

Motorized Tricycle Transportation Business in Catanduanes

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Abstract: This study presents the motorized tricycle transportation business in Catanduanes in 2014 and assumed its operation succeeds well and there are problems encountered. Descriptive method of research was utilized with the questionnaire as the main instrument in gathering the data. Respondents of the study consisted one fourth of the total population. Stratified random sampling was adopted. Frequency count, percentages, mean and rank were among the statistical tools used in this study. Result of data analysis disclosed that a typical motorized tricycle operator is a male; married; 30-49 years old; either college undergraduate or high school graduate; and gainfully employed; operators of motorized tricycle hire one worker usually a driver; with one tricycle unit; initial capitalization is relatively low usually used to pay for downpayment of the unit as well as purchase of sidecar; operators are relatively poor and with fairly adequate income from motorized tricycle operation; most popular mode of division of income was boundary system where the driver gives the operator a fixed sum of money for each day of trip; the economic status of the respondents improved as well their social status improved also; Rationale were afforded as problems in the business such as extension of hours of being on the road; stiff competition; high cost of spare parts; gasoline; oil; others; strict enforcement of routes; inconsiderate operators; and corrupt LTO personnel. Recommendations were offered on how to give fair share in the income from motorized tricycle operation; for motorized tricycle operators to improve their socio-economic conditions; to provide solution to their problems; propose detailed plan intended to provide standard procedures for policy decision making, within the perspective of the Local Government Unit, Land Transportation Office, Department of Transportation and Communication to the motorized tricycle operators; motorized tricycle operators should at least put up a tricycle operators' cooperative in their municipalities and the routes to future research were identified.

Keywords: Catanduanes, motorized tricycle, transportation, business.

1. INTRODUCTION

Transportation is the conveyance of persons or property from one place to another. It has always been an important activity of people, from the most primitive to the most advanced stage of their development. The need for conveyance of goods arises from the fact that they are often produced in one place and desired in another. The transportation of persons arises from the need of individuals to go from one place to another to satisfy some need, whether in connection with business or related to social, cultural, or recreational interests .

In Catanduanes where majority do not own any form of transportation, people rely on motorized tricycle in transporting from one place or another. In a census conducted by the National Statistics Office Virac, 85% of its people are being served by motorized tricycle.

It is in this respect where the need to assess the motorized tricycle transportation industry become imperative. This study therefore will try to find out whether motorized tricycle transportation industry is a business worth venturing in.

Objectives of the Study:

This study assessed the motorized tricycle transportation business in the Province of Catanduanes. Specifically, it sought answers to the following sub-problems:

1. What is the profile of motorized tricycle operators in Catanduanes?
 - a. Personal
 - b. Business
2. What are the benefits derived from motorized tricycle operation in Catanduanes?
3. What are the problems encountered, if any, of motorized tricycle operators?

This study centered on the motorized tricycle transportation business in Catanduanes. Only those units registered with the Land Transportation Office (LTO) in 2014 were included in this study. Motorized tricycle transportation business was looked into in as much as in the Catanduanes this can be a profitable business venture due to the large number of people relying on this means of transportation. Catanduanes has relatively high demand for transportation particularly in the capital town of Virac and the neighboring town of San Andres brought about by concentration of national and local government offices as well as educational institutions. As previously mentioned, 85% of the population depend on motorized tricycle as a means of transport.

Motorized tricycle operation is one of the most remarkable, descent and chief means of transportation in the Province of Catanduanes. It is also one of the major sources of livelihood for low-income earners and unemployed people. Likewise, it is a form of inexpensive, safe and convenient transportation available in rural areas since it can operate economically where poor road conditions and low passenger traffic density make jeepney and bus operation impractical and uneconomical. As such, a study of this nature is imperative.

Foremost to derive benefit from this study are the motorized tricycle operators in the province. They would be provided with the data on the financial operations. The data on the sharing system would also enlighten them on whether the system they are adopting is fair to both the operator and the drivers. The income they will earn from this business will uplift their socio-economic condition in our society.

The motorized tricycle drivers will also be guided by the records of their daily transactions, and their daily income will eventually help them to elevate them from poverty and thereby improving their socio-economic situation in the community.

The Land Transportations Office (LTO) would also get benefit from the results of this investigation. The aspects on the problems encountered by motorized tricycle operators specifically on government laws and regulations would serve as an eye-opener in the formulation and implementation of policies, rules, and regulations.

The Local Government Units (LGU's) would be provided with data on the viability of motorized transportation industry and thereby allocate some budget to fund this industry. In the end, this would partly solve unemployment and would help in alleviating poverty among the masses.

Prospective investors would also gain benefit from the results of this study. These investors would be provided with data on the profitability and/or viability of motorized tricycle transportation business in Catanduanes.

The Economic situation of Catanduanes. This will spur the economy and economic growth in many ways, increasing the customer base for a range of services. Results of this study would also contribute to existing knowledge on motorized tricycle transportation business. This can also serve as a benchmark data for future researchers in the fields of business management.

The general riding public and majority of isolated residents will be provided access to economic and community activities such as employment, education, health services, social services, shopping and entertainment.

2. CONCEPTUAL FRAMEWORK

Motorized tricycle transportation in Catanduanes needs to be studied in order to determine its prospects for the next years. Assessment and evaluation is imperative since it will determine whether this type of business is worth venturing into. Assessment and evaluation ranges from analysis of the personal profile of the operators, analysis of the business profile like capitalization, income derived from its operation, the sharing system, the mode of acquisition and still many others.

Similarly, problems that might be encountered in the course of its operation must be determined. One of the problems is competition. The Philippine business system is advocating competition in an open market. Thus, the operator should try

to analyze this aspect. Other problems include human resources problems, adherence to government laws and regulations and the financial problems that operators might encounter.

Once this aspect of the business are identified, prospects of the motorized tricycle transport business can be likewise determined. If found to be viable it will result to a sustainable growth in the business.

3. METHODOLOGY

This study is a descriptive-evaluative type of research. It is a descriptive type since it is concerned with describing the characteristics of the population. In this study, it surveyed the profile of operators and motorized tricycle transportation business in Catanduanes. It is also an evaluative type since it determined the worth, merit or value of existing program. Through evaluation, decisions can be made for improving, maintaining, rejecting or replacing the focus of the evaluation to make it more effective and efficient.

This study had a total population of 1,234 comprising of tricycle operators in Catanduanes. These operators were registered with the land transportation office as of calendar year 2014. The breakdown of the respondents is shown in table 1.

Table 1 Population of the Study

Municipality	Registered Tricycle Operators	Sample Size	Retrieval	Percentage
Bagamanoc	10	2	2	100.0
Baras	15	4	4	100.0
Bato	14	9	9	100.0
Caramoran	9	2	2	100.0
Gigmoto	4	1	1	100.0
Pandan	5	1	1	100.0
Panganiban	6	2	2	100.0
San Andres	30	8	8	100.0
San Miguel	35	9	9	100.0
Viga	8	2	2	100.0
Virac	1,072	262	262	100.0
Total	1,234	302	302	100.0

The tricycle operators and operator-driver of motorized tricycles in Catanduanes comprise the respondents of this study. The tricycle operators specifically answered the profile as well as the profile of motorized tricycle transportation business in Catanduanes in terms of number of employees, number of tricycle units, initial capitalization, mode of acquisitions and others. The operators will also determine the benefits they derived from tricycle operation. However, in terms of the problems encountered in the operation, both tricycle operator and driver will be requested to provide the answers.

The names of the motorized tricycle operators were taken from the list available at the land transportation office, Virac, Catanduanes. This list will be taken in order to identify the operators registered with the LTO. Due to the relatively big population, stratified random sampling method will be utilized. Stratified random sampling is a method of selecting samples in such a way that specific sub-groups (strata) will have a sufficient number of representatives within the sample to provide sample numbers for sub-analysis of members of these sub-groups. Stratification will be by location or municipality.

In doing so, the researcher first identified the motorized tricycle operators in Catanduanes from the file available at the land transportation office. These operators will be listed by municipality. After the total population is determined, the sample size will be calculated using the slovin formula for determining sample size. The total sample size will be proportionately distributed over the different municipalities of the province. This is to avoid the possibility of getting samples another stratum. In order for this method to become valid and effective and bias-free, random sampling will also be utilized.

A questionnaire was prepared intentionally to gather the data needed for this research. Documentary analysis was also employed in gathering the data on the list of registered Motorized tricycle in 2014 at the Land Transportation Office.

Descriptive statistics were used in summarizing the data gathered (i.e., simple frequency, percentage, and rank).

4. RESULTS AND DISCUSSION

1. a. A typical operator is a male, married, 30-49 years old, and either college undergraduate or high school graduate. Operators were gainfully employed.
- b. Operators of motorized tricycle hire one (1) worker usually a driver, with one (1) tricycle unit. Initial capitalization is relatively low usually used to pay for downpayment of the unit as well as purchase of sidecar.
2. Operators are relatively poor and with fairly adequate income from tricycle operation. The most popular mode of division of income was boundary system where the driver gives the operator a fixed sum of money for each day of trip.
3. Extension of hours of "being on the road", stiff competition, high cost of spare parts, gasoline, oil and others and strict enforcement of routes hampered the operators' chances of getting higher income.
4. Inconsiderate operators, high cost of capital, stiff competition, high cost of spare parts, gasoline and others and corrupt LTO personnel, no proper recording were among the problems of drivers and operators in the operation of tricycle.

5. RECOMMENDATIONS

1. The boundary system should be relaxed such as that drivers be given a fair share in the income from tricycle operation.
2. Lending institutions should not be too inflexible in providing credit to tricycle operators. Lighter terms provided to them to give them a chance to own more than one tricycle units for their business. This in effect will improve their socio-economic conditions.
3. Operators and drivers should be at close watch on corrupt LTO personnel. They should be reported to proper authorities concerned to prevent them from further doing malpractices.
4. Tricycle operators should at least put up a tricycle operators' cooperative or association in their own municipalities.
5. Operators should acquire knowledge in proper record keeping of their daily transactions.
6. Further studies may be conducted along the following areas:
 - a. Detailed feasibility study of tricycle operation in Catanduanes
 - b. Jeepney operation in Catanduanes

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