

# Sri Lanka: Wheels coming off taxi industry

Friday 20 May 2022, by [CHAMARA Sumudu](#) (Date first published: 19 May 2022).

## The fuel crisis impact on three-wheeler and cab drivers' livelihoods

To most Sri Lankans, hailing a taxi to commute to work has become an arduous and frustrating task, and exorbitant taxi fares have compelled them to think twice about taking a taxi even if they could find one. With the lack of the availability of public transport services, those who do not own a vehicle are facing massive transport-related issues, which consequently affect their personal and professional lives.

However, it is not only the passengers that are affected by this situation; taxi drivers themselves are struggling to do their jobs, as the lack of fuel has limited their ability to take on hires and hampered their livelihoods.

To look into how this crisis is affecting the taxi industry, especially three-wheelers and cabs, *The Morning* spoke to taxi drivers.

## Fuel shortage and taxi shortage

L.C. Ratnayake, a 44-year-old taxi driver, told us that the prevailing fuel shortage is affecting the industry even more drastically than the fuel price hikes.

"I am not saying that the rapidly increasing fuel prices are not an issue. However, if you ask me for the one factor that most affects the taxi industry, I would say it is the shortage of fuel. Increasing fuel prices are an issue; however, this is manageable to a great extent. If fuel prices were increased by Rs. 100 today, we can increase taxi fares tomorrow to reflect the increased cost, although it is another matter as to whether that will affect the number of people obtaining our services. Still, it is manageable because there is something we can do about it.

"However, when it comes to the fuel shortage, there is no way for us to reduce its impact on our industry. We do not have any option but to obtain fuel from fuel stations, and we have to wait until whatever time fuel is distributed to fuel stations."

Ratnayake opined that unlike in the case of increased fuel prices, fuel shortages do not really warrant a fare hike to compensate for the time taxi drivers lose at fuel stations.

"Even though further fare hikes are necessary, we cannot increase taxi fares merely because we have had to spend hours in queues at fuel stations, because it is not a direct cost, and I personally think that it is not right to put the burden of the Government's incompetence on our customers," he explained, opining that even though having to spend an unreasonably long period of time at fuel stations to obtain fuel is neither the fault of the customers nor of taxi drivers, at the end of the day, someone has to pay for it, and that the Government, however, is unlikely to compensate taxi drivers for the time they lose.

Moreover, he explained how having to spend a long period of time in queues at fuel stations is

affecting the lives of taxi drivers and the industry: “We as taxi drivers have started questioning as to whether there is any point in continuing the taxi industry in the prevailing circumstances. Our job has become a mere act of survival, which we do because we do not have any other option to make ends meet. Each day, if there is fuel at fuel stations in and around my hometown, I spend somewhere between three to six hours in line to fuel up. There are times that I have spent almost 12 hours in fuel queues. The amount of fuel we can get is also limited. The most tragic part is that after spending half of the daytime to get fuel, we only have a few hours to actually do our job. How can an industry continue like this?”

Noting that there are also limitations with regard to the number of hires and the travelling distance taxi drivers can agree to due to the fuel shortage, Ratnayake added: “Unlike before, we cannot get fuel from any fuel station at any time we want, and we certainly do not want our vehicle to stop in the middle of nowhere with no way of getting fuel.”

Meanwhile, another taxi driver, who did not wish to be named, explained how the prevailing situation has affected the quality of life of his family.

“If the prevailing situation continues, I will have to either steal or beg to provide my family at least one meal a day. Even now, I am close to that point. I have only two meals a day, and most of the time, it is just rice and one or two curries. Sometimes, it is a piece of bread with one curry. I have three more members in my family who depend on what I earn, and keeping food on the table for them is also my duty.

“Food is just one issue. I have to take my wife to an Ayurvedic doctor once a week because she cannot walk properly due to an accident. However, taking her to the doctor has also become difficult because I have to spend around four to five hours every morning to obtain fuel. If I want to take my wife to the doctor, I cannot stay in the fuel queue. If I decide not to stay in the fuel queue and get fuel, I cannot do my job, and I will not have any money for my wife’s treatments. I cannot afford another taxi for her to visit the doctor, and therefore, it is not an option.”

He stressed that under these circumstances, making more money is necessary, and that he would do anything to make money to ensure that his family survives the economic crisis.

“This is not just my situation. Many in the taxi industry are going through similar hardships. Several I know have already left this industry, and have moved to various areas to engage in farming and sand mining activities because those vocations are becoming profitable,” he further explained.

With regard to further fare hikes in order to cover the costs borne by taxi drivers, Yasas Anuradha Kumara, another taxi driver, said that even if it is possible to increase taxi fares to any amount that the taxi industry deems necessary, further fare hikes will not be the solution to the plight of the taxi industry, because such steps would lead to a number of other issues.

“Increasing taxi fares is not difficult. The issue is whether customers would pay that amount. Taxi fares were increased twice during the past three months, and it has already resulted in the reduction of a considerable number of customers. We can keep increasing taxi fares. However, at some point, customers will stop using taxi services because they cannot afford any more fare hikes. As a matter of fact, due to the fare hikes during the past three months, customers have stopped giving tips as usual. They are very careful about their balance too. If we had to round up the fare due to not having change, they ask us to reduce some amount from the fare, as opposed to paying a few rupees more,” he explained, adding that he does not blame customers because they too are affected by the rising prices of every single good and service.

He suggested that the Government has to come up with some kind of strategy to ensure that taxi drivers can provide, and customers can obtain, taxi services for an affordable fare during the prevailing crisis situation.

### **Governmental intervention**

Several taxi drivers told *The Morning* that under the prevailing dire situation, they feel the Government must initiate a welfare programme for taxi drivers, and claimed that the failure to do so within a reasonable period of time will lead to the collapse of the taxi industry, which will affect all other daily activities that require taxi services.

One taxi driver, who refused to mention his name, said: "A large number of day-to-day activities including small- to large-scale business activities and commuting to work, depend on taxi services, and therefore, failing to save the taxi industry is tantamount to ignoring the survival of a lot of other economic activities.

"The Government and the people must understand the importance of the taxi industry. Not everyone can afford to purchase vehicles, especially in the current context where vehicle prices have gone up significantly, and public transport services are not punctual or adequate. Taxi services are the main mode of transport of a considerable segment of the population."

He stressed: "There is no future for the country's economy without taxi services, and the Government must therefore prioritise taxi services along with all other essential transport services."

One way of prioritising taxi services, according to him, is ensuring an uninterrupted fuel supply for taxi services, especially those engaged in providing transport services for essential services, commuters, and businesses providing food and health-related goods and services. Further, providing a fuel subsidy or providing fuel on credit to all taxi drivers until the prevailing fuel shortage is resolved could help the taxi industry survive the economic crisis, according to him.

Expressing similar opinions, R. Chandana Jayalath, another taxi driver, said that at the very least, the Government should increase the amount of fuel taxi drivers are allowed to obtain from fuel stations.

He added: "The Government should identify taxi services as an essential service, and provide the benefits and recognition that the other essential services are entitled to. Most importantly, taxi services, at least those transporting people who have to report to work during curfew, should be allowed to operate during the curfew. Taking such measures will keep both the taxi industry and other sectors that require taxi services afloat."

Taxi services, especially three-wheelers, have remained one of the main modes of transport of people of all social strata for a long time. However, according to those who spoke with *The Morning*, despite the demand for taxi services, the industry is now on the brink of total collapse, and with that, a number of other sectors that use taxi services on a daily basis will be severely affected.

While the Government is trying to obtain and provide as much fuel as possible, the provision of fuel has become a massive challenge with the dwindling foreign reserves available. However, how long taxi services can continue to survive if the present situation does not change is a question. What the Government does to save the taxi industry is a big issue that requires urgent attention.

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