Bumpy ride for cabbies

Old-timers like to bemoan that particular 'last time', when life on the roads had fewer potholes. So, what lies ahead? Rachel Chang flags down some cabbies for a chat and gets feedback from industry players and observers.

The refrain “last time...” is a favourite with long-time taxi drivers.

Mr L. S. Char, 53, likes to recount: “Last time when it was raining, I wouldn’t drive. I would sit at the coffee shop until the rain stopped. Now raining, bo pian (no choice in Hokkien) better drive.”

“Last time can see all those semi-retired uncles driving a few hours a day just to make some money. Now they cannot survive, you need to make $130 a day just to cover costs.”

“Last time better, not so many cabs. Now, if I’m going for lunch, and someone flags me down, I’ll pick up the passenger first, then go for lunch. Or else after I finish lunch, no more passengers.”

“Last time” refers to the bygone pre-1998 era... when taxi licences were still tightly controlled by the Registry of Vehicles, now known as Land Transport Authority.

Then, Mr Char had 17,800 competitors. Today, he has 22,600.

Deregulation of the taxi industry began in 1998, to provide “more flexibility for operators to respond to changes in market conditions, to implement differential pricing to balance supply and demand at different times of the day, and to introduce and set prices for innovative services”.

Eight years on, the only substantial impact of this move has been a steady, 25 per cent increase in the number of taxis plying the streets.

The last three years have also seen the formation of three new taxi companies - Smart, Premier and Transcab.

In other ways, deregulation has not wrought much change. Fare structures remain almost identical. Rentals hardly vary. And if “innovative services” refers to things like TV screens in taxis, few passengers take note.

From most cabbies’ point of view, life has just been harder on them.

More taxis are now competing for customers. Cabbies blame that, as much as increased diesel prices, for their dwindling income.

Taxi stands are deserted. Cabs cruise around in convoys.

“There’s no space for us to even queue at taxi stands,” bemoans a driver of eight years, Madam Toh Leh Kim, 44, pointing to long lines of empty cabs, a common sight these days.

But for operators, there is every incentive to increase their Zets. Every vehicle they lease out brings in a daily flow of rental income.

With falling car prices, operators make their initial outlay back in rental from drivers in three years or less, estimates civil engineering Associate Professor Lee Der-Horng from the National University of Singapore, who specialises in transportation systems.

Yet, despite these savings, rentals have remained stagnant since 2000. Cabbies pay from $65 to $88 a day for a normal taxi, and up to $120 a day for a “luxury” Maxicab or Mercedes cab.

Overall, experts say, deregulation has led to more competition on the streets among cabbies, but less so for operators.

ComfortDelGro, which operates three brands of taxis - Com-
Bumpy ride for cabbies

Commuters are similarly peeved at the recent changes. One theme is always echoed: Why can't taxi operators help cabbies at their expense?

In a letter to The New Paper in July, reader Carey Ng noted: "I understand that: Why can't taxi operators help cabbies at their expense?"

In his view, regulation is necessary because of imperfect competition.

For drivers, this means the benefits of staying put outweigh what ComfortDelGro charges for accidents caused.

Other operators have little motivation to lower rentals either, as that will not increase demand for their taxis.

Taxis – everywhere else a premium chauffeured car service and regarded the same as the MRT here. This is not so in other countries, where taxis are considered exclusive, to be taken only in emergencies.

Taxi drivers, however, are not protected. They do not have CPF. No intervention – because bit players lack the power to bring about substantial change, he says.

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"It's because the industry is practically a monopoly, that the Government should regulate it," he says.
Taxi Academy, it hopes to continue to double up as tour guides. Those who are awarded a taxi-tour guide (TTG) licence get to ferry airport transit tourists to attractions here for $35 to $45 per hour. There are currently 171 such licensed guides. Mr Quek Chin Wee, 62, has done about 40 jobs as a taxi-tour guide has done about 40 jobs as a tourist guide. Among the first batch here, it trains cabbies to take care of and make regular trips to hospitals: "I am learning forex trading now. Driving taxis is too hard," he says. Former door-to-door salesgirl Ng Bee Lan, 33, who has been driving for eight months, agrees. "I want to find a more stable job, maybe bus driving," she says.

There is also the prevalent view among cabbies that the Taxi Operators' Association - structured according to operators - does not represent them fairly. Taxi drivers see it as "too close to the big companies" to champion the small-time driver. Mr Joseph Chong, 60, who has been on the road for 26 years, bemoans the flimsy life insurance coverage it offers. "They say they'll give your family a lump sum if you happen and die. But this is if you're holding on to the car.

Mr Low Chee Juay, 53, has no illusions about why he has been driving a taxi for 10 years. He allows it down to this: "When you're young, you drive for your kids. When you're old, you drive for your doctor.

Despite many efforts to make cab-driving a viable long-term vocation, ComfortDelGro's data shows that the average time a cabbie stays on the job before moving on is just three years. Most new entrants are men broken by the stock market or retribution. For most, taxi-driving is but a temporary stop-gap measure till they find their feet again.

Mr Ow, 53, who got behind the wheel after he was placed out from his system analyst job two years ago, already has an exit plan. "I am learning forex trading now. Driving taxis is too hard," he says. Former door-to-door salesgirl Ng Bee Lan, 33, who has been driving for eight months, agrees. "I want to find a more stable job, maybe bus driving," she says.

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"If you're really sick with cancer, you can't afford the $93 a day to keep the taxi. You're not driving and they won't waive rental. Once you give back the car, then your insurance is also gone!"

So why hasn't he aired his grievances to the association?

His answer typifies most cabbies' lurking distrust: "The company is the union, the union is the company."

"With so many reasons to quit, why do some drivers stay the course?"

After Singaporean customers are notoriously hard to please. Brickbats still far exceed bouquets, despite industry-wide efforts over the years to step up service. ComfortDelGro logs 90 complaints against cabbies daily, compared to just nine compliments. This is partly because of "increasing awareness of commuters of their rights, and the increased number of taxis on the road," says LTA spokesman Nalene Ebrahim.

Drivers also have to abide by operators' ruthless, efficiency system of accountability. If a complaint is logged against them, they receive a call asking for their version of events the same day, or the very next.

Punishments meted out by ComfortDelGro, if they are in the wrong, range from demerit points, to the waiving of undisclosed "performance bonuses", "which is a rather significant amount", to "the drivers' income has been affected by rising fuel prices", says Ms Tammy Tan.

And with plans for an industry-wide blacklisting, drivers really need to be constant on their guard. They also have to attend a barrage of courses, ranging in SMRT's Customer Service Course introduced in March this year in time for the IMF/World Bank meetings, to the Singapore Taxi Academy's customised service quality courses.

These days, the onus of being Singapore's ambassador - willingly or not - is thrust upon them. While some relish the role, others like Mr Ow feel good service is more than just upholding the company's, or the country's image.

It has endless potential for helping others. "When I see disabled people waiting for cabs, I'll give them a discount or free ride. I'll help them up to their house," he says.

"Sometimes, I meet women who start crying in my taxi, because their husbands are having affiars. I counsel them and say it's not the end of the world, pick yourself up and carry on. "I believe that if you do good things, good things will happen to you. So I try my best."