

Long road to better taxi service in Hong Kong

14 July 2018

By Claire Huang, Hong Kong Correspondent

The government has proposed a new demerit system, over and above current penalties, to rein in errant cabbies.

Overcharge, strike one. Refuse to pick up fare, strike two. No loose change for passengers, another strike. But the list of strikes doesn't end there for the city's 40,000 taxi drivers.

In a refreshing approach to years of gridlock when it comes to improving taxi services, the government has proposed a new demerit point system.

This is how it will work: Chalk up 15 points in a two-year period and a driver's licence will be suspended for three months. It is six months for repeat offenders.

The proposed system, over and above existing penalties, covers 18 of 24 existing road traffic offences. Six major offences, including overcharging and tampering with the taxi meter, attract the highest penalty of 10 demerit points. It is between three and five demerit points for offences of a less serious nature such as refusal to issue a receipt.

Mr Evan Auyang, chairman of think-tank Civic Exchange, says the demerit system is the lowest hanging fruit available to the government as it looks to resolve the problem of poor taxi service.

The former deputy managing director of The Kowloon Motor Bus Company, Mr Auyang is no stranger to public transport service issues. And while he believes that the proposed system will help raise service standards, he is careful to point out that it is "a stick" rather than a "carrot" to incentivise good behaviour.

In Hong Kong, taxi drivers rent their vehicles from operators who have paid exorbitant sums for taxi licences. These licences, which can be bought or sold in the market freely, can each cost as much as HK\$7 million (S\$1.2 million), enough to buy a tiny new flat.

Ms Becky Loo, director of the Institute of Transport Studies at the University of Hong Kong, is in favour of the proposed system.

"There have been many attempts to encourage 'good behaviour' among taxi drivers, and to let the trade monitor and resolve the problems. However, the results have been disappointing so far," she says.

A rod-wielding cabby was caught on video in August last year hurling verbal abuse at a couple. He apparently refused to drive them because their destination was just a short ride away.

As part of suggested reforms to taxi services that could be tabled in the Legislative Council (LegCo) as early as the first half of next year, the Transport and Housing Bureau is now mulling over harsher penalties as a deterrent. The government's transport panel will meet next Friday.

A rod-wielding cabby was caught on video in August last year hurling verbal abuse at a couple. He apparently refused to drive them because their destination was just a short ride away.

For now, the stakeholders are looking at how the authorities can monitor cabbies' services to determine if the rules have been breached. One suggestion is to install a car camera but this has been met with differing views.

THUGGISH BEHAVIOUR

The case for deterrence is a strong one, especially with stories of rides gone wrong often in the news.

In the early hours of Jan 21 this year, a taxi driver tried to charge his passenger HK\$500 (S\$85) for a 10-minute ride from Hollywood Road in Central to Queen's Road East in Wan Chai that normally costs HK\$50 at most, the Apple Daily reported. When the foreign woman refused, he drove her to The Peak instead. There, he punched her and took HK\$200 from her purse before dropping her off at Queen's Road East.

In another instance of thuggish behaviour, a metal rod-wielding cabby was caught on video in August last year hurling verbal abuse at a couple in his taxi. He apparently refused to drive them because their destination was just a short ride away. In the video, the taxi driver swore and told the couple repeatedly that he would smash their heads.

The 55-year-old man was later arrested and charged in court with criminal intimidation and refusing to take passengers.

Associate Professor Lilian Pun from Hong Kong Polytechnic University (PolyU) notes that while such incidents are often reported in the media, the black sheep of the industry are in the minority. Cabbies themselves "agree that there should be penalties for those drivers".

There are also passengers who are rude, picky or drunkards, she adds.

The latest 2018 quarterly survey by Hang Seng Management College shows only 6 per cent to 8 per cent of 1,200 passengers polled complained of poor service, notes PolyU's Associate Professor Hung Wing Tat, who is chairman of the Hong Kong Taxi Council representing 17 taxi groups.

Findings of previous and current polls found that passengers' level of satisfaction - either satisfied or very satisfied - has risen from over 50 per cent last year to 63 per cent this year, says Prof Hung, who sits on the Committee on Taxi Service Quality tasked with raising service levels.

However, these findings are at odds with data from the government's Transport Complaints Unit, which in 2016 received 10,300 complaints. The number makes up 46 per cent of all complaints about the city's public transport services. The number of complaints per million passenger journeys was also the highest among all types of public transport.

When it comes to undesirable services, tourists and locals typically gripe about drivers who are rude, overcharge passengers and cherry-pick.

A Hong Kong couple who did not want to be named say they have come across cabbies who swear liberally and take a longer route. Asked if taxi service here is good or bad, the couple said it was "50-50".

Says sales manager Renet Oosthuizen, 40, who has lived in Hong Kong for a decade: "Sometimes cab drivers can be quite polite, sometimes they're not so polite, so it really depends on who picks you up at the end of the day."

Ms Oosthuizen, who takes taxis three to five times a week, suggests that cabbies can be more courteous and also communicate better.

Mr Jocelyn Gagnon, 47, says he hasn't "had that bad of an experience" in his 15 years in the city.

"I've been pleased with the service. Also, coming from a city where distances are larger - I come from Canada - I found that if I compare, it's cheaper, it's more efficient, it's faster, so my experience is pretty positive," says the teacher.

Offering a reason why taxi drivers might refuse certain fares, part-time cabby Steven Ho, a 40-year veteran, says many reject short rides because these do not bring in enough earnings to cover daily expenses.

"You'll have to work a 12-hour shift to earn money but the income is not steady and not guaranteed," he adds.

A CABBY'S WOES

In Hong Kong, taxi drivers rent their vehicles from operators who have paid exorbitant sums for taxi licences.

These licences, which can be bought or sold in the market freely, can each cost as much as HK\$7 million, enough to buy a tiny new flat in land-scarce Hong Kong.

Getting their own taxi licence is beyond the financial means of cabbies, says Mr Simon Lee, co-director of the International Business and Chinese Enterprise Programme at the Chinese University of Hong Kong.

Cabbies pay on average about HK\$440 for rent and HK\$200 for petrol each day. They need to chalk up HK\$1,200 in fares, which give them net earnings of about HK\$600 a day or about HK\$12,000 a month.

But this is not enough to feed a family, says Mr Ho the cabby.

Given how little a taxi driver makes, there is no incentive to provide good service, says Mr Lee.

Mr Ho says the city's relatively cheap taxi fares - fixed by the government - mean that very few young people want a job that they feel "doesn't earn them respect".

"Taxi drivers don't require high qualifications, have to be on the road all day and be watchful of traffic violations or parking violations. Even when we take our meals, we're stressed about getting parking fines. It's a high-pressure job."

Civic Exchange's Mr Auyang, however, does not think money is the issue, saying: "You can pay them millions of dollars and they still will not give you good service. The point is that there's no performance management at all."

For the industry's part, taxi groups are starting to roll out awareness campaigns for their peers and some, like PolyU's Prof Hung, are trying to educate drivers.

Adding to the cabby's woes is the rise of ride-hailing apps such as Uber - still illegal here - and van hire platforms such as GoGoVan, which have eaten into earnings.

There is no need for greater competition in the taxi industry, says Liberal Party lawmaker Frankie Yick, who represents the transport sector in the LegCo.

He thinks there are only two instances where Uber or similar services are needed: One, if there are not enough taxis; and two, if it is extremely expensive to hail a cab like in London. But both do not apply in Hong Kong, he says.

He suggests that one way to get around cabbies who refuse short distances is to introduce surcharges, as seen in Singapore.

"In Singapore, if you want to go to the city centre and don't want to join the long queue, you make a call and pay S\$3 more. But Hong Kong doesn't have that sort of a system."

Still, the idea of raising fares does not sit well with some cabbies, who fear passengers will choose the train or bus instead, not to mention the likelihood of a taxi rental hike.

BACK TO SCHOOL

The road to resolving the problematic intricacies of Hong Kong's taxi system is a long and tricky one, plagued by a crippling divide and an ageing group of drivers.

PolyU's Prof Pun says the average age of cabbies hovers at 58 and action is needed to revitalise the trade.

Mr Ho says that even if training is now available to cabbies, he is unsure where and how to get enrolled.

To this end, the taxi council's Prof Hung is looking to spread the word on educational initiatives and to formalise the trade so as to get young people to join the profession.

"At the moment, it's difficult," he says with an air of resignation. "It will take another 10 years to resolve (the current quandaries)."