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MEDIA STATEMENT
IMMEDIATE RELEASE

**GFIP e-TOLL TARIFFS: STEP IN RIGHT DIRECTION, BUT
STAKEHOLDERS LARGELY IGNORED**

While BUSA welcomes the proposed downward revision of the Gauteng Freeway Improvement Project (GFIP) e-toll tariffs as a step in the right direction, it remains deeply concerned at the socio-economic impact of the intended toll system on the regional and national economy. BUSA does not dispute that users need to pay for roads maintained and built, or the use of tolls, but rather the application of the latter in the urban context.

The option of a ring-fenced fuel-levy is favoured by the vast majority of stakeholders as the more predictable, simpler, cheaper, more efficient and more equitable method. High compliance risks coupled with high administrative costs are two particular drawbacks that could put the success of the e-tolling system on the line.

Business believes urban tolling will make the business environment more costly and more complex, reducing our competitiveness and job creation potential. As such, we see the intended imposition of urban tolls across the country, rather than the re-institution of a ring-fenced fuel levy as lacking coherence with programmes such as the NGP, and inconsistent with national job creation goals.

The complexity of the tariff structures, a lack of information on possible changes implied for off-peak and frequent user

discounts and the general opacity of the Steering Committee's report makes it impossible to comment on whether the proposed downward adjustments go far enough at this stage. With regards to the latter, the embargo on stakeholder access to many of the input studies précised in the report has yet to be lifted.

Business regrets that the stakeholder engagement process was generally restricted to limited information sharing. Concerns of the vast majority of stakeholders across the socio-economic spectrum, including labour and business, have not been taken on board in the recommendations.

Stakeholders outside government were also not brought onto the Steering Committee to assist in drafting the recommendations as earlier indicated. Finalised recommendations were announced in a press conference prior to today's engagement at the Midrand Conference centre, confirming that none of today's stakeholder inputs would be considered for inclusion, a step which negated confidence in government stakeholder engagement processes.

BUSA will be directing further engagement at the Ministers of Transport and Finance, to whom the Steering Committee's recommendations have been submitted. We will also investigate options to bring the matters of the GFIP e-Toll tariff determination process and the suitability of urban tolling versus the fuel-levy to NEDLAC; and, possibly, ask Parliament's Transport Portfolio Committee to have public hearings on these issues. Further announcements on these steps will be made in due course.

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