

Success Matters

What is the secret of Singapore's success? The short answer, distilled from various studies, academic or otherwise, is that the government has got its policies right. Quah (1996) explicitly ties this success to the agency of the People's Action Party (PAP), which has been in power since Singapore became self-governing in 1959, attributing the country's remarkable progress to "the PAP government's good track record of formulating and implementing 'right' policies based on its emphasis on clean government, meritocracy, policy diffusion (learning from others), and pragmatism"¹.

It has been previously noted that "(o)ne of the safest and most enduring generalisations about public policy-making in Singapore concerns the extent to which the process is dominated by the political executive, especially in the person of the prime minister"². In fact, at least one previous public policy initiated by former Prime Minister Lee Kuan Yew, the Graduate Mother Scheme³ in 1984, not only reflected his personal belief in human eugenics, but was significantly passed as policy without debate in parliament⁴.

Yet, policy-making is just part of the story. Good policies become successful policies only if they are implemented well. With the roles of politicians in Singapore's policy making writ large, the parts played by those who had to do the actual heavy lifting had arguably been lost in the narratives on the Republic's successful policies.

In this series, the Institute of Policy Studies attempts to inject their voices into the Singapore success story (at least in the implementation of three such policies). Therefore, most quotes are deliberately left long and verbatim. Based on fresh personal interviews and oral history archives, these accounts do not claim to be complete ethnographic case studies. Neither do they claim to be possible bases to construct alternate narratives; they merely serve to further inform the Singapore success story (at least in part) that most are familiar with.

¹ Quah, Jon S.T. *Wielding the Bureaucracy for Results: An Analysis of Singapore's Experience in Administrative Reforms*. *Asian Review of Public Administration*, Vol. VIII, No. 1 (July-December 1996).

² Ho, K.L. Prime Ministerial Leadership and Policy-making Style in Singapore: Lee Kuan Yew and Goh Chok Tong Compared. *Asian Journal of Political Science* Volume 8 Number 1 (June 2000)

³ Under the scheme, benefits and incentives were given to graduate mothers, with the objective of increasing their reproductive rates. These include giving better-educated mothers priority over those who were less educated when it came to registering their offspring in choice primary schools; enhanced tax reliefs of up to \$10,000 for the first child of graduate mothers; and the setting up of a government graduate matchmaking bureau. Implemented in 1984, the scheme was revoked in 1985 after strong public resistance, which was believed to be a partial explanation for a 13% vote swing against the PAP in the 1984 general election.

⁴ Ho, K.L. Prime Ministerial Leadership and Policy-making Style in Singapore: Lee Kuan Yew and Goh Chok Tong Compared. *Asian Journal of Political Science* Volume 8 Number 1 (June 2000)



The Parking Coupon System: A Rear View Perspective

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To understand the context of how the parking system was managed and its subsequent evolution, it would be useful to trace the history of Singapore's early years, and the social and economic conditions then.

Singapore in the forties and fifties was quite different from the current knowledge economy and urban city-state of five million. Singapore's population grew from about 960,000 in 1948 to about 1.6 million in 1954 but the British colonial administration was slow in reviving the economy and in providing enough jobs. Unemployment was high in those days.

By the late 1950s, the country remained primarily an entrepot economy, with 70 per cent of its Gross Domestic Product (GDP) derived from entrepot activities. Singapore's industrial base was small and limited, with the public sector playing a prominent role. At that time, the main contributors were in the shipbuilding and repairing industry which was largely in the hands of governmental and public bodies, including the British Naval Base. The manufacturing sector, which could potentially provide ample jobs, was in its infancy, and consisted mainly of light engineering, assembly of vehicles, marine engineering, printing and processing. Though jobs in the manufacturing sector grew from 22,692 in 1955 to 44,295 in 1961, the industry's development was slow and job growth looked unlikely to keep pace with demographic changes.

Indeed, the population continued to grow, fed by the post-war baby boom in the early 1950s and the free immigration policy. The decade from 1947 to 1957 saw average annual population growth of 4.4 per cent. Unemployment rate stood at 5 per cent, rising to a high of 9.2 per cent in 1966.

These demographic and economic developments played out against a backdrop of seismic political changes. The years 1959 to 1968 represent some of the epochal years in Singapore's modern history. In 1959, the British colony became completely self-governing and in August 1965 Singapore became a sovereign state after separating from Malaysia. Its political leaders were faced with the unenviable task of ensuring the political and economic survival of the small city-state. It was clear to them that chief of their priorities would be to resolve the rising unemployment problem.

Survival economics during the early years centred on industrialisation, with a model based on import substitution, aimed not just at reducing the dependence on imported goods and boosting local production, but also job creation. GDP averaged an annual 5.3 per cent during this period, with the manufacturing sector's share of GDP growing from 11 per cent in 1960

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to 13 per cent in 1964. Yet, even this small step towards industrialisation was in danger of going off-track. When Singapore separated from Malaysia in 1965, the import substitution strategy was undermined -- the city's nascent industrial players suddenly found the size of their domestic market dramatically reduced, as they could no longer take advantage of the large hinterland market to the country's north. A necessary quick adjustment followed - although industrialisation was still a fundamental economic strategy, the focus was shifted towards exports.

Still, the early years were difficult. Apart from separation from Malaysia, the newly-independent nation also had to contend with Indonesia's Confrontation campaign against its neighbours, which threatened Singapore's traditional role as a major trading post for the region. The planned withdrawal of British bases, which employed around 40,000 workers, within five years added to the dark mood. The unemployment rate was high, estimated at about 10 per cent. Measures were taken and the government contrived to create jobs.

In 1960, the Workers' Brigade was formed with a budget of \$7 million as an unemployment relief scheme, to take jobless young people off the streets and give them work in land reclamation, road building and irrigation works. They were paid daily and given food and accommodation. Around the same time, the government had also decided to recruit car park attendants in great numbers to not only help alleviate the unemployment problem, but also to impose order on the parking situation in the city centre.

Singapore's export-oriented strategy, powered by attracting foreign investors to Singapore to develop the manufacturing and financial sectors, bore fruit quickly as steps were taken to maintain a harmonious and business-friendly industrial relations climate as well as to invest in key infrastructure.

Growth averaged 10 per cent per year during the decade after independence. Manufacturing sector's share of GDP grew from 14 per cent in 1965 to 24 per cent by 1978, playing a significant part in providing jobs. By 1978, unemployment rate fell to 3.6 per cent.

From 1979 to 1985, the jobs situation had swung from high unemployment to a tight labour market. The Workers Brigade had long been disbanded as it had become irrelevant. The Ministry of Labour, which was then in charge of supplying car park attendants to the Urban Redevelopment Authority (URA) signalled that it would stop doing so as manpower was sorely needed elsewhere in Singapore. The time had come for parking in Singapore to be less labour intensive and the search for an alternative system began.

We were given a set of lots to take care of. When a car parked, we collected payment from the driver and issued receipts. When the parking time paid for expired, we issued an advice note and place it on the car. When the driver came back, he would then take the advice note and has up to seven days to pay up... - **Mohd Mahaimin Abu Baker, former parking attendant**

Old Parking System

The old parking system suited the times. It was labour intensive and did not require the workers to have technical skills. This helped alleviate the unemployment problem among the then largely unskilled workforce, noted K Jayaraman, who was the URA Car Park Division (CPD) Assistant Superintendent when the old system was phased out.

Apart from boosting job counts, the labour-intensive nature of the old system also made it very user-friendly with little need for the active participation of motorists to ensure that it ran smoothly. Mohamed Mohaimin Abu Bakar, who joined URA as a parking attendant in 1971, and is currently a senior parking inspector, recalled: "We did all the work. We were given a set of lots to take care of. When a car parked, we collected payment from the driver and issued receipts. When the parking time paid for expired, we issued an advice note and place it on the car. When the driver came back, he would then take the advice note and has up to seven days to pay up either to the attendants, at the kiosk or even at the car parks division office."

The kiosk referred to by Mohaimin served as the field nerve centre for the parking attendants. There were between 30 and 40 kiosks all over the island. Each kiosk had 28 to 40 attendants; and each attendant took charge of 12 to 20 lots. Paid parking, which used to be confined only to areas in the city centre as well as major places of interest and commerce like Haw Par Villa and the airport, expanded to other areas as the car population grew. The need for parking attendants grew as well. At its peak, the field parking workforce stood at more than 1,000 with a few hundred more dealing with backroom activities that included accounting for the daily controlled distribution and collection of parking coupons to and from the kiosks; the consolidation of payment received; keeping track of advice notes; and the issuing of demand notices to motorist who fail to pay up when the advice notes expired. To keep track of parking duration, attendants would collect payment and used a piece of chalk to write down the expiry time on one of the vehicle tires – a no-tech but effective practice still seen in some cities like Hanoi.

In practice, while the old system worked well, it was still a daily logistical challenge with a myriad of processes. Each day, the parking attendants would report to the senior attendant at the kiosks by 7.45 am to sign out for and collect their receipt and advice books. As these books were classified as controlled items, the attendants would have to very quickly ensure that those in their possession had no misprints such as serial numbers that jumped sequences or other anomalies. Said Mohamed Haris Mohamed Jawahir, who was a storekeeper with the Division: "We had a few thousand (receipt and advice) books in the store. As these were controlled documents, missing pages had to be reported to the police. If there is no way of verifying that the missing pages were the result of misprints, attendants could be sacked for suspected pilferage."

Prior to the actual work starting at 9 am, the senior attendant would also have to account for all attendants and adjust his roster, or even call in to the headquarters for relief attendants, if there were absentees. The senior attendants also schedule relief attendants to take the place of the regulars during their lunch hour. At the end of the day, the attendants would hand in their fee collection and the receipt and advice books to the kiosks where a quick tally was made before these were handed over to a collection team that came around in one of

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the vans. In the morning, this same van would have gone around to the kiosks to distribute the receipt and advice books issued by headquarters. To ensure that things went smoothly in the field, roving supervisors were put in charge of several kiosks each, accompanying the distribution and collection runs of the vans each day.

Nevertheless, those who had worked the system looked back upon it convinced that there was little that was fundamentally wrong with it. Indeed, it survived unchanged for more than 20 years after Singapore attained self-government.

Staff at the headquarters had much to do as well, especially at the end of each day. In the morning, they would issue the receipt and advice books. In the evening, when these came back along with the money collected, the backroom finance staff would count the money, account for the unused receipt and advice books, and collate the copies of the receipt and advice notes issues. Their job also included banking in the money each day, as well as managing the advice note system. Once an advice note was issued, it was kept for the seven-day duration. The backroom staff would track these notes and if the fee were not paid by the expiry date, they would issue a demand letter to the driver. To facilitate this, staff from the car park division would head to the Registry of Vehicle office every day to get the addresses of the affected motorists,

There were some operational issues. The chalk marks, for instance, were a problem during rainy days when they could be washed off. There was also enough negative feedback about how these marks were unsightly for the CPD to train its staff to mark the tires in such a way that the markings were out of sight. A more serious concern was the possibility of collusion between the parking attendants and those who were regulars at the lots they took charge of, where, instead of paying the full fee, the motorist could pay a discounted fee to be pocketed by the attendant in exchange for not being cited for non-payment or under-payment.

Nevertheless, those who had worked the system looked back upon it, convinced that there was little that was fundamentally wrong with it. Indeed, the system survived unchanged for more than 20 years after Singapore attained self-government. Lau Swee Kwong, currently URA Deputy Director for Car Parks Operations, still believes that it was a system that worked well and could still work if manpower were as readily available. This was a view shared by the then head of the CPD, Tan Yew Khang, who noted that URA began looking for an alternative only when it was told that its supply of labour from the then Ministry of Labour was going to be cut off. However, he acknowledged that the old system was “a backward system with people collecting money on the street”.

The Push Towards a New System

As the job market tightened towards the late 1970s, there was some attrition among the parking attendants force. Jayaraman noted that it was not a very attractive job to begin with, as the work was tough, with attendants having to contend with the vagaries of the weather as well as unpleasant encounters with irate motorists. In 1980, the Division was told that there would be a hiring freeze for parking attendants: the Labour Ministry said it would no longer supply workers; and there would be no replacements hired for those that resigned.

“When we were told of this policy change, it was also suggested that we should have a more efficient system. No deadlines were given, but the writing was on the wall. We were granted a temporary moratorium on this no-hiring policy with approvals given twice to the Division to directly recruit workers in order not to affect operations,” said Tan, who assigned his deputy Lim Keve Seng to study various alternatives.

Lim said that at that time, the only alternative known to the Division was the parking meter system, where motorists would make payment into slots in a timed meter beside each lot. However, a study on the system, which included getting feedback from city administrations implementing the parking meter system abroad, threw up serious concerns over maintenance issues mainly related to vandalism. He said: “Maintenance costs could potentially be high, with the need to set up a workshop, for one. There was also the possibility that motorists would deliberately damage the meters in order to avoid payment, giving the excuse that it was no fault of theirs that they couldn’t pay up.”

Other considerations included aesthetics, as the meters would mar the streetscape; and the fact there would be a need to uninstall and reinstall meters whenever there were urban planning changes that affected the parking lots.

According to Lim, the Division chanced upon the coupon parking system when one such application was featured in a country bulletin distributed by the Israeli embassy to various Singapore government agencies. It contacted the embassy and was pointed to three such parking systems in Tel Aviv, Haifa and Jerusalem. Later, the Division also learnt of a similar system operated in Lyon, France. During its 59th Meeting, the URA had approved the introduction of the coupon parking system. Lim then contacted the operators in Israel and France who agreed to let him study their systems.

As noted in Lim’s familiarisation study report of 1979, Tel Aviv first implemented pay parking in 1965, using parking meters. However, because of negative operating results, parking meters were replaced by the card (or coupon) system in 1972. Due to its success, it was adopted by the parking authorities in Haifa and Jerusalem in 1975 and 1977 respectively. In Tel Aviv, the system encompassed 5000 lots; in Haifa, 1500; and Jerusalem, 1500. The number of wardens employed to enforce the system was 18 for Tel Aviv and 15 for both Haifa and Jerusalem – a stark contrast to the labour intensive system that Singapore wanted to replace.

Other details of the system studied were:

- how parking rates were levied, including the grace period allowed before a motorist was deemed to have underpaid;
- the problems faced during the initial period of implementation;
- the introduction exercise to gain public acceptance and educate the public on the proper way to use the system;
- how cases of attempted cheating were handled and subsequently minimised;
- the design of cards, including consideration given to ease of use (i.e a card with tear-away die-cut tabs which did not require any aid versus one which needed the motorist to have a pen to shade the required areas versus one which needed the motorist to use a coin or a similar implement to scratch away the required areas)

- methods of displaying the cards for ease of inspection
- procurement and security features of the cards to prevent counterfeiting
- the distribution and sale of the cards
- enforcement methods and tactics
- the types and occurrence levels of violations (e.g non-display or underpayment) related to the system
- the penalties imposed on the violations
- how the use of technology in backroom operations facilitated the enforcement process with minimal staffing.



During the Lyon study trip, similar parameters were looked at. In addition, the French experience presented an opportunity for Lim to directly compare the performance of the card system to the parking system as these two systems ran in parallel in the region. The study compared the operating results of the two systems and found that there were operating losses for the parking meter system while that for the card system showed a positive operating result.

So the coupon parking system which we were considering was no worse off than the parking meter system. And the parking meter was the only alternative system available to us at that point of time. So logically, we moved into coupon parking as it was cost effective – **Lim Keve Seng, former Deputy Head of URA Car Park Division**

Said Lim: “We didn’t want to lose money so this convinced us that the coupon parking system was cost-effective. Still, there was an inherent shortcoming in the coupon system in that it required motorists to estimate their parking duration. But this was also something that the parking meter system had. So the coupon parking system which we were considering was no worse off than the parking meter system. And the parking meter was the only alternative system available to us at that point of time. So logically, we moved into coupon parking as it was cost effective.”

Soon after Lim’s trip, the system was rolled out in February 1980, using cards that needed motorists to shade appropriate spots. These were used as it cost less than cards that required die-cut tear-away tabs. However, following public feedback that it was inconvenient for those who do not carry pens around, they were later replaced by the more expensive die-cut versions in September 1980.

Implementing the New System

The study trip confirmed the key advantages of the coupon system: it reduced manpower requirements drastically and could be operationally viable without the need to either be a burden to taxpayers in general or exact unduly high fees on motorists.

Indeed, its impact on operations was felt immediately. Ong Thiam Huat, who was an executive officer with the CPD when the switch took place recalled: “The whole system

changed from an assisted scheme to a self-service one. We redeployed our staff. Instead of one staff member looking after 15 to 20 lots, we had a system where we needed one person looking after 150 lots -- just to check if coupons were used. The efficiency level increased from one to 15, to one to 150 – about 10 times.”

The urgency of the change was felt in old system’s last legs, where the manpower crunch led to car parks which were not properly manned, said Tan. He recalled: “To cope, we were forced into some solutions that were not ideal. For example, we rotated the coverage of the attendants, by getting them to look after different sets of lots on different days. Leakage (from uncollected parking fees) was high. So we were under a lot of pressure to implement the change quickly.”

Other learning points gleaned from the study trip were put into use during the phasing in period. Two months before the change, training was given to wardens (former attendants) to not only run the system but also to explain to motorists how it worked. For public education and publicity, every vehicle owner was sent a brochure explaining how to use the coupon. Vehicle owners were also given one complimentary coupon. The public outreach exercise also targeted car rental companies as well as through the tourism board and all government departments which displayed posters with information of the impending change.

The change was also phased in with a transition period where those who failed to display a coupon were still issued the old advice note (which had a seven-day window for payment) instead of being treated as non-payment cases. During this transition period, Tan said the CPD also systematically gave more leeway to motorists by cutting back enforcement activities on selected days of the week. He said: “It was our way of lessening the pain for the motorists during the learning-in period. But of course, we did not make this policy public.”

Lim added: “Another point that we actually deliberated and implemented, although it was never official in that we did not openly announce to the public, was that we would exercise flexibility (due to the inherent ‘shortcoming’ of the system which requires one to estimate the parking duration time). So we gave them a bit of grace period – we overlooked the ‘offence’ if motorists were to put down the parking start time 5 to 10 minutes later than the actual start time, or if motorists were still park 5 to 10 minutes after the (stipulated duration). We did not announce this officially but we briefed our enforcement officers to bear this in mind during their enforcement tasks.”

As for the distribution of the coupons, CPD used its existing kiosks as sales points in the initial phases, and also appointed lottery booths, post offices, the Registry of Vehicle test centres as well as Housing and Development Board (HDB) area offices as additional island-wide locations where the coupons could be bought. As the external distribution system matured, the kiosks were gradually reduced in numbers until eventually only enough were retained to serve as field coordination centres.

This phasing in period of the system also spelt the phasing out of redundant staff members, including those performing the backroom functions. According to Tan, the redundancy figure he calculated was actually higher than the number of people let go during the retrenchment exercise. He said he was told that the higher number was “politically not very good”. “We also didn’t want to suddenly retrench so many people who had been working with us for

quite a number of years. So, we came out with the reduced figure. All these considerations were not officially documented.”

Singapore’s coupon parking system for public car parks is now about 30 years old. Advances in technology have seen the system being replaced by electronic systems in places where entry and exit to and from the parking areas are via controlled access points. However, elsewhere, it is still the humble coupons that are still in use.

Success Factors

The coupon system – or in fact, any alternative that reduced manpower requirement -- was essentially forced upon the CPD. Although no deadline was given for the switchover, the manpower allocation policy of the government of that time practically dictated that the change had to take place in two years or less. The decision to change was made top-down, but autonomy was given to the operational leaders to seek out the best alternatives. Without this autonomy, it was quite likely that Singapore would have opted for the parking meter system, given that it was the only option known to the authorities here.

A key contributor to the relatively trouble-free transition was the lessons learnt from Lim’s study trips to Israel and France. Despite the urgency with which the change needed to take place, the time, money and effort that were invested in the study were ensured that systemic shortcomings experienced by the parking authorities in Israel and France – whether in the introduction stage or even after the initial run-in – were anticipated and suitable solutions found.

The flexibility – albeit not all of which were made public – exercised by the CPD during the transition also enabled the change to take place with minimal pain to both motorists as well as the car park personnel affected by the switch. This nimbleness was also demonstrated by the quick change to tear-off die-cut coupons from the original shading-type coupons after negative feedback from motorists.

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