PUBLIC TRANSPORT SYSTEM IN 5 METROS
(2012/13)

BACKGROUND

- Total public and private expenditure on public transport services in South Africa's six largest metropolitan areas amounts to **R26.2 billion** per year.
- South Africa's cities are characterised by population densities that are among the lowest in the world.
- One consequence of low density is long commutes.
- A relatively larger proportion of the gross geographic product of South African cities is spent on transport and logistics.

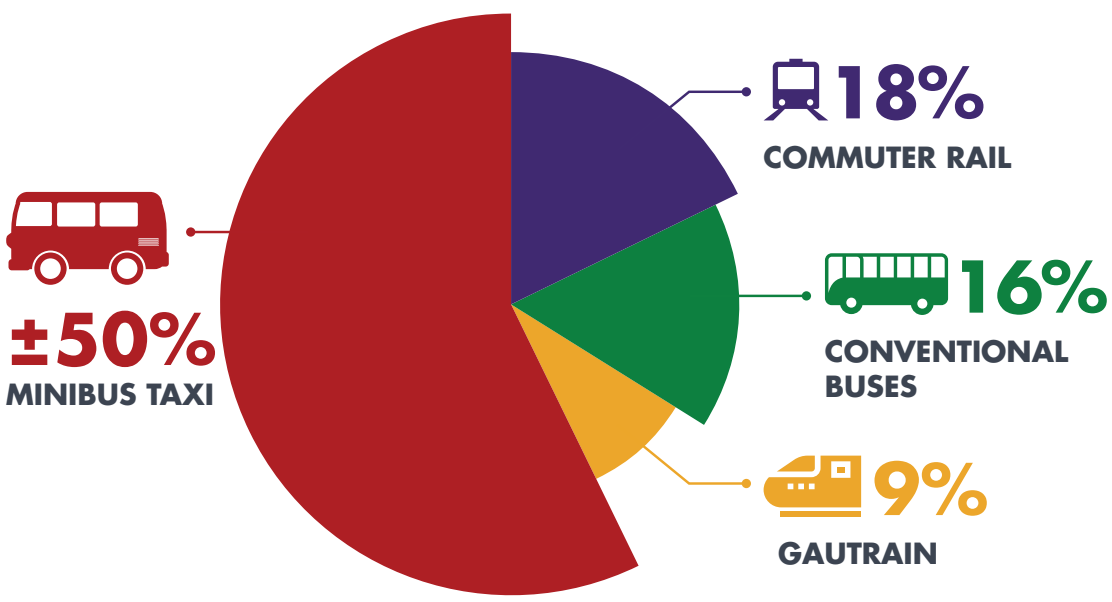
CONTEXT

MUNICIPALITIES ARE RESPONSIBLE FOR LAND USE PLANNING; PRASA MANAGES COMMUTER RAIL SERVICES; AND PROVINCES CONTRACT SUBSIDISED BUS SERVICES AND REGULATE OPERATING LICENSES **(MOSTLY FOR MINIBUS TAXIS)**

In addition, the National Land Transport Act tasked the 12 LARGEST MUNICIPALITIES WITH IMPLEMENTING BRT

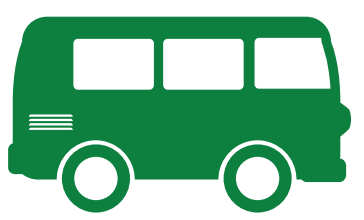
financed by conditional grants. Revisiting this institutional architecture is critical to improving system-wide performance.

Because such a sizeable proportion of public transport is provided by minibus taxis, enhancing this sector could yield significant benefits. However, the competitiveness of the minibus taxi sector depends in part on its informal character, and increased regulation and formalisation could raise costs without raising productivity



IN FINANCIAL TERMS THE **MINIBUS TAXI INDUSTRY** IS THE **LARGEST** OF THE SERVICES, WITH ABOUT HALF OF TOTAL REVENUES

no contribution is made to the operating costs of minibus taxis



Subsidies for public transport amounted to R10.2 BILLION

covering about 60% of the operating costs of the subsidised sectors

The value of the subsidies is also very unequal:

the highest subsidies per passenger trip are for: Gautrain **R63 per trip** with much lower subsidies for bus services **R11–R24 per trip** and Metrorail **R4 per trip**

FINDINGS

The current institutional architecture is **sub-optimal** and uncoordinated

Without considerable investment in reshaping and densifying cities, public transport will remain expensive for both **users** and **government,** because of its **long distances,** **high peak demand, minimal off-peak use,** and **unidirectional travel patterns.**

Addressing these patterns must be the **primary goal** of planning both **public transport** and **land use**

GTAC Analyse Assess Activate
Strategic & Technical Advisory
National Treasury
REPUBLIC OF SOUTH AFRICA

For more information visit
www.gtac.gov.za
email: info@gtac.gov.za