



FINAL EXAMINATION
MARCH 2024

COURSE TITLE	PUBLIC POLICY, PLANNING AND PROCESS
COURSE CODE	TPAD3113
DATE/DAY	20 JUNE 2024 / THURSDAY
TIME/DURATION	09:00 AM - 11:00 AM / 02 Hour(s) 00 Minute(s)

INSTRUCTIONS TO CANDIDATES :

1. Please read the instruction under each section carefully.
2. Candidates are reminded not to bring into examination hall/room any form of written materials or electronic gadget except for stationery that is permitted by the Invigilator.
3. Students who are caught breaching the Examination Rules and Regulation will be charged with an academic dishonesty and if found guilty of the offence, the maximum penalty is expulsion from the University.

(This Question Paper consists of 5 Printed Pages including front page)

*****DO NOT OPEN THE QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO*****

There are **FOUR (4)** questions in this paper. Answer **ALL** questions based on the case study below in the answer booklet provided. **[100 MARKS]**

Transport Ministry officially takes charge of p-hailing industry

The p-hailing industry will be officially placed under the purview of the Transport Ministry to ensure better regulation of food and goods delivery services, says Datuk Seri Dr Wee Ka Siong.

The Transport Minister said the ministry has managed and regulated the ehailing industry since 2019 but this did not cover food delivery riders.

"On Aug 5, the Cabinet gave the green light to the Transport Ministry and its agencies, namely the Land Public Transport Agency (Apad) and the Commercial Vehicle Licensing Board of Sabah and Sarawak, to regulate the goods delivery business, especially those using motorcycles (p-hailing services).

"For the purposes of regulation, the Cabinet has agreed that amendments be made to the Road Transport Act 1987 (Act 333), the Commercial Vehicle Licensing Board Act 1987 (Act 334) and the Land Public Transport Act 2010 (Act 715)," Dr Wee told a press conference after a dialogue here with p-hailing industry players.

He said the amendments to the three Acts are expected to be tabled at the next Parliament meeting.

Among others, Dr Wee said the proposed amendments would establish new licensing rules as well as ensure that insurance protection was given to delivery riders and drivers.

On Friday, frustrated delivery riders held a one-day strike to protest low delivery fees and other woes.

The P-Hailing License and the road safety issue

The number of road accidents and traffic violations involving delivery riders has become a matter of some concern amongst government agencies and the public, fueled by the growth of delivery services in these times. Perhaps in response, in August 2020 the Ministry of Transport (MOT) announced plans to introduce a parcel-hailing or p-hailing license, with the stated aims of ensuring road safety as well as providing a conducive environment for the p-hailing industry.

According to Malaysia's Deputy Transport Minister, 64% of road accident fatalities in 2019 involved motorcyclists. A more recent and targeted traffic monitoring study of 11 main roads in Kuala Lumpur by MIROS discovered that p-hailing riders comprised about 64% (similar statistics coincidental) of motorcyclist traffic violations. These figures provide evidence, to some extent, of the impact of p-hailing riders on road safety.

But how might a p-hailing license change p-hailing rider behaviour on the roads? The MOT has yet to release full details, but the Deputy Transport Minister has so far disclosed that the impending p-hailing license would require parcel delivery riders to pass a health screening and possess personal accident insurance coverage. If the e-hailing license introduced in 2018 is any indication, the p-hailing license may also require delivery riders to be a Malaysian citizen or permanent resident, be 21 years old and above, have the right class of motorbike driving licence and not have a criminal record. The delivery rider may also have to pass a medical check, vehicle inspection, and licensing exam.

Apart from ensuring vehicle road-worthiness, it is unclear how the above conditions, if implemented, would change delivery riders' road behaviour and address road safety concerns. Exams and awareness videos are all well and good, but there is little to suggest that these are effective means of improving compliance with traffic rules. If that were the case, then all motorcyclists, whether p-hailing riders or not, should be subject to the safety requirements of a p-hailing license in the name of road safety and accident reduction.

Regulations should address the root causes or factors that shape the road behaviours of p-hailing riders. One of the reasons that delivery riders engage in dangerous driving behaviours is the inherent incentive structure of gig work – faster deliveries mean more gigs per hour of work, which means more income. Positive customer ratings, as well as the gig platform's reward algorithm for completed gigs, also incentivise the delivery rider to take more chances on the road.

If improving road safety amongst delivery riders is the core objective, it would be better served by corralling major gig platforms into devising measures to detect dangerous driving, such as in-app speedometers, and to integrate traffic rule compliance into their reward policies and algorithms. Apart from these are the more general road safety measures which should apply to all motorists such as increasing traffic cameras, enforcement of the demerits system, more motorcycle lanes, among others.

Potential unintended consequences

Given the above arguments, introducing a p-hailing license on delivery riders (as opposed to a service provider license on gig platforms) could be a case of over-regulation. There is also the issue of unintended consequences.

Firstly, if the p-hailing license carries the same age requirement as the e-hailing license, this would prohibit those below 21 years old from performing parcel delivery gigs. Our industry sources indicate that a sizable proportion of gig delivery riders, around 40-60% of the total force, would not make this age cut. Given the typical demographics of this group – no tertiary qualifications, low-income households – that's a sobering thought.

Secondly, what would a p-hailing license mean for freelancers unattached to any gig platform? The majority of delivery riders who work with gig platforms would most likely comply with

p-hailing regulations as most gig platforms would want to ensure and support compliance. Non-platform delivery riders will likely have to shoulder the burden of licensing on their own, or perhaps more likely, choose to become unlicensed and thus 'illegal'.

Furthermore, these non-platform delivery riders typically serve very small businesses. As a result of licensing, these small businesses may be forced to use gig platforms for their delivery needs, reducing their business margins further, perhaps up to 25-30% of their revenue. For a small business, it could mean the difference between staying open or closing a shop.

Thirdly and finally, the introduction of a p-hailing license could also affect those of age who look to deliver gigs as a source of side income. Our gig worker study last year highlighted the significant proportion of gig workers, including delivery riders, who want to perform gigs on a part-time basis for the foreseeable future. Judging from the experience of the e-hailing license, introducing p-hailing licensing could shut the door on part-timers due to the added barriers of entry in the licensing fee, the language of examination, amongst others.

Sources: Adapted from The Star. August 9, 2022 and The Centre, January 13, 2021.

QUESTION 1 (25 Marks)

- a) Describe what are the key issues addressed in the case. (10 marks)
- b) Discuss how the problem affects critical populations, groups, and society at large. (15 marks)

QUESTION 2 (25 Marks)

- a) Explain the concept of agenda-setting process can be viewed from the bottom-up or top-down. (10 marks)
- b) Discuss how public perceptions of the policymaking process differ most notably from those of legislators. Provide specific examples from the case to support your answers. (15 marks)

Question 3

(25 Marks)

"P-hailing industry stakeholders are hoping that the new Unity Government can implement a certain policy that can ensure the survivability of the industry moving forward instead of policies that will further burden those in the industry."

Based on the statement above, suggest **FIVE (5)** guidelines that can be considered by the policy maker to address the loopholes in the current p-hailing regulations. Support your suggestions with reasoning.

Questions 4

(25 Marks)

"Given the above arguments, introducing a p-hailing license on delivery riders (as opposed to a service provider license on gig platforms) could be a case of over-regulation. There is also the issue of unintended consequences."

Suggest **FIVE (5)** ways in which this over-regulation could have been prevented via public policy (either government-based or industry-based). Support your suggestions with reasoning.

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