

# THE PUBLIC TRANSPORT STRATEGY 2007: A DECADE OF IMPLEMENTATION

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## ABSTRACT

In March 2007, Cabinet approved a Public Transport Strategy. The Strategy proposed a phased implementation of Integrated Rapid Public Transport Networks (IRPTNs). The aim was to have operating systems in place in 12 cities and at least 6 rural districts by 2014. The longer-term vision until 2020 was to develop a system that would place over 85 percent of a metropolitan city's population within 1km of an IRPTN trunk (road and rail) or feeder (road) corridor.

In the decade since the Strategy was launched, progress has been slow. By March 2017 - exactly a decade since the approval by Cabinet - there were elements of IRPTNs in three cities, with plans for implementation elsewhere. The slow progress has been largely due to resistance from minibus-taxi operators. In addition, the experience of Johannesburg and Cape Town in particular has indicated that operating costs are higher, and fares income lower, than had been forecast.

This paper reviews the experience to date and considers the options available to transport planners. The emerging emphasis on using IRPTNs for spatial transformation is discussed, as is the ongoing and ubiquitous presence of (unsubsidised) minibus-taxi services. Proposals for flexitime working can reduce the peak travel demand, and modern technology may have an increasing influence by substantially reducing the need for commuting.

The conclusion is that an updated Public Transport Strategy is needed.

## 1 INTRODUCTION

Following the Cabinet meeting of 20 March 2007, the Cabinet secretariat issued the usual statement of matters discussed. It included the following :

“The meeting approved the Public Transport Strategy and Action plan. This strategy maps out a framework to accelerate the urgently needed transformation of South Africa's public transport. It aims to implement high quality public transport networks

that integrate rail, bus and minibuses to form a single public transport system for the benefit of the public and the economy. The Minister will unveil the details of the strategy and the implementation plan next week.” (Cabinet 2007)

The following week Minister of Transport Jeff Radebe did indeed present the Strategy and its accompanying Action Plan. Its objectives were sweeping :

“Integrated rapid public transport service networks are the mobility wave of the future and are the only viable option that can ensure sustainable, equitable and uncongested mobility in livable (*sic*) cities and districts.

“The expected peaking of global oil production within the next decade will mark the end of the cheap fossil fuel era. This, together with the increasing pressures for drastic cuts in climate change emissions – means that the mass motorisation of the South African population will not be possible, and neither is it desirable, nor equitable.

“This does not mean, however, that the 70% of households without access to a car today are doomed to third class travel options. Integrated Rapid Public Transport Service Networks in the larger cities, as well as adapted versions for smaller cities and rural districts will be able to provide a mobility solution that is attractive to all – both current public transport users, as well as current car users.” (Department of Transport 2007)

## **2 THE STRATEGY**

With the benefit of hindsight it can be seen that these basic premises were not altogether sound.

The reference to global oil production leant on the widely-held (at the time) theory of ‘peak oil’. This postulated that oil production would reach its maximum around 2020 and, given the finite nature of this fossil fuel, would then begin to decline. Replacements such as shale oil (derived from the ‘fracking’ process) were in 2007 in their early stage of development and were generally dismissed, especially by eco-friendly analysts, as being irrelevant.

There was at the time good reason to believe that the price of oil would increase substantially, and that this would inhibit ‘the mass motorisation of the South African population’. In March 2007 the spot price of oil was around \$60/bl. (By mid-2008, at the height of the financial crisis, it reached a record of \$145/bl, but that of course could not have been foreseen at the time of publication of the Strategy.)

At the start of 2017 however, the oil price was in the order of \$55/bl. In money terms this is less than it was a decade earlier. In real terms it is, of course, far less.

The ecological arguments remain. They are contested in some quarters, but even if we restrict the argument merely to that of urban traffic congestion, it is clear that an alternative to car use is highly desirable.

But the undeniable fact is that car ownership among South African households has increased substantially since the turn of the century, and continues to increase. Statistics SA figures show that between 2003 and 2013 the number of daily trips by car increased by no less than 62.5 per cent, and the market share these represented increased by 5.8% (Statistics SA 2013).

### **3. IMPLEMENTATION**

One reason is that implementation has been far slower than planned. The Strategy envisaged an ambitious programme :

“The legacy which the Public Transport Strategy aims to achieve is the phased but accelerated implementation of Integrated Rapid Public Transport Service Networks in metropolitan cities, smaller cities and rural districts. This phased implementation of Integrated Rapid Public Transport Networks will aim to have operating systems in place in 12 cities and at least 6 rural districts by 2014.

“The longer-term vision until 2020 is to develop a system that places over 85 percent of a metropolitan city’s population within 1km of an Integrated Rapid Public Transport Network trunk (road and rail) or feeder (road) corridor.”

Some cities began to plan immediately. The City of Johannesburg even jumped the gun. Its transport planners had been developing what was termed a ‘Strategic Public Transport Network’ (SPTN). In November 2006 (ie, some months before the national Strategy was formally published) the City Council approved a proposal that the SPTN should be upgraded to a full Bus Rapid Transit (BRT) network under the brand name ‘Rea Vaya’.

Part of the motivation read :

“Rea Vaya is one of the few options that can deliver a superior public transport system in time for the 2010 FIFA Soccer World Cup as well as leave a lasting legacy for South Africa’s citizens.....(it) will require one year of planning and approximately one year of construction.”

(City of Johannesburg 2006)

It went on describe Phase 1 as consisting of seven routes comprising 94km of route corridors (there would of course be many more kilometres of feeder services). Phase 1 would be implemented by April 2009, in time for the Confederations Cup, which was to act as a form of pilot test for the FIFA World Cup itself the following year.

Another city which was quick off the mark was Nelson Mandela Bay. Immediately after the March 2007 approval by Cabinet, the city began work on its IRPTN plan. This was

published in November 2007; it made provision for five BRT routes to form the basis for an IRPTN covering the whole city.

The other cities followed rather more slowly, but by the beginning of 2017 - a decade after Cabinet approval of the Strategy - all 12 cities (plus George, of which more later) had fairly detailed plans. The eThekweni Transport Authority, for example, has what it describes as a 'wall-to-wall' plan for a citywide IRPTN – but it will take until 2028 to be fully operational.

However, despite all these plans, In early 2017 only three cities had implemented any form of Integrated Rapid Public Transport Network (IRPTN) operating system.

### **3.1 Johannesburg**

Two Bus Rapid Transit (BRT) corridors have been introduced, both linking Soweto with the CBD, and both with an extensive feeder network connecting with the trunk routes.

### **3.2 Cape Town**

A BRT line from Table View into the CBD is supplemented by a feeder network. Improvements have been made to other services (eg, CBD-Hout Bay) as part of the network. In 2016 a high-speed bus route was introduced along the N2 freeway linking both Khayelitsha and Mitchells Plain with the CBD.

### **3.3 Tshwane**

A short 8km BRT line began operation during 2016 from the Hatfield transport hub (Metrorail and Gautrain operate from the same area) into the CBD. Feeder services operate at either end as well as to and from stations *en route*.

### **3.4 George**

The George Municipality was not included in the list of 12 cities included in the 2007 Action Plan. Independently of the national effort, the Western Cape government assisted the municipality to plan and implement an Integrated Public Transport Network – ie, an IRPTN without the BRT element. The emphasis is on frequency and hours of operation, with only limited infrastructure. A similar system was described and advocated by the CSIR as far back as 1984 (CSIR 1984). This 'keep it simple' formula has enabled a number of routes to be introduced in a short space of time.

This is all that has been achieved on the ground in the decade since the approval of the Public Transport Strategy in March 2007. Why has there been so little progress?

## **4. REASONS FOR SLOW PACE OF IMPLEMENTATION**

A full analysis must await an in-depth study. The reasons are many, and vary from city to city.

In the smaller cities at least, one reason may be the lack of planning capacity. There is also no doubt that corruption in one form or another has inhibited implementation in more than one location.

However, it is suggested that the primary reason has been the complexities of incorporating the informal sector minibus-taxi operators into the formal sector operation implied by the IRPTNs. This manifests itself in the form of resistance to change and, the other side of that coin, the financial expectations of the taxi owners which need to be accommodated in order to achieve acceptance of the changes.

#### **4.1 Taxi Transformation**

The taxi leadership had been involved at various levels in the development of the 2007 Strategy. Local leaders from a number of cities were part of delegations which visited Bogotá, Colombia in the 2005-2006 period. Taxi leaders were invited to the Public Transport Indaba hosted by the Minister of Transport on 22-23 October 2006 at the Vista University in Soweto.

However, almost as soon as the Strategy was published objections were raised by taxi associations at local level, and from the Provincial and Regional Taxi Councils. The outcry over the perceived threat to the livelihood of taxi owners was such that the SA National Taxi Council (SANTACO) had to take up the matter with the national Department of Transport.

The outcome was a Taxi Summit in Midrand in late-November 2008. This was followed by a meeting on 9 December 2008 between the Minister of Transport and SANTACO. At the end of the meeting a joint statement was issued. It included this commitment :

“In a meeting today between Minister Jeff Radebe and the Taxi Industry Leadership, the Minister has once again reassured the taxi industry of the government’s commitment to involve the taxi industry as the core (nucleus) of the BRT system. He further emphasized that Government was guided by the principles of the public transport strategy which include among others that :

- the taxi industry shall be the nucleus of the BRT system
  - there will be no loss of jobs and profits in the implementation of the BRT.”
- (Ministry of Transport 2008)

It was perhaps something of a *post hoc* rationalisation to claim that the Public Transport Strategy had proposed that there would be “no loss of jobs and profits in the implementation of the BRT”, but this was what SANTACO wanted to hear, and it formed an assurance which they could pass down to members.

It is, however, the single biggest reason for the delay in implementation of IRPTNs.

In Johannesburg the Phase 1 Rea Vaya service had been scheduled to begin (with seven routes) in April 2009. In practice, an impasse with the taxi operators on the route meant that the service started with a single route only. An independent bus operator had to be contracted, and the service did not commence until August 2009 – after the Confederations Cup. However, this did give the city the ability to show that an IRPTN service – the first in the country – was in operation.

Lisa Seftel, Executive Director : Transport records that :

“The negotiations with affected operators began in August 2009 and continued until the end of September 2010 after which there was a transition period of capacity building and hand over until the following February.”  
(Seftel 2013)

This comment draws attention to a non-financial aspect of the incorporation of the informal sector taxi into the formal IRPTN operations – the need for capacity-building. As Seftel shows, the whole process of interaction with the taxi operators took some 18 months – from August 2009 to February 2011.

The financial implications are described by Seftel in the same paper :

“The City had tried since the BRT was established to identify what operators were currently ‘earning’ to be able to offer something ‘not worse off’. However it was very difficult to obtain and verify operator information due to the fact that they were informal operators, mostly not paying tax and most likely paying bribes and/or protection money to their association leaders.

“The City initial model and offer was around R3 500 per month while the operators started at R 7 700. It was only after intensive negotiations, deadlocking, political intervention and a commitment from the national government to make up the difference in what the City could afford, that an agreement was reached that the operators would receive R6 600 per month on average throughout the contract. This translates into a profit margin of 28%.” (Seftel 2013)

So it was necessary for national government in the form of Treasury to agree to top-up (subsidise) the Rea Vaya operation.

Very similar challenges were encountered by the City of Cape Town when in 2011 it began negotiations on its first IRPTN route from Tableview into the CBD; and even earlier, in 2009, in Nelson Mandela Bay, where the gap between the taxi industry’s expectations and what the city could offer was very similar to that experienced in Johannesburg.

## **4.2 Financial Sustainability**

In general, the costs of operation of IRPTN services have been higher than anticipated, and certainly higher than what national Treasury appears willing to consider funding.

A paper at the 2015 SA Transport Conference succinctly summarised the situation :

“Based on the evidence to date, the operational shortfalls of I(R)PTNs in South Africa are greater than anticipated and, despite the opportunities for additional funding explored here, it is likely that significant shortfalls will remain. This presents a financial risk for city treasuries with whom rests the ultimate responsibility for covering the I(R)PTN costs. A continued conversation about funding for I(R)PTNs is therefore urgently required.”

(Von der Heyden *et al* 2015)

This view was buttressed in a presentation by the Treasury’s Deputy Director-General for Intergovernmental Relations at the opening session of the 2016 SA Transport Conference :

“By and large our public transport provision is very costly and not efficient. In our current constrained fiscal environment, there must be a better way. Bus Rapid Transit has heralded a shift in thinking with attention to spatial transformation, has relatively good user satisfaction where it operates – but has however resulted in very **high deficits** (*speaker’s emphasis*)”

(Ngqaleni 2016)

## 5. DISRUPTIVE TECHNOLOGY

After a decade of implementation, it is good practice for any strategy to be subject to a process of monitoring and review. External circumstances will inevitably have developed which the strategy planners could not have foreseen ten years ago, but which a decade later may have a critical bearing on the success (or even relevance) of the strategy.

One such development has been the emergence of the concept of ‘Transit Oriented Development’, or TOD. This envisages a land-use pattern in which a high-quality public transport system is developed in conjunction with town planning to provide housing close to both employment and schooling. The concept is particularly relevant to South Africa, with its need to change the spatial distribution developed during the apartheid years.

However, much of the changed circumstances is facilitated - indeed, made possible – by what has become popularly known as ‘disruptive technology’.

### 5.1 Car Pooling

Modern telecommunications systems are giving rise to new methods by which those needing transport can be linked to those willing to offer it. Uber is a case in point, and its

pool version 'Uber-Pool' means that four commuters (not necessarily always the same four) can travel in one vehicle – a potentially attractive alternative to public transport for the commuter whilst at the same time offering the possibility of reducing the number of cars on the road during peak hours.

## **5.2 Changes in Work Patterns**

An even more significant strategic change is that in respect of work patterns. The most acute problem facing transport planners is how to deal with the morning and afternoon peaks. The practice since the days of the first Industrial Revolution has been for places of work – especially offices - to have fixed working hours. The result is a huge demand for transport over a very short period of time, twice a day.

That pattern is changing, mainly due to the advances in internet technology. It is simply not necessary, as it once was, for all office employees to be present at the same time in the same place.

## **5.3 Telecommuting**

The most extreme version of this trend is what can be called 'telecommuting'. In its recent Travel Demand Strategy the City of Cape Town offers this description :

“Remote working or telecommuting is able to influence trip generation (reduce the number of trips). The proposal for the City is that employees are either able to replace a peak-hour commute by working from home during peak, then travelling to their normal place of work, or are able to work at a satellite City of Cape Town office for a specified number of days or hours a week. Normal information communication technologies (ICT) to communicate with their usual place of work/colleagues etc. and meeting and reporting requirements would need to be met.” (City of Cape Town 2016)

This proposal relates to the employees of the municipality. The principle can be extended to other employers who do not have the convenience of 'satellite offices', by the 'pod office' concept described by Shelley Childs in her article in Business Day :

“Large numbers of employees could easily work from one of many high-tech "pod offices" situated in suburban areas of a city (and beyond). These pod offices would not be branches, but rather local office environments in which a number of companies would rent office space for their sole use.” (Childs 2015)

## **6. CONCLUSIONS**

It is very clear, even to those well-disposed to the 2007 Public Transport Strategy, that the objectives have not been achieved. The limited implementation offers the benefit of

hindsight, before further money and effort is spent on concepts which would have seemed justified a decade ago.

In May this year (2017) the Competition Commission announced that it was to institute a formal Inquiry into the Public Transport Market, with the aim of identifying factors (such as the selective application of subsidy) which might distort competition in the provision of public transport services. The Inquiry may offer an independent but authoritative view of the current Public Transport Strategy. (Competition Commission 2017)

In parallel with the Inquiry, the Department of Transport should institute a thorough review of the Public Transport Strategy with the intention of updating it to take into account the developments of recent years, particularly those relating to the effects on travel patterns of modern Information Technology.

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