

**SPEECH NOTES BY KWAZULU-NATAL MEC FOR TRANSPORT,
COMMUNITY SAFETY AND LIAISON MR WILLIES MCHUNU DURING THE
TAXI INDABA ON TUESDAY THE 04TH OF SEPTEMBER 2012.**

Thank you Programme Director;
Honourable Premier Dr Zweli Mkhize;
Provincial DG Mr Ngidi;
Members of the Legislature present;
Ethekewini Mayor Cllr James Nxumalo;
Other Mayors and Councillors;
Amakhosi present;
Leadership of the Taxi Industry;
All operators present;
Various community structures;
Law Enforcement Agencies;
Distinguished Guests;
Members of the Media;
Ladies and Gentlemen;
Protocol Observed.

We thank you for joining us in this important gathering today. We are pleased indeed to have this Taxi Indaba as it seeks to stimulate and motivate innovative thinking from the taxi industry and the Department as a whole, around the question of conflict and related issues within public transport.

It is common knowledge now that the KwaZulu-Natal Government is very committed to an on-going consultation and dialogue with its stakeholders so that collectively we make informed decisions on how best to tackle the challenges our people face on various aspects of public transport.

Ladies and Gentlemen, this Summit is convened as part of the provincial Government's on-going interventions to ensure long-lasting peace and stability in the taxi industry.

The KwaZulu-Natal Cabinet resolved in July this year that an urgent Imbizo be called following more than 20 murders that were directly linked to the continued taxi-related acts of violence in the province this year alone.

It is in that context therefore that we intend to come out of this gathering having secured resolutions that will impact positively and be in the best interest of us all, including commuters who are always directly and indirectly affected by this violent conflict and confrontation.

Before opening this platform to share our views, I would like to first highlight some of the causes of public transport conflict that have thus far been identified by the KwaZulu-Natal Department of Transport, as well as some of the challenges that significantly impact on the successful resolution of the conflicts.

One of the most glaring and worrying characteristics of the taxi industry is the extent to which the supposedly elected structures of the various associations, become law unto themselves, and they account to no one. Whilst the requirement that associations need to have constitutions seems to be well known and perhaps even accepted, it is evident that it is not regarded as a useful tool to provide a basis for the governance of the associations.

Some taxi associations have constitutions that give vague and unlimited powers to individuals while others do not have constitutions at all and thus governance of the association is always directed by the whims of the powerful or most feared.

Financial accountability is unheard of in most associations which is most worrying in an industry that handles a lot of cash and shows a great capacity to engage in sustained violent conflict, often involving serious weapons. The extra-ordinary collection of monies in many associations has almost always strangely coincided with acts of violence and the practice of non-accountability is a known practise. It is against the law and unprofessional not to have a sound financial management system documenting and detailing the income and expenditure of your organizations. It promotes fraudulent activity and defeats the very purpose your organizations were created for.

By all accounts and indications there are strong signs that point to a decline in the profitability of the taxi industry mainly due to the saturation of the industry or overtrading. This has however not prevented leaders of associations from continuing to recruit new members whose operations will further reduce the profitability of the industry.

A major incentive for the continued recruitment is the exorbitant joining fees that aspirant operators are willing to pay to become operators. The fact that the process of issuing new Operating Licences is not as quick as they would want it to be does not dissuade this practice. Effectively this directly translates into an increase in illegal operators whose contribution to the industry generally is to its downfall.

Route encroachment is one of the leading causes of conflict and actual violence within the public transport industry, particularly mini buses or taxis, flowing directly from overtrading. There have been an endless and senseless loss of lives and destruction of property because of route encroachment.

There is also the question of some vehicle dealers who in pursuit of business interests resort to unethical conduct of selling vehicles without due basic requirements, that is, the buyer must be in possession of a valid Operating Licence.

Not only does this increase the influx of illegal operators but it also directly leads to unnecessary confrontations with the law enforcement.

We are aware that a significant number of municipalities in the province have no official ranking facilities. Where these exist they are not properly managed, if they are at all. Not only does this allow for the creation of illegal facilities that do not meet requisite standards as legitimate public transport facilities, in other areas it has led to the creation of taxi ranks within private properties such as shopping centres.

As a direct consequence of unauthorised arrangements, conflicts have erupted and loss of lives sustained as operators without access to the private facilities have either been aggressors or victims of those with access.

The intolerance of competition has always been a problem in this industry. Whilst the registration of routes to associations may have been meant to minimise, if not to totally eliminate, the operating of more than one taxi associations on the same route or routes that are comparable, it has not been entirely successful since there are associations that have a history of servicing the same areas.

As a result these have been involved in violent disputes over the legitimacy of operations on these routes. It is also an outcome of this shortcoming that in other areas operators and/or taxi associations have access to more than one starting points. This is not easily tolerated, if at all, by taxi operators and their associations and inevitably, it ends-up in violent conflict.

But the proliferation of small vehicles that register as metered taxis has increasingly become a thorn in the flesh of the conventional taxi industry as well as enforcement authorities.

Although there are legitimate metered taxis that comply with the regulations, indications are that there is a serious rise in the numbers of illegal operators in the cities of eThekweni, uMsunduzi and uMhlatuze.

Bus operations are a substantial competition to taxi operators. Although they are largely tolerated, acts of violence and intolerance have been reported. Some of the contentions around this mode of public transport include the lower fares charged by buses and timetables within which the buses operate.

New developments in infrastructure, new residential areas, and new business areas create a new demand for public transport. These create a need for new routes that are not registered to any association. When these routes begin to be operational, taxi operators compete for rights to use them often at times to the violation of their legally authorised routes and most likely encroachment on routes of other taxi associations.

As government we are observing the impatience from operators regarding regulatory processes. It is true that the completion of the implementation of regulatory processes has taken a very long time.

To the extent that some of these processes have been completed, they have been marred by errors and correcting those flaws has also required a long time to bring to finality.

Whilst processes such as the registration of taxi associations, the registration of individuals as members of these associations and the registration of routes to associations were initiated at the beginning of the drive to legalize the taxi industry, to date the Department of Transport continues to deal with errors committed during the implementation of these processes.

As a consequence some operators within the industry have taken it upon themselves to disregard these processes and to engage in activities that are in their nature against the letter and spirit of the regulation process. These activities include operating without being properly registered and adopting attitudes of aggression against properly registered associations.

The process of converting permits to operating licences has not been fast enough, often hindered by serious and severe backlogs. For taxi operators this is usually interpreted as failure by government and leads to them taking the law into their own hands. It is important to also indicate that the taxi industry also shares the responsibility of the slowness of the process of conversion.

We want to put it on record also that the non-enforcement of Operating Licences by the PTEU and other enforcement units, unless there is conflict, specifically has led to the proliferation of operators who knowingly violate the law and display arrogance with knowledge that there shall not be any serious action taken against them.

Not only does this act to reinforce attitudes of lawlessness in some areas, but it has also allowed for the creation of “enforcement units” within the taxi industry that have become the law unto themselves. In other areas it has seen the proliferation of heavily armed security guards employed by the taxi associations. The presence of these security guards and the manner of their operations continues to be a serious challenge as they have the audacity to even challenge our law enforcement officers from the SAPS.

The taxi industry is on the whole dominated by people who have over time sorted out their problems through acts of violence. To this end, squads of hit-men have been used to kill and intimidate rivals and enemies.

Some operators openly brag about their involvement in taxi wars and declare themselves heroes of those wars.

It is because of these traditions that some within the industry are feared and therefore can act with impunity resulting in retaliations. The regulation of the industry reduced the industry to an operation that survives on hit-men.

Those that find themselves without employment easily become operators themselves, drivers or rank managers. Some become a destabilising factor in the industry and would at times turn on their former masters.

We have noted that prejudice based on race has at some point accounted for real tensions within the taxi industry specifically. Racial tensions between Indian and African Taxi Operators in Copesville, Pietermaritzburg, resulted in an untenable situation where commuters found themselves having to use segregated public transport.

In Isipingo the torching of vehicles belonging to Indian Operators and the invasion of their operations only serves to illustrate the severity or the extent to which racial tensions are a destructive phenomenon within the industry.

Cross-border based conflict has thus far been reported in the South Coast areas of the province where operators from the Eastern Cape and KwaZulu-Natal were engaged in a conflict that resulted in serious acts of violence and severe threats to public safety.

There are what we call underground operations whereby operators who ordinarily are very influential and mostly feared within the taxi industry and who have removed themselves from the actual running of association have their vehicles remaining in operations.

This is mainly due to the fact that they are targeted by rivals because they are considered threats. Their absence ordinarily signifies that the feud is still going on and notwithstanding their absence they remain very influential in the running of the associations and thus remain critical to resolving the very conflicts that drive them away from their areas of operation.

Law enforcement officers that have a direct financial interest in the taxi industry have featured prominently in some of the difficulties we are faced with in dealing with conflict within the taxi industry. To that end, they have not assisted in dealing with the problem but have served to exacerbate it.

As a result of the involvement of Law Enforcement officers as operators within the industry, efforts to normalise and transform the industry are compromised by these officers as they seek to protect their interests. This includes compromising law enforcement operations aimed at ending violence within the industry.

Political interference and the involvement of politicians as operators have had a negative impact on the well-being of the industry. But as an industry that is from time to time at loggerheads with government through non-compliance, it is essential that clear lines are drawn between operators and government as well as ensuring that leadership in that regard is not diluted. This is essential also to ensuring that government efforts to live up to the responsibility are not compromised.

Even the course of rouges within the industry is solidified by the knowledge that they have support from 'fellow operators' who are senior bearers of political office even though such officers will not be directly involved with the implementation of policy and legislation dealing with public transport.

The phenomenon of protests against taxi fare increases has led to direct confrontation between the taxi industry and the communities in which taxis operate. It is necessary to state that the taxi fares are not regulated by government, unlike those of subsidised bus services, and are therefore determined by the industry. Hence they are influenced by changes in fuel prizes.

Taxi transport is an essential service which is also a constitutional responsibility of government, to ensure movement of people as an economic imperative.

The challenges of confrontations with the community have aptly demonstrated its serious impact, including the loss of life as has been suffered in some parts of the province. It has also demonstrated the need for broader community involvement in determining its future.

Recommendations

Having highlighted all the above, as government we have made recommendations to which you can make reference as you discuss here. They are as follows:

- It is recommended that all government agencies that are stakeholders in Public Transport and related matters engage in joint processes that will ensure well-coordinated responses to issues of conflict within public transport.
- It is recommended that the enforcement of Operating Licences is made a standing operational procedure where there is reasonable prospect of decisively dealing with conflict and preventing the loss of life.
- It is also recommended that places that remain conflict areas, because of non-enforcement, after interventions by the Department of Transport be treated as provincial priorities and dealt with as such.
- It is also recommended that the Provincial Taxi Task Team Unit of the SAPS be reinstated and properly capacitated and specialised to be able to deal with matters within its mandate in a swift and decisive manner.
- It is further recommended that Law Enforcement Officers that have a direct financial interest in the Public Transport Industry be encouraged to declare such interest so as to be able to deal with the conflict of

interests in cases where government operations threaten such interests. Those that have been involved in taxi conflicts must be investigated and dealt with accordingly.

- It is further recommended that Municipalities be alerted to the importance of ensuring that issues of Public Transport are not neglected in their processes as they are a statutory responsibility and critical to the governance and stability of the very municipalities and by extension the province.
- It is further recommended that sanctions be levied against dealers that flout the law by releasing unlicensed operating vehicles to taxi owners.
- It is also recommended that unfettered user access be granted to law enforcement officers who are mandated to deal with public transport violence and public transport related enforcement.
- It is recommended that the Department of Justice prioritise and deal with taxi related offences in the same manner as other serious offences.
- It is further recommended that community leadership structures, including local government, have continuous engagements with the taxi operators in their localities for purposes of harmonising relations and ensuring sufficient sharing of important or relevant information.

Finally, ladies and gentlemen, may I take this opportunity and thank you in advance, especially all those who will participate in this Taxi Indaba by submitting their ideas and solutions.

It is vital that the suggestions and resolutions that will come out from this gathering need to be turned into action as soon as possible so as to save this industry.

I thank you!