

21 June 2018

## (a) Operating Licenses

- Refer to the annexure 1 of the public permit of the meter taxi and the back it says “within a radius of fifty (50) kilometers from your starting point”.
- This is causing conflict when we are moving out of fifty (50) km radius with a client, because the traffic police fines or impound our vehicles.
- This fifty (50) km radius rule only applies in our KZN Province, this need’s to be taken out on our public permits.
- We feel we have the right to pick up our clients to anywhere within the boundaries of South Africa, not limited to fifty(50) km radius, because it’s become the abuse of the clients, when s/he is told to jump out of the meter taxi that he has hired to go e.g. Newcastle, but only to find that in Mooi River the police will impound the vehicle even if the public permit is there, but just because of this fifty(50) km radius rule

### Ranks

- We as meter taxi work hand in hand with the local municipality to identify busy areas, that needs meter taxi ranks, then submit proposals to them, then they will notify town planning department, thereafter ranks are published in the municipality notices any member to apply
- Since 2010 June, ETA announced that the issuing of new permits closed, from that time we started to make negotiations for them to do upliftment, because of the high demand of people who needed permits, but worse part is that some people are sitting with lots of public permits that are not in use/operation (more than 100 Operating Permits are not in use)
- Up until now we are requesting the moratorium upliftment from our ETA.

- There was no engagement between our ETA, associations and individual operators on placing moratoria on new operating license, not unless if it was done through one company.

### **Associations**

- The requirement to become a member are as follows:
  - (a) All members of the association requested to have a registered motor vehicle and operating license permit, meter taxi reading, vehicle visible branding and taxi roof sign.
  - (b) Any person can be a member of the association.

### **(c) Price settings**

- Our meter taxi fare are determined by our ETA, and then we set our meter readings take them to the municipal official to double check by riding a kilometer on the vehicle while vehicle meter is running once confirmed that the km is according to the set rate, then they seal the meter, to prevent tempering with it.
- That is why if a meter taxi is caught with a meter on a working vehicle which is not sealed they issue a fine.
- On our meter taxi industry we don't compete with mini buses, buses or trains, but lately we unfair competition with uber/ taxify illegal operators which seems not to be controlled by any South African law.

## **(d) Competition Dynamics**

- Legal meter taxi are bound by the by laws and price structure set out by government , whiles app based companies operate around 40% cheaper than meter taxi and can change prices freely.
- Our government seems to have a lack of control in terms of letting illegal operators like uber / taxify to just work and steal our business hence we suffer paying for all the cost that makes us operate legal, that is why clients feel that Legal Meter Taxis are expensive.

## **(e) Transformation**

- The factors that hinder growth in the industry is the unfair competition between app based companies and meter taxi regarding prices.
- The financial assistance from our Government, is also needed for those disadvantaged old meter taxi operators to be uplifted.
- Our association is doing everything in it's power to uplift individuals who were previously disadvantaged within the industry. We anticipate doing this by receiving funds and subsidies from government.

Thanking you

Mr TKNgcobo

Secretary

Mr SS. Mvubu

Chairperson