Africa, Mr Matamela Cyril Ramaphosa.

Thank you.

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