

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER 375

DATE OF PUBLICATION: 26 FEBRUARY 2010

Dr D T George (DA) to ask the Minister of Finance:

- (1) Whether any money from the general fuel levy was transferred to municipal councils in the 2009-10 financial year for transport and road infrastructure development; if so, what amount was transferred to each specified municipal council;
- (2) whether he will consider conditional transfers to the provinces for transport and road infrastructure development; if not, why not; if so, what are the relevant details?

NW447E

REPLY:

- (1) No. The sharing of the general fuel levy with metropolitan municipalities was introduced from the 2009/10 financial year as the primary replacement for the former regional council levies (RSC) and joint services board (JSB) levies that were abolished from 1 July 2006. Although this revenue source forms part of the general revenue pool of municipalities, Government has advised metropolitan municipalities to use such income towards road and transport expenditure, where possible.
- (2) Conditional grants are already in place that support transport and road infrastructure development in provinces and municipalities.

At a provincial level, various conditional grants are allocated to the Department of Transport that support transport and roads infrastructure development. The Public Transport Operations Grant subsidises commuter bus services. This grant amounts to R12.4 billion over the MTEF. A final contribution of R438.4 million is allocated in 2010/11 to the construction of the Gautrain Rapid Rail link with an additional R5.3 million in 2011/12 to cover the cost of any foreign exchange losses. The Overload Control Grant funds initiatives to ensure the preservation of road infrastructure through the reduction of overloading practices receives R11 million in 2010/11. In addition, the infrastructure grants to provinces allocated through the

National Treasury augment provincial funding to support the expansion of provincial infrastructure, which includes transport and roads infrastructure. The Infrastructure Grant to Provinces amounts to R38.4 billion over the MTEF. Provinces plan to augment this by R108 billion over the next three years. Of this R47.1 billion is earmarked over the next three years for roads infrastructure.

At a municipal level, the Public Transport Infrastructure and Systems Grant aims to provide passenger transport networks in the major cities of South Africa, with a focus on public and non-motorised transport infrastructure and systems including Bus Rapid Transport Systems. R12.2 billion has been allocated to this grant over the next three years. A Rural Transport Services and Infrastructure Grant, established in 2009/10, also supports the strengthening of transport services in rural areas in order to improve accessibility to essential services. This grant amounts to R10.4 million in 2010/11, R11.1 million in 2011/12 and R11.6 million in 2012/13.