

## Industry welcomes massive investment in rail transport

According to *Business Day*, Gorman Zimba, CEO of General Electric Technologies South Africa welcomed President Jacob Zuma's statement that South Africa was planning massive spending on railways and ports to boost exports and attract investment, particularly in mining.

Zimba's company is a technical support provider for GE locomotives, signalling and other railways equipment in Africa.

In an interview on Summit TV Zimba said that there has previously been only a "limited amount of expenditure on infrastructure and specifically rail [...] over the past two decades there has been growth in the need for transport of both general goods and freight." The government's investment, he said, offers "a good opportunity for the nation at large to export bulk commodities, and the best way of doing that is by rail."

Speaking about the role rail infrastructure plays in the country's economic growth, Zimba said that the need to move local items to ports for export, as well as the need to move "relevant machinery where logistics is needed from point A to point B. If we look at the distances and the volumes, the best mode of transport is rail." He added that economic factors indicate it costs 25% less to move a ton of goods by rail, compared with road. "In terms of costing, it is very difficult to beat rail," *Business Day* reports.

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