

Presentation on Public passenger transport to the competitions commission

Constitutional Hill

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Introduction

We kindly appreciate the opportunity and time given to come before the competition commission to make a presentation as per the heading supra. We further wish to emphasize this comes at a time when workers find themselves entangled within conflicts by respective operators and failure by departments entrusted to ensure the smooth running of the public passenger transport as it affects daily lives of workers and the economy as some have been victims of this conflicts whilst others have been victims of late coming thus unemployed today.

The reliability and the disregard for the law by both operators and law enforcements cannot be over emphasized and further to mention that worse scenario is that many have since been buried due to this matter not handled properly.

It against this backdrop that we wish to participate in this and ensure that we safeguard the interest of the working class as the recipient of this daily service to enhance their family lives as bread winner and further to participate actively in the economy. We are of the view that as we engage in this process we will have an everlasting solution to challenges faced by the sector and that it shall be history that lives are lost due to conflicts that could have been avoided.

In view of the above we therefore wish to address the core matters that brings to this sitting today with the following as issues or areas of interest to us and as identified by the commission.

1. Transport Planning
2. Access to infrastructure
3. Route allocation and licensing
4. Price setting and Price regulation
5. Subsidies
6. Transformation

1. Transport Planning

Though we appreciate the legislation regarding this matter and responsibilities assigned in this regard it remains one grey area in which there is no synergy between departments concerned as planning is linked to the issues of licensing and routes allocations. This as a competency of the

local government sphere overlaps as the next step of licensing as a competency of the provincial government is not delegated to the planner which results in unnecessary bureaucracy and delays leading to lawlessness and anarchy at most [people losing their lives and creating further conflicts between alleged rival operator's organization and those who also wish to enter the public passenger transport industry. The manner in which these issues are handled by officials who have no regard in relating such developments and discuss with relevant stakeholders has more often than not resulted in conflicts as on the basis on need identified operators have increased or rather taken initiatives to venture in those areas without due process of application as at the time they already see a need existing and without proper documentation in terms of licensing and route allocation.

The notion of transport planning without the engagement with those in the public passenger transport has led to highly undesirable results such as passive and active corruption in which money is exchanged between operators, drivers and law enforcement and worse even officials within the department of transport as operators continue to transgress the traffic laws of this wonderful land.

This has also resulted in infrastructure not available for public passenger services worse not even taken care goof care and some being white elephants as they are erected aloof from the main routes of the public as they are costly to access as such can't be used by the public. Due to the cost involved to access as erected mostly on the periphery.

2. Licensing, route allocation and entry regulations

- This remains one fundamental flaw public passenger transport regulation give that in reference to taxis has taken its toll on the industry operators who have raised duel challenges with provincial government at zone no coordinated engagement with municipalities as planners hence most taxi ranks are self-created by operators outside the planning of the municipalities concerned and at worse eruption of conflicts. ...
- The continued unclear and backlog as a result of the misalignment and lack of proper coordination on licensing and regulation of the different modes of public transport has adverse implications on both operators and passengers.
- This reflection in the continued fights and killings prevalent in the taxi industry and government arrogance to address challenges faced by the industry in the interest of the public using this transport.
- Passenger rail has enormous challenges relating to overcrowded trains posing danger and safety issues to the public as these are daily activities suffered at the hands of criminals operating in the passenger rail service.

- It is no secret that most if not all of the 15 passenger seater Toyota Quantums are unlicensed however they are on our roads daily transporting commuters at risk as legislation disregarded whilst most are unroadworthy as they do not meet the requirements for licensing and the situation has become so dire that the public has no option but to be in those circumstances due to fear of being late to work and face the wrath of employers who will not take any unprofessional conduct of late coming as it affects production as they say.
- The issue of metered taxis, uber and taxify is another example of flouting regulations by officials within the department of transport as regulations applied excludes the manner of service offered by the two latter are different in terms therefore safety of commuter's not taken into consideration when such licenses are granted. This has led into loss of life as no form of engagement and integration let alone introduction of services by the department concerned to ensure that all stakeholders are broad on board to ensure safety of all concerned and most importantly those the service is meant for.

3. Entry barriers

Putting a stop or delaying the operating license only causes the minibus taxi operators to go through illegally transporting passengers without the license to do so. The long holders of operation licenses still continue to transport people only generating more frustrations to the new applicants who are yet to be answered and them taking the application into their own hands and going on the road without authorization leads to unwanted conflict.

Law enforcements agencies who are expected to enforce regulation find themselves at odds with operators and resulting in exchange of money illegally between the two thus comprising safety, the law and most importantly the loss of life through unroadworthy vehicles. Those waiting for approval to enter the public passenger transport business are either forced to wait or to join the lawlessness that continue to raise its ugly head within this sector of public passenger transport.

The other barrier becomes the exorbitant amounts requested by taxi association for membership as no regulation or guidelines are available to ensure equity within the industry. One such matter is the officials within the law enforcements agencies whose interest are also affected as they are part of the public passenger transport as their ownership of several fleet of taxis are also at risk for business as other members join thus resulting in conflicts in which the better way tom deal with such as we know is the fights leading to loss of life and only then will the department intervene.

Subsidies

The remain an issue that has been ignored for a long time to ensure safe and reliable public passenger transport for all and sundry and as such has resulted into negligence of this essential service which has the capacity to stop and undermine the efforts of government to ensure affordable service to communities and in this in stance the working class who are faced with the sky rocketing costs of public transport.

Over the years private business have been given licenses and subsidized by government something does is yet to be considered in terms of legislation and ensure government plays a significant role not only in terms of legislation but also support as these will ease the burden of costs to the public and the especially the working class who are users of these services on a daily basis.

4. Price setting and price regulation

This has been one area ignores and as such the public continue to be victims as mostly if none regulation exists especially on the taxi and related services which are of unfair nature to public passenger users. The manner in which such is done in the rural areas is also an issue that requires checks and balances as its expensive yet less people are employed and as such are exploited and earn less and expected to pay exorbitant fees as they commute from one plays to another.

The believe that December is a time for bonuses as most have to go long distance trips through intercity bus services is filled with inaccuracies and exploitation as many South Africans are earning less worse are not even receiving such bonuses. This is exposed through your front runner buss services such as Greyhound and Intercape bus services on their pricing in that period this fleecing money from unsuspecting public in the name of festive season.

It is rather absurd that operating costs are only experienced during peak seasons when at the same at such peak times prices would go as far as beyond double and this is mostly at the detriment of the public and especially the working class who have to travel long distances to visit their families after a year of work without affording to.

The manner in which such is done has no regard to the state of financial stability of individuals in light of the challenges faced by the working class especially on transport costs.

5. Transformation

Transformation of this sector remains an issue that has been overlooked over a long period of time and it has been left to all to fend for themselves hence the challenges set out above and those noted by the commission itself. The minibus taxis remain a totally African owned entity as associations try to navigate around those challenges in search for solutions to enhance their business and access to funding a challenge at exorbitant interest rates as opposed to those in the mainstream buses operating between cities who have enjoyed support of funding from the financial institutions.

The very financial institutions have put conditions beyond the reach of those willing to enter the fray and have a stake in the lucrative intercity bus services whilst also no support exists to ensure that such business ventures succeed.

It is for these reasons that subsidies are granted selectively only to those who have contracts with government and no support at all for those in the minibus taxi business.

6. Recommendations

The department of transport needs to relook the system of licensing and its efficiency to have a better turnaround time and further to ensure integration of processes especially between the provincial government and local government sphere as implementation of legislation is hindered by operating in silos and not interdependent whilst ensuring that all role players are on the same page and the same pace.

It is further essential that subsidy issues be also considered for the minibus taxi to ensure that this venture is supported to offer reliable and safe transport to the public whilst ensuring compliance with legislation and also to deal with the level of corruption and endangered public who are forced to use unroadworthy vehicles as there are not much available alternatives to them worse the escalating costs of a non-integrated public passenger transport service.

The stakeholder forums are essential in ensuring both education and understanding of all involved around issues of mutual interest to improve the public passenger transport service. This further requires the involvement of the passengers themselves in all this decision making processes as passengers are left with no option but to accept all that is rendered or available to them despite being the one who has to pay their hard earned money to unsatisfactory public passenger transport that is not reliable and which has no alternatives for them whilst they on strike and worse they become victims of conflicts yet they are not even party to the issues at hand.

7. Conclusion

We wish to appreciate the time accorded to us by the commission to briefly interface on this matter of national interest and as costs of public transport and reliability of the service itself in terms of safety worsen. We hope and trust that this will not be another long process before it comes to finality and ensure that relevant and crucial decision are taken to improve the system itself and ensure reliability, affordability and safety of the public

Thank you