

Fedusa agrees Transnet must not be split

The Federation of Unions of SA (Fedusa) backs calls by affiliated trade union, the United Transport and Allied Workers' Union (Utatu), to not split state-owned port and freight rail company Transnet.

"Splitting Transnet will not solve the actual structural problems within the South African transport sector," Fedusa general secretary Dennis George said in a statement on Tuesday, 30 August 2011.

Fedusa called for the departments of transport and public enterprise to rather work together to come up with a joint strategy for transport.

Last week, Parliament's transport committee heard that Transnet could be stripped of its rail infrastructure assets to allow private operators into the rail sector.

Transnet CEO Brian Molefe said this would be disastrous and called instead for capital investment and maintenance.

Utatu agreed, saying government must not try to come up with solutions to problems at Transnet as it had already bungled it up.

"Today's woefully equipped, under-skilled and poorly focused Transnet is the result of years of amateurish bungling by its sole shareholder, the South African government," said Utatu general secretary Steve Harris in a statement on Friday.

"Therefore, any plan to rescue the parastatal needs to be preceded by government having sufficient humility to step back and listen to the professionals."

Harris said Utatu had repeatedly warned of how government policies would lead to problems at Transnet, including the switch from rail to road transport, the skills shortage that would result from the dilution of apprentice training, and the cost of a tardy approach to rail investment.

"The fact that we rail workers could get it all so right while government continuously missed the point tells South Africa all it needs to know about their rail problems and who has - and has not - the knowledge to fix them," said Harris.

Government should realise its role was a financial one - nothing more, he said.

The transport department's plan, as presented to Parliament, involved setting up a separate state-owned Rail Infrastructure Utility to manage the parastatal's rail infrastructure assets on behalf of the government, and a transport economic regulator to keep playing fields level between Transnet and other rail operators.

The department told Parliament private companies were needed to help run the core railway network as it would require more than the budgeted capital expenditure of R110 billion over the next five years to ensure the railway branchline network functioned properly.

Source: Sapa

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