Rickshaw Taxi Discussion Group

A Summary of Discussions

February, 2013
Below are some of the categories under which discussions have taken place since the setting up of the Rickshaw-Taxi-Thinkers Google group. They summarise and highlight some of the key points under each area, and pose some points for future discussion and critical analysis. The idea behind this is to understand better the things the members agree to be important aspects of the larger discussion surrounding the role of auto-rickshaws and taxis in sustainable urban transport.

1. Hakim Committee Deliberations and Fare Policy Reforms

The Google group network started with discussions on the fare policy for Mumbai, with collective perspectives on auto-rickshaw fares in Chennai, among other cities. Since the Hakim Committee (one-man committee set up by the Maharashtra State Government to look into fare revision for auto-rickshaws and taxis in 2012) was currently deliberating over fare estimation methodologies, there were a large number of ideas detailing issues with formulation of such fares. Some of the questions raised were regarding:

- **Formula for fare estimation**: While most members agreed that scientific methods of estimation were required, there was debate over how to arrive at such a formula. Current methods include cost plus pricing (where all costs incurred are considered, and fare is set to overcome those costs), which is currently in effect in various cities around the world for taxis and auto-rickshaws. The fare is among the most important aspect of auto-rickshaw and taxi travel since it serves as an incentive to the drivers, and a cost of travel for passengers; thereby directly affecting the sustainability of this mode of transport. Fares for services yet to be fully formalized, such as prepaid and shared auto-rickshaws were also emphasized.

- **Factors to be considered when setting fares**: The group discussions centred largely on issues like waiting charges (for when vehicle is stationary), minimum distance travelled (and further, how a minimum distance should be decided). While there has been no unique consensus, it was by and large agreed that these need special consideration while setting up a fare system. Fare revisions and their frequency were also discussed, as they reflect a vital aspect of public policy that affects several stakeholders. The basis for revisions was found to be fuel surcharges, cost of living indices (inflation) and social welfare schemes. These were all understandably to improve returns to the auto-rickshaw driver.

- **Fares in different cities**: A benefit of networks was reaped by understanding how fares are set in different cities in India: Mumbai, Chennai, Coimbatore, and Delhi among others were discussed. These provide crucial information on differing methods of fare setting and how it can aid the methodology debate.

2. Fleet Taxi and Fleet Auto-rickshaws
A topical introduction to the launch of a fleet auto-rickshaw service in Rajkot, Gujarat initiated discussion into how streamlining and/or formalising the auto-rickshaw service might help greatly.

- ‘G-Auto’ was launched on July 13th, 2012 by the Nirmal Foundation, with support from EMBARQ India.
- There were a few call-a-rickshaw services that were set up, such as Rickshawale.com in Mumbai (which ceased operations due to lack of legal provision to allow dispatch services for auto-rickshaws).
- Group members’ opinions mentioned how various advantages of fleet services can be beneficial for strengthening the role of auto-rickshaws in sustainable urban transport. Some of the Taxi Services that were discussed: SharedCab, and Bookmycab.com, with some members voicing their concerns about how far benefits from the setting up of fleet services in Mumbai were applicable to auto-rickshaws as well.
- The disparity between reforms for taxis and auto-rickshaws, fleet taxis, prepaid taxis, sharing-schemes, call-taxis, and dispatch services have shown potential for auto-rickshaws to operate in similar circumstances, since they are both forms of IPT with only vehicular differences.

3. Institutional Reform and Market Regulation

Several political and economic angles of the auto-rickshaw and taxi sector in India have been understood due to posts by members on a variety of issues.

- **Permits:** It has been agreed that the role of owners is often separated from that of drivers, and this begs the question as to what is the best policy for permits: should they be unregulated, allowing free entry to anyone wishing to enter the market (with little or no government intervention), or is it better for the government to cement its current role in urban auto-rickshaw sectors? The ideas put forward in the group suggested a leaning toward the former, with emphasis on how freeing up the “License Raj” for auto-rickshaws will help bring about competition in the industry, allowing economics to weed out issues like poor quality of service, fare refusals and meter tampering.

- **Institutional framework:** For reform to actually impact the service, it is evident that all stakeholders (manufacturers, regulators, drivers, unions, passenger representatives) must resist attempts to dominate the reform dialogue, and work towards attaining a high-quality, professional means of intermediate public transport. Role of Drivers’ unions is yet to be understood fully, and this is something that needs more attention in future discussions regarding the issue. Finally, the infrastructural support needed for efficient running of IPT in India was found to revolve largely around the existence of auto-rickshaw and taxi stands.

- **New services:** There was also some preliminary discussion relating to setting up prepaid auto-rickshaws and share-a-rickshaw schemes, with the general idea of how formalizing these services are needed measures. Despite Hakim Committee recommendations showing inclusion of such services in the overall system, the fares are largely ad-hoc (except for the
Mumbai RTO (West) department, setting shared rickshaw fares). The success of shared-rickshaw services (such as Chennai [Tata Magic]) were also mentioned, whereas issues with operating share autos (such as arbitrary pricing) were also acknowledged.

- **Government Policies**: Success has also come in the form of news that the inclusion of auto-rickshaws in GEF5 (MoUD and UNDP) which is a signal of the sector gaining formal recognition as an important service in urban transport systems. There have also been some efforts in streamlining the service to reflect international standards, such as the proposal to introduce LED board indicators for auto-rickshaws and taxis to show availability.

4. **Entrepreneurship**

Several new enterprises have cropped up recently in the intermediate public transport sector.

- The traditionally informal cycle-rickshaw has seen efforts to organize the service better (EcoCabs, in Fazilka, Punjab by Navdeep Asija).
- Discussions have also benefited from emphasizing efforts to make vehicle design accessibility-friendly for mobility-impaired persons (Access Exchange International by Tom Rickert in San Francisco).
- Eco-friendly auto-rickshaws (battery-operated) and electric taxis have also been identified as useful innovations to bring about an important reduction in emissions, while also understanding the viability of such vehicles for developing markets.
- Throughout most discussions, an underlying point was that establishing links between entrepreneurs and investors would enable scaling up and implementation of efficient auto-rickshaw and taxi services. Additionally, technological innovations in sustainability to reduce environmental impacts were stressed as a crucial way forward for sustainable urban transport.
- Ultimately, user-centric enterprises, such as developing smartphone applications for convenience in the taxicab/auto-rickshaw experience, along with facilitating car-sharing schemes will supplement efforts to improve the services.

5. **Auto-rickshaw and Taxi as Icons**

To highlight further the role of auto-rickshaws and taxis, there have also been posts that portray these services as cultural icons, with value that goes well beyond their choice as a mode of transport. Some of them include short videos, while others look at memorable rickshaw journeys, which signify the attachment of auto-rickshaws to society.

6. **Safety**

Some primary debates on safety were initiated due to EMBARQ India’s efforts to assess the road safety of auto-rickshaws in Mumbai. While safety was also mentioned in other topics regarding the state of auto-rickshaws, there was a useful collection of studies for potential data sources that emerged.
Involvement of different organizations: Entrepreneurs (EcoCabs, Saamaan Foundation, G-Auto, Smart Mumbaikar, Auto Raja, Easy Auto, Bookmycab), Government officials (Deputy RTO Commissioner), Researchers and Consultants (Civitas, Parisar, IDFC) – case for networking, and finding contacts easily with collation of different networks.