Impact of the Severe Acute Respiratory Syndrome (SARS)

Less than three weeks after the World Health Organisation (WHO) issued a global alert on 12 March 2003 warning of a severe form of pneumonia in Hong Kong and Vietnam, the Singapore authorities embarked on an islandwide search for a taxi driver who had ferried a passenger infected with SARS from Changi Airport to Singapore General Hospital.

On 31 March 2003, a Comfort Transportation taxi driver came forward to say that he might be the one who ferried the SARS victim and her mother from the airport to the hospital. The media coined the term “SARS cabby” for the man.

The damage was immediate and massive: taxi drivers’ net incomes fell from an average of $68 per day to $46 per day in the first week of April 2003 alone.

In fact, the impact was so significant that it prompted Senior Minister Lee Kuan Yew to speak out loud. He said that Singaporeans were “acting stupid”.

“We are acting stupid. Taxis are empty, hotels are empty, restaurants are empty, everybody is scared. The pain that is going to be inflicted will be tremendous unless we change our behaviour patterns. We are hitting the people who are most vulnerable, the people who earn money day by day. They are the ones who hurt very badly,” he said.

Indeed, the entire sequence of events could not have come at a worse time given that the management under Managing Director/Group Chief Executive Officer Mr Kua Hong Pak was in the midst of a post-merger integration. But the team acted swiftly and decisively, taking into account the best interests of the drivers, commuters and shareholders.

Formation of the Taxi Industry Task Force

Worried about the welfare of the Group’s taxi hirers and relief drivers, Mr Kua together with the Adviser of the Taxi Operators’ Associations, Mr Seng Han Thong - who is also the Assistant Secretary-General of National Trades Union Congress (NTUC), quickly initiated the formation of the Taxi Industry Task Force, made up of various taxi companies and taxi operators’ associations. The purpose of the Taxi Industry Task Force, which was formed on 31 March 2003, was to help taxi drivers should they fall ill or be quarantined because of SARS and to reassure the commuting public that the taxi associations, taxi companies and taxi drivers were doing all they could to help contain the spread of SARS.

The Combat Against SARS

To further allay drivers’ and passengers’ concerns about the SARS virus, the ComfortDelGro Group of taxi companies started to disinfect its fleet of more than 16,000 taxis on a daily basis. Starting 9 April 2003, attendants at five service centres-cum-refilling stations started spraying cab interiors with non-toxic, non-allergenic disinfectants that work for at least 24 hours. Comfort
Impact of SARS (cont’d)

Transportation/Yellow-Top Cab and CityCab also advised their cabbies on personal hygiene and what to do if they fetched a sick person. Cabbies were also told they could choose to wear masks.

Yet, business continued to suffer. Group Chairman Mr Lim Jit Poh – with his vast experience with the taxi business – suggested that Mr Kua, who was making his debut in taxi business, meet up with the taxi driver association representatives. The meeting took place for the first time on 10 April 2003, and at the meeting Mr Kua without hesitation offered a $10 daily rental rebate for one month combined with a $0.04 per litre discount off its diesel price.

One week later, on 17 April 2003, the Singapore government announced an overall SARS assistance package for the transport industry including a $2,000 diesel tax cut to just $2,700 a year per taxi. A waiver was also given for the monthly $25 licence fee which each operator was to pay for each vehicle in its fleet.

Both Comfort Transportation/Yellow-Top Cab and CityCab said they were happy with the licence fee waiver and added that they would pass on the savings in diesel cuts, of $15.2 million and $6.8 million respectively, to their drivers.

Things seemed to be finally looking up - until 17 April 2003, when it was announced that a Comfort Transportation taxi driver was one of four people diagnosed with SARS and that the Health Ministry was trying to trace the passengers who took his cab between 6am and 9am on 10 April 2003.

To help the driver, Comfort Transportation said it would waive the entire rental for the infected driver and give him $200 as a hardship grant. His insurance will also pay his $25 a day ward charges and give him $30 for every day he is sick.

Unknown to many, SBS Transit also kept a strong surveillance on our bus and rail operations. Since March 2003, the bus air-conditioners were switched off and doors were opened during layover at interchanges and terminals for better ventilation. In April 2003, SBS Transit began disinfecting its buses and trains, in addition to distributing protective masks and Vitamin C tablets to all frontline staff. It was also compulsory for all frontline staff to have their temperatures checked before the start of their shift and fever-free staff were given “I’m OK” stickers to be worn.

SBS Transit was also prepared for emergencies. A case in point: the false alarm at the Institute of Mental Health (IMH) in which SBS Transit was called to participate in the exercise to ferry IMH staff between their temporary accommodations and work place.
Further Steps
But we realized that more needed to be done if taxi drivers were not to suffer even more. To help boost commuters’ confidence that the taxi was a safe mode of transport, cabbies volunteered to get their temperatures checked before the start of their shift. They also wore “fever-free” stickers prominently on their shirts.

ComfortDelGro also introduced a compulsory issue of receipts to passengers and compulsory logging of all trips by drivers from 21 April 2003, as a form of contact tracing. Concerned about the dramatic drop in taxi drivers’ incomes, Mr Lim, accompanied by Mr Kua, paid visits to temperature check stations to lend support to cabbies.

Crisis Mounts
Despite all the added precautions and measures, the SARS crisis deepened.

On 30 April 2003, it was reported that a 43-year-old Indian Comfort Transportation driver, who had died and had been diagnosed earlier as having viral fever, had actually been suffering from SARS.

Commuters shunned taxis. Business was badly hit. To help ease the growing financial burden, ComfortDelGro said it would be deferring $10 of taxi drivers’ daily rental for two months starting 6 May 2003. ComfortDelGro continued to extend the daily rental rebate at a reduced rate of $7 from 11 June 2003 until 10 July 2003. This was revised to $3.50 per day from 11 July 2003 until the last payout on 10 August 2003. The diesel price discount was extended and increased to $0.06 per litre from 11 June 2003 to 10 August 2003.

And to further help drivers safeguard against SARS, the Taxi Industry Task Force armed drivers with a SARS Battle Kit comprising thermometers, masks, disinfectant and alcohol wipes. Mr Lim and Mr Kua personally distributed these kits to taxi drivers who drove by a collection centre at Causeway Point.

Light At The End Of The Tunnel
Even though Singapore was finally removed by WHO from the list of SARS-affected areas by end May 2003, the Taxi Industry Task Force persevered with its precautionary measures. On 3 June 2003, the SMS Contact Bowl Project to facilitate contact tracing through SMS was launched. To further reinforce the importance of personal hygiene and social responsibility to taxi drivers, the “Taxi Also OK” campaign was launched soon after.

By June 2003, life for residents in Singapore especially for taxi drivers seemed to have returned to normal. The Straits Times reported on 7 June 2003 that average net income had gone back to $66, from $46 a day at the peak of the SARS outbreak.

On 25 May 2003, Deputy Prime Minister Lee Hsien Loong officially launched the Taxi Operators’ Savings Scheme, which ComfortDelGro supported financially. During the launch, he said: “The SARS crisis has highlighted the importance of being prepared for difficult times... It is especially important for taxi drivers to save, because driving a taxi is an unpredictable business.”
Impact of SARS (cont’d)

SARS Overseas
ComfortDelGro’s businesses in the People’s Republic of China (PRC), were also severely affected by the SARS outbreak. At the onset of SARS, ComfortDelGro had operations in 10 cities across the PRC. In Beijing, ComfortDelGro’s largest subsidiary, Beijing Jin Jian, supported the local government’s call to reduce taxi rentals by 50%, from May 2003 to July 2003, to help taxi drivers. ComfortDelGro also had operations in Guangzhou that was identified by WHO as a possible location for the source of the SARS virus.

Just as he was concerned about the welfare of Singapore cabbies, Mr Kua also kept a close watch on ComfortDelGro’s staff stationed in China and Vietnam and constantly enquired about their health as well as the welfare of their family members.

Financial Impact Of SARS
The direct loss of income to ComfortDelGro as a result of SARS was in the region of $30 million while about $1 million was spent in organizing the various precautionary measures. If the situation had prolonged, the impact would have been more significant.

Commendation
For their contributions to the welfare of taxi drivers and the industry, Mr Kua and Mr Seng were awarded the President’s Certificate of Commendation, which was given out to organizations that played significant roles in Singapore’s fight against SARS.

Transport Minister Yeo Cheow Tong said in a letter addressed to the duo that the Taxi Industry Task Force, which they both led, had risen to the challenge by demonstrating “great initiative and commitment during the fight against SARS and providing assistance to the taxi drivers throughout the difficult period.”

“The many initiatives, including setting up of 17 temperature check stations across Singapore for taxi drivers as well as distributing SARS Battle Kits to the taxi drivers helped reassure the public that the taxi industry was taking all the measures to contain the spread of SARS… “ he said.

Accolades were also given by Mr Lim Boon Heng, Minister, Prime Minister’s Office and Secretary-General of the National Trades Union Congress. He said at the ComfortDelGro corporate identity launch on 30 May 2003 that the Group was a “model responsive corporate entity.”

“It has demonstrated this in its recent initiatives to re-instil confidence in our taxi and bus commuter public in the wake of the SARS outbreak,” he said.

Conclusion
ComfortDelGro’s swift and decisive approach in acknowledging the SARS matter and tackling the issues of looking after the welfare of important business partners including commuters, drivers, staff and investors has won praise. The management’s success in addressing SARS and Mr Lim’s and Mr Kua’s resolute interest and personal attendance in practically all related events have strengthened our brand name and ensured that these stakeholders retained full confidence in the company through the SARS situation in Singapore. ComfortDelGro is now in a much better position to respond to any unforeseen incidents of this nature.