MEDIA STATEMENT

For immediate release
Attention: News Editors
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LAUNCH OF TAXI LEKGOTLA PUBLIC DISCOURSE PLATFORM

A few months ago I declared my intention to convene a national taxi indaba, which will emerge with a ground-breaking compact that will take the transformation of the taxi industry to its logical conclusion. The outcomes of this Lekgotla will not be lip service, but a tangible and achievable programme of action that will set the industry on a sustainable path.

The history of the taxi industry is littered with gruesome tales of conflicts and violence that has left many people dead and families robbed of breadwinners. It is a history of struggles for survival. This is an industry that has pioneered its own growth and evolution despite difficult odds. Many initiatives aimed at forging unity in the taxi industry have seen the light of the day over the last few decades and many have failed.
The first administration of the democratic South Africa initiated the National Taxi Task Team to find a lasting solution to the challenges facing the industry and to develop a blueprint for its sustainability. We all know that the final recommendations of the NTTT were a product of robust and honest engagements with both the industry and civil society. These recommendations, which were a product of consensus between the taxi industry and civil society, affirmed the need for an industry that is formalised, effectively regulated and economically empowered.

Unity of the industry is sacrosanct and central to any form of regulation or empowerment. I have been assured by the industry that we all share a common vision of a united taxi industry that is able to speak in one voice. There are areas where we are not in agreement, but the public discourse platform will provide us with a platform to engage robustly and find each other.

The National Taxi Lekgotla will be a platform where we will consolidate consensus on sustainable ways to formalise and regulate the industry. This will be underpinned by an economic empowerment model that must benefit every single taxi operator, and not just those in positions of leadership.
An assessment of how far we have come since the acceptance of the Final Recommendations of the NTTT will underpin the discussion documents, that will be released in the coming weeks, covering various themes. The National Taxi Lekgotla will be about re-imagining a taxi industry of the future, where it is a major player in the economy. Many critical challenges remain and require our collective wisdom and unity of purpose to tackle them in a decisive manner.

Unity of the industry remains a pervasive challenge, as violence and conflict driven by turf wars and leadership contestations continues unabated.

Associations remain unregulated and operators are not held accountable for their conduct through an enforceable Code of Conduct.

Leadership of the South African National Taxi Council (SANTACO) as a recognised industry representative body is contested.

The taxi industry continues to operate as an informal sector on the fringes of formal economy.
It is not structured along legally recognised business units and many operators do not contribute to the tax base in the form of corporate tax, and do not comply with the labour laws to ensure workers are protected.

The regulatory framework remains weak and ineffective due to a fragmented approach in law enforcement.

We intend to host the National Taxi Lekgotla on 29 – 30 October 2020 at the end of the October Transport Month. However, the build-up towards the Lekgotla will consist of the following activities:

- Today we are launching the public discourse platform, which is effectively a dialogue with industry and civil society on topical issues that require resolution. It will provide an opportunity to stakeholders and civil society at large to contribute to the solutions that will place us on a sustainable footing to deliver an industry of the future, able to sustain itself.
• The launch will then be followed by a staggered release of discussion documents and a structured roll-out of debates across all digital platforms to sustain the conversation and engage stakeholders in robust discussions on all identified themes of the National Taxi Indaba. These conversations will be led by the Minister and the MECs in various Provinces.

• The Task Team charged with co-ordinating this effort will engage with various stakeholders on proposals and other themes to inform the discussions. All stakeholders will have the opportunity to engage the Task Team on any subject in the discussion documents and make its own representations.

• Webinars targeting thought leaders, opinion makers and other stakeholders to share perspectives and enrich the conversations will be organized.

These discussions will then culminate in the hosting of Provincial Makgotla which will be convened between 20 September 2020 and 20 October 2020 on virtual platforms. These will then feed to the National Taxi Lekgotla is 29 – 30 October 2020.
The launch of this public discourse platform is an invitation to the taxi industry, workers, commuters and the rest of civil society to engage with the discussion documents and take the opportunity to participate in formulating the blueprint for a taxi industry of the future.

The discussion documents that will inform the content of the public discourse and discussions in the Provincial Makgotla and ultimately the National Taxi Lekgotla cover the following themes:

**UNITY AND LEADERSHIP**

The NTTT Final Recommendations that were accepted by government directed that leadership structures must be established at National, Provincial and Regional levels, representing the entirety of the industry. The leadership structure must represent all types of taxi operations, short distance, long distance and metered taxis at all levels.

Over the last 25 years, a lot of progress was made in this regard with the establishment of SANTACO in 2001. The diagnostic of the path we have traversed and the progress made over the last 25 years means that we must have an honest and robust conversation on all issues.
This includes the leadership of the industry and whether there is a need to review some of the choices we have made over the years.

The discussions will also look at models that include making a case for the apex leadership structure to be a Council, whose leaders must not be encumbered on Associations. We have no intention of elevating or establishing an Association to a position of an apex industry representative body. Our commitment is towards a Council that truly represents every operator without fear or favour.

The Taxi Lekgotla must interrogate and ask the question: What kind of Council should the apex industry representative body be? Should it be a statutory body established through an Act of Parliament, with roles and powers prescribed in law? Should it be a professional body mandated to develop and enforce industry Standards? Should it be a voluntary association that exist to look after the interests of its members?

**INDUSTRY REGULATION**

Discussions about regulation primarily revolve around Operating Licences and law enforcement.
The challenges experienced over the years relating to the issuing of operating licences, which includes challenges of non-responsiveness of municipalities to applications resulting in saturation of routes as these operating licences are issued without due regard to transport planning. The current planning framework and the extent to which it affects the issuing of operating licences will also come under scrutiny with a view to emerge with a model that advances our objectives.

The prevalence of illegal operators affect the industry and government in many ways.

Firstly, they shrinks the revenue base by complicating the supply side of business through uncontrolled entry into the market; secondly, they provide perverse incentive for conflict; thirdly, they worsen the industry safety profile as they are more prone to employing illegal and dangerous tactics to get customers and maximise profits; fourthly, they distort planning, and by extension adversely affect the efficacy of planning and law enforcement; lastly, they perpetuate criminality.

The discussions will also look at strong disincentives aimed at those who operate illegally with penalties that include monetary penalties, impoundment of vehicles, suspension of drivers’ licences or a combination of measures.
However, this conversation will take into account the current reality of the significant number of operators in the industry without operating licences. This includes a number of e-hailing providers and 7-seater vehicles on our roads.

INDUSTRY EMPOWERMENT MODEL

The Taxi Lekgotla must emerge with an empowerment model that truly empowers the industry with the real beneficiaries being individual operators.

We have committed to re-imagining the Taxi Recapitalisation Programme such that the real beneficiaries of this massive public investment are taxi operators, rather than commercial banks, retailers and other corporates. To date government has spent in excess of R4 billion and will spend more billions over the next 5 years. The end game is a taxi industry that is able to recapitalise itself and benefits of this business cascading down to the last operator on the ground.

Discussions include the establishment of corporate entities as empowerment vehicles of choice to ensure economic benefits reach all operators in the industry.
Various options are being considered which include either establishing a national Co-operative Bank owned by the taxi industry or establishing a national private company that will participate in economic activity on behalf of operators, or a combination of various models.

We must not be apologetic about creation of a business value chain that is entirely owned by the taxi industry with strict conditions to comply with tax and labour laws alongside conduct that reinforces unity.

The Lekgotla must agree that operators who get involved in conflict and taxi violence should face severe penalties, which may include withdrawal of their operating licences and any economic benefit sponsored by government.

We have made a firm commitment to introduce a subsidy system that includes full participation of the taxi industry.

**PROFESSIONALISATION**

Discussions on Professionalisation include a number of important issues that impact on commuters and other road users.
In addition to addressing universal access to taxis and related infrastructure for those who are physically challenged, the discussion will also entail the following:

**Road Safety**

The conduct of taxi operators on the road displaying flagrant disregard of the law and the rights of other road users remains a pervasive problem, and will find expression in the public discourse. Options on the table for discussion include a proposal for an enforceable Code of Conduct supported by a penalty regime, which may, amongst others include a form of a demerit system similar to AARTO.

**Customer Care and Commuter Safety**

Shoddy customer service and safety of commuters continue to characterise industry operations. Penalties for operators who violate Customer Care standards, which may be incorporated into the proposed Code of Conduct will be considered. Complaints mechanisms are also under consideration and these must be effective with tangible consequences.
Gender Based Violence

The prevalence of Gender Based Violence in the taxi industry remains a source of serious concern. This discussion has been muted for too long and it is time it is confronted head-on, and active measures must be put in place to address this decisively. Such measures must also include safety of women and children in the taxi environment, with particular emphasis on the girl child.

I therefore invite all taxi operators, taxi drivers and all South Africans to join us in conversation as we put together a blueprint for a taxi industry that is an integral part of the formal economy and is truly empowered.

Masijule ngengxoxo.

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