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MEDIA STATEMENT

IMMEDIATE RELEASE

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BUSA still concerned about outstanding e-Toll information

Following on a meeting of the BUSA Transport Task Team earlier this week, BUSA reiterated its concern that while an announcement on the final tariffs for the Gauteng Freeway Improvement Project (GFIP) e-Toll looms, key questions raised by a wide spectrum of stakeholders still remain unaddressed in order to fully assess the economic and business implications.

The implementation and impact of the seven day payment period for key account holders does not conform to the established 30-day practise and will inflict administrative and cash flow difficulties that will impact small business in particular.

The e-toll will also cause diversion on to secondary roads already facing maintenance challenges under fund-strapped metros and for which no planning alternatives have been announced. Extra funds required will have to be passed on to ratepayers. It will also impact road safety, as the condition of these roads and congestion could lead to an increase in road accidents which once again could lead to an increase in deaths and injuries.

Most pertinently, important information that would allow BUSA and the public at large to be satisfied whether the proposed downward adjustment of the tariffs goes far enough still remains outstanding. Questions were submitted upon the invitation of Deputy Minister Jeremy Cronin and the undertaking of SANRAL to furnish a response in good time.

Submitted on 13 July, the questions were not responded to in time for the BUSA Transport Task Team to consider at its meeting on 25 July, and included:

- what are the construction costs per phases and electronic toll collections costs (breakdown by road section and bridges/super structures);
- what are the actual traffic counts modelled by categories (light, med, heavy vehicles and buses) used by Deloitte and PWC;
- what are the general assumptions for off-peak periods and frequent users;
- how were the tariff ratio's determined between vehicle classes – in this regard we would appreciate reference to damage to the roads versus the cubic volumes of vehicles;





- what are the compliance risk assumptions;
- what are the payback schedules for GFIP phase A, B & C; and,
- what are the projections in terms of maintenance costs over fixed periods (e.g. 5 or 10 years) and what assumptions were used.

BUSA applauds SANRAL's efforts as arguably government's most efficient implementation agency, delivering infrastructure of a high standard. We also welcome these overdue road infrastructure improvements. We do however believe road maintenance and construction should in large part be funded by a ring-fenced fuel levy as a far more equitable and efficient "user-pay" method rather than through the exclusive application of urban tolls. This has to some degree been underscored by the Steering Committee Report on the GFIP e-Toll. A debate in this regard is therefore urgently necessary.

Regards

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