



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
TRANSPORT AND COMMUNITY SAFETY

Thari Ya Tsela
Le Tšhireletso ya Setšhaba



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FROM THE MEC'S DESK

TAXI INDUSTRY TO BE REGULATED BY APRIL 2021



MEC MAVHUNGU LERULE-RAMAKHANYA

Limpopo has over 70 percent of the population that rely on public transport to transit on daily basis. Limpopo is predominately rural and our challenges are unique compared to some provinces. Associations have raised concerns about the norm of blanket approach in the programmes of this nature. In addition, that the outcome of these engagements should be clear on how rural communities will benefit.

The future looks bright for the taxi industry after a successful Taxi Lekgotla was held on the 29 to 31 October (during Transport month). Taxi industry is going to enjoy a more comprehensive plan with time frames that includes the formalisation, regulation and empowerment of the taxi industry.

Amongst others, it seeks to address challenges posed by illegal operators, with an estimate of 63 000 out of 200 000 taxis in the country operating without operating licenses. In his opening address, the president said that the taxi industry can and must play an important role in government's ultimate objective of improving the daily experiences of commuters through the establishment of integrated rapid transport service networks in the metros, cities, towns and rural districts.

He added that when public transport is unsafe, unreliable and costly, it also affects economic activity. Given that about 4 in 10 workers use public transport to reach their workplaces, these challenges have knock-on effects on productivity, labour relations and business functioning.

The president painted a vivid picture to the taxi bosses and officials that an upgraded transportation infrastructure coupled with improved public transport is a key driver of economic activity.

Similarly, resolving the challenges facing a sector as important as the taxi industry is an important step towards transforming the public transport landscape.

Moreover, a formalised, well-managed, better-regulated minibus taxi system is in the best interests of not just those who use taxis daily. It is also in the interest of the development and progress of the entire society.

Four major themes were the centre of discussions; these are unity and leadership of the taxi industry, taxi industry empowerment model, taxi industry regulation and industry professionalization and customer care. After robust discussions from virtual discourses to National Taxi Lekgotla a mutual declaration was adopted to address the challenges confronting the industry and noted the following:

1. The National Taxi Task Team Final Recommendations remain relevant as a blueprint for a taxi industry that is formalised, effectively regulated and empowered to grow and sustain its business;
2. Unity remains a challenge in the taxi industry, and achieving such unity will play a pivotal role in ensuring peace and a safe environment for commuters, drivers and other road users.
3. The significance of the historical processes since the advent of democracy which led to the establishment of and the recognition by government of the South African National Taxi Council (SANTACO) as an apex industry representative body;
4. The taxi industry continues to operate in the fringes of the formal economy with limited benefit from the industries it supports through its massive buying power;
5. Regulation of the industry remains weak and fragmented and enforcement of the law further undermined by public servants and officers of the law who have business interests in the industry.
6. This declaration is a compact among the parties and is amplified by the detailed resolutions of the Lekgotla.
7. Integrity, accountability, representivity and morality are key values for unity and effective leadership;
8. Gender-based violence, femicide and discrimination against the LGBTQI+ community is a major obstacle to the achievement of equality, development and peace. It robs women, girls and members of the LGBTQI+ of their human rights and freedoms as enshrined in the country's constitution;
9. The Fourth Industrial Revolution presents opportunities for growth and innovation, for the taxi industry to propel itself into the digital era with the adoption of cutting-edge technologies that meet commuter evolving transport needs;
10. Integrity, accountability, representivity and morality are key values for unity and effective leadership;
11. Gender-based violence, femicide and discrimination against the LGBTQI+ community is a major obstacle to the achievement of equality, development and peace. It robs women, girls and members of the LGBTQI+ of their human rights and freedoms as enshrined in the country's constitution;
12. The Fourth Industrial Revolution presents opportunities for growth and innovation, for the taxi industry to propel itself into the digital era with the adoption of cutting-edge technologies that meet commuter evolving transport needs;
13. Illegal operations have detrimental impact on the sustainability of taxi operations and create perverse incentives for conflict and criminality;

These and many challenges will be addressed by the National Land Transport bill that puts in place the regulatory framework for regulating e-hailing services that has been passed by parliament and awaiting the president for approval.

On a brighter side: The taxi industry commands a turnover of R35b annually

The taxi industry is the only transport business that employs an estimate 600 000 employees who are mainly lower and semi-skilled workers, thus contributing hugely to government's poverty alleviation programme.

Taxi environments serve as profitable locations for hawkers and other informal retails businesses who all depend on taxis for their livelihood.

Number of taxis operating on South African roads: 283 159. This excludes the informal taxis (awaiting permits among others).

Number of people using taxis per day: 16 million

Average number of passengers transported monthly per vehicle: 3 161.

Average number of taxis per owner: 2

Number of hours each taxi driver works per day: 6.33

Average number of hours taxi drivers spend daily on the road: 8.8

Average time spent daily in a taxi by passengers: 65 minutes

Average number of trips per passenger per day: 2.3

Average monthly kilometers driven by a taxi: 8 50

From the president's desk on the 26 of October, he raised concerns similar to ordinary citizens that in a country where the vast majority do not have access to private cars, the provision of efficient, reliable, safe and affordable public transport is critical to people's everyday lives. In which unfortunately, public transport continues to be plagued by challenges; some are the legacy of apartheid development, but many are contemporary and persistent.

