

Nzimande announces interventions to transform minibus taxi industry

Government has decided to revise the Taxi Recapitalisation Programme in an effort to meet the current as well as future needs of commuters and to stimulate the economic potential of the industry.



Image source: Gallo/Getty

The Department of Transport has also appointed a new taxi-scraping agency that will facilitate the Taxi Recapitalisation Programme on behalf of the department.

This was announced by the Minister of Transport Blade Nzimande at a media briefing in Tshwane on Friday.

"The Department of Transport has appointed Anthus Services 84 (Pty) Ltd (Anthus) as the technical partner responsible for the administration and management of the Revised Taxi Recapitalisation Programme (RTRP) in March 2019," the Minister said.

Since the expiry of the taxi scrapping contract with the previous service provider at the end of September 2018, the department has been busy procuring the services of a new service provider to assist the department in the implementation of the Revised Taxi Recapitalisation Programme.

While the scrapping of taxi vehicles has been suspended since October 2018 pending the appointment of a new service provider, the RTRP resumed in March 2019 with the appointment of Anthus Services 84.

The Taxi Recapitalisation Programme was an intervention by government to bring about safe and effective taxi operations by introducing new taxi vehicles and scrapping old taxi vehicles, as well as helping operators to benefit constructively through empowerment.

On Friday, the Minister said government had decided to increase the taxi scrapping allowance from R91,1 to R124,000 per scrapped old taxi.

"To fulfil the transformation and sustainability requirements of the Revised Taxi Recapitalisation Programn 60% of the commercial benefits generated by the Taxi Recapitalisation SA operations will flow to the taxi industry. The Taxi Recapitalisation SA has already fulfilled its mandate to establish sites in all nine provinces," the Minister said.

The sites are already opened to receive applications for scrapping.

Government is extending the scope of the Taxi Recapitalisation Programme beyond the scrapping of the balance.

Interventions to transform the minibus taxi industry

The Minister said the department wants to develop sustainable, commercially viable Revised Taxi Recapitalisation Programme management solutions that will leverage and exploit opportunities available in the minibus taxi industry's entire value chain with taxi operators as active and meaningful participants.

Commercial enterprises include the affordable supply of new taxi vehicles, finance, short-term insurance, spare parts, repairs, fuel, lubricants, electronic fare collection and property management.

"Apart from reducing the taxi industry's dependence on government over time, revenue generated from th commercial streams would be deployed to promote the sustainability of the minibus taxi industry to fund th continued recapitalisation of aging new taxi vehicles (NTVs) beyond the current TRP programme," he said

In addition, a process will be established to determine the extent of illegal taxi operations across the count by conducting a nationwide survey to populate a comprehensive database of minibus taxi industry operato and operations.

"The accurate statistics for the taxi industry will enable the Department of Transport to undertake proper planning and embark on appropriate interventions," Nzimande said.

The department also intends to use the Revised Taxi Recapitalisation Programme as a catalyst for change to the industry's operating model.

"The industry currently works on an individual taxi ownership model and collaborative route management structure through local taxi associations, regional, provincial and national taxi councils.

"By and large, the individual ownership model and taxi association route management model are at the he of the endemic conflict and violence which have bedeviled the taxi industry for decades," he said.

According to the Minister, the Taxi Recapitalization SA has already commenced with the process to scrap the illegally converted Toyota Panel Vans as per the remedial actions of the Public Protector in the report titled Illegal Conversions of Toyota Quantum Panel Vans into Minibus Taxis issued on 27 March 2019.

