**National Assembly**

**Question 1456**

**Mr G R Krumbock (DA) to ask the Minister of Transport:**

(1) Whether the Government is subsidising the taxi industry in terms of the exorbitant increase in the petrol price; if not, what is the position in this regard; if so, by what total amount each month;

(2) whether the subsidy is adjusted every month to accommodate the increase in the petrol price; if not, what is the position in this regard; if so, what is the actual formula used? NW1774E

**REPLY**

1. Subsidised public transport services are currently provided on a contract basis where government contracts with operators to provide scheduled services in a particular route in terms of the relevant integrated transport plan and in alignment with applicable legislation. These contracts are designed in terms of demand to enable effective utilisation of funds. As a result, the Department is not subsiding the taxi industry due to their operating model. The Department is developing a Public Transport Subsidy Policy that will guide the distribution of subsidies in line with demand, where the right mode would be utilised for the right volumes.
2. There are no monthly adjustments done as there is no subsidy provided for the taxi industry as indicated in 1 above.