

## RESEARCH ARTICLE

### MALAYSIA TAXI: A REVIEW ON CURRENT ACTION TAKEN BY AUTHORITIES TO IMPROVE TAXI SERVICES

\*<sup>1,2</sup>Amirul Fahmi Razali and <sup>1</sup>Dr. David Hands

<sup>1</sup>Lancaster Institute for the Contemporary Art, LICA, Lancaster University, United Kingdom

<sup>2</sup>Department of Industrial Design, Faculty of Innovation Design and Technology, Universiti Sultan Zainal Abidin, UniSZA, Malaysia

#### ARTICLE INFO

##### Article History:

Received 29<sup>th</sup> May, 2016  
Received in revised form  
10<sup>th</sup> June, 2016  
Accepted 04<sup>th</sup> July, 2016  
Published online 30<sup>th</sup> August, 2016

##### Key words:

Malaysia Taxi,  
Public Transportation,  
Government Transformation Plan,  
National Key Result Areas.

#### ABSTRACT

Individual mobility is one of the great significance to everyone. A decent level of mobility regularly requires the utilisation of various methods of transport, with every mode framing a connection in the vehicle chain. Taxi is a critical link in this chain, giving a door-to-door service day and night (Transport, 2001). One of the signs of any world-class city is the presence of a compelling public transport framework which providing an efficient transport into and out from the city (Lai, 2014). Introduction to the GTP (Government Transformation Plan) Annual Report, 2014 says that, one of Malaysia aspiration, with the improving Urban Public Transport (UPT) NKRA (National Key Result Areas) is to execute one such public transport system inside Greater Kuala Lumpur/Klang Valley to make the city comparable to other developed urban countries. While Malaysia has gained tremendous ground in improving their rail, buses and taxi services in the course of recent years reported in the GTP annual report in 2014, it is evident that more work should be undertaken. In addition to this, Dato' Seri Liow Tiong Lai highlighted that the data keeps on showing positive developments, which proposes that the developments are in good shape. For instance, ridership numbers for the peak period in the morning grew 4% in 2014 to 455,728 public transport riders contrasted with 437,525 in 2013. The increasing consumer satisfaction of public transport services to 86% from 71% is additional proof that the system is gradually, however without a doubt, moving forward (Lai, 2014). The paper reviews and discusses the steps took by the government as well as the authorities to nearly reach the success. In accordance to this, the paper also tends to review the outcome and the current situation based on several comments made in news articles and reports. It is important to discuss these two things as from there we can see the pro and cons behind the success of every policy and actions taken to look for further improvements.

Copyright©2016, Amirul Fahmi Razali and Dr. David Hands. This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

#### INTRODUCTION

The user impression towards the current public transport framework in Malaysia has been declining throughout the years (Hussain, 2015). The difficulties in changing the public transport structure into the way of encouraging people to switch are not constrained to merely expanding the infrastructure and capacity. A more coordinated and extensive method is required as it is also about enhancing the regulatory system, planning structure and level of services conveyed. The change of the public transportation landscape in Malaysia is consistent with standards guided by the transformation push and underlined in the National Physical Plan 2 which frame the basis for measures in national policy in public transportation matters (Azmi and Nor Fanim, 2012).

\*Corresponding author: Amirul Fahmi Razali,  
Lancaster Institute for the Contemporary Art, LICA, Lancaster University, United Kingdom.  
Department of Industrial Design, Faculty of Innovation Design and Technology, Universiti Sultan Zainal Abidin, UniSZA, Malaysia

In the transition term when SPAD took over the management of public transportation from LPKP (Lembaga Perlesenan Kenderaan Pengangkutan), between the years of 2010 - 2012, several drastic steps had been taken in developing the public transport network around Klang Valley and Greater Kuala Lumpur (Jalil, 2016). Those actions involving the infrastructure development for buses and trains, and services review for taxis. In addition to this, for the taxis in Greater Kuala Lumpur, great news for them due to the opening and new launching of 'Terminal Bersepadu Selatan' and Pudu Sentral have been renovated in order to help in reducing the traffic congestion in the city centre. Even though few achievements have been accomplished in this area, the journey is not reaching its end point. Reported in [teksimalaysia.com](http://teksimalaysia.com) and news, people still put in high hopes towards the authorities (Bernama, 2016). It seems as it may, the Ministry of Transportation Malaysia stated that they would try to achieve the target of reaching 25% ratio of public transportation mode. Even though the focus will be around the Greater Kuala

Lumpur as planned, they said that they will launch a new mechanism to ensure several initiatives will be implemented together at the other economic corridor territory such as Penang, Johor Bharu and other big cities (Ha, 2013).

### The Taxi Services: Comparison and Discussion

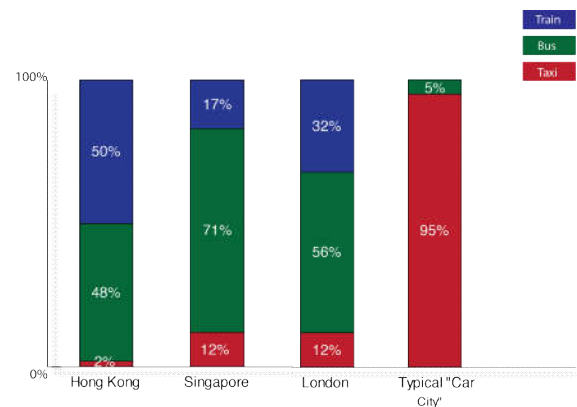
Discussing these issues related to public transportation, there are two types of cities where public transport operating can be segmented into, 'Car Cities', and 'Public Transport Cities' (Kenworthy, 2013). These two types of cities where the taxi served its service can easily be differentiate based on several factors. Malaysia is between the typical car cities and the major countries, which feature an excellent public transportation system such as the UK and the U.S. Up-to-date, Malaysia has significantly developed their public transit systems especially the train line, in achieving the Vision of 2020 (Government Transformation Programme, 2014).

### Typical Car Cities

In car cities, there's a small share of total motorised passengers trips made within the public transportation system, including the taxis. There are a number of reasons why public transport has a low modal share in car cities (Booz & Company, 2010). Firstly the engrained car culture making people excessively circumspect in using public transport. They are more comfortable by using their own vehicles, as it is easy to go anywhere without depending on a scheduled timetable of public transport (Clayton, 2010). ASLI Urban Public Transport also stated (2010), whereby a well-developed road network is one of the issues why people are saying no to public transport. Furthermore, the facilities in city areas are excellent, the parking is cheap and there are no prioritisation exists to use the public transport. The residential road network and facilities also played such a role in determining the usage of public transport. Fewer taxi stops and difficulties to reach an area such as traffic congestions may lead to a poor public transport usage and force initial car use. A 2010 study says that a good park and riding network will encourage people to switch their mode of transportation (Clayton, 2010).

### Split Between Busses and Taxis

Through photography work by J.H Crawford shows that the majority of 'car free' cities population centre relies almost primarily either on public transport, walking or cycling (Crawford, 2013). Few urban cities have one or more districts where personal vehicles are not allowed, referred to as a car-free zone. Numerous more established cities in Europe, and Asia have created hundreds of years before the advent of the car, and some keep on having car-free areas in the oldest parts of the city, particularly in zones where it is impossible for the car to fit (Wright, 2005). Public transportation policy decision makers and car commissioners know exceptionally well that the service systems have a conclusive bearing on whether their cities will extend or go into declining against a foundation of globalisation and rivalry between neighbouring cities. With this in mind, the development of public transportation systems come at a price, which they need to try and sets the limit while, at the same time, guaranteeing the ideal accessibility for peoples, businesses and organizations (Vivier & Mezghani, 2001).



**Figure 1. Split between bus and taxis based on the number of trips-per-day. Source: UITP Cities Database (2001); Booz & Company Analysis**

It is different between the car-free cities and car cities, from the perspective of public transportation such as taxis. In typical car cities (Figure 1), the public transport network chain split weighted very heavy in favour of taxis thus leading to higher demand on services. Several reasons may lead towards that: 1) There is lack of investment towards the bus services, the bus services operate as what the operator wanted them to no proper scheduled and leading to a low level of customer service. It is important to prioritize the customer needs to achieve the good service; 2) Some cities practice an easy taxi license granting system, for example, tuk-tuk in India, as it is an actual residential income generator, rather than to meet demand from the travelling public. This situation can often make the taxis oversupplied due to the large taxi fleet, and in addition to that, the taxi fares are too cheap relative to the bus; 3) In UITP Cities Database 2001 report said that, the public buses driver's had been thought that they are among the low-income workers and from that, they have no motivation to extend their services provided to a new market segment; 4) The fourth factor is the most common issue where the environmental factors such as high temperature or raining make waiting for the bus services unattractive. From all of these factors, we can see that in typical car-cities, there are strong possibilities of traffic congestion (Clayton, 2010).

### Taxis and Policy Making

It is important to discuss the perspective and how policy makers see the taxi service from their point of view. The regulation system of taxi services is critical to ensure the reliability of the service and fulfilling the user needs. However, a compilation reports [teksimalaysia.com] show that there are lots of customer complaints towards this services and Malaysia taxi services had severally marred as the poorest service around the globe (Bernama, 2016). Based on the survey made by Expat in 2005 towards 200 foreigners from 30 different countries worldwide, the majority of them gave a bad impression to the taxi service offered by Malaysia. In a 10-point scale questionnaire, Malaysia taxi scored on average of 4.58, which is indigent while Singapore, scored an average of 8.44 (Expat, 2008). The most continuous grievances by the respondents were the overcharging practice and refusal to take passengers who were not pleasing to a flat fee. Some of them

commented that the Malaysian taxi services is 'a national disgrace', 'source of national shame' and 'a threat to tourists'.

### Advantages of Taxi Services

Taxis act as a 'missing link' provider between the mass public transport and the end of destinations (Clayton, 2010). The residential area, which is stated far away from the public transportation stops or hub usually connected by taxis. For those who do not own a personal vehicle, this is a perfect choice of public transportation. This is parallel with the mean of taxi services which they provide a door-to-door service (Nabilahche, Ramly, Jamal, Nasir, & Mohamad, 2015), and with a single phone call, the taxi driver will arrive at your home within a reasonable time. Taxi also offers a much faster trip than the bus, because they did not have any stopping point, picking or drop off passenger alongside the intended journey (Clayton, 2010). Furthermore, it is so much a private-hire type of services where you are freely and comfortably bringing your items and any other luggage, rather than busses or trains, and there are limited designated areas to place the personal items. Taxi is also operating at any time, but it will affect the charges where the user needs to pay more after working hours (Nabilahche et al., 2015).

### Malaysian Policy Approach

Malaysian policy approach is quite significant towards the real means of taxi services. For example, the GTP (Government Transformation Program) mentioned cabs mostly from the perspective of the tourist, and by all means to support them, and somehow eliminating the primary purpose of taxis as one of the supporting element in public transportation chain in the city centre, together with the economical urban corridor. In GTP also, taxi mentioned as a source of complaints, and it needed to be regulated (Clayton, 2010). Clayton, comments in his report "Smart and Sustainable Transport: Taxi and Limousine Sector" (2010), continues to discuss the approach towards Malaysian taxi services arguing that there are fewer discussions regarding the taxi policy based on the circulars or any regulations. The policy made was top-down-based where it did not involve any feedback from the wider general public. The authorities did take the user's feedback based on certain cases, but when the prevention act was written on circulars and distributed, there is less medium for discussion where the user can point out their arguments.

The other issue was taxi licensing. The service licensing is traditionally used as a way to promote certain business sectors such as tourism. Licensing or regulatory for the services should investigate the current mean of taxis and what they should offer. What happened today, the most important criteria, which are the focus on safety, and 'service for passenger' is not quite achievable. The other things are lacking in the Malaysian taxi service, as a whole is that, the car commissioner and the authorities together making less effort on creating a world-class taxi service. To conclude based on the general views here, taxis played a significant role in supporting the public transport mix, but the service receive quite a little policy thinking in Malaysia, so we can say that, many policymakers failed to see the taxis as part of public transport.

### A Current Process to Enhance the Malaysian Taxi Service

As been discussed before, taxis are one of the important features in the public transportation system, and it serves the societies in various ways. Classification of the journey it served included the first mile, mid-mile and last-mile, and concluded as a door-to-door service. In certain cases, the service has demonstrated various deficiencies, from the insufficiencies of the current business model to insufficient oversight of taxi operators. There are double actions taken by the authorities to overcome these issues under the UPT NKRA, by introducing the new taxi business model and implementing the CTSS, Centralized Taxi Service System (Spad, 2015).

### New Business Model for Taxis

The new business model under the UTP NKRA plan updated in the GTP Annual report [2014] seems like an improvement towards raising the taxi services to a new level of performance. The primary aim of the plan was to reduce the operating costs and increase the taxi driver's income by introducing the new standard and business model for the taxi operators. The goal is to ensure a more viable and efficient service that will maintain stipulated norms while expanding performance levels. Alongside with this plan was the launch of TEKSIM, which was first, introduced by the Prime Minister Datuk Seri Najib Razak in 2013 under a 'Program Pelancaran Perdana'. 1000 individual licensed was issued for TEKSIM after the launch in addition of 6'960 available taxis in Kuala Lumpur and Klang Valley. TEKSIM is currently using the Proton Exora and the main characteristic of the problem targeting to be overcome is through building an entire framework of the services holistically, including the revised fares, regulatory structure and cost reducing. This initial execution plan was to overcome the previous poor image of the taxi service was the benchmarking measure with ASEAN best-in-class standards to match the number of taxis supplied. Performance qualities of the taxis are benchmarked against those of Singapore, Jakarta and Bangkok in the term of consumer loyalty, authorization, driver training, vehicle guidelines, and regulation of fares.

The Proton Exora under the TEKSIM program was not the purpose build vehicle for taxis as it was a minor conversion made from the normal Exora. Even though the car is larger and comfortable says one of the interviewees in the annual report of GTP, the public was concerned that it might cost them more as it looks like a premium service car. Furthermore, the colour authorised for these taxis were not the same as before, and it is difficult to recognise the taxis (Government Transformation Programme, 2014).

### Enhancing Oversight Through Centralized Taxi Service System

Comparable to the C&C Center for bus services, SPAD has established a Centralized Taxi Service System to screen the execution and area of taxi services. The CTSS, when it is online, will have the capacity to screen offences, for example, refusing to use meters, reckless driving and working a taxi without a valid permit. It will also function as a booking and dispatch centre to coordinate drivers within the network of services, leading towards increasing the achievement rate of

meeting passenger bookings. Since the authorization of enforcements towards taxi services taken by SPAD in 2010, they have made stronger obligations together with their involvement in the UPT NKRA development, the situations look well currently (Jalil, 2016). SPAD also have undertaken increased action against errant cabbies that keep on insisting on refusing to use meters or selecting passengers by their intended route (Star, 2016). Taxi drivers are not just providing a vital transport service for the commuters around cities; they also play a significant role as cultural ambassadors that represent the country to visitors and tourists alike. Meter On is one of the steps taken by SPAD and after that, great future for a convenience taxi services look promising. The applications were able to authorise the drivers, confirmation of possible routes, estimate and assessment on fares, driver's evaluation, SOS warnings and feedbacks report (BERNAMA, 2015).

## Conclusion

While several issues identified were at that point mooted in 2014, the aftereffects of those activities have not demonstrated sufficiently considerable for long-term implementation (Rashid, 2015). All stakeholders are in the discourse moment to address a structural and remuneration issues facing the services and design and are aiming to arrive at a solution in the new future, which may incorporate a motivating force plan. The desire of Malaysians to encourage the switch to public transport looks promising if customer satisfaction is improved, and the authorities are viable to do so. Datuk Ruhaizah Rashid, the Deputy Secretary General (In policy) for the MoT (Ministry of Transport) suggests that, despite the fact that the UPT NKRA has not hit its objectives as far as the outright numbers, the way that there has been a developing pattern towards the ridership is still a good sign that the activities are moving in the right direction. The primary challenge, she says, is restoring public confidence in the quality and reliability of the public transport system.

## REFERENCES

Azmi, A. A. and Nor Fanim, M. A. 2012. Transforming the Land Public Transport System in Malaysia. *Journeys*, 1(May), 30–35.

Bernama, 2016. Kerajaan Bakal Kehilangan Sokongan Dari Warga Teksi. *Sinar Harian*, pp. 1–10. Retrieved from <http://www.sinarharian.com.my/mobile/karya/pendapat/ini-sebab-warga-teksi-marah-kerajaan-1.446705>

Bernama. 2015. Aplikasi “Meteron” Bakal Tangani Masalah Pemandu Teksi Tidak Guna Meter. *Berita Selatan, Regional News*, p. 2. Retrieved from [http://www.bernama.com/bernama/state\\_news/bm/news.php?cat=sl&id=112240](http://www.bernama.com/bernama/state_news/bm/news.php?cat=sl&id=112240)

Clayton, E. 2010. *Smart and Sustainable Transport : Taxi and Limousine Sector. ASLI Urban Public Transport 2010*.

Crawford, J. H. 2013. A Vision of Carfree Cities For the 21st Century.

Expat, T. 2008. Malaysia Taxi Service Among the Worst. Retrieved from <http://skorcareer.com.my/blog/malaysia-taxi-service-among-the-worst/2008/07/01/>

Government Transformation Programme. (2014). Improving Urban Public Transport, National Key Results Areas. *GTP Annual Report 2014*, 50–73. Retrieved from [http://www.pemandu.gov.my/gtp/annualreport2014/Download\\_Centre-@-Download\\_Center.aspx](http://www.pemandu.gov.my/gtp/annualreport2014/Download_Centre-@-Download_Center.aspx)

Ha, K. C. 2013. *Mempertingkatkan Pengangkutan Awam Bandar*.

Hussain, K. M. 2015. Ini sebab warga teksi marah kerajaan... *Sinar Online*, pp. 1–5.

Jalil, Z. 2016. Spad “memandu” sistem pengangkutan awam. *Utusan Online*, p. 3. Retrieved from <http://m.utusan.com.my/rencana/spad-memandu-sistem-pengangkutan-awam-1.56497>

Kenworthy, J. 2013. Mobility in Large Cities: Transport Typologies and Their Meanings Growth of Megacities from 1950 to 2015 Outline of Talk. In *International Symposium “Mobility Urban Structure”* (p. 36). El Gouna, Egypt.

Lai, D. S. L. T. 2014. *Improving Public. GTP Annual Report 2014* (Vol. 2).

Nabilahche, F., Ramly, K., Jamal, S., Nasir, A. and Mohamad, S. 2015. Improving the Taxi Drivers ’ Attitudes In Discharging Better Services to the Passengers in Klang Valley , Malaysia Farah NabilahChe Syazwani Abdullah @ Khairunnisa Ramly Syed Jamal Abdul Nasir Management. *International Journal of Scientific Research*, 4(8).

Rashid, D. R. M. 2015. gaining public confidence key to upt nkra success.

Spad, V. F. 2015. *increasing ridership challenging until big projects come online*.

Star, T. 2016. Tak Guna Meter , Caj Berlebihan Aduan Tertinggi Penumpang Teksi. *Star Media Group Berhad*, pp. 1–6.

Transport, E. C. of M. of. 2001. Conference of Transport Economic Aspects of Accessibility Economic Aspects of. In *International Road Transport Union* (p. 76).

Vivier, J. and Mezghani, M. 2001. The Millenium Cities Database-A Tool for Sustainable Mobility. *Proceedings of the 2001 ECEEE Summer Study*, 1, 474–479.

Wright, L. 2005. *Car-Free Development*. (D. G. Für, Ed.) (3rd ed.). Chiba City, Japan: Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ).

\*\*\*\*\*