TOWARDS AN ENTERPRISING TAXI INDUSTRY – A PRELIMINARY STUDY

Rosena Bt. Mohd. Ali¹, Prof. Madya Sabariah Bt. Mohamad²

¹ Faculty Business Management, UiTM, Shah Alam. rosenamohdali@yahoo.com
² Institut Pengangkutan Malaysia (MITRANS), UiTM sabariah@salam.uitm.edu.my

ABSTRACT

Taxi service is increasingly recognized as vital to the cities’ quality of life and their attractiveness to business and leisure visitors. At airports, hotels, convention centers, offices, tourist attractions, grocery stores, hospitals, doctors’ clinics and homes, the public wants quick, reliable, safe and courteous taxi service. Unfortunately, customer expectations are sometimes disappointed. Complaints about taxi services by the public and grumbles of taxi operators has reached an alarming stage and challenged its institutional and operational procedures. The public demands that the government issued more permits in order to provide better service. But recently according to Suara Kontemporari KOSMO dated 4/10/2004, the number of taxis in Kuala Lumpur have reached 10,456 taxis resulting in an excess of about 3,969 taxis or about 61.2%.

The taxi service industry have been rather isolated and not in line with the current development of the cities. Road congestion, high cost of operation, insufficient passengers have resulted in reduced profits and have made the taxi operation to be unprofitable. In order to improve the taxi industry to a more satisfactory level and complies with the customer requirements, there need to be some immediate changes to be made by the Authority so that the taxi industry will be a viable, reliable and sustainable industry in Malaysia before the industry becomes critically ill. This is in view of the fact this is one of the sector which can guarantee the involvement of the Bumiputra in the transport business.

The aim then is to materialize a taxi industry which is competitive, progressive, innovative with the entrepreneurship characteristics which will give a positive impact, benefits and economic returns to the operators, users, society and the nation as a whole.

Keywords: taxi industry, competitive, reliable, viable, sustainable, flexible, characteristics of entrepreneurship.

1.0 INTRODUCTION

This research revealed the result of surveys and observation regarding the issues and problems that is related to the taxi industry in Malaysia. Taxi services can be classified as urban taxi, hired car and airport taxi. There are several suggestions made in order to improve the image of taxi industry, economic cost of operation, enforcement and structure of ownership included to reveal detailed findings of the research for the operators, users and country as a whole.

2.0 METHODOLOGY AND SCOPE OF WORK

Literature review also analyzes the development and operation of the taxi services in Singapore, Australia, London, Thailand and China. The above countries have a variation of operation and services which fulfill the users’ and operators’ needs and wants.
Surveys and interviews with the taxi users, taxi drivers and operators have been done at Jalan Tuanku Abdul Rahman, Shah Alam and Klang. This survey have also been conducted in KLIA on 20th-31st July 2004.

3.0 LITERATURE REVIEW

Literature review analyzes the development and operation of taxi industry in Singapore, Australia, London, Thailand and China. These countries portrayed excellent variation of operation as well as providing better services in order to satisfy their users and taxi operators themselves.

Comfort Taxi in Singapore provide very good taxi services with 24 hours services a day, 7 days a week from one destination to another with helpful, polite drivers, safe and reliable vehicle and drivers with a good courtesy and discipline to passengers.

Comfort Taxi also treats their drivers as an important asset in the organization who has potential and commitment in order to increase and improve driver’s knowledge and information in the economic world of globalization. Comfort also award the “Taxi Driver of the Month Award” and a Personal Group Accident Coverage for their drivers. This will assist them in the future if something unforeseen happen to them.

Applicants will have to undergo two types of tests before becoming a taxi driver. Only drivers with wide knowledge on the routes, experts in using road directory, possessed good communications skills especially in English and also drivers with positive attitude will be chosen. In order to introduce a professional image among them, free uniform will be distributed to the new taxi drivers.

Besides that, a monthly audit will be introduced to taxi service in the hope of detecting any weaknesses in the taxi operation. Surveys also have been carried out to identify the various aspects of taxi operation such as misuse of taxi signboard, touting, pick & choose behaviour, and drivers’ attitudes. Taxi also will be provided with new automatic signboard to avoid misuse. With this implementation, Comfort Taxi in Singapore have reduced the problems of pick and choose behaviour from 2.5% in 2001 to 1.8% in 2003. Furthermore, the Cashless Payment System has also been installed for customer’s convenience. In order to encourage taxi drivers to give an excellent service, a Merit Point System was introduced in 2002.

Almost all taxi operation in foreign country control the number of taxi plates issued especially in United Kingdom. This will make the value of the plate increase about £30,000 and more. This situation will give bad impact to the newcomers entering the industry.

In Australia, the authority introduced “Professional Training Development” to give information for the taxi driver in Perth, Australia. These training courses also will fulfill customers’ requirement and changes in the taxi industry. It will benefit the industry as a whole. Customers will use the taxi services simultaneously when their needs are fulfilled. This will create business opportunity and extra income for the taxi driver.

4.0 BACKGROUND OF TAXI INDUSTRY IN MALAYSIA

Taxi industry is one of the most important industry in public transport service in Malaysia especially in the city centre. According to “Suara Kontemporari KOSMO” dated 4th October 2004, the number of taxis in Kuala Lumpur are about 10,456 indicating an excess of almost 3,969 taxis or 61.2%.

Based on the history, taxi industry in Malaysia have been given priority because of the economy, social and politic reasons. The causes are:
- To ensure the involvement of Bumiputras in transport industry.
- To provide job opportunities
- To provide income sources for pensioners and for those who have lower education level.

In addition, we can see that taxi industry have been isolated and abandoned, causing it not to be professionally operated, lack of investment and capital. Due to these problems, the taxi industry in our country have portrayed a poor image to all people of Malaysia as well as the tourists.

5.0 CLASSIFICATION OF TAXI SERVICES

Commercial Vehicle Licensing Board Act (CVLB) 1987 (Act 334) have classified taxi into 5 types:-

a) Taxi- means a motor vehicle having a seating capacity of not more than 6 persons (including the driver) used for carrying person to any destination in return for a single fare.

The area of operation for this taxi is limited to city area and most of the time the vehicle uses an engine capacity of 1500 c.c such as the Proton Iswara. Fares are charged according to the meter system which is stated in Motor Vehicle (Commercial Transport) Rules – LN 174/1975.

b) Limousine Taxi -means a motor vehicle having a seating capacity of not more than 7 persons (including the driver) and operating from a fixed base or Terminal or in an area as stipulated in consideration of a single payment. Limousine taxis are based at the hotels, airport and Kuala Lumpur Sentral.

This service uses a luxury type of vehicle with engine capacity of 2000 c.c and above. Fares charged are higher than the urban taxi because of its luxurious factor which includes spacious seating capacity and is more comfortable.

c) Airport Taxi – means a motor vehicle having a seating capacity of not more than 7 persons used exclusively to carry passengers to and from the airport in consideration of a payment and operated from a fixed base or in an authorized area.

This service is divided into premier and budget service. Premier service uses a luxury type of taxi such as Proton Perdana and Mercedes with the engine capacity of 2000 c.c and above. Budget service uses a Proton Wira Diesel with engine capacity of 2000 c.c. The condition for these type of taxi is that the driver must put on the uniform and the fares charged uses coupons according to the zones that are approved by the government.

d) Hired Taxi – means a motor vehicle having a seating capacity of not more than 6 persons or, in an area approved by the Board, 12 persons (in all cases including the driver) used for carrying persons on one journey in consideration of separate payments made by them.

Hired car provides its service outside the city centre or the Local Authority without journey limit. This operation has a base that has been assigned by CVLB. Fares charged is not according to meter system.

e) Hired and self-drive car- means a motor vehicle let on hire for the purpose of being driven by the hirer or his nominee.

6.0 POLICIES REGARDING TAXI SERVICES.

6.1 After World War II taxi which used saloon car was introduced as a public transport beside trishaw (‘lanca’) and bus. Taxi licence at that time was issued by Police Headquarters, Kuala Lumpur.
6.2 Policy in the years 1958-1970

The migration of people from rural areas to Kuala Lumpur city lead to an increase in number of taxi drivers. During this time the taxi licensing process is under the responsibility of Ministry of Transport.

6.3 Policy in the years 1970-1979

Taxi industry can be assumed as the initial step and opportunity to enter the trade and become an entrepreneur. Thus, “one taxi under two owners scheme” was introduced in order to encourage the existing taxi companies.

6.4 Policy in the years 1970-1980

This is the situation where the owner of the taxi licence need to drive their own taxi. This is to avoid the taxis from being leased out and operating taxis under ‘Ali Baba’ concept.

6.5 Policy to Freeze Taxi Licence

On 26th June 1995 individual taxi licences were no longer issued to individuals but instead to the taxi company.

6.6 Policy of giving more than one licence to an individual.

CVLB Act Section 16(2) but it was limited in March 2000 where “only one licence will be given to one individual.”

6.7 Policy of Granting Licence to Taxi Companies (26th June 1995) and Policy of Merging Companies

It was implemented to facilitate the supervision and improve the services. Government encouraged individuals and small companies to merge. In 1998, government has classified 8 best taxi companies which is known as ‘Group 8.’ As an incentive, government gave 850 licences to them.

6.8 Policy of reopening of license granted to individual and companies in March 2000

The ratio of 60:40 whereby 60% are given to the taxi companies and 40% for individual. An individual is allowed to have one licence only.

6.9 Policy of giving incentive to informer

Drivers who are leasing out their permit need to give information and are given priority in granting individual permit in order to overcome the problem of leasing out the taxi permits which have been rampant.

6.10 Policy of giving preference to Bumiputra.

There are no specific quotas. In 2002 more than 70% licences were given to Bumiputras.

6.11 Policy of fixing ratio of population and taxi

In order to ensure that the total number of taxis issued meet the needs of the number of population in an area, the 1:200 ratio were introduced.
6.12 **Policy of Granting taxi permits to Retired Police/ Armed Personnel and government staff.**

It was implemented to give priority to the police/ army pensioners and government staff who are more than 65 years old.

6.13 **Policy of Rates Charged using meter with receipts and coupons.**

This policy was implemented so as to reduce abusiveness of the system. Meter with receipt system was introduced in May 2002 but many problems occurred including taxi operators increase the taxi fares as they like without getting approval from the authority.

6.14 **Policy of Licence Cancellation and Suspension**

It was implemented under CVLB Act 1987 (Act 334) section 25(1) (a), (b) and (c), if:

(a) Cancellation of taxi licence

i- If the owner of the license did not follow the terms and conditions stipulated in the licence

ii- if owner of the licence give false information as stated in the licence

iii- if owner of licence lease out the licence.

Taxi driver will have to apply for a new license in order to continue providing taxi services.

(b) Suspension of taxi licence

It is a temporarily basis for 3 to 6 months in accordance to the driver’s offences such as :-

- not using the meter
- not taking the passenger
- no uniform
- overloading of passengers
- operates outside the area not stated by the authority

6.15 **Policy of transferring the rights of licence**

According to CVLB Act 1987 (Act 334) section 39 (1)-(4), transfer of licence can be done only if the owner passed away, became disabled, bankrupt and other reasons and approval has been obtained from the authority.

6.16 **Policy of Hire and Hire Purchase**

It was practiced by the individual who has more than one permit and being the owner of the company.

6.17 **Policy of Hiring Drivers**

CVLB suggested that the Taxi Company hire taxi driver as a worker with special benefits such as KWSP, PERKESO, insurance, medical leave and free uniforms. But these suggestions were not successfully carried out by them.
6.18 **Policy of using NGV Gas**

In 1999, taxi companies are requested to use Natural Gas for at least 50% of their taxi fleet.

6.19 **Other Policies That have been implemented**

a) Second taxi driver  
b) Driver identification  
c) Taxi operation area  
d) Fares  
e) Fares Kad  
f) Vehicle specification

From the analysis of the policies implemented by the authority, it is obvious that the main objective of the Authority is to create a viable service which at the same time can also fulfill customer’s satisfaction. However, the authority faced a critical problem when the new policy (which is created based on the current policy) contradicts and overlaps. Thus, an overall and integrated policy with clear and specific objective must be implemented.

**7.0 ORGANISATION AND CONTROL OF TAXI SERVICE INDUSTRY**
The above chart shows the control and organization model of the taxi service industry in Malaysia. The control can be effective from 2 aspects that is from internal (taxi owner initiatives) and external (involvement of the government agencies and NGO). There are 4 ministries involved directly in the taxi industry that is the Ministry of Transport (MOT), Ministry of Entrepreneur, Co-operative Development (MECD), Ministry of Science, Technology and Environment and the Ministry of Internal Affairs (Traffic Police).

The Ministry Of Transport will be involved in the formulation of the policy and control through the registration of vehicle by Road Department in every district in the country. MECD will issue licences and have the power to determine the area of operation. The Ministry of Science, Technology and Environment must ensure that the taxi operation will not give a negative impact to the environment and traffic police under the Ministry of Internal Affairs which will be responsible to enforce the law.

The role of NGO such as Consumer Association and Taxi Operators Association must take the responsibility to control the taxi industry in order to ensure it will be operated in an informal situation, that is the taxi operation must focused to offer the best service for taxi users and application to increase the taxi fares will be done by the Taxi Operators Association. At present, there are no specific bodies which are responsible to analyze and also supervise the taxi industry in Malaysia.

Taxi drivers and operators felt that they were being oppressed with the enforcement and regulation without being concerned about their welfare. Lower fares and higher operation costs will cause them to violate the regulation by cooperating with touts, and sometimes they cheat their passengers by using longer routes or by taking passengers under sharing concept.

8.0 SCENARIO OF CURRENT TAXI OPERATION

8.1 Airport Taxis

Airport Limo Sdn. Bhd. (ALM) is responsible for being the taxi operator in KLIA. Airport taxi is the main mode of transport used except for hired taxis, buses and individual car. The main function is to provide service for passengers from airport to any destination required by the passenger. The taxi fares will be charged based on the zone where every destination differs according to distance.

Up till December 2002, CVLB have been given 4419 license for luxury taxis. Airport taxis can be categorized into 3 types, according to the engine capacity, services, comfort and number of passengers for one journey:

- Budget service- engine capacity of 1400 c.c and above (Proton Wira)
- Premiere service - engine capacity of 2000 c.c and above (Mercedes Benz)
- Luxury service – engine capacity of 3000 c.c and above (Jaguar, Mercedes Benz)

8.1.1 Characteristics of operation

ALM began its operation since the opening of KLIA in June 1998. ALM operates around the clock with the strength of 664 well maintained limousines from various make and models under the charge of a team of highly skilled chauffeurs. ALM mainly serve those who need airport transfer from KLIA to any desired location within Peninsular Malaysia.

Fares charged are according to the zone system. The ticket is valid for 6 months and are transferable. An additional 30% will be levied for midnight surcharge. By far, ALM is the cheapest in the area and competitive against other available services.
8.1.2 Problems on Airport Taxis

Vehicles usually face the problems of maintenance because airport taxis normally use our national cars especially Proton Wira 2.0 Diesel. This model is not so suitable for long distance journey which are 670-680 km with maximum frequency of 1870 trips per day.

8.1.3 Touting Problem

According to Oxford Advance Learner Dictionary, the meaning of tout is to try to influence the passenger to use their services especially by approaching them directly. In the case of KLIA, the touts will approach any people in the arrival hall especially the tourists from outside the country trying to get them to use their touting services. Touts are people working independently inside the arrival hall, approach and influence the passenger and bring them out to the waiting area, where errant and city taxi drivers wait, willing to pay them a commission.

Taxi touts could be illegal taxi drivers who don’t have the permit to operate at KLIA and working independently and do all the process from approaching the passengers to driving them to their desired destination all by themselves.

Currently there are no special laws against touting. The Road Transport Department can only take action if their vehicle do not have permit to ferry passengers from KLIA. The Police Department could not act against the touts unless they flouted the law. In order to allow touts to be prosecuted, MECD is in the process amending the CVLB Act 1987.

The touts’ menace had reached an alarming stage. Touts frequenting the airport were not only threatening the income of legal drivers but also their operations. Over the last 6 years, till now, there are 66 reported crime cases committed by touts harassing the passengers at KLIA.

8.1.4 Users Opinions/Comments

From the random survey carried out, some passengers complained that ALM services are often not available when they are required. Although, there is a counter where coupons are sold to but sometimes the limousine are not around. The wait for the service can be long, two hours plus is not unusual. ALM taxi service offers fixed fare system, there is less likely tendency of passengers being overcharged.

8.1.5 Income and Cost of Airport Taxi Operation

Fares for airport taxis will be determined by zones where every place is charged differently in accordance to the distance travelled.
8.2 HIRED TAXI SERVICES

According to the CVLB Act 1987, up to December 2002, there are 22,742 licences being issued in Malaysia. Hired car means a vehicle having a capacity not more than 6 persons (including the driver), used in carrying persons on any journeys for consideration of separate payments by them. The distance of the journey is normally more than 35 kilometres.

8.2.1 Characteristics of Operation

Hired taxi operate 7 days a week and can carry 4 to 5 passengers. The fares will be charged RM1.30 per km. Hire taxi can send their passengers to all destination in Peninsular Malaysia. In Kuala Lumpur, the taxi terminal is situated in Jalan Pekeliling and Puduraya.

From our random survey, there are 1000 hired taxi operators in Klang Valley. Almost 100% hired taxi drivers are men, most of them are aged between 46 years old and above. This may contribute to their extensive experience regarding the knowledge of the various destinations. On the other hand though age is a factor which affects the health condition of the taxi drivers as well as the safety of the passengers, most of the drivers engaged in hired taxi operation are full time therefore their income do depend solely on their taxi operation.

In terms of ownership, majority of the hired taxi drivers are bounded by company’s permit. There are a few complaints and confession made in the difficulty in getting their own permits. Nonetheless, more than half of the drivers have been operating for more than 10 years. This shows that being a taxi driver can be considered a reliable occupation.

The drivers work at least 3 to 15 hours a day to ferry the passengers to various destinations. As a matter of fact, the working hours are not consistent and depends on other unforeseen circumstances such as weather, health and condition of the taxi itself. It is interesting to note also that the percentage of experienced drivers and inexperienced drivers are the same. This clearly shows that there is an alarming need of giving training to the drivers. In the future, this may assist in reducing the poor perception of the public towards the hired taxi drivers.

The external problem that is faced by the hired taxi drivers is the fixed destination which cannot be changed. This means that most of the taxi terminals can only take their passengers to a certain fixed destination. For example, a Terminal in Pekeliling can only serve the passengers who wants to use the bus services, if passengers wants to go to other destinations, they will have to take taxi from Puduraya Terminal. The other problems such as congestion, weather conditions, inadequate number of passengers, time constraints and competitor have place a high pressure on them causing some of them to face serious financial difficulties.

8.2.2 Users’ opinion

1. Hired Taxi Terminal should be located at a strategic location where passengers can easily get their services
2. Hired Taxi drivers are advisable to put on uniform in order to create pleasant image to passengers and make taxi driving as a profession in the future.
3. Hired taxi operators should be exempted from paying the tolls.

8.2.3 Income of Taxi Operation Cost

Taxi tariffs which are currently in use have been started since 1996, when the total petrol price was RM1.10 per liter. Nowadays almost 8 years, the taxi fares have never been increased although the fuel price has increased to RM1.37 per liter in May 2004 which was 27 sen per liter or 26% of the old price.

On 1st October 2004, government again made an announcement that the price of diesel and gas has increases, which was almost 5 sen per liter or kilogram. Minister of MECD informed that the Ministry was in the final stage of discussion regarding the issues of increasing of public transport fares before end of the year 2004. This increment was not related to the increase price of fuel. This process is done as a review of the rate every four or five years.

8.3 Urban Taxi Services

Urban taxi services is increasingly recognized as vital to the cities’ quality of life and their attractiveness to business and leisure visitors.

At airport, hotels, convention centres, offices, tourist attractions. Grocery stores, hospitals, doctor’s clinics and homes, the public wants quick, reliable, safe and courteous services. Unfortunately, passenger expectations are sometimes disappointed and dissatisfied with the services. Local Authority thus face the daunting challenge of finding effective solutions for this unique industry.

8.3.1 Operation Characteristics

Urban taxi is the most important form of public transport in the city centre. Some of the advantages of taxi services is its extended time in provision of service, its ability to provide door-to-door services for loading and unloading of passengers at specific taxi terminal or in the city center. Therefore, taxi plays a main role in providing a smooth journey from one destination to another destination without much hassle.

According to “Suara Kontemporari KOSMO” dated 4th October 2004, the number of taxi in Wilayah Persekutuan has reached to 10456 taxis. With the 1.5 million populations, this shows that Wilayah Persekutuan only need 6487 taxis (Jabatan Audit Negara) which has the excess of 61.2%. Since there are too many taxis, this will lead to very stiff competition among the taxi drivers themselves as well as with other public transport services such as KTMB Comuter, KL Monorail, STAR and PUTRA LRT and this will give bad impact to the earnings of the taxi drivers. At the same time it will encourage taxi drivers refusing to use the meter, cheating, and pick & choose behaviour of passengers,
Taxi drivers have a high level of social contact because they deal with many passengers throughout the day. They are also responsible for the safety of passengers. Taxi drivers work outdoors most of the time, either on full-time or part-time basis and may work long hours in a single day. They have to be aware of the frequently changing unexpected traffic patterns.

From the research, most of the taxi drivers are aged between 35 to 45 years old and some of them are more than 45 years old. Besides that, majority of them are men since this job is a dangerous job for women. The observation also shows that most of the taxi drivers are married and matured in handling passenger’s problem.

8.3.2 Income and Taxi Operation

Existing tariff fares have been used since 1996 where the price of fuel was RM1.10 per liter. Up till now it has been almost 8 years since the fares was increased although the price of fuel has increased to RM1.37 liter lately (May 2004). This shows there was an increase of 27 sen per liter or an increase of 26% from the old price. On 1st October 2004, government announced that there will be an increase in petrol price, fuel, and gas for 5 sen per liter or per kilogram. This will lead to the changes in prices of other commodities. Government will also increase the public transport fares for about 25% in accordance to the bus operators. Besides that, taxi association also demanded an increase in the taxi fares with the same level.

9.0 PROPOSAL TO REVOLUTIONISE THE TAXI INDUSTRY IN MALAYSIA

The taxi industry is becoming popular mode of transport which is important in upgrading the quality of life in a city and also as an attraction to business and tourism industry. The taxi service will continue to give service in carrying passengers in the city and for long distance.

After reviewing the current taxi scenario, several proposals have been put forward. However, this preliminary study did not take into account the detail impact of the proposal, acceptance of the operators, drivers and passengers towards the proposals and the costs to be incurred.

Vision: to set up a competitive, effective, sustainable taxi industry with the relevant enterpreneur characteristics which will give the positive impact, benefits and economic rewards to operators, users, government and the country as a whole.

Mission: Towards an effective management of taxi industry.

Proposals:

1. MECD to set up a body (eg. National Taxi Berhad) with the objective of taking over the national taxi management responsible to the Ministry of Enterpreneur Co-operatives Development.

2. To set up an Advisory Board comprising of Ministry of Transport, MITI, POLICE, Ministry of Trade and Consumer Affairs, Ministry of Finance and relevant local authorities.

3. Proposed main stakeholders in the National Taxi Berhad (NTB) are MECD, MOF, Taxi Operators(individuals and company) and National Tourism Board.
4. In order to achieve the proposal in the establishment of NTB, the we propose the government provide initial funding in the form of ‘soft loan’.

5. Role of National Taxi Berhad are as follows :-

i) to formulate the operational taxi policies
ii) to issue taxi permits
iii) to develop the entrepreneurship in taxi industry
iv) to control and enforce taxi industry
v) to provide training to drivers and develop excellence service
vi) to set up and manage National Taxi Academy.

6. Action Plans :-

6.1 Formulate taxi policies

- Ratio of taxi to the population.
- Technical Specification of taxis
- Operational Guidelines and Specification
- Training Guidelines and Refresher Course
- Involvement of taxi operators in the business

6.2 Issuing of taxi licence

Before MECD issue the licence, the following should be procedure should adopted :-

- National Taxi Berhad should be responsible to shortlist the potential applicants
- The applicants will undergo stringent training at the National Taxi Academy for at least two (2) weeks.
- The successful applicants will be recommended to MECD for issue of licence.
- Successful applicants will undergo further training under the Academy to obtain the Certificate of Competence before being allowed to operate the taxi.
- National Taxi Berhad will finance the purchase of the taxi.

6.3 Development of taxi entrepreneurship

- To create a policy for entrepreneurs to be sustainable and competitive in the industry
- To establish the National Taxi Academy for training of drivers, training competency, training enforcement and technical, etc.
- To introduce variety of taxi products such as school taxi, tourist taxi, disabled taxis, medical taxi, etc.
- The drivers are expected to undergo special training for each taxi product.
- To provide special taxi insurance policies and pensionable schemes to taxi drivers.
- To develop and expand taxi industry into other services such as maintenance workshops, Taxi Fuel Station (Diesel, Natural Gas, Compressed Natural Gas, Cell Fuel, etc.), uniforms for taxi drivers, Taxi Vehicle Suppliers and Suppliers of spareparts, batteries, tyres etc.

All the above must be managed and operated under the National Taxi Berhad which will create a new company and open the door for Bumiputra involvement in the taxi industry.
The taxi operators will be given the chance to buy shares in the National Taxi Berhad. With this opportunity, the taxi drivers, entrepreneurs will become a part of the National Taxi Berhad and enjoy the profits earned by the industry.

6.4 Enforcement and self control

- To create a system of internal self enforcement through the National Taxi Academy.
- To apply Information Communication Technology in taxi operation
- To impose strict penalty on offenders
- To identify the roles of the various agencies.

6.5 Training and development of competent drivers

- National Taxi Academy is responsible to provide training programmes for taxi operators.
- All taxi operators need to undergo a series of training.
- Drivers who flouted the law will need to undergo refresher course.

6.6 Set up National Taxi Academy

- To provide training
- To provide refresher training
- To issue Certificate of Competency
- To train and select potential applicants for the licence
- To issue the list of successful applicants

7. CONCLUSION

This proposal will create a viable, sustainable, reliable and effective taxi industry in Malaysia. On the other hand this proposal will give benefits to the economy and will in line with the mission, vision, objectives and motto of the government. A detailed study will be needed to analyse the legal and organizational aspects, role and responsibility, the funding, acceptance by Taxi operators and other related bodies need to be considered.

The implementation should be carried out by the experts who are knowledgeable in the field and who firmly believe that taxi industry can be an important catalyst in the development of taxi industry and able to achieve the national mission.

A detailed and complete guidelines should be documented, updated from time to time to meet current changes so that it can be used by operators and those related to the taxi industry in the future.