**National of Assembly**

**Question No: 2070**

**2070. Ms R N Komane (EFF) to ask the Minister of Transport:**

Whether his department has distributed the Covid-19 relief grant to the taxi industry; if not, by what date will the specified measure be implemented; if so, (a) what (i) total number of taxi owners have benefited from the specified grant to date and (ii) criteria were used to identify the qualifying taxi owners and (b) who have been the recipients?NW2629E

**REPLY**

1. The Department secured a once-off relief fund to the tune of R1,135 million, as part of government’s response package. The funds werebased on a principle of *ex gratia* payment and were not intended to compensate for loss of income. The following conditions were put in place for operators to qualify for the relief:
   1. The taxi operation must be formally registered as a business entity,
   2. The business must be registered for Income Tax and other applicable taxes related to running a business in South Africa
   3. The registration process should also include registration of employees with the Unemployment Insurance Fund, Compensation Commission etc.
   4. They must be in possession of a valid Operating License or receipt as proof of application for an operating license.

The qualifying criteria was developed as an opportunity to formalise the taxi industry. The benefits of using the relief process as a springboard towards formalisation is that, once the industry is formalised, it would be equipped for future participation in, amongst others, subsidisation. In this regard, the Department solicited the services of the South African Revenue Service as the vendor and Implementation Agency to administer the disbursement of the relief funds primarily due to their experience and capacity in dealing with such systems but also to authenticate the registration of these operators as business entities. Regardless of extensive consultationsbetween the Department and the taxi industry, the industry objected the conditions put in place as qualifying criteria arguing that the conditions were too stringent. The relief process has since stalled and the funds have not been distributed to date.

1. Therefore:
2. I) No taxi owner has benefited from the scheme to date

ii) Qualifying criteria are as per 1.1 to 1.4 above

1. Funds have not been disbursed todate