'It's hard to cope with GST, weaker ringgit'

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KUALA LUMPUR: School bus operators are likely to increase their fees next year to cope with the weakening ringgit on top of the Goods and Services Tax (GST).

Federation of Malaysian School Bus Operators Associations president Amali Munif Rahmat said the increase in school bus fees was inevitable due to a weakening ringgit as 80 per cent of the spare parts for buses were imported.

"As a result of the weakening ringgit, our maintenance cost has gone up," he told the *New Straits Times*.

"Bus drivers are paying GST for other expenses except diesel. As the end users, the GST incurred is not claimable and we cannot charge GST in students' bus fees."

He advised bus operators that any fee increase must be at a reasonable rate and should only be considered as the last resort.

The average school bus fee is between RM80 and RM120 a month and it is determined by factors, including the area in which the bus operates, the bus facilities available and if customers (parents) are new or existing ones.

"Some bus drivers may charge higher for first-time customers, with different fees for regular customers. It is all up to the bus drivers to set the fees.

"It is up to the parents and the drivers to negotiate and determine the fees for school buses."

With 35 associations under the federation, Amali said its members had been looking at ways to reduce their operational cost.