

Fare Revision Committee

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| 1. Justice M.Ramachandran | - | Chairman |
| 2. T.Elangovan | - | Member |
| 3. N.Niyathy | - | Member |
| 4. Transport Commissioner | - | Member Secretary |

Report No.32 dated 27-01-2022 (Revision of fares of Stage Carriages)

By letter No.B1/152/2017/Tans.dated 19-09-2017 and G.O.(Rt) No.480/18/Trans.dated 25-10-2018, the Government had requested the Fare Revision Committee to consider and submit recommendations in respect of the demand of the private bus operators for an appropriate revision in respect of the bus charges in the State. Mention had been made about the representations of the Bus Owners Association received by the Government on 08-05-2017.

The Committee had convened meetings of the stake holders from time to time and the last meeting had been held at Government Guest House, Thycaud, Thiruvananthapuram on 14-12-2021.

Mr.T.Elangovan, Member of the Committee, had expressed his inability to attend the last meeting held on 14-12-2021 because of his hospitalization. Mr.N.Niyathy, Member had actively participated in the deliberations and had summed up the substance of the discussions that had been held earlier. In the last meeting, Mr.Antony Raju, Honourable Minister for Transport had also participated in the discussions, at the request of the Committee. He had placed certain suggestions, which were found to be valuable and relevant.

It had been decided by the Committee that an upward increase in the matter of fares (we had only considered about the increase in

respect of ordinary bus services) and had come to a decision that in the matter of minimum charges leviable an increase to Rs.10 was essential so as to facilitate the operators to continue in the industry.

Therefore, we recommend the Government to increase the minimum charge to Rs.10/- from Rs.8/- as is existing. This will be for a journey up to 2.5 kilometers. In respect of rate per kilometer, it is recommended that it may be increased to Re.1 from the existing rate of 90 paise per kilometer. A tabulated statement as to how the increase will work out is appended herewith.

We feel that the impact of such increase may not be burdensome. Stage carriage service is essential to meet the travel needs of general public. Unless a workable return is not being offered, private operators will become reluctant to continue in the industry. It is also to be noted that the Government is the ultimate authority to fix rates of passenger vehicles as also goods vehicles. The fundamental approach to be made, while considering these matters, as stated by the statute, is to ensure the existence of the industry as it constitute an essential service, and if the passenger vehicles are not in operation, the difficulty that may have to be faced by the general public is beyond comprehension.

While recommending these rates, we have taken into account the increased expenditure the operators are compelled to bear because of the hike of fuel prices and all round increase for the maintenance of the vehicle; the wage levels which are mandatorily to be extended to thousands of employees engaged by the industry as also the minimum advantage that is to come to the bus operators, who have been investing large amount of funds for acquiring and maintaining the passenger vehicles plus the return of capital

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employed by them. It is necessary to ensure that the time expended by them also is to be taken notice of as it is a full time avocation for them.

In these circumstances, the increased rates suggested by us, we do not think, is on a higher side, but just fair to both sides so long as the prevailing circumstances in the country are continuing. We note that day by day the stage carriages put on road are dwindling and the number of the commuters has substantially fallen because of the large influx of private vehicles, majority of them being two wheelers.

Simultaneously there was a suggestion made that a flexy rate may be implemented for the night journey i.e. from 8 PM to 5 AM, which may benefit both the bus operators and travelling public. A flexy rate of 40% of the rates prescribed in the matter of running kilometers, through out for night journey is suggested and this may be an arrangement for a limited period and need to be continued only if the result of such an arrangement brought into operation is encouraging. The charges may be levied at the time of issue of the ticket, as night operations may range from 8 pm to 5 am. Feedback received may assist fixation of rates at the time of future revisions.

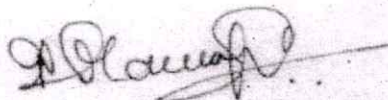
In the matter of students concession, we had been indicating in our previous reports that this burden has put the stage carriage operators to great stress. A concession is to be understood as a reduction in charges, taking note of the special status of the individuals who are availing of this service. Students in general are considered as a community and practice of extending concession is in existence for a long time. The complaint of the stage carriage operators was that the erosion in revenue is great because ineligible persons are claiming concession on the plea that they are students,

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and have no means to pay the normal rates that are levied. We have been recommending, by way of our previous reports, that there should be at least a maximum age bar for claiming concession, as persons who are full time and part time employees, may be able to procure certificates evidencing that they are studying in some recognized institutions. This will, according to us, defeat the underlying principle of concession and we recommend that for claiming concession an upper age limit might be laid down, which according to us, can be completion of 18 years, by which time a person may be able to complete his studies and enter into gainful employment. We have to notice that daily long distance travel concessions might not be relevant as far as a student is concerned.

It is also our recommendation that student concession could be granted on the earnings of their family income, which is based on reliable records. Therefore, we suggest that full fare concession should be limited to students of family below poverty line based on ration cards. The minimum fare for such students is fixed as Rs.5 instead of Re.1. The minimum distance, by paying minimum fare, should be enhanced to 5 kilometers from 2.5 kilometers.

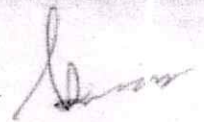
The appended table may be examined to see the impact of the rates we suggest in respect of both categories.



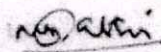
(T. Elangovan)
Member



Transport Commissioner
Member Secretary



(Justice M. Ramachandran)
Chairman



(N. Niyathy)
Member



The fares suggested respectively for general public and students up to 40 km is given below:

Sl.No.	Fare stage in Kms.	Fare charge of public	Fare charge of students	% of fare rate of students over public
1	2.5	10	5	50%
2	5	13	5	46.15%
3	7.5	15	6	40%
4	10	18	7	38.88%
5	12.5	20	8	40%
6	15	23	8	34.78
7	17.5	25	9	36%
8	20	28	9	32.14%
9	22.5	30	10	33.33%
10	25	33	11	33.33%
11	27.5	35	11	31.42%
12	30	38	12	31.57%
13	32.5	40	13	32.5%
14	35	43	13	30.23%
15	37.5	45	14	31.11%
16	40	48	14	29.16%
			AVERAGE	35.66%

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