**Speech on Vote 40: Transport
By Steven Swart MP, ACDP Whip**

ACDP raises concern about distribution of R1.135 billion to be given to taxi industry

· Says Minister Fikile Mbalula erred in allowing 100% load capacity for local taxi trips

“Chairperson,

The ACDP has noted the downward adjustment for this budget vote by R4.6 billion or 7.5%, as a result of Covid-19. The most significant decrease is to the Road Transport Programme, which goes down by R2.6 billion. In addition, the allocations to the Rail Transport programme and Public Transport both decrease by R1 billion each. The R1.8 billion reduction for the PRMG is regrettable given the poor condition of roads in many areas.

Transport is indeed the backbone of the economy.

While the lockdown has undoubtedly contributed to less injuries and fatalities on the roads, particularly during the initial hard lock down phase, these figures have been increasing as the lockdown restrictions have been eased. The deplorable state of the RAF speaks for itself. It is disgraceful that many claims remain – some even after ten years.

The looting and state capture at PRASA has resulted in this SOE being in a shocking state even before Covid-19. The ACDP shares the frustrations expressed by the Chairman of the Zondo Commission, Deputy Chief Justice Raymond Zondo, in asking why no one has been held criminally responsible for the looting that took place at PRASA, and why ill-gotten gains have not been recovered.

The issue of contention obviously relates to whether taxis should be permitted to travel with 100% occupancy on local routes. The ACDP fully appreciates the concerns that this decision can lead to a rapid spread of Covid-19 amongst commuters. This particularly where Covid-19 has been reaching its peak in densely populated metros and where health facilities are under enormous strain. The Medical Advisory Council had recommended 40% capacity, which was not accepted. Originally, the Covid-19 lockdown regulations prescribed a 50% capacity.

The decision also graphically illustrates the dilemma facing so many business sectors. How to protect lives and livelihoods during this time of Covid-19. Minister you said, “We have no doubt that public transport could pose a real threat to the efforts towards containment of the rapid spread of the pandemic.” This is absolutely true given that the industry transports 15.6 million passengers a day, and accounts for 68% of the public transport system.

The ACDP has supported the lifting of the lockdown restrictions, understanding that people need to earn their regular income to provide for basic needs, such as food and shelter. It is estimated that about 3 million South Africans have already lost their jobs during the lockdown – while an additional 1,5 million workers have lost their incomes. The situation is dire. This has to be balanced against public health needs – lives and livelihoods.

It does seem, however, that the taxi industry forced government’s hand to allow it to operate at full capacity, after threatening to shut-down operations and demanding for compensation that could not be met due to fiscal constraints.

The taxi industry is not subsidised and as a result it is under severe pressure because of bank loans financing the taxis. This is possibly an avenue that should have been further explored, where banks may have been open to grant relief to taxi-owners – as they are doing for various business and individual clients. This is the dilemma facing so many businesses today and the question must be posed as to why this sector appears to have been given favourable treatment. The ACDP encourages government to continue discussions with the Banking Association of South Africa to see whether the debt burdens facing taxi owners can be alleviated. We also note that an R1.135bn “ex gratia” payment will be given to the sector. The question is how will this be distributed to ensure fairness, and to ensure that not only politically affiliated persons of businesses obtain the funds?

The challenge will be whether the industry adheres to the Covid-19 safety protocols, and whether indeed the department will take action against them.

At the end of the day, Minister, the ACDP appreciates that you are between a rock and a hard place – “damned if you do, damned if you don’t.”

We believe, however, that in this case, you have erred in allowing 100% capacity for local trips, given the almost certainty that this will spread the coronavirus amongst those who have no choice but to use public transport.

I thank you.”