

A Study on Truck Drivers Shortage in Malaysia

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Abstract

The documentation of truck drivers shortage issues have been reported since 1998 in the United States. It seems to be an ongoing topic without a solid solution as every years truck operators are reporting the same issues and researcher developed a frequent report to monitor this issue. Malaysia trucking industry faced the same issues. According to the Workforce Survey and Consultant's Analysis 2017, the drivers and mobile plant operators are the highest among logistics industries who experience shortage which followed by mining, construction, manufacturing and transport labourers (Institute of Labour Market Information & Analysis (ILMIA), 2017). The data proves that Malaysia is on the verge of experiencing

the problem of having the truck driver shortage. The objective of the study is to identify the factors that led to truck driver shortage. This study uses qualitative analysis to identify the factors contributing to truck driver shortages. 11 Informants in Malaysia were interviewed they include owner of logistics and transportation companies, truck drivers, government officer and students. Total of 17 factors were identified including one new factors identified. This study contribute to the understanding of factors of truck drivers shortage in Malaysia context.

Keywords: Truck Driver Shortage, Malaysia, Logistics, Haulier, Transportation

Introduction

Truck Drivers shortage is one of the serious issues being highlighted by many countries around the world, and have been researched for quite some while. Among earliest commissioned documentation to understand this issue appeared in 1998 (McKinnon, Flöthmann, Hoberg, & Busch, 2017) which look into the drivers shortage in United States. A subsequent study by Global Insights (2005) for the American Trucking Associations in 2005 projected that the shortage of "heavy duty truck drivers" in the US would swell from 22,000 in 2004 to 111,000 by 2014 which turn out to be overestimated while the shortage only reach 40,000 (Sheffi 2015). 40,000 however is still a very large number and one which is creating difficulties for many US businesses (McKinnon et al., 2017).

G Smith, (2021) reported that in 2021 most countries forecasted average of 20% of the job will be unfilled ranging to 10% to 31%. In Canada it is reported that there are 20,000 truck drivers job vacancies unfilled and the figure is forecasted to increase to 23,000 by 2021 (G Smith, 2021). Sheffi (2015) has concluded that truck drivers shortage is a long unsolved issues up to the extent that it is difficult to figure out a time when filling driver vacancies was not a problem.

2020 3PL report highlighted that shipper are facing 30% driver shortage while 3PL is reporting 23% shortage of drivers. (C.John Langley & Infosys, 2021)

The truck driver shortage and driver turnover rates are not the same. Turnover, which was 89% for large for-hire truckload carriers and 73% for small for-hire truckload fleets in in 2018, is a reflection of demand for drivers, with higher rates generally indicating strong demand for drivers

Malaysia Truck Drivers Shortage

In 2015 there are reported shortage of 5,000 truck drivers (Motorme.my, 2015) (Malay Mail, 2017). While in 2017 Komuniti Johor (Johor, 2017) reported that there are 1,000 shortage of container haulage drivers shortage in Malaysia, where in the same year Malaysian government has introduced a licensing incentive which aimed to promote public and younger generation to get goods driving vehicle license. In 2020, it is reported that there are 1.4 million trucks on the road in Malaysia with 200,000 vacancies for drivers job (Musa, 2020). This figure however is suspected to be inaccurate and require further search to confirm on the figure mentioned by Musa (2020). The only official reported that is available is the number of active permitted A and C class which is 254,102 units for 2019 (Ministry of Transport Malaysia, 2020) and 265,069 for 2020 (The Land Public Transport Agency, 2020). Nevertheless, TalentCorp (2020) identified the heavy truck and lorry driver appear to be one of the critical occupation listed among 57 other critical unfilled occupation list in year 2019 to 2020 (TalentCorp, 2020).

The Impact of Truck Driver Shortage

The impact of this shortage of truck drivers leads to various impact and complication to logistics industry. For example disloyal customers, timeliness issues, and decline in profitability. In India for example (Mittal, 2018) mentioned that there are loss amounting USD 58 Million caused by idle trucks (Neha Mittal P. D., 2018). United States driver shortage is having a macro-economic impact through the inflationary pressures exerted by rising labour costs in the road freight sector.

To date little work can be referred to understand the problem of truck drivers shortage in Malaysia. Any other international papers also does not highlight the issues in Malaysia, thus, this study is conducted to identify and update the factors which have contributed to truck drivers shortage in Malaysia.

Literature Review On Factors Contributing To Truck Drivers Shortages

Previous works have outlined several factors which leads to truck drivers shortage. Mittal, Udayakumar, Raghuram, & Bajaj, (2018) identified four main category of factors which lead to truck drivers shortage it includes Demographic Factors, Legal Issues, Socio Economic Factors and Psychographic factors. Each of the factors consisting of several sub components. Demographic factors which refers to the structure of the population consist of parameter such as age profile, and gender ratio. Next factor is legal issues which consist of parameters such as clarity of law and regulation, corruption and driver licensing. Third factor is socioeconomic factors, it

contains three sub component including 1. human resource management parameters (average salary /income, working hours, frequency of visiting home, literacy among drivers). 2. Operating parameters (Adoption of technology, average truck speed, Road Safety) and 3. Industry Structure (Profit Margin, Ownership pattern organization). The fourth factors is Psychographic which consist of Social and professional status, cargo safety, aspiration to excel and sexual wellbeing and addiction.

McKinnon, Flöthmann, Hoberg, & Busch, (2017) has pointed out eight factors which have led to truck drivers shortage in Europe. They include , growth in the demand for road freight transport, low wage rates, working conditions, changing nature of the job (micro monitored with use of new technology), increased regulation, demographics, qualification requirements: need to apply and pay for certain skill on top of their HGV licenses, industry structure: fragmented industry and driver need to have good entrepreneurial skills

Table 1 : Literature Review Summary

	Mittal et al ,2018	Mc Kinnon et al 2017	American Trucking Association , 2019
DEMOGRAPHIC			
Age Profile	/	/	/
Gender ratio	/	/	/
SOCIO-ECONOMIC			
HRM Parameters			
average salary /income	/	/	/
working hours			
Operating Parameters			
frequency of visiting home	/	/	/
literacy among drivers	/		
Adoption of technology	/		
average truck speed	/		
Road Safety	/		
Industry Structure			
Profit Margin,	/		
Ownership pattern organization)	/		
LEGAL & REGULATORY			
Clarity of Law and Regulation	/		
Corruption	/		
PSYCHOGRAPHIC			
Driver Licensing	/		
Social and Professional Status	/		
Cargo Safety	/		
Aspiration to excel	/		
Sexual wellbeing and addiction	/		
Availability of Other work			/

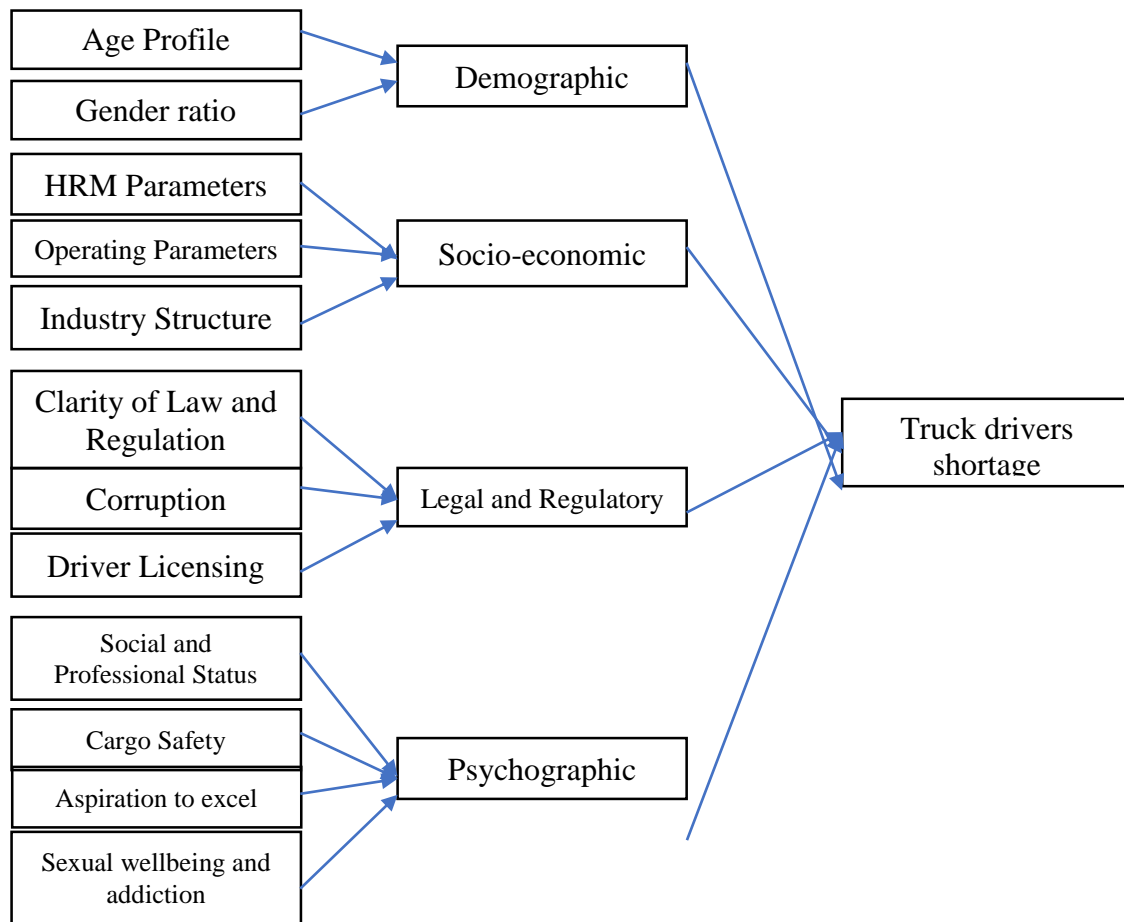


Figure 1: Theoretical Framework from previous Studies

Based on the literature review it shows that between, Europe, India and United States there are differences in factors which leads to truck driver shortage. Therefore, with the importance and significance of the impact resulting to truck driver shortage, this study will further explore on the factors which lead to truck drivers shortage in Malaysia.

Data Collection Method

To identify the factors which contributed to truck drivers shortage in Malaysia qualitative methodology have been

applied. Total of Eleven (11) Informants involved in this research. Nine (9) logistics practitioners and two (2) students were invited to gather their views about truck drivers shortage. The contact of experts is gathered from Whatsapp group of Malaysia Logistics Experts. The Whatsapp group contains 150 of logistics practitioners. Nine informant agreed to participate in the interview consisting of four (4) senior managers, two (2) CEO , three (3) Truck drivers, one (1) senior government officer. While the two (2) students is University students who took a degree in Transport studies in a Public University.

Table 2: Informants profile

No	Informants	Year of Experience	Organization	Position
1	Informant A	10	Haulier	Manager
2	Informant B	15	Hauliert	Senior Officer
3	Informant C	11	Trucking Company	Assistant Manager
4	Informant D	15	Logistics Company	CEO
5	Informant E	15	Logistics Company	CEO
6	Informant F	8	Logistics Company	Truck Driver
7	Informant G	6	Transportation Company	Driver
8	Informant H	8	Transportation Company	Driver
9	Informant I	15	Govenment	Senior Officer
10	Informant J	0	University	Students
11	Informant K	0	University	Students

All interviews were recorded and transcribed to NVIVO12, and each interviews ranging from 30 minutes to 1 hour. All answers were compiled and documented in NVIVO12. The information were then analysed by using thematic analysis. It begins with identifying and coding of all nine transcriptions.

Data Analysis

After all the information have been sorted and categorise, there are a total of 17 main points identified and check listed as presented in Table 2. The check list is based on factors identified in previous study. Out of 18 Factors, 16 were mentioned by the informants. With one new factor identified.

Table 3: Factors Checklist by Informants

Factors	Informants										
	Employers					Drivers			Gov	Students	
	A	B	C	D	E	F	G	H	I	J	K
DEMOGRAPHIC											
1. Age Profile	/	/	/	/	/						
2. Gender ratio				/							
SOCIO-ECONOMIC											
HRM Parameters											
average salary /income	/	/	/		/	/	/	/	/	/	/
working hours								/	/		/
Operating Parameters											
Frequency of visiting home	/	/	/	/	/			/			
literacy among drivers											
Adoption of technology											
average truck speed				/							
Road Safety	/	/	/	/							
Industry Structure											
Profit Margin	/	/	/		/	/	/	/			
Ownership pattern organization)	/										
LEGAL & REGULATORY											
Clarity of Law and Regulation	/				/	/	/		/		
Corruption	/	/		/		/		/			
PSYCHOGRAPHIC											
Driver Licensing	/	/	/	/	/	/	/	/	/	/	/
Social and Professional Status					/	/	/	/		/	/
Cargo Safety		/	/					/	/		
Aspiration to excel	/					/	/				
Sexual wellbeing and drug addiction	/			/	/						
OTHER FACTORS (Not in other Study)											
Interest in the field *				/			/	/	/	/	/

Note: * New identified factors

1. DEMOGRAPHIC FACTORS

a. Lack of young Drivers in Malaysia
This is one of the main factors causing shortages as mentioned by company owners. It is reported that logistics companies and

lorry operators are facing difficulties in finding young people as drivers. According to Informant A (Employer) :
“Most of the current truck drivers are senior aged 45 to 55, there are some younger age, but it is quite hard to get one. Many are not keen to take the job. The turnover rate for lorry drivers in Malaysia was between 15% to 20%. The shortage of

lorry driver is about 30% and operators have idle lorries in their premises.”

2. SOCIO ECONOMIC FACTORS

Socioeconomic factors contains three sub component that include first HRM parameters (average salary /income, working hours, frequency of visiting home, literacy among drivers.) Secondly is Operating parameters (Adoption of technology, average truck speed, Road Safety). Third is Industry Structure (Profit Margin, Ownership pattern organization).

3. HRM PARAMETERS

a. Remuneration and Benefit Malaysia

In Malaysia, truck driver low salary is mentioned to be as one of the biggest contributor which leads to driver shortages. The basic salary of a driver in 2019 is RM350 a month while the rest is based on trips that they made or based on the container that a trailer truck driver moved. Which results to driver to figure out on generating their monthly sustainable income. The number of trip they struggled for will impact the income. For some the cost of diesel and tolls is from the drivers.

“To me it is all about the pay, if your pay is low definitely they will work for other job that give them good pay” – Informant B (Employer)

Informant C (Employer) mentioned that *“ some company do not have any problem to get their truck drivers easily, because their pay is good. While for those who found it hard to get drivers, their pay is low with high expectation.*

4. LEGAL AND REGULATORY

a. Regulation in Malaysia

GDL health test issues

Goods Driving License (GDL) or Goods Vehicle License is a mandatory requirement to drive a company vehicle. It is broken down into three categories - light vehicles (GDL Class D), rigid or rigid heavy vehicles (GDL Class E) and jointed vehicles or trailers/containers/tanks (GLD Class E Jointed) The GDL license is only issued to Malaysians.

“Among the conditions to have GDL is to have a good and satisfactory standard of health. The problem arises when the health examination form states that the maximum health charge is RM80. Clinics is mentioned to increase their charges from RM20 to RM80 which is a burden to most truck drivers.” – Informant G (Driver) . This situation is not an encouraging move for truck drivers as there are so many red tapes for them to work.

b. Health test results are one of the requirements to obtain a GDL license.

Previously, a health test and if the other conditions were complete is sufficient to extend the GDL license. The new regulation which being enforced now is that if the results of the medical examination show the applicant has a health problem such as diabetes, they are not eligible to get a GDL license.

“ They were allowed to take a re test after three months without considering on how will the driver sustain or get income within the three resting month. It is undeniable that health is important, but disease such as diabetes does not really affect driving performance. Thus denying the test or giving any

feasible alternatives which may allow the drivers to sustain their 3 months income will factor to drivers demotivation or potential drivers to consider truck driving as career.” – Informant H (Driver)

c. The demerit points issue Malaysia

Another factors related to regulation which causes demotivation for potential drivers is the demerit point system which have been applied in Malaysia. Basically the system is good and acceptable by the truck drivers. However, this regulation requires certain refinement where issues such as offenses which is not committed or caused by the driver. Especially offences related to overloading of goods on the truck. Whereby, in the case of overloading, the weight of the load is decided by the company’s management, and usually drivers only know the type of the goods transported, not the weight.

“With high demerit on offenses which originated from the employee, it will affect the future career of the drivers as the record is not good from the perspective of new future employers.” Informant F (Driver)

d. Border Crossing issues Malaysia

Another issue is that the lorry drivers had to face is the long waiting time of up to ten hours for border clearance. While basic necessities such as foods, beverages and toilet are not available while they are waiting in the extreme long queue. Meanwhile, the long hour queue are risking truck drivers to be liable for deteriorating condition or raw materials that they deliver. Perishables delivery such as vegetables and chicken which need to be delivered fast becoming stale and damaged.

“ Who are willing to work in such condition?, we wasted our time waiting in congestions, without any public amenities, and the goods in the trucks is getting stale along the congestion and we had to think about it, so many trouble...” – Informant G (Driver)

4. PSYCHOGRAPHIC

a. Negative Public Perception (Malaysia)

Like all other countries, Driver expresses similar frustration on public negative perception about truck drivers. While most truck drivers are well disciplined and professional.

For young generations in Malaysia, the negative perception about working as a truck drivers is similar to other countries. It is observed as a work which is not glamour, hard to do with pays which is not fair to what have been done, boring and hazardous, this is illustrated in the following statement by university students when asked about why people are not interested to work as truck drivers:-

“Most irrational people in society, not all, will look down on you if you says you work as a truck drivers, there’s a recent viral story on facebook where his girlfriend did not want to marry him because she thinks that lorry drivers only made about RM2,000 monthly. When he shows his payslip, the lady then change her mind, that’s how it is, most society are ignorant and clueless, mindset need to change to encourage new generation work in this industry”. -Informant J (Student)

“Some industry players, like Company PXX logistics and DXX they are putting a very good effort in creating positive image

for logistics workers especially lorry drivers, grooming them and giving a prestigious standard for the society to observe and change their thinking about this career, perhaps we can see this change in year to come” -Informant B (Employer)

“In the media, this career are not portrayed to be a promising career. The only news we heard is negative things about truck drivers, although the fact that those negative story only occur and been done by a few, but when it is in the media, it feeds to the society and give a bad image to the career. Media play an important roles to educate the society about any career especially truck drivers.” Informant J (Student)

Interest to the job

Interest in the job is one of the factors highlighted, truck drivers indicated that the reason of truck driver shortage is due to the lack of interest. As some of the truck drivers, despite having a good certificate and degree, they opted to work as the truck driving industry because of their interest and satisfaction to work as truck drivers. Some claimed that they turned down good job and salary offer because how much he have the interest to be a truck drivers.

“Education nowadays may have embedded some knowledge about transport industry and we can see kindergarten or primary school have some activities or role playing as truck drivers. Perhaps this move can groom the younger generations to have interest and further develop their intelligence and skills in the industry. But this results is expected to be realised and observed when the kindergarten pupils grown up in 17 to 20 years to come.” – Informant K (Student)

b. Parking Issues in Malaysia Highways Rest and In Malaysia the highway toll charged for truck and lorries is one time higher than other users, however there’s issues of other car user using truck parking, with limited numbers of lorry parking, sometimes smaller cars took their spot thus resulting them to park on the curb of exit way which resulted to summonses by the authority. Security at the R&R is also another issue, where with the absent of CCTV at the parking area, there’s cases of theft of product hauled. The voice of Malaysian Haulier representatives are not well heard and some complaints does not improved for years.

Conceptual Framework

From the data analysis Table 2 below presents a conceptual framework which highlights the factors discovered in Malaysia which leads to truck driver shortage.

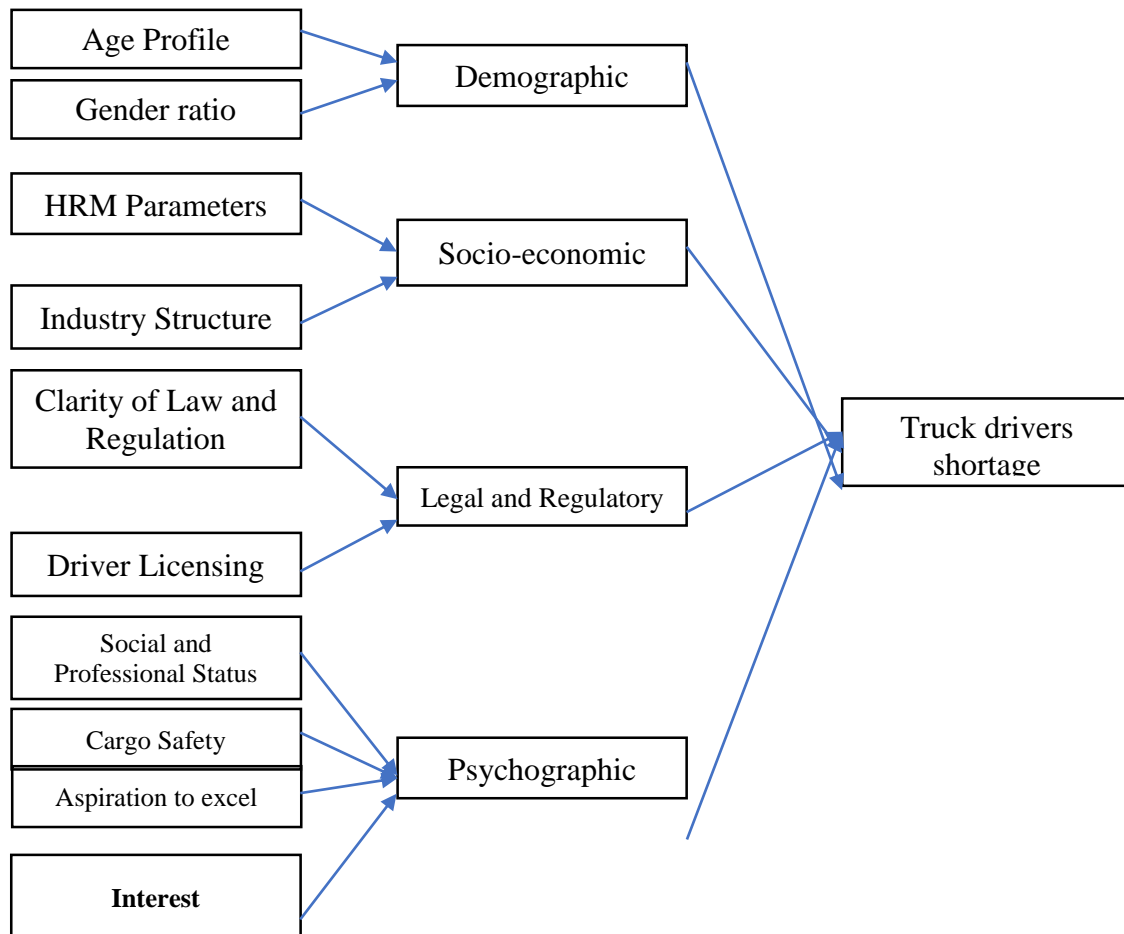


Figure 2: Conceptual Framework for Factors of Truck Driver Shortage in Malaysia

Discussion and Conclusion

Based on the data analysis, there are a few similarity of factors between Malaysia and previous work which include:

1. Demographic
 - a. Age Profile
2. Socio Economic
 - a. HRM parameters (average salary / income, working hours)
 - b. Operating parameters (Frequency of Visiting home.
3. Legal and Regulatory
 - a. clarity of law and regulation
 - b. corruption
 - c. Driver Licensing
4. Psychographic
 - a. Social and Professional Status
 - b. Cargo Safety
 - c. Aspirational to excel
 - d. Sexual well-being and drug addiction
 - e. Interest in the Field*

Interest in the field is one of the factors which is not yet highlighted in any of previous work but appear to be one of the factors leading to shortage of truck drivers in Malaysia. Other factors such as literacy among drivers, adoption of technology, ownership pattern, gender ratio are not mentioned or only mentioned by only one informants.

It is also identified that different factors only appears to different informants, Driver for examples highlighted the factors which causes shortage is in the clarity of regulation, salary issue . For Company owners, they highlighted on age profile, average truck speed, road safety, profit margin. Furthermore, there are three factors which all three group of informants agreed which is salary, frequency of visiting home, profit margin corruption, driver licensing. By looking at this

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information it is important for the future research to consider taking view from specific group of informants. It is also recommended to explore and validate the information with quantitative method.

This study was conducted during Covid-19 is happening, and since there's unstable condition of most industry during this point of time in Malaysia when non-essential industry are not allowed to operate, most company had to put their operation on hold. Therefore, it is expected that the current situation is related to non-essential companies' truck drivers that are probably facing difficulties with their career. However, truck driver companies mentioned that despite of the current situation they still faced the same issue.

Future research can also focus on how to solve this issue. Malaysian government previously had introduced a good vehicle licensing program to encourage more citizens to apply for the license and had produced about 600 drivers throughout the program. The problem is that, the actual numbers of shortage are not available for a proper planning and action by Malaysian government. Thus, industry players should feed a reliable information to the government in order to allow a proper holistic plan for the industry.

One of the factors appeared in this study is about interest of younger generation to join in the industry. It is identified that there are moves to instil interest among younger generations and change their mindset and negative perception about this career. As exposed by informants, some drivers left their higher education degree because of their deep interest to become a driver. Nevertheless, the outcome of this move can only be realised in the future, and there should be more effort and incentives to ensure this ongoing activities sustained and impactful.