



# NTA

## NATIONAL TAXI ALLIANCE

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### MEMORANDUM OF GRIEVANCES

TO : THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA  
ATT : HIS EXCELLENCY PRESIDENT CYRIL MATAMELA RAMAPHOSA  
FROM : THE NATIONAL TAXI ALLIANCE  
DATE : 18 NOVEMBER 2020

We have been mandated by affiliates and general members of the National Taxi Alliance to submit the grievances indicated herein below for His Excellency to invoke his constitutional executive authority of holding state departments, in this case the National Department of Transport to account, which is the subject matter of this memorandum.

The National Taxi Alliance (NTA) is an independent national taxi body formed in 1998, duly mandated through its constitution to articulate the hopes and aspirations of its members promote and defend their interests and to represent its members in all spheres of government.

NTA exist and operates within the prescripts of the constitution of the Republic of South Africa and applicable legislation. We submit to the authority of the state and its organs and strictly subscribe to the democratic norms and standards by holding elections regularly in accordance with the dictates of our constitution.

#### 1. OUR GRIEVANCES

##### 1.1 Taxi Relief Fund

1.2 Following your announcement of the disaster fund aimed at assisting business to mitigate the impact of the Covid -19 pandemic, the Hon Minister of Transport, Minister Fikile Mbalula announced that government has allocated R1 350 billion rands relief fund to assist the taxi industry to mitigate the negative impact of the Covid -19 lockdown to the sector. We regret to inform His Excellency that to date, no single taxi operator or driver has received a cent from the allocated and announced fund.

1.3 Subsequent to the relief fund announcement, a number of meetings were held between the National Taxi Alliance and Minister Mbalula whereat the main agenda was the issue of the relief fund after both the Minister and the NTA acknowledged the severity of the Covid-19 negative impact caused by lockdowns and the urgent need to alleviate the devastation caused. We were in agreement that the payment of the relief fund needed to be expedited and that our two respective offices must work out the payment modalities. This undertaking failed due to the unavailability and unresponsiveness of the Director General of Transport.

1.4 The Minister “ambushed” us in one of the meetings by announcing the stringent preconditions taxi operators must meet in order to access the relief fund, which inter alia meant, that;

1.4.1 Taxi operators must first register their taxis as companies and transfer both their taxis and operating licenses to the so registered companies before accessing the fund. This demand negates the fact that most taxis on the road are financed by financial institutions in the names of the operators and not the proposed juristic persons, therefore transferring both the operating licenses and the taxis into a company violets both the National Land Transport Act 5 of 2009 and the National credit act.

1.4.2 Further to the above, Taxi operators must register and comply with corporate tax as opposed to the current personal tax clearance requirement prescribed by the current transport Act. This requires changes to the Act and a transition period that may take some time to effect the desired changes.

1.5 In terms of the announced stringent conditions, the Taxi industry must first comply with the Labor relations the Act and pay Skills Levy before we can access the taxi relief fund. We herein submit to His Excellency that the taxi industry is a sectorial determined industry through the Labor Relations Act and we have made a lot of efforts and remarkable progress in our quest to comply with the laws governing employment in the taxi industry. However the uniqueness of the taxi industry has somewhat slowed progress for reasons that we have to be sensitive to the agreements between employers and employees. In this regard we are not averse to the changes and compliance with the law. We are simply saying these changes if desirable need time and resources for effective communication and consultation. It is therefore unwise to lump together long term developmental plans with the much needed Covid -19 emergence relief funds.

1.6 We are grateful and indebted to His Excellency for the directive you issued directing lenders to afford their debtors three months payment holidays at the beginning of the lockdown period for the months of April, May and June 2020. At the expiry of the three months payments holiday period, the NTA successfully negotiated with all the four major banks and other taxi lenders a further three months staggered repayments of installments starting with 50% for July, 65% for August and 75% for September 2020. This arrangement assisted the taxi through the gradual return to normal economic activities. Sadly these great initiatives have ended and the economic situation has not recovered sufficiently for taxi operators to meet their obligations to the financial institutions and consequently financial institutions have been repossessing taxis in great numbers to the extent that if nothing is done urgently, we are at the greatest risk of plunging the taxi depended families into deeper levels of poverty.

## 2. NATIONAL TAXI ALLIANCE EXCLUSION FROM THE NATIONAL TAXI LEKGOTLA

2.1 Initially, the NTA supported Minister Mbalula’s endeavors to start a national discourse for the formalization, regulation, unification and professionalization of the taxi industry. A number of cordial meetings were held between Minister Mbalula and the National Taxi Alliance leadership discussing both the Taxi Relief fund and the National Taxi Lekgotla. At the time Minister Mbalula had accepted the reality that there are two national taxi bodies representing two

different constituencies in the taxi industry, namely, the NTA and Santaco and that neither of the two taxi bodies has legislated statutory powers.

2.2 We were surprised at the meetings held on 17 August 2020 and 10 September 2020 closer to the launch of the National Taxi Lekgotla discourse and the Lekgotla, when the Minister and the department announced that Santaco was refusing to share meetings with the NTA for whatever historical reasons and that the department and government are hamstrung by the developments and therefore circumstances dictate that they must invoke exclusive recognition of Santaco, citing the outcomes of the 2001 Durban conference which the NTA withdrew from for reasons similar to the way the National Taxi Lekgotla was organized.

2.3 Document released by Minister Mbalula outlining and guiding the Lekgotla process made it very clear to all and sundry that the main purpose of the Lekgotla is about entrenching Santaco as the apex leadership of the taxi industry, for historical reasons that have unjustly elevated Santaco to paragon of virtue status. One of the main objectives of the Lekgotla according to the document released by Minister Mbalula is to give Santaco statutory powers to regulate the taxi industry. Clearly unbeknown to the Minister he is influenced by the same protagonists who collapsed the 2001 unification of the taxi industry and are responsible for the current disharmony in the taxi industry.

2.4 NTA made it very clear to the Minister that in terms of the constitution of our country, freedom of association is guaranteed as an inviolable democratic right, and therefore the NTA as an independent body has a right to exist independently and be served by government. We further told the Minister that we support the unification of the taxi industry in a unity in diversity format to avoid having our members' investments and business sold to the highest bidder.

2.5 On 18 August 2020, Minister Mbalula invited the President of the National Taxi Alliance to the launch of the National Taxi Lekgotla discourse and attached the programme of the event, wherein all the invited organizations which included four Trade Union federations, four business councils and other organizations were all invited with speaking rights and appeared on the programme. Only the NTA was invited without speaking rights. The invitation was not only disparaging but humiliating to the NTA and its leaders. A meeting was convened on 19 August 2020 whereat the NTA tried to persuade the Minister to reconsider the decision to exclude the NTA to no avail. It was at that point that the NTA took a decision that until the Minister allow the NTA to participate in its own name, represented by its elected leadership and enjoy equal rights as all the other participants the NTA will not be participating at the provincial Makgotlas and the National Taxi Lekgotla.

2.6 The above is a clear indication that decisions of the taxi industry are taken elsewhere other than Struben Street, hence the flagrant violation of the constitution by the Minister and the department by denying the NTA members their rights to enjoy freedom of association and other liberties.

3. Our plea to His Excellency



3.1 We request His Excellency to urgently direct the Honorable Minister of Transport, Minister Fikile Mbalula and his department to;

3.1.1 Within fourteen days of this memorandum, confirm that the pledged relief fund amount of R1 350 billion rands is still available and ready to be distributed.

3.1.2 Confirm the immediate removal of the unilaterally imposed stringent requirements for taxi operators to qualify to access the relief funds.

3.1.3 Confirm how much each taxi operator will receive per taxi, taking into account the portion to be passed over to the driver.

3.1.4 Confirm that payment deposited directly into the bank accounts of recipients and not through national taxi bodies.

3.1.5 Confirm the exact date when payments will be made.

4. We further request His Excellency to direct Minister Mbalula and his department to:

4.1 Respect and work within the prescripts of the constitution of our country by fully recognizing the National Taxi Alliance as an independent lawful taxi body with full rights to represent its members and to be served by government.

4.2 Desist from insisting that the resolutions of the National Taxi Lekgotla are binding to the NTA, knowing very well that he systematically excluded the NTA from the Lekgotla to appease the perpetrators and agents of divisions in the taxi industry.

4.3 Call for an inclusive and nonpartisan taxi indaba able to chart a way forward on the pillars of the united, regulated, formalized and professionalized taxi industry.

4.4 Drawing from the lessons we have learnt in the past twenty six years of democracy in our country, we wish to state categorically that, while we support focused good lawful change in the taxi industry for the benefits of the best deserving commuters, we will use all lawful and legal instruments at our disposal to defend and promote the interests of taxi operators.

4.5 We request His Excellency to favor us with an urgent written response regarding the grievances contained herein to be addressed to the NTA Secretariat at the addressing appearing on the letterhead of this memorandum.

.....  
NTA President  
Duly Authorized on behalf of the National Taxi Alliance

.....  
NTA General Secretary  
Duly Authorized on behalf of the National Taxi Alliance

Received by .....  
(Name and Surname)

Position .....

Signature .....