To the ground on taxi fare review

By LISA GOH sunday@thestar.com.my

AISING taxi fares is a very touchy topic with the Malaysian public. And so, in view of a forthcoming move to review taxi fares, the Land Public Transport Commission (SPAD) has begun engaging the public via its Consumers and Taxi Industry Interaction Programme which was launched on Oct 18 by SPAD Chairman Tan Sri Syed Hamid Syed Jaafar Albar.

SPAD chief executive officer Mohd Nur Ismal Mohamed Kamal says this is a move "which has never been

done before".

'This unprecedented effort to interact and engage with the public shows that SPAD is committed in getting the stakeholders' involvement and participation in deriving future policies," he says.

Immediately after the launch of the Consumers and Taxi Industry Interaction Programme, three focus group discussions were held with various groups representing the public and the taxi industry from within and around the Klang Valley.

The first seven focus group discussions were concluded on Oct 21. Since the launch on Oct 18, similar focus group discussions have been held in Penang and Johor Bahru while briefing sessions have been conducted in Melaka and Ipoh.

The participants included representatives from consumer groups, the disabled community, the tourism and hospitality industry, academics and transport-related NGOs, student associations, as well as taxi operators and drivers. Some of the student groups represented during the discussion included those from Universiti Putra Malaysia, Universiti Teknologi MARA (UiTM) Shah Alam, Universiti Malaya, Universiti Teknologi Malaysia, Universiti Sains Malaysia, Olympia College, Raffles University Iskandar and Politeknik Sultan Ibrahim.

"The message from these discussions is clear: the taxi industry has much room for improvement. Those involved need to provide better services at par with their interna-tional counterparts," says Mohd Nur

UiTM student Mohammad Nor Fahmi Abd Rahim, who participated in the focus group, agrees, saying: There are many taxi problems today. Taxi drivers tend to overcharge, especially at the high-end areas, and also for areas where they don't want to go.

Taxi driver Yazid Mohamad Yusof acknowledges there are problems within the taxi industry.

'Some drivers monopolise areas, and there are drivers who are not disciplined. They need to follow the guidelines set by the taxi associations so that there is consistency among the drivers," says Yazid.

"Also, I believe that the coupon system is not suitable because it's a form of monopolising an area as well. This system doesn't allow other taxis (that don't use the coupon system) to service an area. I believe if all taxis use the meter system, that should be sufficient," he adds.

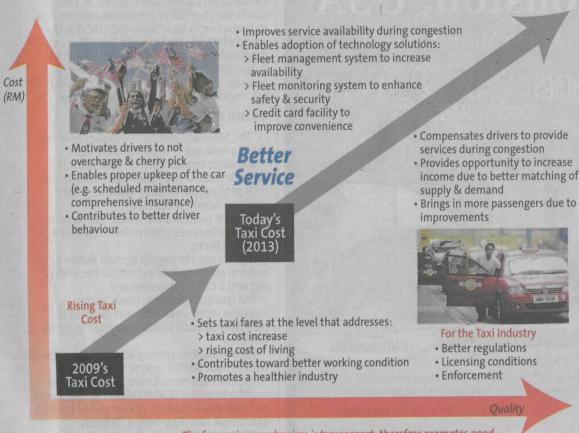
Mohd Nur Ismal believes the solution to the current taxi woes can be

solved via a two-pronged approach. The first is that the fares need to reflect the actual cost of operations rendered while providing a fair

The Land Public Transport Commission (SPAD) believes that engaging all stakeholders is the best way to gauge if it is now time to review taxi fares.



Touching base: SPAD chairman Tan Sri Syed Hamid Albar (front, middle), SPAD chief executive officer Mohd Nur Ismal Mohamed Kamal (2nd from left) with representatives of the various stakeholders at the launch of the Consumers and Taxi Industry Interaction Programme.



The fare review mechanism is transparent, therefore promotes good governance and, moving forward, provides a platform for industry growth.

return to the drivers and operators. The last taxi fare review was conducted in 2009," he highlights.

"Since then, taxi operating costs have increased, as has the cost of living. Thus a review of these actual costs is opportune and timely.

Based on the last review, budget taxis in Kuala Lumpur and Johor Baru have an initial charge of RM3, while taxis in Penang charge an initial amount of RM4. The taxis have a distance charge of 87sen/km, and a time charge (if the vehicle does not move) of 10sen/21 seconds.

Premier taxis have an initial charge of RM4, a distance charge of RM2/km, and a time charge of 20sen/45 seconds.

Executive taxis have an initial fee of RM6, a distance charge of RM2/ km, and a time charge of 20sen/21

Charges for airport taxis vary

depending on the zones.
Yazid says these fares are not fair and that a fare review is necessary.

'Prices have gone up for spare parts, fuel, tyres and other things. It's time for taxi fares to increase, but it should be a reasonable increase that does not frighten or burden the pas-

"But if the current taxi fares are not raised, it will be very hard on us taxi drivers," he says.

For fares to go up, though, Mohd Nur Ismal believes it should be balanced with taxi drivers practising "the right operating principles and the right behaviour

"For the drivers, this would include wanting to operate during peak hours and not having the excuse to cherry pick passengers, or not use the meter. The integration of taxis with the Centralized Taxi Service System (CTSS) is another inclusion into the fare structure that has to be analysed.

"These two criteria are vital when expecting better services and at the same time ensuring that Malaysia's taxi industry is healthy and sustainable," he says.

Malaysia In-bound Tourism Association (MITA) president Frankie Lee, who also participated in the SPAD focus group, agrees with Mohd Nur Ismal.

And he adds that training for taxi drivers is important. "Before giving them their PSV (Public Service Vehicle) licences, drivers should be trained about the do's and don'ts for a taxi driver," he explains.

'Currently, passengers have to ask the drivers whether they can take them to their destinations. This shouldn't happen. The passengers are paying them to take them there.

They're not getting the ride for free." On a possible fare review, Lee suggests that a thorough study be done to see if the current fares are suffi-

"Some taxi drivers report that they can survive but some can't. From my observation, there are some drivers who lounge around and wait for customers. These drivers probably can get more income if they don't wait around. In the end it comes down to their work ethics," he says.

If taxi fares are raised, he says, it will be Malaysians who are most affected.

"Currently, there are not many problems with the tourists as the currency exchange is quite good against the foreign currencies, so it is still quite cheap for them. They are willing to pay as long as taxi drivers use their meter. If the drivers give them good service, they might even give them tips.

"If taxi fares increase, the locals are the ones who will be impacted the most as they will feel the pinch,"

Which is why SPAD believes it is best to engage the public on the

"We believe that the public can appreciate the initiatives put forth in this engagement effort," Mohd Nur Ismal says.

'The outcome of SPAD's interaction and engagement with the public should not be overlooked, as it will pave the way for the long term viability and sustainability of the taxi industry to ensure professional, reliable, high-quality taxi services for all passengers.

SPAD will continue to engage the public and the taxi industry in the coming weeks with focus group discussions in Kuala Terengganu and briefing sessions in Alor Setar, Langkawi, Kuantan and Temerloh.

■ Members of the public can access more information on the taxi fare review at www. spad.gov.my/tfr2013 and can submit their feedback to SPAD online or via post. The public can also contact SPAD via Facebook and Twitter or at the Taxi Fare Review Hotline (1-800-22-7723).