

Transport month is a time to tackle issues in the industry

SA's poorly maintained roads, ports and other systems should form the cornerstone of areas to look at during this October month of National Transport



HANS ITTMANN

October marks National Transport Month, giving rise to opportunities to focus on and draw attention to a variety of aspects associated with transport. Everyone in the country is affected by transport in one way or another, with those in metropolitan areas experiencing it totally differently to people in rural areas.

Nevertheless, transport is critical to both humans and for the movement of goods or freight. Different modes, i.e. road, rail, air and sea transport are used in South Africa, with road being by far the most dominant for both passenger and freight transport. Transport is critical for an economy to operate, prosper and grow.

A good, efficient and affordable transport system with the appropriate infrastructure is essential for economic growth. South Africa is by far the most advanced in Africa regarding the various modes of transport.

However, we are lagging behind in properly maintaining and expanding this infrastructure to accommodate the extraordinary economic growth of the recent past.

This has led to poorly maintained roads, ports, etc. and insufficient capacity with the associated side effects such as congestion, bottlenecks and high costs. In addition, public transport is almost non-existent in South Africa.

For a properly operating public transport system, the ideal is to have a mixture of taxis, buses, commuter trains or metros, and even trams and monorails. Currently, passenger transport is mainly by car, taxi and, to a limited extent, buses. Our roads, especially in the main cities, cannot cope due to the number of cars. Added to this, the tonnage of freight that needs to be moved has grown substantially because of economic growth; this freight growth has been almost exclusively by road. Today

around 80% of freight is transported by road and the rest by rail.

The effect of this is that logistics costs within the country are very high. Although a recent report by the World Bank shows that South Africa is performing very well in terms of logistics competitiveness – 24th out of 150 countries – our internal logistics costs are rated 130th in the world.

The CSIR has reported in the 4th State of Logistics report that logistics costs as a percentage of GDP is close to 16%. This too is much higher than in countries we traditionally compete with, which affects our ability to compete in the global marketplace.

The main contributor to the high logistics costs is transportation costs and while freight moved by road is possibly faster than on rail, it is much more expensive. The congestion on our roads causes delivery of freight to take longer and this adds to the costs.

How do we in South Africa address all these issues? So many aspects require attention that it is almost impossible to identify where to start. Government is currently investing and spending billions of rand on improving and expanding infrastructure, including roads, rail, ports and airports.

However, processes and systems that utilise the infrastructure, the use of advanced technology, improved service

delivery, etc. all need to improve before we will achieve the desired effect.

The current increase in road capacity, for example, is not going to have any effect on congestion since the number of cars on the roads increases on average by 7% a year.

We need to get the cars off the road. One major aspect that needs to change is behaviour – people need to become willing to use modes of transport other than private cars.

This is where public transport comes in and here we have seen some successes, such as the business commuter train between Johannesburg and Pretoria, which is a huge success.

It is a new, very reliable service offered that is cost effective for commuters.

If Transnet can do this, why is it struggling with its other services (excluding coal and iron ore exporting)? Another significant improvement although it may seem trivial, is in our ports where a vital productivity measurement – namely crane operations per hour – was on average 15 operations per hour three years ago, and has now improved to on average 25 operations per hour.

While we are still lagging behind the rest of the world, we are catching up. It is significant as crane operation is at the end or beginning of many supply chains

and these supply chains are only as good as their weakest link.

Much of our freight needs to move back to rail.

Transnet has done an excellent job to become profitable and can now focus its attention on service delivery to become reliable, predictable and more cost competitive.

The use of containers is increasing worldwide and this trend will continue. Containers should preferably be transported by rail over long distances and the same holds true for the import and export of cars. It will not only bring logistics costs down but will also ensure our roads will last longer.

A frightening statistic by the country's road agency is that traffic volumes on the Johannesburg-Durban road have in the past three years been the same as in the previous 20 years combined. This points to the importance of research in the transport field.

The South African National Road Agency Ltd is funding significant research but more is required in the general transport field, in infrastructure as well as in logistics and supply chain management.

South Africa is geographically challenged in that most of the economic activity is concentrated in Gauteng. We require research to look into the feasibility and practicality of encouraging industries to plan their location closer to our ports.

One could look at ways of introducing incentive schemes to encourage this.

More successes are being reported in the transport area and we need to build on these to ensure South Africa prospers and becomes an important player in the world economy.

□ Hans Ittmann is acting executive director of the Built Environment Unit at the Council for Scientific and Industrial Research (CSIR)