

19 NOV 2003

Nazri-Taxi

NO MORE TAXI PERMITS FOR NEW COMPANIES, SAYS MOHAMED NAZRI

KUALA LUMPUR, Nov 19 (Bernama) -- The Government will stop issuing taxi permits to new companies as nearly 200 firms are already in operation.

Entrepreneur Development Minister Datuk Seri Mohamed Nazri Abdul Aziz said existing companies were financially sound and had the expertise to operate taxi services.

"It (a new company) involves a lot of initial capital and we want existing companies to recoup their investments first. Because of the economies of scale and their experience in operating taxis, they are the ones that must be given more permits," he said after presenting taxi permits to 214 individual drivers in the Klang Valley at the Ministry here today.

"This business involves providing service to the public, and if we keep on giving permits to new companies we are going to face problems and the service will not be that good," the Minister said.

Currently there are some 10,000 taxis in the Klang Valley serving a population of nearly 5.5 million.

He also said that the Cabinet decided to lift the freeze on individual taxi permits in 1999, on the advice of former Prime Minister Tun Dr Mahathir Mohamad, after it was imposed in 1986.

The move was to create a pool of entrepreneurs in this sector and so far about 800 individual permits had been issued, he said.

Mohamed Nazri also dismissed claims that his Ministry had issued too many taxi permits and this had affected drivers' earnings.

"If it is difficult to earn a living why do we still receive 2,000 applications until August this year?" he said.

Meanwhile, he said the Government was still not happy with some taxi drivers who continued to violate the regulations set by the Commercial Vehicles Licensing Board (CVLB).

"According to statistics the taxi service in this country has not changed much. The CVLB will take stern action against operators or taxi drivers who breach regulations," he said.

The taxi permits were the right of the Government and could be withdrawn, he said.

Among the offences committed were refusing to take passengers, not using meters, charging exorbitant fares, not wearing uniforms and operating beyond their designated areas, he said.

-- BERNAMA

VP AHH SRI