

# REPORT ON CENSUS OF NMT PULLERS AND OWNERS IN CORRIDOR 2

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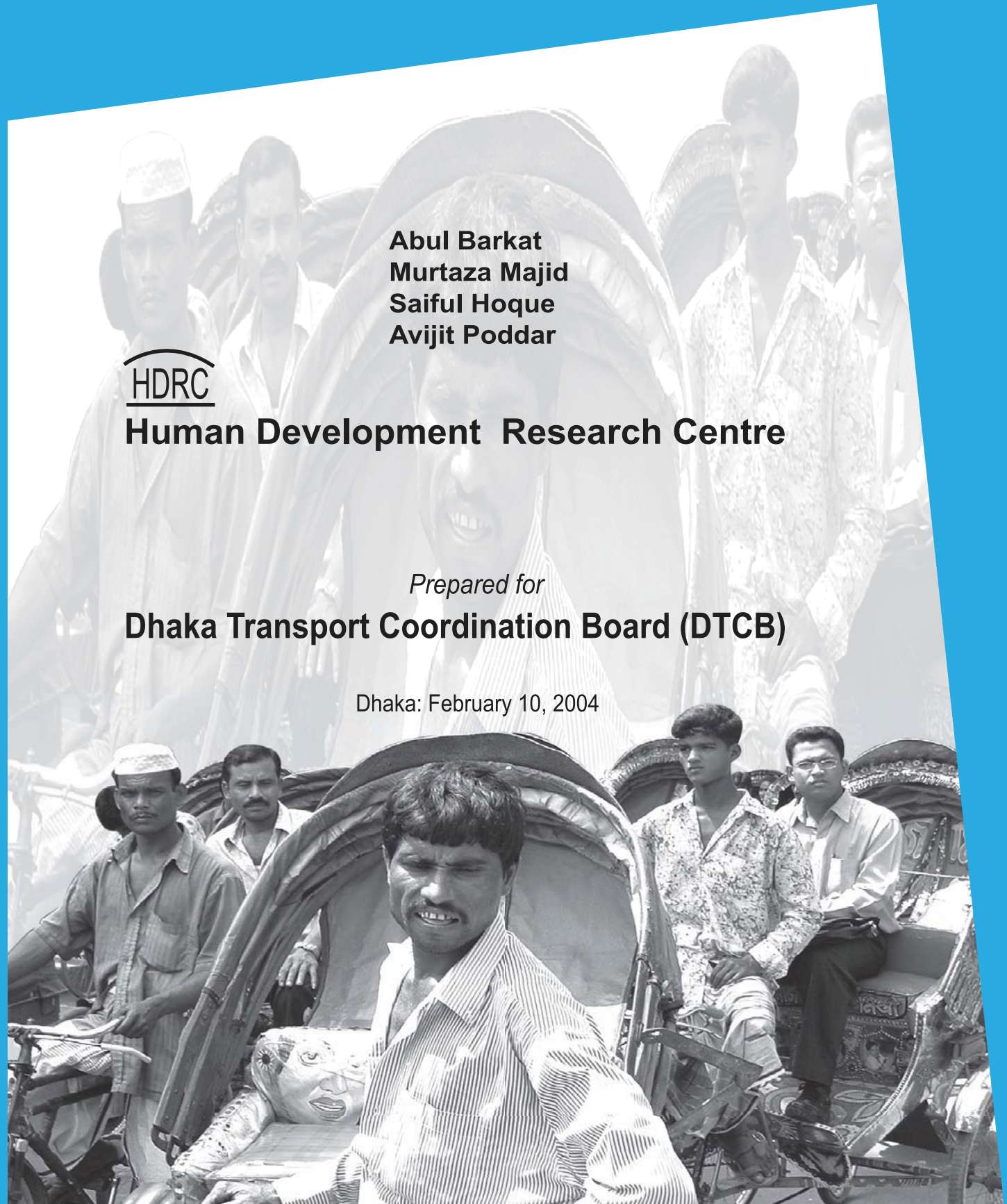
HDRC

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# ***Executive Summary***

## **Census Rationale**

The Dhaka Transport Coordination Board (DTCB) has identified ten major corridors in Dhaka city to be transformed into NMT free corridors. After the withdrawal of NMT from the first corridor, the Mirpur Demonstration Corridor, the DTCB launched a study (known as *After Study*), to identify the impact of NMT withdrawal on NMT pullers, owners and users. *After Study* revealed that NMT withdrawal leads to a significant degree of hardship among the NMT pullers and their family members; and also causes a loss of income and scope of business to NMT owners along the corridor. Most NMT pullers resort to this occupation because of lack of alternative source of employment. This group is likely to be caught into further hardship as a result of expansion of NMT withdrawal program without well-designed alternative employment generation programs.

In response to such appreciation, the DTCB has decided to launch a Support Assistance (SA) program in order to minimize the extent of possible adverse effect of planned NMT withdrawal on NMT pullers and owners. In view of the distinct dearth of reliable information, it is important to have reliable information on the NMT pullers and owners living along the corridor before actual withdrawal in order to target possible assistance to *bona fide* affectees. Keeping this in view, the accompanying census was undertaken in Corridor 2 to identify these two groups of potential affectees (pullers and owners) due to NMT withdrawal in the current phase.

## **Census Objectives**

The broad objective of the census was to identify and assist selection of NMT pullers, along Corridor 2, eligible for support assistance (SA), and also to assist develop the need-based SA package. In line with the broad objective, the specific objectives of the census were as follows:

1. To estimate the actual number of NMT pullers in Corridor 2.
2. To establish a database of eligible NMT pullers.
3. To identify existing skills of NMT pullers and their needs for developing SA package.
4. To identify owners who live in this area who would be affected directly from the NMT free conversion of corridor 2.
5. To review and develop eligibility criteria for selection of pullers for SA.

## **Methodology and Implementation**

The census covered all the NMT pullers and NMT owners along 1 km of both sides of Corridor 2, in the areas where the pullers reside and/or garages located. The census locations were as follows: (i) Rayer Bazar, (ii) Kamrangir Char, (iii) Hazaribag, (iv) Lalbagh, (v) Kantabon, (vi) Shahidbagh, (vii) Azimpur, (viii) Nilkhet-Babupura, and (ix) Kanthal Bagan – Kala Bagan.

Information on the following were obtained: individual puller's name, age, parents' names, complete present residential address and permanent address, wife's name, educational status, average daily income, income beside NMT, number of household members, availability of other skills (puller), ownership of selected assets (land, house, rickshaw), and some select information.

Two census questionnaires (one for puller and the other for owner) were developed in close consultation with DTCB and the World Bank. These were field-tested, finalized, and approved for implementation.

The census was implemented by Human Development Research Centre (HDRC). All NMT garages, and pullers and owners in the nine census locations were identified in Maps. A detailed data base was developed. To accomplish the census work (in addition to the core team of experts), a total of 91 field staff were deployed by HDRC: 63 census enumerators, 9 census enumeration supervisors, 9 Quality Control Officers (1 for each census area), and 10 census assistants for mapping work. The census enumeration was conducted in September 2004.

### **Census Findings: Overall**

The census identified a total of 16,297 NMT pullers and owners distributed as follows: 14,498 pullers with 13,781 rickshaw pullers, 652 van pullers and 65 pushcart pullers; 1,799 owners living in 9 census areas (within the stipulated boundary), and 9,715 rickshaws along the corridor. This implies that 95% of the NMT pullers are rickshaw pullers. Therefore, NMT pullers are synonymous to rickshaw pullers. Based on the above data, it would be worthwhile to work out the following ratios in corridor-2: owner – puller ratio: 1 : 8; rickshaw-puller ratio: 1:1.4 (i.e, about 3 pullers against 2 rickshaws); and owner – rickshaw ratio: 1 : 5.4.

### **NMT Pullers**

NMT pullers in Corridor 2 have originated from 63 districts of Bangladesh i.e, all the districts except Rangamati. About 70% of the pullers have originated from 20 river erosion prone districts.

The mean reported age of the pullers is 32 years. About 63% of the pullers are below 35 years of age. About 9% pullers are 50 years and above age (elderly/older people), and 7% are adolescents (age upto 19 years) – both are unacceptable from both physiological and ethical grounds. These two categories of rickshaw pullers comprising 16% of the total merit special consideration in the support assistance package.

The absolute majority of the rickshaw pullers, 59.5% are illiterate. The reported average years of schooling is only 2 years. About 9% pullers reported 8 years and above level of schooling.

The average family size of pullers is 4.48 persons. About 74% of the pullers have 4 and above family size; 47.2% have 5 and above family size; and 20.8% have 6 and above family size.

Eighty-six percent of the pullers have reported having some basic skills other than NMT pulling. One-third of the pullers have some skills related to agriculture; 6% have skills related to MT (5.4% knows driving). Around 32% have reported of having petty trade related skills, who could be the potential candidates for the micro-credit assistance under the SA package.

The census data depict that 16.2% of pullers have no asset at all: about 81% have own house in village home, 49% have some land in village home, and 9% have own rickshaw.

The reported average monthly family income of pullers is Tk.4,100. About 96% of pullers family earn less than Tk.7,500 per month, which means these families, according to the poverty measure used by the United Nations Millennium Development Goals (MDG), are living below the poverty line (less than US \$ 1.00 or Tk.56.00 per person per day). Because of this already high extent of poverty among the pullers and possibility of further deterioration

due to NMT withdrawal it would be essential to address the multidimensional costs (economic, social) of this displacement in the support assistance package.

More importantly, in the puller family, on average, 84% of the family income comes from NMT peddling. The average duration of the NMT pullers in the occupation is 9 years. It is a matter of much concern that about 38% of the pullers have reported to be in the occupation for the last 10 years or more. Ten years or more on the wheel or on the leg for pushing cart is inhuman – both physically and ethically. Therefore, it is suggested that among other vulnerable categories, these 38% pullers who are already in the occupation for 10 years or more should get high priority in the rehabilitation scheme (SA package).

### **NMT Owners**

The census has identified 9,715 rickshaws in Corridor 2 with 1,799 owners. Owners have originated from 59 districts. Like the NMT pullers, a high proportion of owners have also originated from the river erosion prone areas.

The average size of owner family is 4.87 (against 4.48 among pullers), which corresponds to the national average reported in the Population Census 2001. While the rickshaw pullers represent a more or less homogenous category in terms of economic status (majority are poor), the rickshaw owners are not homogenous as economic group. There is a distinct rich-poor divide among the rickshaw owners. While 79% owners own only 23% of all rickshaws (average ownership being 1.5 rickshaws) 21% owners own as much as 77% of all rickshaws (average number of ownership being 20 rickshaws). Two-thirds of the rickshaw owners who own upto 2 rickshaws are also poor from income point of view, and these owners are most likely to be hard-hit due to the NMT withdrawal.

More than 97% owners perceive that they will be affected due to NMT free conversion of major corridors. However, degree of affectedness according to them, will vary: over 50% owners have informed that their income will be reduced by 26% to 50%; another 30% believe that they will either lose all or more than half of their income.

The average monthly family income of the owners is Tk.7,428. Using Tk.7,500 monthly family income as the cut off point for poverty, 74% of the owners could be termed as poor, and this category will most likely be hard-hit due to the NMT withdrawal in the corridor.

### **Support Assistance Package: Pullers Eligibility Criteria and Relevant Issues**

The DTCB has proposed a preliminary SA package for the pullers with the following three strategies alongwith the criteria for each:

1. **Emergency Asset Transfer (EAT):** A financial assistance of Tk.5,000 each to elderly and vulnerable NMT pullers based on some criteria agreed upon by DTCB and the sponsoring agency (e.g., age over 50 years, household dependents more than 6, no asset or savings). Such pullers could thereafter be encouraged to return to their respective villages. Estimates based on the census data show that only 0.4% of the pullers will meet the criteria.
2. Targeted **microcredit and enterprise training support (METS):** Up to Tk.10,000 for each eligible puller. Census data show that 32.3% of the pullers will be eligible for METS.
3. Targeted **skill development, microenterprise and job placement support (SDMJPS)** to eligible pullers (proposed criteria: less than 35 years of age, having 8 years of schooling and some basic skills, household dependents less than 4). According to census data, only 0.2% of the pullers will meet the criteria set for SDMJPS.

A careful scrutiny into puller's and owner's data base reveals that almost all the NMT pullers and a large part of the NMT owners will be affected as a result of conversion of major corridors NMT free. On the other hand, as the *After Study* has shown, commuting environment cannot be improved if the MTs and NMTs ply in the major corridors. Moreover, there is a regular influx of people engaged in NMT pulling occupation. *After Study* has also shown that NMT plying is a last resort occupation. It appears that the problem should be addressed in a holistic manner at the root level along with rehabilitation program for those who are already involved in NMT related occupations.

Various simulation exercises can be done regarding the amount of finance needed to implement a specific SA Package using the Census database of Corridor-2. A simple exercise of such simulation for the pullers is presented below:

Package definition/eligible pullers	# beneficiaries (out of total 14,489 pullers in Corridor-2)	Fund needed (in Tk.)	
		Variant 1	Variant 2
<b>Package 1: Emergency asset transfer (EAT) (Tk.5,000 each)</b>			
- Age 50 yrs and above (disregarding all other characteristics)	1,226 (8.5% of total)	61,30,000	110,15,000
- Age 45 years and above (disregarding all other characteristics)	2,203 (15.2% total)		
<b>Package 2: Targeted microcredit and enterprise training support (METS) (Tk.10,000 each)</b>			
- Pullers having skills suitable for microfinance	4,639 (32% of total)	463,90,000	463,90,000
<b>Package 3: Targeted skill development, micro-enterprise and job placement support (SDMJPS) (Tk. 8,500 each)</b>			
- Pullers below 35 years of age (disregarding all other characteristics)	9,093 (62.7% of total)	772,90,500	772,90,500
<b>Total fund needed (in Tk.)</b>		<b>129,810,500*</b>	<b>134,695,500*</b>
<b>US \$ (US \$ 1 = Tk. 59)</b>		<b>2.2 million</b>	<b>2.24 million</b>

\* Note: Implementation and administrative cost is not included in the estimation.

Based on the analysis of the DTCB suggested preliminary criteria for support assistance package (SA Package) substantiated by the census data, as well as the outcome of the simulation exercise, the following two suggestions are forwarded:

1. The specific criteria for each strategy in the support assistance package (EAT, METS, SDMJPS) need to be re-fixed and decided upon to ensure smooth rehabilitation of the affectees (NMT pullers and owners) due to the NMT withdrawal in the corridor.
2. Before implementation of any support assistance package it would be essential to know the opinion (ideas, suggestions) of the relevant pullers and owners about the content and *modus operandi* of the proposed SA package.

### **Utility of the Census Data-base in Designing and Implementation of SA Package**

The census database contains information for both the pullers and owners on all relevant key indicators related to SA package design and implementation. The census database is presented separately by 15 different areas with separate data base for pullers (rickshaw, van, pushcart) and owners.

The accompanying census database will be of high utility for the DTCCB in simulating different possible support assistance packages, and in identifying the most practical and implementable package (after having a qualitative study as suggested) which will facilitate the process of withdrawal of NMTs from Corridor 2. These information would also be helpful in the planning process for conversion in other major corridors. In addition, the seven area maps will be useful, at least, in two ways:

1. To understand specific geographic location and concentration of rickshaw garages (garages are numbered numerically with number of rickshaws by garages); and
2. To implement the support assistance packages based on the location of garages (over 90% of the NMTs are available in those garages).