

**PM: Taxi mortgage system to be ditched**  
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**BUKIT JALIL (June 24, 2012):** Prime Minister Datuk Seri Najib Abdul Razak vowed to review and eliminate the monopoly of taxi licenses by private companies, describing the present "taxi mortgage" system as "modern slavery".

"The government will review the system soon and come up with a new system to issue licenses directly to individuals.

"I believe the taxi mortgage is modern slavery. This must stop. I do not like to hear that companies are getting too many licenses, and we will stop giving out licenses to individual companies," he said today at the biggest taxi drivers gathering in Malaysia at the Bukit Jalil stadium here.

Also present were Information Communication and Culture Minister Datuk Seri Dr Rais Yatim, Chairman of the Land Public Transport Commission (SPAD) Tan Sri Syed Hamid Albar and Deputy Finance Minister Datuk Donald Lim Siang Chai.

Stressing that the government will ensure that the well being of taxi drivers' will be taken care of, he told the 5,000 over taxi drivers that the government has allocated funds in the form of tyre subsidies and accident insurance under the 1Malaysia People's Taxi Programme (TR1MA).

Najib said the types of taxis that were eligible to receive the subsidy were budget taxis, executive taxis, hire cars and airport taxis.

He said the targets set will be achieved within a year or two after consulting with the relevant stakeholders.

"The government, through the Information, Communication and Culture Ministry will allocate funds worth more than RM1 million as accident insurance for the protection of over 100,000 taxi drivers nationwide," Najib said.

The scheme covers:

death due to accident: RM10,000

disabilities due to accident: RM10,000

medical treatment cost due to accident: RM500

cost for funeral services due to accident: RM1,500

cost for funeral services due to other reasons: RM1,000

Najib said taxi drivers can also get their tyres (worth RM520) changed for free annually at over 300 tyre service centres nationwide.

He said the government has allocated RM35 million a year under the 1MDB funds for this tyre subsidy to help taxi drivers' with maintenance costs.

"The government acknowledges the problems highlighted by taxi drivers, that were brought to the government's attention through SPAD.

"Thus the government has set up the TR1MA, especially to improve public perception towards the taxi industry in terms of safety and service quality," Najib said

He said among the main issues for taxi drivers were the high costs incurred to keep their vehicles in tip-top condition, these includes maintaining their vehicle air-conditioning, fuel usage and tyre replacements.

The government has come up with the subsidy allocation for a two-year commitment under the 2012 budget.

Najib said the government was also reviewing to relax the granting of rebates to taxi drivers to dispose off their old taxis so that the aid could be enjoyed by more taxi drivers.

Under the 2012 Budget, the government had offered a rebate of RM3,000 to dispose off old taxis that were more than seven years old but less than 10 years old, while for taxis that were older than 10 years, a rebate of RM1,000 would be given.

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