

**Speaking notes for KwaZulu-Natal MEC for Transport, Community Safety and Liaison,  
Honourable Willies Mchunu  
Launch of the Business Partnership between SANTACO-KZN Taxi Alliance and Toyota  
Howick  
Wednesday, 25 June 2014.**

- Programme Director;
- The Executive Management of Toyota and Staff;
- Provincial leadership of the Taxi Industry;
- Members of the Taxi Industry;
- Senior officials of the KZN Department of Transport;
- Members of the Media;
- Distinguished Guests;
- Ladies and Gentlemen.

I am very pleased to join you this morning as we witness the sealing of this economy-critical partnership between the provincial taxi industry and Toyota.

Remarkably, the launch of this partnership comes hard on the heels of the February 2014 announcement of more than R1 billion investment by Toyota into the Prospecton manufacturing hub in Durban. Aimed at upgrading the production line for the new generation Toyota Corolla, the investment responded directly to our call for nurturing our manufacturing capacity to create much needed jobs.

It marked the continuation of an earlier injection of R8 billion by the Japanese automotive giant into the expansion of a paint plant at the same Prospecton in 2008.

This launch today is similarly important for the development and growth of this country's transportation industry. Critically, it will go a long way in assisting the evolution of taxi industry operators into sustainable businesses that claim a sizeable stake across the entire transportation industry value chain.

As such, this is a development that I personally, and on behalf of the provincial government, wish to strongly applaud for many reasons. Among others – this deal has forged the following:

- The meeting of minds and interests between the province's South African National Taxi Council (SANTACO) and Taxi Alliance (KZNTA), jointly inspired by the bigger picture of successfully finalising the acquisition of a 10 percent stake in Halfway Toyota dealership here in Howick;
- The cementing of our strongly held view that taxi operators are an important business sector that deserves to participate across the transport industry and beyond;
- Given Toyota's long history as supplier of taxi and mini bus vehicles to the public transport industry, it only makes perfect business sense for it to have taxi operators as stakeholders in its franchises; and

- The success of this deal will inspire many across the country to follow in the footsteps of what has happened here in KwaZulu-Natal.

This partnership is therefore a very welcome development that signals a promising future. It is neatly aligned to our government's call for socio-economic transformation.

I have no doubt that it is also a milestone and model that many in the taxi industry will be spurred to explore. But also, we see this partnership as demonstrating the very many possibilities that wait to be unlocked when different sectors work together. For us, it clearly shows that with a properly regulated, formalised, peaceful and stable taxi industry, a lot of progress and growth can be achieved. When the industry operates as a solid unit, it has a stronger voice to help take this country forward.

Well beyond the 20 Years of our Freedom and Democracy, the focus is now squarely on the Second Phase of our Transition into a National Democratic Society. This is a society that seeks and provides practical answers to the national question of socio-economic transformation – which remains to be attained. It is also a society where participation of the majority Black people, mainly the working class and the rural poor, in the mainstream economy, is a prerequisite for sustainable development and growth. It is indeed a society where our people – women, youth and those with disabilities – are not confronted by crippling unemployment, abject poverty and inequality.

That is why, from our perspective as the provincial Department of Transport, we hold the firm view that taxi operators should also grow to become major bus operators.

For this reason, we will continue to drive the economic empowerment programme, which is already operational in Ugu District, to ensure that taxi operators have a stake in the subsidised bus services. This programme has already benefited Ugu Transport Services Pty (Ltd), a company of small bus operators and taxi operators in Port Shepstone. Through our government's subsidised public transport services, for example, we are transporting in excess of 8.5 million members of the public in this province. Yet through our learner transport services, more than 22 000 needy learners travel freely to schools.

We have to work together – as government, the business sector especially represented by large conglomerates such as Toyota, emerging or small-to-medium businesses including the taxi operators – and form joint ventures and co-operatives to ensure that we grow the transport industry. Our collective success will be seen when citizens are the first to tell us without equivocation that our transportation system responds to their needs.

This will be the time when citizens are no longer subjected to the now isolated incidences of conflict over routes such as the one reported last Monday in Ntuzuma/ Piesang, which left two people dead. But also it will be when commuters have no other reason to fear for their lives because travelling will be assured by the undoubted quality and roadworthiness of taxis, minibuses and buses they use.

Ladies and gentlemen, allow me to take this opportunity to commend the move by the two taxi bodies, SANTACO and KZNTA, to put aside their differences and pen a deal that secures their economic future. Remember, our children are the future of this country, and they are concerned about the opportunities we create today for them to be appropriately educated, trained and skilled to realise lasting economic benefits.

As the KwaZulu-Natal Department of Transport, we remain committed to playing our mandated role of providing a safe, integrated, reliable, efficient and affordable transport system.

Finally, I wish to thank Toyota for its continued belief and confidence in the future of our province and country at large. It is when you continuously invest in our communities that your business will also thrive. May your good example be replicated by all your competitors in our country! The success of this business partnership relies heavily on the full co-operation of all parties involved. And failure is not an option.

I thank you.