

ORAL PRESENTATION: STATEMENT OF ISSUES

Limitation to issues as set aside by the Competition Commission:

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POINT 1: STATEMENT OF QUALIFICATIONS AND INDUSTRY EXPERIENCE – (VERY BRIEF)

POINT 2: A: NON-PRICE REGULATIONS

A1. Whether the taxi industry associations have a negative or positive impact on the taxi industry?

- The industry prior to the association model.
- Control and structure of the taxi groups prior to introduction of the associations.
- Route model vs Radius model as a basis for the association model
- Licence/ permit requirements in the association model
- Lack of enforcement, poor management and poor control by government
- Determining the measure of an associations compliance with the association constitution
- Determining the quantum of registered associations with SARS as part of compliance obligations.
- Route development process with examples
- Determining available data for association compliance
- Measure of non-compliance by transport authorities in terms of their mandate
- Recognition of mother bodies in terms of compliance and legal obligations of the PRE and Taxi registrar.
- Association membership and practices within the associations.
- Low barrier to entry and the criteria ignored by associations and authorities alike
- Condition of rank and stacking facilities
- Hierarchy of the association model and lack of education regarding this model
- Failed initiatives of government to implement/enforce authority
- Public safety, mayhem, injury, threats and deaths
- The lack of political will.
- Loss of opportunity, stagnation of communities and dehumanising of operators
- Human Rights and the Constitution vs the NLTA (2009)
- Taxi Election processes and current status.

B: PRICE SETTING MECHANISMS

B1. Provide input on the price setting efficiency and inefficiencies of price setting mechanisms in the minibus taxi industry.

- Where the minibus taxi service should fit into the public transport model
- Rail and Bus services in marginalised communities or lack thereof.
- Multiple transportation transactions for consumers everyday
- Cost impact to the commuter
- Legitimate operators and where they are needed.
- Off route operators, unregulated and no enforcement impacts legitimate operations
- Impact of rising operational costs, including financing and insurance.
- Direct impact from route invasion and lack of enforcement,
- The impact and influence of motherbodies and governments recognition of them.
- Impact of MyCiti and the cost to the disempowered taxi industry
- All transport operators are not equal, not a level playing field.
- Drivers benefit from price increase, not operators.
- Impact of operator targets on pricing.
- Formal pricing analysis does not take into account the human factor and actual cost to the average commuter in terms of household income and impact on communities. Factors taken into account are intangible to the analytical approach by conventional means.

C. ALLOCATION OF OPERATIONAL SUBSIDIES

C1. Are subsidies benefiting the majority of the poor given that the subsidised services have limited accessibility compare to minibus taxis which is the most preferred form of transport.

- Why the taxi industry understands their role in the public transport system.
- Minibus taxis and their role in servicing underserved areas, where rail and bus don't exist.
- How and why monopoly bus companies are subsidised
- Unsubsidised leaders in public transport, ie the minibus taxi industry sends a message to the poor and disadvantaged communities.
- Comparison between the services of the taxi industry with the train service and bus services.
- The impact of a subsidised taxi industry on marginalised communities.
- Benefits of direct ownership and management of bus companies – in reference, to the arguments made as far back as the Welgemoed commission (1982), which were dismissed.
- Drawing direct conclusions between the abilities of the taxi industry now and how much better that service and commuter experience can be with a funded and subsidised solution where communities and operators have a direct stake in the infrastructure and transport investment.

C2. Provide broad comments on the impact of subsidies on competition between different modes of transport.

- The results of recapitalisation projects for train stock and bus stock
- Maintenance, management and operational fluidity is possible because subsidies make operational control that much easier for rail and bus.
- Legislation works in favour of bus and rail and allows these entities to employ professionals, technology and create a growth path as part of their framework, courtesy of subsidies.
- Comparatively, the unsubsidised taxi industry always appears to be in disrepair and failing.
- Despite being unsubsidised, the taxi industry has the market and a functional operational plan.
- A review of the National Taxi Task Team's initiative and the taxi industry plan approved by cabinet on 06 August 1996 approved cabinet plan.
- The NTTT findings has not changed, ie Formalisation and regulation, education and skills development and lastly inclusive economic participation, by the most impoverished communities and poorest in the country.

END.