

**Press Statement by the
Federation of Malaysian Consumer Associations (FOMCA)
and
the Pan Malaysia Bus Operators Association (PMBOA)**

Current Status of Public Transport

The current public transport system is in a totally dismal state.

- Buses are unreliable
- It can take long hours for the next bus to arrive
- Buses are not maintained well
- Connectivity is poor
- The systems are not integrated
- The Journey itself is long because the bus is caught in a traffic jam
- There is lack of information on routes and changes on routes

Promise after promise and KPIs after KPIs have been made by the government to improve public transport; for the man on the street, the situation has not improved.

There needs to be a clear commitment by the Government to improve and upgrade the Public Transport System.

It cannot be denied that over the past decade, there has been a focus on the automobile industry and as such public transportation has experienced a downward spiral of declining ridership, investment and service quality while there was more focus on car related investments and land-use.

Current trends such as the following are shifting travel demand from automobile to public transportation

- Rising fuel prices
- Increasing traffic congestion
- Increasing urbanization
- Rising highway expansion costs

- Health and environmental concerns
- Population growth centres in urban and sub-urban areas

Public transportation becomes more important as cities grow. In smaller cities and in previous times, public transportation primarily served the *transportation disadvantaged* riders (people who cannot afford to use a car), but as cities grow in size and density public transport serves more *discretionary riders* (people who have an option to drive), and so provides more benefits by reducing traffic problems and supporting efficient land use patterns.

In this context, improving public transportation is the most cost-effective transportation improvement.

Problems Transportation helps to solve:

- Traffic congestion
- Parking congestion
- Commute time
- Traffic accidents
- Road and parking infrastructure costs
- Automobile costs to consumers
- Excessive energy consumption
- Pollution emissions

What do the Consumers Want?

1. Reliable service
2. Shorter commute time
3. Comfortable buses
4. Information on bus routes and bus arriving times
5. Some conveniences – walkways,

What does Industry Want?

1. Reasonable Rate of Return on Investments

2. Comprehensive and Consistent Transport Policy
3. Cheap and Easy Financing for new buses
4. Flexibility in timing of operations
5. Regulated Competition (no uncontrolled giving of licenses for new operators)
6. Stricter enforcement of illegal operators

Basic Rules of the Game

1. Government should Regulate and Enable a Positive Environment for Public Transportation.
2. Government should NOT operate Public Transportation. The performance of Syarikat Prasarana Negara Berhad, the government's vehicle to address the public transport issue is not encouraging.
3. The experience of Local Governments in Seremban, Terengganu and Melaka in operating bus services has proven disastrous; this clearly shows the lack of experience and professionalism by Government in becoming an operator themselves.

The important conclusion from the above is that the Government should play the role of **enabler** rather than operator to enhance public transport in Malaysia.

Proposals

Stage Buses

Based on "best practices" of developed and developing nations, the following are some proposals:

The Bus industry proposes that the current diesel subsidies be replaced with a different support system. Diesel subsidies are not efficient and also can lead to smuggling.

The proposed new system - Payment by government to the bus operators per kilometer run to support and subsidize the operators.

The Government Regulates by:

1. Determining and monitoring the Frequency of Trips (2 minutes to 30 minutes) to each area

2. Fares to be reviewed regularly
3. Bus Lanes to be set up at primary roads

Ticketing

The entire ticketing system should be simplified and integrated so that commuters can move across the different systems with ease.

Other income for Government

The government can replace some measure of the subsidies through the following:

1. Car Park tariff – To be collected by Government and not private operators
2. Charges for driving into the city based on the condition of course, that the public transport system has reached a high level of consistency and quality.

Regulatory function

The Government's role would then be ensuring stringent monitoring measures that ensure:

- Frequency of Trips as agreed
- Safety of buses
- Acceptable comfort of buses

Additionally, government should provide Infrastructure such as:

- Bus lanes
- Walkways

In achieving these, the government should ensure that only a limited number of capable operators are involved in the industry. Consistent policies to support and protect the industry, would ensure greater investment by bus operators to increase the quantity and

quality of services to increase the revenue stream and operate more efficiently by managing costs.

Continuous dialogue and discussion with industry operators to take into account changes in the socio-economic environment such as increase or decrease of petrol/gas prices.

Conclusion

The strategy needed to enhance public transport in Malaysia is not a great mystery. Other developing countries and developed countries have had great success; and we can certainly learn from them and emulate what is appropriate locally.

What is needed is political will to deal with the issues in a pragmatic and transparent way, taking into consideration the interests of all key stakeholders.

A rigorous monitoring and evaluation system needs to be in place to ensure smooth operations and deal with any arising issues.

The consumers of Malaysia have a right to an efficient and affordable public transport system. It is time that all stakeholders strategize and act effectively to give them that.

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